FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

THIS IS THE BEGINNING OF MUR # 3181

DATE FILMED 5-28-86 CAMERA NO. 3

CAMERAMAN JMN

0004717

Barbara-Rose Collins

For CONGRESS COMMITTEE

2256 Leland
P. O. Box 07167
Detroit, MI 48207

(313) 832-1450

MUR 3181

November 19, 1990

Executive Campaign Committee
Atty. Sharon McPhail
Campaign Chairwoman
Sally Dean
Treasurer
Jewel C. Ware
Campaign Mgr.
Nabil Leach
Field Coordinator
Versa Richardson
Campaign Office Manager
Don H. Barden
Finance Chairman
Gus Dowels
Finance Coordinator
Ted Molesworth
Finance Coordinator
Anthony Carver
Literature Coordinator
Helen Wright
Literature Coordinator
Annette Rainwater
Activities Coordinator
Ethel Suttice
Chm. Fund Raising Comm.
Cassandra Smith-Gray
Chm. Women's Comm.
Sandra Kent
Co-Chm. Women's Comm.
Cara Curry
Co-Chm. Women's Comm.

Campaign Advisors:
Mayor Coleman A. Young
Rev. Albert B. Cleage, Jr.
Rev. Obie Matthews
Eastside Coor.
Rev. John Payne
Westside Coor.
Bishop P. A. Brooks
Bishop Grover Wimbley
Rev. Andrew Merritt
Rev. Wendell Anthony
Rev. Gary Douglas
Rev. Charles Ransom
Rev. Gregory G. M. Ingram
Rev. Robert Grant
Imam Nadir Ahmad
Imam Dawud Abdul-Alim
Imam Abdullah El-Amin

Church Liasons:
Hattie Kirk
Robbie McCoy

Supporters: (Partial Listing)
Hon. Adam Shakoor
Deputy Mayor
Sen. David & Mrs. Avis Holmes
Gill Hill
Council Pres. Pro Tem
Clyde Cleveland
Councilman
Nicholas Hood Sr.
Councilman
Jack Kelley
Councilman
Carolyn Cheeks Kilpatrick
State Rep.
Morris Hood Jr.
State Rep.
Arthur Blackwell
Chm., Wayne Cty. Comm.
Bernard Kilpatrick
County Commissioner

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

Subject: Complaint Against Barbara-Rose Collins, Candidate and the Collins for Congress Committee

Dear Counsel:

I wish to file a complaint against Barbara-Rose Collins, Candidate and the Collins for Congress Committee, regarding violations of Federal Election Commission Regulations on loans received July 16, 1990.

1) Ms. Collins received loans totaling $75,000,00 from First Independence National Bank of Detroit as personal loans. Some of the funds were intended to be used to help defray cost of the Primary Election for Congress and some for personal use.

2) Because the loan was a personal loan from the bank to Barbara-Rose Collins, Ms. Collins did not consider the guarantors of the loans to be obligated to any monetary repayment of loans nor did she feel that it should be stated as a Campaign loan because it was made to Barbara-Rose Collins and not to the Campaign Committee. No other signatures appeared on the loan papers as Co-signers (See enclosed loan papers).

3) At the time of receipt of the loans Ms. Collins was absolutely unaware that the loans were in violation of FEC regulations. She had no intentions of violating any of the FEC regulations nor any intentions of causing anyone else of violating FEC regulations.

RECEIVED FEDERAL ELECTION COMMISSION 90 NOV 26 AM 11:59

RECEIVED FEDERAL ELECTION COMMISSION 90 NOV 26 PM 3:00

RECEIVED FEDERAL ELECTION COMMISSION 90 NOV 26 PM 3:00

(Supporters Con't. on Back)

Paid for and Authorized by Collins for Congress Committee, Sally Dean, Treasurer

4) After conferring with the Federal Elections Commission in July, 1990 the reported loans were amended at the request of the Federal Elections Commission stating the loan was to the committee with the source being First Independence Bank and listing Barbara-Rose Collins as the endorser.

5) On November 13, 1990 Barbara-Rose Collins was informed that her loan might be a violation of the Federal Elections Commission regulations due to the fact that a loan is considered a contribution until re-paid in full and all guarantors of the loans were obligated to repayment if Ms. Collins defaulted. Ms. Collins was not aware that any guarantors other than herself and the committee were obligated to repay the loan if she defaulted.

6) Barbara-Rose Collins, not wising to be in violation of the Federal Elections Commission regulations immediately took steps to correct the situation by proceeding to repay the bank loans in their entirety. The total balance of the loans were paid-in-full on November 15 & 16, 1990. Attached are letters from the bank as verification of payment in entirety.

7) Although, the loans are paid off and therefore cannot be considered as campaign contributions by the bank and/or guarantors, Barbara-Rose Collins and the Collins for Congress Committee did not rectify the violations within the 60 days required by FEC regulations.

8) This letter serves as a formal complaint by Barbara-Rose Collins, Candidate and the Collins for Congress Committee for not correcting the violation within 60 days of receiving the loans.

I would like this complaint to go on record and to be informed if any further action is necessary from the Collins for Congress Committee at this time.

Sincerely,

Barbara Rose Collins

Barbara-Rose Collins
Congresswoman-elect

Subscribed and sworn before me, this 14th day of November 1990, a Notary Public in and for Wayne County, Michigan.

Beverly Cooper
(Signature)
NOTARY PUBLIC

My Commission expires June 12, 1994

Barbara-Rose Collins

For CONGRESS COMMITTEE

2256 Leland
P. O. Box 07167
Detroit, MI 48207

(313) 832-1450

Executive Campaign Committee
Atty. Sharon McPhail
Campaign Chairwoman
Sally Dean
Treasurer
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Clyde Cleveland
Councilman
Nicholas Hood Sr.
Councilman
Jack Kelley
Councilman
Carolyn Cheeks-Kilpatrick
State Rep.
Morris Hood Jr.
State Rep.
Arthur Blackwell
Chm., Wayne Cty. Comm.
Bernard Kilpatrick
County Commissioner

November 19, 1990

Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Attention: Mr. Kevin Salley

Dear Mr. Salley:

Please find attached a Schedule C Amendment to the "Collins for Congress Committee" Campaign report ending October 17, 1990. This amendment is regarding a change of figures to clarify the loan reported totaling $75,000.00, to add a list of guarantors to the loan, and to correct the amount of the loan.

A total of $61,000.00 of the loan was lent to the campaign and the balance, totaling $14,000.00 was for personal use unrelated to the campaign.

At the time of receipt of the loans I was absolutely unaware that the loans were in violation of FEC regulations. I had no intentions of violating any of the FEC regulations nor did I have any intentions of causing anyone else of violating FEC regulations.

The total balance of the above loans have been paid-in-full to correct the violation. The total balance payments were made on November 15 & 16, 1990. Attached are copies of letters from the bank marked paid-in-full as verification that no money is due.

This will be reflected in the campaign report covering the period ending November 26, 1990. We have reviewed our procedures for reporting of last minute contributions over $1,000.00 before elections. We now have procedures in place to insure proper reporting.

(Supporters Cont'd. on Back)

Paid for and Authorized by: Collins for Congress Committee, Sally Dean, Treasurer

If you have any questions or desire additional information, please do not hesitate to respond.

Sincerely,

Barbara-Rose Collins

Barbara-Rose Collins
Congresswoman-elect

Subscribed and sworn before me, this 19th day of November 1990, a Notary Public in and for Wayne County, Michigan.

Beverly Cooper
(Signature)
NOTARY PUBLIC

My Commission expires June 19, 1994

15004306

REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee
(Summary Page)

USE FEC MAILING LABEL OR TYPE OR PRINT

1 NAME OF COMMITTEE (In full)	# 136689
Collins for Congress	
ADDRESS (number and street) ☐ Check if different than previously reported.	2. FEC IDENTIFICATION NUMBER
P.O. Box 07167	C00245712
CITY, STATE and ZIP CODE / STATE/DISTRICT	3. IS THIS REPORT AN AMENDMENT?
Detroit Mi. 48207	☒ YES ☐ NO

4. TYPE OF REPORT

- ☐ April 15 Quarterly Report
- ☐ July 15 Quarterly Report
- ☐ October 15 Quarterly Report
- ☐ January 31 Year End Report
- ☐ July 31 Mid-Year Report (Non-election Year Only)
- ☒ Twelfth day report preceding General (Type of Election) election on Nov. 6, 1990 in the State of Michigan
- ☐ Thirtieth day report following the General Election on _____ in the State of _____
- ☐ Termination Report

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 10-1-90 through 10-17-90		
6.	Net Contributions (other than loans)		
	(a) Total Contributions (other than loans) (from Line 11(e))	11,010.00	137,340.00
	(b) Total Contribution Refunds (from Line 20(d))	1,000.00	5,000.00
	(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	10,010.00	132,340.00
7.	Net Operating Expenditures		
	(a) Total Operating Expenditures (from Line 17)	5371.61	172,984.94
	(b) Total Offsets to Operating Expenditures (from Line 14)	—	821.00
	(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	5371.61	172,163.00
8.	Cash on Hand at Close of Reporting Period (from Line 27)	35,058.16	
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)	—	

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: SALLY DEAN IV

Signature of Treasurer: Sally Dean — Date: 11-19-90

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)

AMENDMENT

DETAILED SUMMARY PAGE

of Receipts and Disbursements

(Page 2, FEC FORM 3)

Name of Committee (in full): Collins For Congress

Report Covering the Period From: To:

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)	900.00		11(a)(i)
(ii) Unitemized	110.00		11(a)(ii)
(iii) Total of contributions from individuals	1,010.00	86,720.00	11(a)(iii)
(b) Political Party Committees	—	—	11(b)
(c) Other Political Committees (such as PACs)	10,000.00	30,620.00	11(c)
(d) The Candidate	—		11(d)
(e) TOTAL CONTRIBUTIONS (other than loans)(add 11(a)(iii), (b), (c) and (d))	11,010.00	132,340.00	11(e)
12 TRANSFERS FROM OTHER AUTHORIZED COMMITTEES	—	—	12
13 LOANS			
(a) Made or Guaranteed by the Candidate	—	61,000.00	13(a)
(b) All Other Loans	—	4,188.00	13(b)
(c) TOTAL LOANS (add 13(a) and (b))	—	65,188.00	13(c)
14 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	—	821.00	14
15 OTHER RECEIPTS (Dividends, Interest, etc.)	—	—	15
16 TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15)	11,010.00	203,349.00	16
II. DISBURSEMENTS			
17 OPERATING EXPENDITURES	5,371.61	172,984.94	17
18 TRANSFERS TO OTHER AUTHORIZED COMMITTEES	—	—	18
19 LOAN REPAYMENTS			
(a) Of Loans Made or Guaranteed by the Candidate	—	—	19(a)
(b) Of All Other Loans	—	4,188.00	19(b)
(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b))	—	4,188.00	19(c)
20 REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees	—		20(a)
(b) Political Party Committees	—		20(b)
(c) Other Political Committees (such as PACs)	1,000.00	5,000.00	20(c)
(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c))	1,000.00	5,000.00	20(d)
21 OTHER DISBURSEMENTS	—	4,305.90	21
22 TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21)	6,371.61	182,290.84	22

III. CASH SUMMARY

23 CASH ON HAND AT BEGINNING OF REPORTING PERIOD	$ 30,419.77	23
24 TOTAL RECEIPTS THIS PERIOD (from Line 16)	$ 11,010.00	24
25 SUBTOTAL (add Line 23 and Line 24)	$ 41,429.77	25
26 TOTAL DISBURSEMENTS THIS PERIOD (from Line 22)	$ 6,371.61	26
27 CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25)	$ 35,058.16	27

SCHEDULE C
(Revised 3/80)

LOANS

Page 1 of 2 for
LINE NUMBER ____
(Use separate schedules for each numbered line)

Name of Committee (in Full)
Collins for Congress

A. 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
First Independence National Bank 44 Michigan Ave. Detroit Mi. 48226 Election: ☒ Primary ☐ General ☐ Other (specify):	36,000.00	- 0 -	36,000.00

Terms: Date Incurred 7-16-90 Date Due 1-16-91 Interest Rate 11.063 % (apr) ☐ 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
Barbara-Rose Collins 1300 E. Lafayette #507 Detroit Mi. 48207	City of Detroit Councilwoman $36,000
2. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding
Don H. Barden 1249 Washington Blvd. Detroit Mi. 48226	Barden Communicatio President $36,000
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
First Independence Natl. Bank 44 Michigan Ave Detroit Mi 48226 Election: ☒ Primary ☐ General ☐ Other (specify):	25,000	- 0 -	25,000 -

Terms: Date Incurred 7-16-90 Date Due 1-16-91 Interest Rate 11.063 % (apr) ☐ 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
Barbara-Rose Collins 1300 E. Lafayette #507 Detroit Mi 48207	City of Detroit Councilwoman $25,000
2. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding
James Sharpe 3400 E. Lafayette Detroit Mi. 48207	City Mgmt Vice-President $25,000
3. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding
Cara Woods 16825 Wyoming Detroit Mi. 48221	World Love Constr. President $25,000

SUBTOTALS This Period This Page (optional)	61,000 -
TOTALS This Period (last page in this line only)	61,000 -

Carry outstanding balances only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

SCHEDULE C
(Revised 3/80)

LOANS

Page 2 of 2 for LINE NUMBER ____
(Use separate schedules for each numbered line)

Name of Committee (In Full): Collins for Congress

A. 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
Collins for Council P.O. Box 07167 Detroit Mi. 48207 Election: ☐ Primary ☐ General ☐ Other (specify):	4188—	4188 —	— 0 —

Terms: Date Incurred _____ Date Due _____ Interest Rate ___ ___%(apr) ☐ 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: ☐ Primary ☐ General ☐ Other (specify):			

Terms: Date Incurred _____ Date Due _____ Interest Rate _____%(apr) ☐ 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)	— 0 —
TOTALS This Period (last page in this line only)	6 / 000 —

Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

FIRST INDEPENDENCE CORPORATION

44 MICHIGAN AVENUE • DETROIT, MICHIGAN 48226
TELEPHONE 313-256-8200

November 15, 1990

Barbara Rose Collins
1300 East Lafayette
Detroit, Michigan 48207

RE: Loan #

Dear Ms. Collins:

Enclosed is the paid in full note on the loan which you had with First Independence National Bank.

We thank you for your business. Please do not hesitate to contact us if we can be of any further service to you.

Sincerely,

Arlene D. Mains
Vice President

ADM/adp

Enclosure

BARBARA-ROSE COLLINS
1300 EAST LAFAYETTE #507
DETR[redacted] MI 48207

First Independence National
Bank of Detroit
[redacted] Michigan Avenue
[redacted]oit, MI 48226

	MATURITY DATE	LOAN AMOUNT		
07/16/90	01/16/91	50,000.00		

I promise to pay this loan (total of payments, plus other permitted charges) to the order of Lender or Order, according to the terms below (including those set forth in the Truth in Lending Disclosure). Words, numbers or phrases preceded by a ☐ are applicable only if the ☐ is marked "X" means estimate

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of My credit as a yearly rate	The dollar amount the credit will cost Me	The amount of credit provided to Me or on My behalf	The amount I will have paid after I have made all payments as scheduled
11.063 %	$ 2,765.95	$ 50,000.00	$ 52,765.95

At this time I have the right to receive an itemization of the Amount Financed. If I want one, I will write "yes" here: ____

My PAYMENT SCHEDULE will be

No. of Pmts	Amount of Pmt (s)	When Payments Due		Other Fees	
		First Pmt Due	All other payments will be due on		
1	$ 1375.00	10/16/90	X SAME DAY QUARTERLY		$
1	$ 51390.95	01/16/91	☐ The same day of each following month		$
				Filing Fee	$

TRUTH IN LENDING DISCLOSURE

SECURITY I am giving a security interest: ☐ mortgage or trust deed ☐ to the following as indicated ☐ the goods or property being purchased
☐ real property ☐ X personal property other than household goods not used as principal dwelling securing other loans with Lender ☐ X right of setoff
☐ other (describe by type) ____

PAYABLE ON DEMAND ☐ The obligation is payable on demand ☐ The disclosures are based on an assumed maturity of one year

ASSUMPTION If this loan is to purchase and is secured by My principal dwelling, My loan ☐ is ☐ is not assumable

LATE CHARGE If I am more than ____ days late in making any payment in addition to My early remedies I will pay a late charge of ☐ the lesser of ☐ the greater of ☐ an amount equal to ☐ $ ____ or ☐ ____ % of the payments in default

PREPAYMENT If I pay off early ☐ may have to pay a penalty ☐ X will not have to pay a penalty ☐ will not be entitled to a refund of any portion of any service or processing or like fee

VARIABLE RATE DISCLOSURE ☐ This is a variable Rate loan. The annual percentage rate may increase during the term of this transaction if ____

The interest rate will not increase above ____ %. The maximum interest rate increase at one time will be ____ %

The rate will not increase more than once every ____

Any INCREASE will take the form of ☐ A change in amount due at maturity ☐ Higher payment amounts or ☐ More payments of the same amount

VARIABLE RATE EXAMPLE

☐ Based on My loan, if the interest rate increased ____ %

☐ If My loan were for $ ____ for ____ and the interest rate increased ____ %

RESULTS

☐ My (the) payment amount increase to $ ____ from $ ____

☐ My (regular) payment amount increase to $ ____ from $ ____

☐ There will (would be) ____ additional payment(s)

☐ My loan is subject to a reusable rate feature and is secured by My principal dwelling. Variable rate disclosures have been provided at an earlier time

ADDITIONAL CONTRACT TERMS See below and on the reverse side for further information about nonpayment, default and the right to accelerate the maturity of the obligation.

INSURANCE

Credit Life and Disability Insurance are not required to obtain credit and will not be provided unless I/We agree to pay the additional cost by signing or initialing below. This is only a request and application for insurance and the coverage may be denied. If it is denied, the requesting party(ies) will be notified. The amount of coverage will be shown in My insurance policy.

Type	Premium	Signature
Credit Life	$	I/We want Credit Life Insurance ____ X ____ X
Credit Disability	$	I/We want Credit Disability Insurance ____ X

PROPERTY INSURANCE I may obtain the property insurance required by this agreement from anyone reasonably acceptable to You. If You provide it, I will pay You $ ____ which is the cost of ____ for ____ months.

ADDITIONAL TERMS

	Amount	Service Fee			Finance Charge
FINANCE CHARGE BREAKDOWN	$ 2,765.95	$	TOTAL PREPAID $	$	$ 2,765.95

This loan is subject to: X A Fixed (Interest Rate of 11.00 % per annum ☐ A Variable Simple Interest Rate

Initial Variable Simple Interest Rate	Present Variable Index Rate	Minimum Interest Rate	Maximum Interest Rate	Interest Rate Changes (Dates)
%	%	%	%	

X The unpaid balance of this loan, after acceleration or maturity, will be subject to an annual interest rate of 15.%

☐ MONTHLY PAYMENTS I will have a payment due every month on the specified due date even if I may have paid more than a regularly scheduled payment at any previous time.

COLLATERAL

☐ I give You a security interest in the collateral shown below, including any and all accessions.

PAID-IN-FULL

☐ I give You a Mortgage or have executed a Trust Deed related to the real property address described above. The legal description is ____. This Real Estate Mortgage or Trust Deed between the parties to this agreement as shown above.

ITEMIZATION OF AMOUNT FINANCED

This section will be completed at Your option unless I have indicated that I want an itemization of amount financed by initialing above.

Amounts Paid to Others on My Behalf	AMOUNT
Public Officials	
Credit Reporting Agencies	
Appraisers	
Insurance Companies	
Amount Given to Me Directly	50,000.00
Amount Paid on My Account with Creditor	
Prepaid Finance Charges	
Amount Financed	50,000.00

I have signed this loan agreement on the date below and acknowledge that I have read it, understand it and that I have received a completely filled in copy of it.

SIGNATURE(S)

BORROWER'S SIGNATURE/DATE: X Barbara-Rose Collins
BARBARA-ROSE COLLINS

BORROWER'S SIGNATURE/DATE ☐ Owner of Collateral (if other than Borrower) X

BORROWER'S SIGNATURE/DATE ☐ Owner of Collateral (if other than Borrower) X

LENDER (CREDITOR) SIGNATURE FOR FILING PURPOSES
Arlene D. Mains
BY ARLENE D. MAINS
ITS VICE PRESIDENT

CO-SIGNER I understand that I have full liability and responsibility to pay this loan. You do not have to make any demands on any other person signing this Agreement or take action against any collateral before you ask me to repay. I have read and understand this entire agreement.

Co-Signer's Name ____

Co-Signer's Signature/Date X ____

Copyright 1987 Financial Form Systems® Form FF200 (9/89)

GLBF

ORIGINAL

2 5 0 4 5 4 3 0 2

FIRST INDEPENDENCE NATIONAL BANK
44 MICHIGAN AVENUE • DETROIT, MICHIGAN 48226
TELEPHONE 313-256-8200

November 16, 1990

Barbara Rose Collins
1300 East Lafayette
Detroit, Michigan 48207

RE: Loan #

Dear Ms. Collins:

Enclosed is the paid in full note on the loan which you had with First Independence National Bank.

We thank you for your business. Please do not hesitate to contact us if we can be of any further service to you.

Sincerely,

Arlene D. Mains
Vice President

ADM/adp

Enclosure

BARBARA-ROSE COLLINS
1300 EAST LAFAYETTE #507
DETR[redacted] MI 48207

First Independence National
Bank of Detroit
A[redacted]chigan Avenue
D[redacted]it, MI 48226

LOAN NO.	DATE OF TRANSACTION	MATURITY DATE	LOAN AMOUNT	OFFICE	REMARKS OF
	07/16/90	01/16/91	25,000.00		

I promise to pay this loan (total of payments) plus other permitted charges) to the order of Lender or Order according to the terms below (including those set forth in the Truth-in-Lending Disclosure). Words, numbers or phrases preceded by a ☐ are applicable only if the ☐ is marked. "I" means each.

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	At the time I have the right to receive an itemization of the Amount Financed. (Initial here if itemization is required.)
The cost of My credit as a yearly rate	The dollar amount the credit will cost Me	The amount of credit provided to Me or on My behalf	The amount I will have paid after I have made all payments as scheduled	
11.063 %	$ 1,382.63	$ 25,000.00	$ 26,382.63	

TRUTH-IN-LENDING DISCLOSURE

My PAYMENT SCHEDULE will be:

No. of Pmts	Amount of Pmts	When Payments Due	Other Fees
1	$ 700.00	First Pmt Due 10/16/90	$
1	$ 25682.63	01/16/91	$
			Filing Fee $

All other payments will be due on: X SAME DAY QUARTERLY ☐ The same day of each following month

SECURITY: I am giving a security interest/ mortgage or trust deed in/ to the following as indicated: ☐ the goods or property being purchased ☐ real property ☒ personal property, other than household goods not used as principal dwelling securing other loans with Lender ☒ right of setoff ☐ other, described by type:

PAYABLE ON DEMAND: ☐ The obligation is payable on demand. ☐ The disclosures are based on an assumed maturity of one year.

ASSUMPTION: If this loan is for purchase and is secured by My principal dwelling, My loan ☐ may ☐ may not be assumed.

LATE CHARGE: If I am more than ☐ ten ☐ fifteen days late in making any payment, in addition to My payment I will pay a late charge of ☐ the lesser of ☐ the greater of ☐ an amount equal to ☒ $ or ☐ % of the payment in default.

PREPAYMENT: If I pay off early, I ☐ may ☐ will not have to pay a penalty. ☒ I will not be entitled to a refund of any portion of any service charge/fee.

VARIABLE RATE DISCLOSURE: ☐ This is a Variable Rate Note. The annual percentage rate may increase during the term of this transaction.

PAID-IN-FULL

The interest rate will not increase above ___%. ☐ The maximum interest rate I will pay will be ___%.

The rate will not increase more than once every ___. Any INCREASE will take the form of ☐ A larger amount due at maturity ☐ Higher payment amounts or ☐ More payments of the same amount.

VARIABLE RATE EXAMPLE

☐ Based on My loan, if the interest rate increased ___% for ___ and the interest rate did not reduce ___%,

☐ If My loan were for $ ___ for ___ at an interest rate of ___% and the interest rate did not reduce ___%,

RESULTS

☐ My total payment would increase to $ ___ from $ ___

☐ My regular payment would increase to $ ___ from $ ___

☐ There would be ___ additional payments.

☐ My loan is subject to a variable rate feature and is secured by My principal dwelling. Variable rate disclosures have been provided at an earlier time.

ADDITIONAL CONTRACT TERMS: See below and on the reverse side for further information about nonpayment, default, and the right to accelerate the maturity of the obligation.

INSURANCE

Credit Life and Disability insurance are not required to obtain credit and will not be provided unless I/We agree to pay the additional cost by signing or initialing below. This is only a request and application for insurance and the coverage may be denied. If it is denied, the requesting party/ies will be notified. The amount of coverage will be shown in My insurance policy.

Type	Premium	Signature
Credit Life	$	I/We want Credit Life Insurance. X
Credit Disability	$	I/We want Credit Disability Insurance. X

Signature: X

PROPERTY INSURANCE: I may obtain the property insurance required by this agreement from anyone reasonably acceptable to You. If You provide the insurance, I will pay $ ___ for ___ year(s).

ADDITIONAL TERMS

FINANCE CHARGE BREAKDOWN	Interest	Service Fee	TOTAL PREPAID	Finance Charge
	$ 1,382.63	$	$	$ 1,382.63

This loan is subject to ☒ A fixed interest Rate of 11.00 % per annum ☐ A variable simple interest rate.

Initial Variable Simple Interest Rate	Present Variable Index Rate	Minimum Interest Rate	Maximum Interest Rate	Interest Rate Changes (How Often)
%	%	%	15.00 %	

☒ The unpaid balance of this loan after acceleration or maturity will be subject to an annual interest rate of 15.00%.

MONTHLY PAYMENTS: I will have a payment due every month on the specified due date even if I may have paid more than a regularly scheduled payment at any previous time.

COLLATERAL

☐ I give You a security interest in the collateral shown below, including any and all accessories.

☐ I give You a Mortgage or have executed a Trust Deed granting to the real property described on the reverse side and/or being documented in a Real Estate Mortgage or Trust Deed between the parties to this agreement as shown above.

ITEMIZATION OF AMOUNT FINANCED

This section will be completed at Your option unless I have indicated that I want an itemization of amount financed by initialing above.

Amounts Paid to Others on My Behalf	AMOUNT
Public Officials	
Credit Reporting Agencies	
Appraisals	
Insurance Companies	
Amount Given to Me Directly	25,000.00
Amount Paid on My Account with Creditor	
Prepaid Finance Charges	
Amount Financed	25,000.00

SIGNATURE(S)

I have signed this loan agreement on the date below and acknowledge that I have read it, understand it and that I have received a completely filled in copy of it.

BORROWER'S SIGNATURE DATE
X Barbara-Rose Collins
BARBARA-ROSE COLLINS

BORROWER'S SIGNATURE DATE
☐ Owner of Collateral other than Borrower
X

BORROWER'S SIGNATURE DATE
☐ Owner of Collateral other than Borrower
X

LENDER (CREDITOR) SIGNATURE FOR FILING PURPOSES
Arlene D. Mains
BY ARLENE D. MAINS
ITS VICE PRESIDENT

CO-SIGNER: I understand that I have full liability and responsibility to pay this loan. I also have not made any agreements with any other person signing this Agreement or take steps to reduce any risk of loss to Lender in case I fail to repay. I have read and understand this agreement.

Co-Signer's Name

Co-Signer's Signature

Copyright 1987 Finance FormSystems Form FF20C (9/89)

ORIGINAL

2 2 0 4 3 4 0 1 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 4, 1990

Barbara-Rose Collins
2256 Leland
P.O. Box 07167
Detroit, MI 48207

RE: MUR 3181

Dear Ms. Collins:

This letter acknowledges receipt of your sworn complaint raising allegations of possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). We have numbered this matter MUR 3181. Please refer to this number in all future correspondence.

Because the complaint implicates you, under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

2 5 0 4 4 0 0 1 5

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 4, 1990

Sally Dean, Treasurer
Barbara-Rose Collins for Congress Committee
2256 Leland
P.O. Box 07167
Detroit, MI 48207

RE: MUR 3181

Dear Ms. Dean:

The Federal Election Commission received a complaint which alleges that Barbara-Rose Collins for Congress Committee and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3181. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

cc: Barbara-Rose Collins

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 4, 1990

Don H. Barden
1249 Washington Blvd.
Detroit, MI 48226

RE: MUR 3181

Dear Mr. Barden:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3181. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 4, 1990

James Sharpe
3400 E. LaFayette
Detroit, MI 48207

RE: MUR 3181

Dear Mr. Sharpe:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3181. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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

Sincerely,

Lawrence H. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 4, 1990

Cara Woods
16825 Wyoming
Detroit, MI 48221

RE: MUR 3181

Dear Ms. Woods:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3181. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

MUR 3181

Barbara-Rose Collins

For CONGRESS COMMITTEE

2256 Leland
P. O. Box 07167
Detroit, MI 48207
(313) 832-1450

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
90 DEC 13 AM 10:31

Executive Campaign Committee
Atty. Sharon McPhail
Campaign Chairwoman
Sally Dean
Treasurer
Jewel C. Ware
Campaign Mgr.
Nabil Leach
Field Coordinator
Versa Richardson
Campaign Office Manager
Don E. Barden
Finance Chairman
Gus Dowels
Finance Coordinator
Ted Molesworth
Finance Coordinator
Anthony Carver
Literature Coordinator
Helen Wright
Literature Coordinator
Annette Rainwater
Activities Coordinator
Ethel Suttice
Chm. Fund Raising Comm.
Cassandra Smith-Gray
Chm. Women's Comm.
Sandra Kent
Co-Chm. Women's Comm.
Cara Curry
Co-Chm. Women's Comm.

Campaign Advisors:
Mayor Coleman A. Young
Rev. Albert B. Cleage, Jr.
Rev. Obie Matthews
Eastside Coor.
Rev. John Payne
Westside Coor.
Bishop P. A. Brooks
Bishop Grover Wimbley
Rev. Andrew Merritt
Rev. Wendell Anthony
Rev. Gary Douglas
Rev. Charles Ransom
Rev. Gregory G. M. Ingram
Rev. Robert Grant
Imam Nadir Ahmad
Imam Dawud Abdul-Alim
Imam Abdullah El-Amin

Church Liasons:
Hattie Kirk
Robbie McCoy

Supporters: (Partial Listing)
Hon. Adam Shakoor
Deputy Mayor
Sen. David & Mrs. Avis Holmes
Gil Hill
Council Pres. Pro Tem
Clyde Cleveland
Councilman
Nicholas Hood Sr.
Councilman
Jack Kelley
Councilman
Carolyn Cheeks Kilpatrick
State Rep.
Morris Hood Jr.
State Rep.
Arthur Blackwell
Chm., Wayne Cty. Comm.
Bernard Kilpatrick
County Commissioner

December 10, 1990

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

Attn: Lois G. Lerner, Associate General Counsel

Re: MUR 3181

Dear Counsel:

I received your communication dated December 4, 1990. I ask the Federal Election Commission not to penalize me regarding Complaint MUR 3181. When I discovered a violation had occurred, I took immediate steps to pay off the loans that were improperly guaranteed. I had absolutely no intention of violating the Federal Election Commission's regulations.

Thank you for your consideration.

Sincerely,

Barbara-Rose Collins

Barbara-Rose Collins
Congresswoman-elect

cc: Deborah Curry
Attorney

Subscribed and sworn before me, this 10th day of December, 1990, a Notary Public in and for Wayne County, Michigan.

Beverly Cooper
(Signature)
NOTARY PUBLIC
My Commission expires June 19, 1994

(Supporters Con't. on Back)

Paid for and Authorized by: Collins for Congress Committee, Sally Dean, Treasurer

86C8993

Barbara-Rose Collins

For CONGRESS COMMITTEE

2256 Leland
P. O. Box 07167
Detroit, MI 48207

(313) 832-1450

Executive Campaign Committee
Atty. Sharon McPhail
Campaign Chairwoman
Sally Dean
Treasurer
Jewel C. Ware
Campaign Mgr.
Nabil Leach
Field Coordinator
Versa Richardson
Campaign Office Manager
Don H. Barden
Finance Chairman
Gus Dowels
Finance Coordinator
Ted Molesworth
Finance Coordinator
Anthony Carver
Literature Coordinator
Helen Wright
Literature Coordinator
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Cara Curry
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Bishop Grover Wimbley
Rev. Andrew Mevratt
Rev. Wendell Anthony
Rev. Gary Douglas
Rev. Charles Ransom
Rev. Gregory G. M. Ingram
Rev. Robert Grant
Imam Nadir Ahmad
Imam Dawud Abdul-Alim
Imam Abdullah El-Amin

Church Liasons:
Hattie Kirk
Robbie McCoy

Supporters: (Partial Listing)
Hon. Adam Shakoor
Deputy Mayor
Sen. David & Mrs. Avis Holmes
Gill Hill
Council Pres. Pro Tem.
Clyde Cleveland
Councilman
Nicholas Hood Sr.
Councilman
Jack Kelley
Councilman
Carolyn Cheeks-Kilpatrick
State Rep.
Morris Hood Jr.
State Rep.
Arthur Blackwell
Chm., Wayne Cty. Comm.
Bernard Kilpatrick
County Commissioner

December 12, 1990

90 DEC 17 AM 10: 11

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

Attn: Lois G. Lerner, Associate General Counsel

90 DEC 17 PM 3:00

Re: MUR 3181

Dear Counsel:

I do not feel that I should be penalized on the above referenced complaint because I was unaware that there were any guarantors for the loans. Immediate action was taken by the candidate to correct the problem upon finding out that we were in violation of Federal Election Commission regulations.

Your consideration in this request will be highly appreciated.

Sincerely,

Sally Dean

Sally Dean
Treasurer

(Supporters Con't. on Back)

Paid for and Authorized by Collins for Congress Committee, Sally Dean, Treasurer

DGC 8990

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

1110 VERMONT AVENUE, N.W. • WASHINGTON, D.C. 20005 • (202) 887-9030

90 DEC 17 PM 1:01

December 17, 1990

Lawrence M. Noble
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3181 - Cara Woods and James Sharp

Attention: Deborah Curry

Dear Mr. Noble:

Enclosed are designations of counsel for Cara Woods and James Sharp, respondents in the above-referenced matter under review.

This letter also serves as a request for an extension of time to respond in this matter. Mr. Woods and Mr. Sharp received notification of their involvement in this matter around December 7. A response would ordinarily be due around December 24. Because of the holiday and the difficulty in gathering the necessary information during this time, Respondents request an extension of 20 days, until January 14, 1991.

Should you have any questions, please contact the undersigned.

Very truly yours,

Judith L. Corley (fm)

Robert F. Bauer
Judith L. Corley
Counsel for Respondents

0001m/36

TELEX 44-0277 PERCO UI • FACSIMILE (202) 223-2085

ANCHORAGE • BELLEVUE • LOS ANGELES • PORTLAND • SEATTLE • SPOKANE

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3181

NAME OF COUNSEL: Atty. Judy Corley / Robert F. Bauer

ADDRESS: Perkins Coie
1110 Vermont Avenue
Northwest Ste. 1200
Washington DC 20005

TELEPHONE: (202) 887-9030

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.

12/11/90
Date

Clara Woods
Signature

RESPONDENT'S NAME: Clara Woods

ADDRESS: 16825 Wyoming
Detroit Mich. 48221

HOME PHONE:

BUSINESS PHONE: (313) 862-7881

ST. MENT OF DESIGNATION OF COUNSEL

MUR 3181

NAME OF COUNSEL: Judy Corley/Bob Bauer

ADDRESS: Perkins Coie
1110 Vermont Avenue Northwest
Suite 1200
Washington, D.C. 20005

TELEPHONE: (202) 887-9030

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.

December 17, 1990
Date

Signature Jim Sharp

RESPONDENT'S NAME: Jim Sharp

ADDRESS: 3400 East Lafayette
Detroit, MI 48207

HOME PHONE:

BUSINESS PHONE: (313) 567-4700

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 19, 1990

Robert F. Bauer, Esquire
Perkins Coie
1110 Vermont Avenue, N.W.
Washington, D.C. 20005

RE: MUR 3181
Cara Woods and James Sharp

Dear Mr. Bauer:

This is in response to your letter dated December 17, 1990, which we received on December 17, 1990, requesting an extension of 20 days to respond to the Commission's notification of complaint. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on January 14, 1991.

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: Jonathan Bernstein
Assistant General Counsel

1249 Washington Boulevard
2100 Book Tower
Detroit, MI 48226
313-963-5010

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE SERVICES BRANCH
90 DEC 21 AM 9:44

OGC 9081

90 DEC 21 AM 11:08
RECEIVED
FEDERAL ELECTION COMMISSION

Barden

December 19, 1990

Federal Election Commission
Office of General Counsel
999 East Street, NW
Washington, D.C. 20463

RE: MUR 3181

Dear General Counsel:

This letter is written in response to your December 4, 1990 letter regarding the above referenced subject.

Thank you for the opportunity you have provided me in demonstrating that no action should be taken against me regarding this subject.

I wish to advise you of the following:

1. I guaranteed a loan to Barbara Rose Collins, as an individual, only after being assured that the guaranty was proper and permitted under Federal Election Rules. I have enclosed for your reference, the Guaranty document that I signed which I received from the bank in conjunction with the bank's notification that the loan in question has been paid in full (See First Independence National Bank letter dated December 3, 1990 with enclosure).

2. Further, I would like to refer you to Ms. Collins' letter of November 19, 1990, Paragraphs two and three which further demonstrates my reliance on the representation that my guarantee of a personal loan to Barbara Rose Collins, as an individual, was appropriate. I had no intention, nor will I ever do anything in violation of the Federal Election Commission Rules.

3. Even though I was actively involved in Ms. Collins' campaign, I had absolutely no role in receiving and dispersing campaign contributions or the filing of the necessary campaign reports.

I am sincerely sorry that this situation developed and I was totally unaware of the ramifications of this matter until very recently. I hope the above information clearly demonstrates that no further action is warranted.

Thank you for your consideration. If you have any additional questions, please advise.

Sincerely,

Don H. Barden

DHB/ap

Enclosures

FIRST INDEPENDENCE NATIONAL BANK
44 MICHIGAN AVENUE • DETROIT, MICHIGAN 48226
TELEPHONE 313-256-6200

December 3, 1990

Don H. Barden
12775 Lyndon Avenue
Detroit, MI 48227

RE: Loan Guaranty

Dear Mr. Barden:

Enclosed is the original of the guaranty which you signed for a loan which was extended to Barbara-Rose Collins on July 16, 1990. The loan has been paid in full and you are released from any and all obligations arising from the signing of that document.

If you have any questions, please feel free to contact us.

Sincerely,

Martha L. Thomas
Vice President

MLT/adp

Enclosure

GUARANTY

Dated: July 13, 19 90

PARTICULAR TERMS - DEFINITIONS

As used in this Guaranty, the following terms and expressions have the respective meanings indicated opposite each of them; where the meaning of any term is stated to be "None", provisions involving the application of that term shall be disregarded.

GUARANTOR(S): Don H. Barden

LENDER: First Independence National Bank of Detroit

ADDRESS: 44 Michigan Avenue, Detroit, Michigan, 48226

BORROWER(S): Barbara-Rose Collins

ADDRESS: 1300 East Lafayette #507
Detroit, Michigan 48207

NOTE(S): Consumer Loan Agreement

AMOUNT: $50,000.00

DATE: July 16, 1990

LOAN AGREEMENT DATED: July 16, 1990

SECURITY: N/A

WHEREAS, the Borrower is about to execute and deliver to Lender its Note dated July 16, 1990 in the amount set forth above, and as security therefor to execute and deliver to Lender those certain Security Agreements or other instruments necessary to convey, assign, and pledge the security identified above (Security Agreements); and

WHEREAS, in order to induce the Lender to make said loan in the principal amount set forth above and to accept said Security Agreements and as additional security for the monies to be advanced under said Security Agreements, the Note secured thereby, and/or the Loan Agreement, the Borrower has agreed to procure and deliver this Guaranty, all to be executed by the Guarantor, and, if more than one, each shall be jointly and severally liable hereunder and the term "Guarantor" whenever used herein shall mean the undersigned or any one or more of them; and

WHEREAS, the Lender has refused to make said loan, or to enter into said Loan Agreement or to make the advances provided for under said Loan Agreement and/or Note, or to accept said Security Agreements or the Note secured thereby unless this Guaranty is executed by the Guarantor and delivered to the Lender;

NOW, THEREFORE, in consideration of the premises and as a part of the consideration for the making by the Lender to the Borrower of said loan, the Guarantor hereby covenants and agrees with the Lender as follows:

THIS GUARANTY, above-dated by Guarantor to Lender:

1. In order to induce Lender to make the loan evidenced by the Note of Borrower, and in consideration thereof and of other good and valuable consideration, the receipt of which is hereby acknowledged, the Guarantor hereby unconditionally guarantees to the Lender the due and punctual payment of, and not just the collectibility of the principal and interest (and premium, if any), on the Note when due, whether at maturity, pursuant to mandatory or optional prepayments, by acceleration or otherwise, all at the times and place subject to rights to cure, if any, and at the rate described in, and otherwise according to the tenor of the Note, Loan Agreement and the Security Agreement. This is an unconditional guaranty of payment and not of collection. Where performance in addition to payment is required, the Guarantor hereby further unconditionally guarantees to the Lender the punctual and faithful performance by Borrower of all duties, agreements and obligations of Borrower contained in the Note, Loan Agreement and the Security Agreements, respectively.

2. The Loan Agreement, Note, Security Agreements, and any other related instruments, documents and obligations (sometimes hereinafter collectively referred to herein as the "Indebtedness"), are hereby made a part of this Guaranty by reference thereto, with the same force and effect as if fully set forth herein.

3. The liability of the Guarantor shall in no way be affected or impaired by (without notice to, or by, or consent of the Guarantor): (a) any amendment, alteration, extension, renewal, waiver, indulgence or other modification of the Indebtedness; (b) any settlement or compromise in connection with the Indebtedness to any other debt or claim; (c) any substitution, exchange, release or other disposition of all or any part of the Indebtedness; (d) any failure, delay, neglect, act or omission by Lender to act in connection with the Indebtedness; (e) any advances for the purpose of performing or curing any term or covenant contained in the Indebtedness with respect to which Borrower shall be or would otherwise be in default; (f) the filing of a request by or against Borrower for bankruptcy, insolvency, reorganization or other debtor's relief afforded Borrower pursuant to the past, present, or future provision of any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, liquidation law or statute of any jurisdiction, whether state or federal, or by the decision of any court; or (g) any other matter whether similar or dissimilar to the foregoing. The obligations of Guarantor shall be unconditional, notwithstanding any defect in the genuineness, validity, regularity or enforceability of the Indebtedness, or any other circumstances whether or not referred to herein, which might otherwise constitute a legal or equitable discharge of a surety or guarantor.

The undersigned authorize Lender, without notice of demand and without affecting the undersigned's obligations hereunder, from time to time: (i) to renew, extend, increase, accelerate or otherwise change the time for payment of, the terms of or the interest on the Indebtedness or any part thereof; (ii) to take from any part and hold collateral for the payment of the Indebtedness or any part thereof, and to exchange, enforce or release such collateral or any part thereof; (iii) to accept and hold any endorsement or guaranty of payment of the Indebtedness or any part thereof and to release or substitute any such endorser or guarantor, or any other party in any way obligated to pay the Indebtedness or any part thereof; (iv) to direct the order or manner of the disposition of any and all collateral and the enforcement of any and all endorsements and guaranties relating to the Indebtedness or any part thereof as Lender, in its sole discretion, may determine; and

(v) to determine now, when and what application or payments and credits, if any, shall be made on the Indebtedness or any part thereof, and to apply the same upon principal or interest or the portion thereof, if any, in excess of the amount of this Guaranty.

Lender shall have the right to discharge or release one or more of the Guarantors from any obligation hereunder, in whole or in part, without in any way releasing, impairing or affecting its right against the other or others of the undersigned.

4. The Guarantor hereby waives: (a) notice of acceptance of this Guaranty and of creations of indebtedness of Borrower to Lender; (b) presentment and demand for payment of any indebtedness of Borrower; (c) protest, notice of protest, and notice of dishonor or default to the Guarantor or to any other party with respect to any of the Indebtedness; (d) all other notices to which the Guarantor might otherwise be entitled; (e) any demand for payment under this Guaranty; (f) any defense arising by reason of any disability or other defense of Borrower by reason of the cessation from any cause whatsoever of the liability of the Borrower; (g) any rights to extension, composition or otherwise under any past, present, or future bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, liquidation law or statute, whether federal or state, or by the decision of any court; and (h) any right or claim or claim of right to cause a marshalling of the Borrower's assets. No notice to or demand on the Guarantor shall be deemed to be a waiver of the obligations of the Guarantor or of the right of Lender to take further action without notice or demand as provided herein; nor in any event shall any modification or waiver of the provisions of this Guaranty be effective unless in writing nor shall any such waiver be applicable except in the specific instance for which given.

As further security for payment of the Indebtedness, the undersigned hereby grant to Lender a security interest in and lien on any and all property of the undersigned which is or may hereafter be in Lender's possession in any capacity, including, without limitation, all monies owed or to be owed by Lender to the undersigned and any balance of any deposit accounts with Lender; and with repsect to all of such property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code and under any other applicable law, as the same may from time to time be in effect in the State of Michigan, in addition to those rights granted herein and in any other agreement now or hereafter in effect between the undersigned and Lender.

Without limiting any other right of Lender, whenever Lender has the right to declare any Indebtedness to be immediately due and payable (whether or not it has so declared), Lender at its sole election may set off against the Indebtedness any and all monies then owed to the undersigned by Lender in any capacity whether or not due, and Lender shall be deemed to have exercised such right of setoff immediately at the time of such election even though any charge therefor is made or entered on Lender's records subsequent thereto.

5. This is an irrevocable, unconditional and absolute guarantee of payment and performance and Guarantor agrees that the liability of Guarantor on this Guaranty shall be immediate and shall not be contingent upon the exercise or enforcement by Lender of whatever remedies it may have against the Borrower or others, or the enforcement of any lien or realization upon any security Lender may at any time possess. Any one or more successive and/or concurrent actions may be brought hereon against Guarantor either in the same action, if any brought against Borrower, or in

separate acti s, as often as Lende in its sole discretion, m., deem advisable. No election to proceed in one form of action or proceeding or against any party, or on any obligation, shall constitute a waiver of Lender's right to proceed in any other form of action or proceeding or against other parties unless Lender has expressly waived such right in writing. Specifically, but without limiting the generality of the foregoing, no action or proceeding by Lender against Borrower under any document or instrument evidencing or securing the Indebtedness of Borrower to Lender shall serve to diminish the liability of Guarantor, except to the extend Lender realizes payment by such action or proceeding, notwithstanding the effect of any such action or proceeding upon Guarantor's rights of subrogation against Borrower. Receipt by Lender of payment or payments with knowledge of the breach of any provision of any of the Indebtedness shall not, as to the Guarantor, be deemed a waiver of such breach. All rights, powers and remedies of Lender hereunder and under any other agreement now or at any time hereafter in force between Lender and the Guarantor shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to Lender by law.

6. In the event that Guarantor shall advance or become obligated to pay any sums, or in the event that for any reason Borrower or any subsequent owner of any property covered by the Security is now or shall hereafter become indebted to Guarantor, the amount of each sum of such indebtedness shall at all times be subordinate as to lien, time of payment and in all other respects, to the amounts owing to Lender by Borrower with regard to the subject security or any right to particpiate in any way therein or in the right, title or interest of Lender in such property, notwithstanding any payments by it under this Guaranty, all rights of subrogation and participation being hereby expressly subordinated as aforesaid.

7. Guarantor represents, warrants and covenants to Lender that, as of the date of this Guaranty: the fair saleable value of Guarantor's assets exceed its liabilities; Guarantor is meeting current liabilities as they mature; any financial statements of Guarantor furnished Lender are complete and correct and fairly represent the financial condition of the Guarantor, have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the period involved, all material liabilities of Guarantor are shown thereon or reflected in the footnotes thereto; since the date of said financial statements there have been no material adverse changes in the financial condition or operations of Guarantor, and there are not now pending any material court or administrative proceedings or undischarged judgments against Guarantor and no federal or state tax liens have been filed or threatened against Guarantor nor is Guarantor in default or claimed default under any agreement for borrowed money. Guarantor shall immediately give Lender written notice of any material adverse change in its financial condition, including but not limited to litigation commenced, tax liens filed, default claimed under their indebtedness for borrowed money or bankruptcy proceedings commenced by or against Guarantor. Guarantor shall deliver, timely to Lender, its annual financial statements for the preceding calendar/fiscal year; and at such reasonable times as Lender requests furnish its current financial statements to Lender and permit Lender or its representatives to inspect, at Guarantor's offices, its financial records and properties and make extracts therefrom in order to evaluate the financial condition of the Guarantor. Guarantor is fully aware of the financial condition of the Borrower. Guarantor delivers this Guaranty based solely upon its own independent investigation of the Borrower and in no part upon any representation or statement of Lender with respect thereto. Guarantor is in a position to and hereby asssumes

full responsibility for obtaining any additional information concerning Borrower's financial condition as Guarantor may deem material to its obligations hereunder; and Guarantor is not relying upon nor expecting Lender to furnish it any information in Lender's possession concerning Borrower's financial condition.

8. Guarantor agrees to pay all expenses incurred by Lender in connection with enforcement of its rights under the Indebtedness, this Guaranty, or in the event the Lender is made party to any litigation because of the existence of the Indebtedness or this Guaranty, as well as court costs, collection charges and reasonable attorney fees and disbursements. Guarantor further agrees that to the extent Borrower makes a payment or payments to Lender, which payment or payments or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, custodian, receiver or other party under any bankruptcy reorganization, arrangement, readjustment of debt, dissolution, liquidation law or statute, state or federal law, common law or equitable cause then to the extent of such payment or repayment, the obligation or part thereof intended to be satisfied shall be revived and continued in full force and effect as if said payment had not been made.

9. Each reference herein to Lender shall be deemed to include its successors and assigns, in whose favor the provisions of this Guaranty shall also run. The term "Guarantor" as used in this Guaranty shall mean the "guarantor" and its successors and assigns, and each undertaking herein contained shall be their joint and several undertaking. All nouns, pronouns and relative terms relating to Guarantor and Borrower shall be deemed to be masculine, feminine or neuter, singular or plural, as the context may indicate.

10. This Guaranty may be executed in counterparts, and each such counterpart shall be deemed an original and shall be binding upon all parties thereto.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed all as of the day and year first above written.

WITNESSED BY:

Debra B. Thomas

Debra B. Thomas

GUARANTORS:

By: Jack H. Barker
Jack H. Barker

Phone
(313) 862-7881

LICENSED, BONDED
& INSURED

WOODLOVE CONSTRUCTION INC.

16828 Wyoming

Detroit, Michigan
48221

BEFORE THE FEDERAL ELECTION COMMISSION

MUR 3181

Respondent: Cara Woods

AFFIDAVIT OF CARA WOODS

I, CARA WOODS, being duly sworn according to law, hereby deposes and state as follows:

1. I have personal knowledge of the facts set forth herein and if called to testify in this matter, I would testify as set forth herein.

2. During, 1990, I was asked by James Sharp to guarantee a portion of a loan for Mrs. Barbara-Rose Collins. At the time Mr. Sharp asked me to guarantee a portion of the loan Mrs. Collins was a candidate for the United States Congress.

3. Mr. Sharp told me that the loan was a personal loan to Mrs. Collins. It was my understanding that the bank loan I was to guarantee was made to Mrs. Collins without regard to her status as a candidate for federal office.

4. I was unaware at the time I agreed to guarantee the loan of any requirement under federal campaign laws to treat such a guarantee as a contribution.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the Laws of the United States of America that the foregoing is true and correct.

Executed this 14th day of January, 1991.

Cara Woods

Cara Woods

BEFORE THE FEDERAL ELECTION COMMISSION

MUR 3181

Respondent: James Sharp

AFFIDAVIT OF JAMES SHARP

I, JAMES SHARP, being duly sworn according to law, hereby depose and state as follows:

1. I have personal knowledge of the facts set forth herein and if called to testify in this matter, I would testify as set forth herein.

2. During 1990, I was approached by Barbara-Rose Collins and asked to guarantee a portion of a personal loan that she was seeking to obtain from a bank in Chicago.

3. Mrs. Collins is a personal friend that I have known for between 10 and 12 years. At the time she asked me to guarantee the loan she was a candidate for the United States Congress.

4. It was my understanding that the bank loan I was asked to guarantee was a personal loan made to Mrs. Collins in her personal capacity without regard to her status as a candidate for federal office.

5. I was unaware of any obligation to treat a guarantee of a personal loan as a contribution under the federal campaign laws.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the Laws of the United States of America that the foregoing is true and correct. Executed this ___ day of January, 1991.

James Sharp

OGC 9840

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
1201 THIRD AVENUE, 40TH FLOOR • SEATTLE, WASHINGTON 98101-3099 • (206) 583-8888

FEDERAL ELECTION COMMISSION
91 JAN 14 PM 5:13

January 14, 1991

91 JAN 15 PM 3:57

Lawrence M. Noble
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3181 - James Sharp and Cara Woods

Attention: Deborah Curry

Dear Mr. Noble:

This letter is the response of James Sharp and Cara Woods to the complaint filed against her own campaign by Congresswoman Barbara-Rose Collins.

The facts behind this complaint are very simple. James Sharp has been a personal friend of the Congresswoman for 10 or 12 years. As such, he has generally supported her in her campaigns for various state offices, as well as her campaign for congressional office. Mr. Sharp was approached by Congresswoman Collins as a personal friend to guarantee what he believed to be a personal loan. Mr. Woods' situation was similar. He was asked by Mr. Sharp to sign a guarantee for Mrs. Collins' loan.

At all times relative to the guarantee of this loan, Mr. Sharp and Mr. Woods believed and understood that the loan was made to Mrs. Collins in her personal capacity and that the loan did not involve her congressional campaign committee. This belief and understanding was reinforced by the guarantee documents that the bank asked them to sign which identified the loan to Mrs. Collins as a "consumer" loan. Both men assumed that their guarantees were made for Mrs. Collins personally without regard to her status as a candidate.

Neither Mr. Sharp nor Mr. Woods is familiar with the federal campaign laws regarding candidate loans. As noted,

both believed, as apparently did Barbara-Rose Collins, that a personal loan was just that -- a loan for the individual to use in his or her discretion.[1/] Neither man was aware of any requirement or obligation to treat their guarantee of this loan as a contribution under the federal campaign laws.

Mr. Sharp's understanding was further reinforced by the fact that he had once held nonfederal office and under the state law governing his nonfederal campaign, a candidate's personal financial transactions were not regarded as campaign-related.[2/]

The guarantees were made innocent of any intent to violate federal campaign law or to circumvent its provisions. Mr. Sharp and Mr. Woods were unwitting participants in an inadvertent violation. As I am sure the Commission is aware, the characterization of a candidate's personal loan as campaign-related is one of the more commonly misunderstood areas of the campaign law. Respondents relied on the characterization of the transaction as a personal loan, as also characterized in the guarantee documents labeling the loan a "consumer" loan. They received no notice of any requirement under the federal campaign laws of an obligation to treat their guarantees as contributions. Such notice could not have been expected, since the misunderstanding of the law extended to the candidate as well. As noted in her complaint, Congresswoman Collins promptly corrected the situation when informed of the FEC's position on candidate loans such as her own.

Both Mr. Sharp and Mr. Woods are now fully cognizant of the FEC's interpretation of the campaign laws on personal loans to candidates and guarantees thereto. It can be safely said that neither man will undertake to guarantee a loan to a federal candidate in excess of the contribution limits in the future.

1/ Respondents question the characterization of the loan they guaranteed as having been loaned in turn in its entirety to the campaign, while the $50,000 loan is shown as having been loaned to the campaign only in part. Both loans were obtained by Mrs. Collins from the bank on the same day, July 16, the day the funds were in turn loaned to the campaign. The guarantees, however, were not signed until August 10, after the loan of funds to the campaign, raising the issue of whether the guarantees were for the personal rather than the campaign portion of the loans.

2/ Submitted today with this letter are copies of affidavits from both Mr. Sharp and Mr. Woods attesting to these facts. The original affidavits will be submitted to the Commission as soon as they are received.

We request, therefore, that the Commission dismiss this complaint as it relates to Mr. Sharp and Mr. Woods and take no further action against either in this case.

Very truly yours,

Robert F. Bauer
Judith L. Corley
Counsel to Respondents

0167m

00C 0975

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
1110 VERMONT AVENUE, N.W. • WASHINGTON, D.C. 20005 • (202) 887-0850

91 JAN 23 PM 4:16

January 22, 1991

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

Re: MUR 3181

Dear Ms. Curry:

Please find enclosed the original affidavits accompanying Respondents' response in this MUR. If you have any questions, please let me know.

Very truly yours,

Judith L. Corley
Counsel for Respondents

0001m/56

TELEX 44-0277 PERKINS PTLD • FACSIMILE (202) 223-2088
ANCHORAGE • BELLEVUE • LOS ANGELES • PORTLAND • SEATTLE • SPOKANE

BEFORE THE FEDERAL ELECTION COMMISSION

MUR 3181

Respondent: James Sharp

AFFIDAVIT OF JAMES SHARP

I, JAMES SHARP, being duly sworn according to law, hereby depose and state as follows:

1. I have personal knowledge of the facts set forth herein and if called to testify in this matter, I would testify as set forth herein.

2. During 1990, I was approached by Barbara-Rose Collins and asked to guarantee a portion of a personal loan that she was seeking to obtain from a bank in Chicago.

3. Mrs. Collins is a personal friend that I have known for between 10 and 12 years. At the time she asked me to guarantee the loan she was a candidate for the United States Congress.

4. It was my understanding that the bank loan I was asked to guarantee was a personal loan made to Mrs. Collins in her personal capacity without regard to her status as a candidate for federal office.

5. I was unaware of any obligation to treat a guarantee of a personal loan as a contribution under the federal campaign laws.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the Laws of the United States of America that the foregoing is true and correct. Executed this ___ day of January, 1991.

James Sharp

Phone
(313) 862-7881

LICENSED, BONDED & INSURED

WOODLOVE CONSTRUCTION INC.

16825 Wyoming

Detroit, Michigan
48221

BEFORE THE FEDERAL ELECTION COMMISSION

MUR 3181

Respondent: Cara Woods

AFFIDAVIT OF CARA WOODS

I, CARA WOODS, being duly sworn according to law, hereby deposes and state as follows:

1. I have personal knowledge of the facts set forth herein and if called to testify in this matter, I would testify as set forth herein.

2. During, 1990, I was asked by James Sharp to quarantee a portion of a loan for Mrs. Barbara-Rose Collins. At the time Mr. Sharp asked me to guarantee a portion of the loan Mrs. Collins was a candidate for the United States Congress.

3. Mr. Sharp told me that the loan was a personal loan to Mrs. Collins. It was my understanding that the bank loan I was to guarantee was made to Mrs. Collins without regard to her status as a candidate for federal office.

4. I was unaware at the time I agreed to guarantee the loan of any requirement under federal campaign laws to treat such a guarantee as a contribution.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the Laws of the United States of America that the foregoing is true and correct.

Executed this 14th day of January, 1991.

Cara Woods

RECEIVED
F.E.C.
SECRETARIAT
1990 DEC 21 AM 11:05

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

MUR #3181
DATE COMPLAINT RECEIVED
BY OGC: 11-26-90
DATE OF NOTIFICATION TO
RESPONDENTS: 12-4-90
STAFF MEMBER: Deborah Curry

COMPLAINANTS: Barbara-Rose Collins

RESPONDENTS: Barbara-Rose Collins,
Collins for Congress and
Sally Dean, as treasurer,
Don H. Barden, James Sharp and
Cara Woods

RELEVANT STATUTES: 2 U.S.C. § 441a(a)(1)(A)
2 U.S.C. § 441a(f)
2 U.S.C. § 434(b)
2 U.S.C. § 431(8)(A)&(B)
2 U.S.C. § 432(e)(2)
11 C.F.R. § 100.7
11 C.F.R. § 100.3

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was generated by a signed and sworn complaint filed by Barbara-Rose Collins against herself and the Collins for Congress Committee. ("Collins Committee"). (Attachment 1). The complaint alleges violations of the Act with respect to certain loans received by the Collins Committee. Based on Ms. Collins' allegations, notification of complaint were sent to Collins for Congress and Sally Dean, as treasurer, Don H. Barden, James Sharp and

Cara Woods. Because allegations in the complaint implicated Barbara-Rose Collins, a notification of complaint was sent to her as well.

Subsequently, responses were received from Barbara-Rose Collins (Attachment 2), the Collins Committee (Attachment 3), Don H. Barden (Attachment 4) and a joint response was received from James Sharp and Cara Woods (Attachment 5).

II. FACTUAL AND LEGAL ANALYSIS

A. The Barbara-Rose Collins Complaint

According to the complaint filed by Barbara-Rose Collins, she received two loans totaling $75,000 from First Independence National Bank of Detroit as a personal loan on July 16, 1990. (Attachment 1, page 1). Attached to the complaint are copies of the two promissory notes totaling $75,000 evidencing the loans. (Attachment 1, pages 11-12). The loan documents are labeled "consumer loan agreement." (Attachment 1, pages 11-12). One loan is in the amount of $25,000 and the other loan is in the amount of $50,000. Id. The loans were received by Ms. Collins on the same date of July 16, 1990 and each had a maturity date of January 1, 1991. The interest rate on each loan was 11%. Id.

According to the complaint, Ms. Collins intended to use some of the proceeds of the two loans to help defray the cost of her primary election for Congress and some for her own personal use. (Attachment 1, pages 1). The complaint indicates that because Ms. Collins considered the loan a personal loan from the bank to herself, she did not consider

the guarantors of the loans to be obligated to repay the loans nor did she feel that such loans were campaign loans because they were made to her and not to the Collins Committee.[1/] Id. Ms. Collins notes that no other signatures appeared on the loan papers as cosigners. See Attachment 1, pages 11-12.

Ms. Collins states that at the time of the receipt of the loans in question she was unaware that such loans violated Commission regulations and that it was not her intent to violate Commission regulations or to cause anyone else to violate Commission regulations. (Attachment 1, page 1).

Ms. Collins contends that after conferring with the Federal Election Commission in July 1990 and at their request the Collins Committee amended its reports to show the source of the loan as First Independence Bank of Detroit and listed Barbara-Rose Collins as the endorser. (Attachment 1, page 2). On November 13, 1990, Ms. Collins indicates that she was informed that the loans might be in violation of Act because such loans are considered contributions until repaid and all guarantors were obligated to repayment if she defaulted. Id. According to Ms. Collins, she took immediate corrective action to remedy the situation by repaying the

---

1/ In response to the Commission's notification of complaint Don H. Barden has submitted a copy of the guaranty he signed for Ms. Collins. The language of guaranty clearly states that the guarantor is liable for repayment of the loan. (Attachment 4, pages 18-22).

bank loans in their entirety. Id. The total balance of the loans were paid in full on November 15, and 16, 1990. Attached to the complaint are letters from the bank verifying the fact that the loans have been paid in full. (Attachment 1, pages 9-12).

Ms. Collins asserts that since the loans are paid off they cannot be considered contributions by the bank and/or guarantors. Id. Ms. Collins and the Collins Committee, however, concede that the Collins Committee did not correct the violation within sixty days of receiving the loans, as required by Commission regulations.

The complaint also contains an amendment to the Collins Committee's 12 Day Pre-General Election Report which itemizes each loan and lists the guarantors for each loan. (Attachment 1, pages 56-7). According to the amendment filed on November 20, 1990, one loan for $36,000 on July 16, 1990, lists Barbara-Rose Collins and Don H. Barden as endorser/guarantor and another loan for $25,000 on July 16, 1990, lists Barbara-Rose Collins, James Sharp and Cara Woods as endorser/guarantors. (Attachment 1, page 7). Per this amendment, the two loans made to the Collins Committee totaled $61,000.

B. Response of Barbara-Rose Collins and Collins Committee

The responses of Barbara-Rose Collins and Sally Dean treasurer of the Collins Committee are brief. Ms. Collins asks that the Commission not penalize her because she had no

intention of violating the law and she took immediate steps to pay off the loan once she discovered a violation had occurred. (Attachment 2, page 13). Ms. Dean states that she should not be penalized because she was not aware that there were any guarantors of the loans. (Attachment 3, page 14). Ms. Dean also notes that immediate action was taken to correct the violation. Id.

C. Responses of Don H. Barden, James Sharp and Cara Woods

The response of Don H. Barden acknowledges that he acted as a guarantor of a loan to Barbara-Rose Collins. (Attachment 4, page 15). Attached to the Barden response is a copy of the guaranty document received from the bank. (Attachment 4, pages 18-22). The guaranty document submitted indicates that Mr. Barden was the guarantor of the $50,000 loan to Ms. Collins. Id. A letter from a bank official indicates that the loan has been paid in full and that Mr. Barden is released from any obligations on the loan. (Attachment 4, page 17).

Mr. Barden contends that he guaranteed the loan to Ms. Collins as an individual and only after being assured that the guaranty was proper under Federal Election Commission regulations. Mr. Barden notes that he had no intention of violating the Act and that though he was active in the Collins campaign he had no role in the receipt and disbursement of funds or the filing of reports. (Attachment 4, pages 14-15).

The joint response of James Sharp and Cara Woods also acknowledge that they were guarantors for a loan to Barbara-Rose Collins. (Attachment 5, pages 23-24). Attached to the response are affidavits from James Sharp and Cara Woods which reiterate and corroborate the essential elements presented in the joint response. The joint response did not contain copies of the guaranty documents. Though both individuals were aware that Ms. Collins was a candidate for the U.S. Congress, they contend that the loan guarantees were made to Ms. Collins in her personal capacity and "without regard to her status as a candidate for federal office" (Attachment 5, pages 26-28).

According to the joint response, Mr. Sharp, a close personal friend and supporter of Ms. Collins, was asked to guarantee what he believed to be a personal loan. (Attachment 5, page 23). Similarly, Cara Woods was asked by Mr. Sharp to sign a guarantee for Ms. Collins' loan. Id. Both individuals indicate that their belief that the loan was to Ms. Collins in her personal capacity was reinforced by the bank documents that they signed which identified the loan as a "consumer loan." Id.

The response notes that neither person was aware that guarantees of loans are treated as contributions under federal campaign laws. (Attachment 5, page 24). Furthermore, the Sharp/Woods response states that they received no notice that such guarantees were treated as contributions. Id. Moreover, counsel also asserts that the

characterization of a candidate's personal loan as campaign related is commonly misunderstood area of federal election law and point out that this misunderstanding of the law extended to the candidate, Ms. Collins. Id. Based on the foregoing, James Sharp and Cara Woods request that the complaint be dismissed as to them and that the Commission take no further action.

D. Law

Pursuant to 2 U.S.C. § 441a(a)(1)(A), an individual may not make contributions to a candidate for federal office or her political committee in excess of $1,000 per election. 2 U.S.C. § 431(8)(A)(i) 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." The term "loan" includes guarantees, endorsements, and any form of security. 11 C.F.R. 100.7(a)(1)(i).

Under 2 U.S.C. § 431(8)(B)(vii)(I), a loan is considered a loan by each endorser or guarantor in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors.

When a candidate receives a loan for use in connection with her campaign, the candidate receives such loan as a agent of her authorized committee. 2 U.S.C. § 432(e)(2). A loan which exceeds the contribution limitation of the Act is unlawful whether or not it is repaid. 11 C.F.R. § 100.7(a)(1)(i)(A).

Additionally, the Act also makes unlawful the knowing acceptance of excessive contributions by candidates and political committees. 2 U.S.C. § 441a(f). Section 434(b) requires that political committees accurately report debts and obligations and that political committees properly disclose the amount and nature of outstanding debts. Additionally, the treasurer is responsible for determining whether contributions have exceeded the Act. 11 C.F.R. § 103.3.

E. Application of the Law

During the 1990 election cycle, Barbara-Rose Collins was a candidate for the U.S. House of Representatives from Michigan's 13th Congressional District. Ms. Collins won the Democratic primary election on August 7, 1990, and the general election on November 6, 1990. According to the record and reports on file at the Commission, Ms. Collins received two loans totaling $75,000 (in the amounts of $50,000 and $25,000 respectively) on July 16, 1990, from a bank in Detroit. These loans were initially disclosed on the Collins Committee's 12 Day Pre-Primary Election Report as a loan of personal funds from Ms. Collins to the Collins Committee. On September 19, 1990, the Collins Committee amended its 12 Day Pre-Primary Election Report to disclose the First Independence National Bank as the source of the loans and Barbara-Rose Collins as endorser of the loans. No guarantors were disclosed on the Schedule C. In the Collins Committee's October Quarterly Report filed October 16, 1990,

the Collins Committee returned to its original disclosure of the source of these loans, listing Barbara-Rose Collins as the source.

Subsequently, in its 12 Day Pre-General Election Report, the Collins Committee disclosed that the First Independence National bank was the source of the loans and Barbara-Rose Collins was endorser of the loans. Finally, after the election on November 6, 1990, the Collins Committee amended its 12 Day Pre-General Election Report to disclose that a $36,000 loan was guaranteed by Don H. Barden and a $25,000 loan to the Collins Committee was guaranteed by James Sharp and Cara Woods.[2/] Ms. Collins also listed herself as endorser of these loans.

It appears from the record that the $36,000 loan represented proceeds from a $50,000 loan that was guaranteed by Don H. Barden.[3/] According to Ms. Collins, the rest of the proceeds were for her own personal use. The Collins Committee's 30 Day Post-General Election Report discloses that the two loans ($36,000 and $25,000) to the Collins Committee were repaid on November 15 and 16, 1990. Additionally, bank documents submitted with the complaint

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2/ A review of the reports on file at the Commission indicate that the Collins Committee has not amended its 12 Day Pre-Primary Election Report, the report first disclosing the loans, to disclose the amounts and guarantors of the loans in question.

3/ Since neither James Sharp nor Cara Woods submitted a copy of their guaranty document, this office assumes that Sharp and Woods were the sole guarantors on this loan to Ms. Collins.

indicate that the two bank loans ($50,000 and $25,000) were repaid in full on November 15 and 16, 1990.

Respondents in the matter acknowledge that the loans were made to Ms. Collins and that apparently a large portion of the proceeds of the loans were turned over to the Collins Committee. It has also been acknowledged by Don H. Barden, James Sharp and Cara Woods that they were the guarantors of loans made to Ms. Collins. The guaranty document submitted by Mr. Barden clearly indicates that the guarantors were liable for the repayment of the loan if Collins defaulted and it is assumed that the other guarantors (Sharp and Woods) signed similar agreements to guarantee the second loan to Ms. Collins.

As noted, a loan, including a loan guarantee, received by a candidate for use in her campaign is a contribution under the Act. See Advisory Opinion 1985-33.[4/] Further, guarantors are deemed to have contributed that portion of the outstanding loan amount divided by the total number of endorsers and guarantors. In the case of the $50,000 loan signed by

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4/ In Advisory Opinion 1985-33, Representative Cardiss Collins explained that certain "entities" were willing to make loans to her but not to her campaign committee. Since she intended to loan these funds to her committee, Rep. Collins asked whether such loans should be reported as personal funds of the candidate. The Commission concluded that because the Act and Commission regulations specify that when a candidate receives loans for use in her campaign the candidate receives the loans as a agent of his or her authorized committee, these loans are contributions under the Act. The loans should be reported as loans from the original lender to the committee, rather than as loans from the personal funds of the candiate.

Ms. Collins and guaranteed by Mr. Barden, Mr. Barden is deemed to have contributed $25,000. In the case of the $25,000 loan to Ms. Collins that was guaranteed by James Sharp and Cara Woods, their individual contributions would be approximately $8333 each.[5/]

Based on the foregoing, the guarantors (Don H. Barden, James Sharp, and Cara Woods) of the loans in question exceeded the contribution limits of the Act and the Collins Committee and Sally Dean, as treasurer, knowingly accepted the excessive contributions.[6/] Additionally, the Collins Committee and Sally Dean, as treasurer, failed to accurately report the receipt of these loans.

While respondents acknowledge the relevant facts of the matter, they argue that they believed they were making a personal loan to the candidate and not to her congressional committee. This asserted reliance on how the loan was characterized overlooks the fact that moneys received by the candidate after initiation of her candidacy are presumed to

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5/ This would be the minimum contribution made by James Sharp and Cara Woods if no lesser amount was stipulated on the written instrument. We will be requesting copies of these documents in our reason to believe notification letters to these respondents.

6/ The amount that exceeded the contribution limits is as follows: Don H. Barden ($24,000) and Cara Woods ($7,333). Only James Sharp had contributed ($1,000) to the Collins Committee during the 1990 election cycle. Consequently, the full amount of his contribution ($8,333) exceeded the limits under the Act.

Federal election.[7] Significantly here, the guarantors appear to have been close personal friends of Ms. Collins, knew she was a candidate for federal office, and do not deny their knowledge that the loans were to be used to influence Ms. Collins candidacy. Rather, they only state that the guarantees were made "without regard to her status as a candidate for federal office." Consequently, Mr. Sharp and Mr. Woods have made excessive contributions to the Collins Committee and this result is not altered if the guarantee was signed after the loan of funds to the Collins Committee.

Accordingly, the Office of the General Counsel recommends that the Commission find reason to believe Don H. Barden, James Sharp and Cara Woods violated 2 U.S.C. § 441a(a)(1)(A) by making excessive contributions to the Collins Committee in the form of loan guarantees. The Office of the General Counsel also recommends that the Commission find reason to believe Barbara-Rose Collins, Collins for Congress and Sally Dean, as treasurer, violated 2 U.S.C. 441a(f) by knowingly accepting the excessive contributions. Additionally, the Office of the General Counsel recommends that the Commission find reason to believe the Collins

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7/ Moreover, loans to pay for personal or living expenses of the candidate are contributions under the Act and consequently are not excludable as personal funds of the candidate. See Advisory Opinions 1982-64 and 1978-40.

Committee and Sally Dean, as treasurer, violated 2 U.S.C.§ 434(b) by failing to accurately report the loans.

III. RECOMMENDATIONS

1. Find reason to believe Don H. Barden, James Sharp and Cara Woods violated 2 U.S.C. § 441a(a)(1)(A).

2. Find reason to believe Barbara-Rose Collins violated 2 U.S.C. § 441a(f).

3. Find reason to believe Collins for Congress and Sally Dean, as treasurer, violated 2 U.S.C. §§ 441a(f) and 434(b).

4. Approve the appropriate letters and the attached Factual and Legal Analyses.

Lawrence M. Noble
General Counsel

8-20-91
Date

BY: Lois G. Lerner
Lois G. Lerner
Associate General Counsel

Attachments
1. Complaint
2. Response of Barbara-Rose Collins
3. Response of Collins Committee
4. Response of Don H. Barden
5. Response of James Sharp and Cara Woods
6. Factual and Legal Analyses to Barbara-Rose Collins and Collins for Congress, Sally Dean, as treasurer; Don Barden; James Sharp and Cara Woods

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/ DONNA ROACH
COMMISSION SECRETARY

DATE: AUGUST 23, 1991

SUBJECT: MUR 3181 - FIRST GENERAL COUNSEL'S REPORT DATED AUGUST 20, 1991.

The above-captioned document was circulated to the Commission on WEDNESDAY, AUGUST 21, 1991 at 4:00 P.M.

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

Commissioner Aikens	
Commissioner Elliott	XXX
Commissioner Josefiak	XXX
Commissioner McDonald	
Commissioner McGarry	
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda for TUESDAY, AUGUST 27, 1991.

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

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3181
Barbara-Rose Collins;	)	
Collins for Congress and Sally Dean, as treasurer;	)	
Don H. Barden; James Sharp; and	)	
Cara Woods.	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on August 27, 1991, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 3181:

1. Find reason to believe Don H. Barden, James Sharp and Cara Woods violated 2 U.S.C. § 441a(a)(1)(A).

2. Find reason to believe Barbara-Rose Collins violated 2 U.S.C. § 441a(f).

3. Find reason to believe Collins for Congress and Sally Dean, as treasurer, violated 2 U.S.C. §§ 441a(f) and 434(b).

(continued)

4. Approve the appropriate letters and the Factual and Legal Analyses as recommended in the General Counsel's report dated August 20, 1991

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

Attest:

9-4-91
Date

Marjorie W. Emmons
Secretary of the Commission

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Spetember 25, 1991

Barbara-Rose Collins
Sally Dean, Treasurer
Collins for Congress Committee
P.O. Box 07167
Detroit, MI 48207

RE: MUR 3181
Barbara-Rose Collins;
Collins for Congress and
Sally Dean, as treasurer

Dear Ms. Collins and Ms. Dean:

On December 4, 1990, the Federal Election Commission notified you, Collins for Congress and Sally Dean, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you and your committee at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you and Collins for Congress, the Commission, on August 27, 1991, found that there is reason to believe Barbara-Rose Collins violated 2 U.S.C. § 441a(f); Collins for Congress and Sally Dean, as treasurer, violated 2 U.S.C. §§ 441a(f) and 434(b), provisions of 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 Barbara-Rose Collins; Collins for Congress and Sally Dean, as treasurer. 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 receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against Barbara-Rose Collins; Collins for Congress and Sally Dean, 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 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 ordinarily will not 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.

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

If you have any questions, please contact Deborah Curry, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

John Warren McGarry

John Warren McGarry
Chairman

Enclosures
Designation of Counsel Form
Factual & Legal Analysis

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

Respondent: Barbara-Rose Collins
Collins for Congress and
Sally Dean, as treasurer

MUR 3181

This matter was generated by a signed and sworn complaint filed by Barbara-Rose Collins against herself and the Collins for Congress Committee. ("Collins Committee"). The complaint alleges violations of the Act with respect to certain loans received by the Collins Committee.

A. The Barbara-Rose Collins Complaint

According to the complaint filed by Barbara-Rose Collins, she received two loans totaling $75,000 from First Independence National Bank of Detroit as a personal loan on July 16, 1990. Attached to the complaint are copies of the two promissory notes totaling $75,000 evidencing the loans. The loan documents are labeled "consumer loan agreement." One loan is in the amount of $25,000 and the other loan is
in the amount of $50,000. The loans were received by Ms. Collins on the same date of July 16, 1990 and each had a maturity date of January 1, 1991. The interest rate on each loan was 11%.

According to the complaint, Ms. Collins intended to use some of the proceeds of the two loans to help defray the cost of her primary election for Congress and some for her own personal use. The complaint indicates that because Ms. Collins considered the loan a personal loan from the bank to herself, she did not consider the guarantors of the loans to be obligated to repay the loans nor did she feel that such loans were campaign loans because

they were made to her and not to the Collins Committee.[1/] Ms. Collins notes that no other signatures appeared on the loan papers as cosigners.

Ms. Collins states that at the time of the receipt of the loans in question she was unaware that such loans violated Commission regulations and that it was not her intent to violate Commission regulations or to cause anyone else to violate Commission regulations.

Ms. Collins contends that after conferring with the Federal Election Commission in July 1990 and at their request the Collins Committee amended its reports to show the source of the loan as First Independence Bank of Detroit and listed Barbara-Rose Collins as the endorser. On November 13, 1990, Ms. Collins indicates that she was informed that the loans might be in violation of Act because such loans are considered contributions until repaid and all guarantors were obligated to repayment if she defaulted. According to Ms. Collins, she took immediate corrective action to remedy the situation by repaying the bank loans in their entirety. The total balance of the loans were paid in full on November 15, and 16, 1990. Attached to the complaint are letters from the bank verifying the fact that the loans have been paid in full.

Ms. Collins asserts that since the loans are paid off they cannot be considered contributions by the bank and/or guarantors.

The complaint also contains an amendment to the Collins

1/ In response to the Commission's notification of complaint Don H. Barden has submitted a copy of the guaranty he signed for Ms. Collins. The language of guaranty clearly states that the guarantor is liable for repayment of the loan.

Committee's 12 Day Pre-General Election Report which itemizes each loan and lists the guarantors for each loan. According to the amendment filed on November 20, 1990, one loan for $36,000 on July 16, 1990, lists Barbara-Rose Collins and Don H. Barden as endorser/guarantor and another loan for $25,000 on July 16, 1990, lists Barbara-Rose Collins, James Sharp and Cara Woods as endorser/guarantors. Per this amendment, the two loans made to the Collins Committee totaled $61,000.

B. Response of Barbara-Rose Collins and Collins Committee

The responses of Barbara-Rose Collins and Sally Dean treasurer of the Collins Committee are brief. Ms. Collins asks that the Commission not penalize her because she had no intention of violating the law and she took immediate steps to pay off the loan once she discovered a violation had occurred. Ms. Dean states that she should not be penalized because she was not aware that there were any guarantors of the loans. Ms. Dean also notes that immediate action was taken to correct the violation.

C. Law

Pursuant to 2 U.S.C. § 441a(a)(1)(A), an individual may not make contributions to a candidate for federal office or her political committee in excess of $1,000 per election. 2 U.S.C. § 431(8)(A)(i) 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." The term "loan" includes guarantees, endorsements, and any form of security. 11 C.F.R. 100.7(a)(1)(i).

Under 2 U.S.C. § 431(8)(B)(vii)(I), a loan is considered a loan by each endorser or guarantor in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors.

When a candidate receives a loan for use in connection with her campaign, the candidate receives such loan as a agent of her authorized committee. 2 U.S.C. § 432(e)(2). A loan which exceeds the contribution limitation of the Act is unlawful whether or not it is repaid. 11 C.F.R. § 100.7(a)(1)(i)(A).

Additionally, the Act also makes unlawful the knowing acceptance of excessive contributions by candidates and political committees. 2 U.S.C. § 441a(f). Section 434(b) requires that political committees accurately report debts and obligations and that political committees properly disclose the amount and nature of outstanding debts. Additionally, the treasurer is responsible for determining whether contributions have exceeded the Act. 11 C.F.R. § 103.3.

D. Application of the Law

During the 1990 election cycle, Barbara-Rose Collins was a candidate for the U.S. House of Representatives from Michigan's 13th Congressional District. Ms. Collins won the Democratic primary election on August 7, 1990, and the general election on November 6, 1990. According to the record and reports on file at the Commission, Ms. Collins received two loans totaling $75,000 (in the amounts of $50,000 and $25,000 respectively) on July 16, 1990, from a bank in Detroit. These loans were initially disclosed on the Collins Committee's 12 Day Pre-Primary Election Report as a loan of personal funds from Ms. Collins to the Collins

Committee. On September 19, 1990, the Collins Committee amended its 12 Day Pre-Primary Election Report to disclose the First Independence National Bank as the source of the loans and Barbara-Rose Collins as endorser of the loans. No guarantors were disclosed on the Schedule C. In the Collins Committee's October Quarterly Report filed October 16, 1990, the Collins Committee returned to its original disclosure of the source of these loans, listing Barbara-Rose Collins as the source.

Subsequently, in its 12 Day Pre-General Election Report, the Collins Committee disclosed that the First Independence National bank was the source of the loans and Barbara-Rose Collins was endorser of the loans. Finally, after the election on November 6, 1990, the Collins Committee amended its 12 Day Pre-General Election Report to disclose that a $36,000 loan was guaranteed by Don H. Barden and a $25,000 loan to the Collins Committee was guaranteed by James Sharp and Cara Woods.[2/] Ms. Collins also listed herself as endorser of these loans.

It appears from the record that the $36,000 loan represented proceeds from a $50,000 loan that was guaranteed by Don H. Barden.[3/] According to Ms. Collins, the rest of the proceeds were for her own personal use. The Collins Committee's 30 Day Post-General Election Report discloses that the two loans ($36,000 and $25,000) to the Collins Committee were repaid on November 15

2/ A review of the reports on file at the Commission indicate that the Collins Committee has not amended its 12 Day Pre-Primary Election Report, the report first disclosing the loans, to disclose the amounts and guarantors of the loans in question.

3/ The Commission assumes that Sharp and Woods were the sole guarantors on this loan to Ms. Collins.

and 16, 1990. Additionally, bank documents submitted with the complaint indicate that the two bank loans ($50,000 and $25,000) were repaid in full on November 15 and 16, 1990.

Respondent acknowledges that she received two loans and that a large portion of the proceeds of the loans were turned over to the Collins Committee. It has also been acknowledged by Don H. Barden, James Sharp and Cara Woods that they were the guarantors of loans made to Ms. Collins. The guaranty document submitted by Mr. Barden clearly indicates that the guarantors were liable for the repayment of the loan if Collins defaulted and it is assumed that the other guarantors (Sharp and Woods) signed similar agreements to guarantee the second loan to Ms. Collins.

As noted, a loan, including a loan guarantee, received by a candidate for use in her campaign is a contribution under the Act. See Advisory Opinion 1985-33.[4] Unless otherwise stipulated in the guaranty document, guarantors are deemed to have contributed that portion of the outstanding loan amount divided by the total number of endorsers and guarantors. In the case of the $50,000 loan to Ms. Collins the full amount of which was guaranteed by Mr. Barden, Mr. Barden is deemed to have contributed $50,000. In the case of

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4/ In Advisory Opinion 1985-33, Representative Cardiss Collins explained that certain "entities" were willing to make loans to her but not to her campaign committee. Since she intended to loan these funds to her committee, Rep. Collins asked whether such loans should be reported as personal funds of the candidate. The Commission concluded that because the Act and Commission regulations specify that when a candidate receives loans for use in her campaign the candidate receives the loans as a agent of his or her authorized committee, these loans are contributions under the Act. The loans should be reported as loans from the original lender to the committee, rather than as loans from the personal funds of the candidate.

the $25,000 loan to Ms. Collins that was guaranteed by James Sharp and Cara Woods, their individual contributions would be approximately $12,500 each.[5]

Based on the foregoing, there is reason to believe that Barbara-Rose Collins, the Collins Committee and Sally Dean, as treasurer, violated 2 U.S.C. § 441a(f) by knowingly accepting excessive contributions.[6] Additionally, there is reason to believe the Collins Committee and Sally Dean, as treasurer, violated 2 U.S.C. § 434(b) by failing to accurately report the receipt of these loans.

5/ This would be the minimum contribution made by James Sharp and Cara Woods if no amount or portion was stipulated on the written instrument.

6/ The amount that exceeded the contribution limits is as follows: Don H. Barden ($49,000) and Cara Woods ($11,500). Only James Sharp had contributed ($1,000) to the Collins Committee during the 1990 election cycle. Consequently, the full amount of his contribution ($12,500) exceeded the limits under the Act.

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

September 25, 1991

Don H. Barden
1249 Washington Boulevard
2100 Book Tower
Detroit, MI 48226

RE: MUR 3181
Don H. Barden

Dear Mr. Barden:

On December 4, 1990, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on August 27, 1991, found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of 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 receipt of this letter. Where appropriate, statements should be submitted under oath.

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 ordinarily will not 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.

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

If you have any questions, please contact Deborah Curry, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

John Warren McGarry

John Warren McGarry
Chairman

Enclosures
Designation of Counsel Form
Factual & Legal Analysis

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

Respondent: Don Barden MUR 3181

This matter was generated by a signed and sworn complaint filed by Barbara-Rose Collins against herself and the Collins for Congress Committee. ("Collins Committee"). The complaint alleges violations of the Act with respect to certain loans received by the Collins Committee. Based on Ms. Collins' allegations a notification of complaint was sent to Don H. Barden.

A. The Barbara-Rose Collins Complaint

According to the complaint filed by Barbara-Rose Collins, she received two loans totaling $75,000 from First Independence National Bank of Detroit as a personal loan on July 16, 1990. Attached to the complaint are copies of the two promissory notes totaling $75,000 evidencing the loans. The loan documents are labeled "consumer loan agreement." One loan is in the amount of $25,000 and the other loan is in the amount of $50,000. The loans were received by Ms. Collins on the same date of July 16, 1990 and each had a maturity date of January 1, 1991. The interest rate on each loan was 11%.

According to the complaint, Ms. Collins intended to use some of the proceeds of the two loans to help defray the cost of her primary election for Congress and some for her own personal use. The complaint indicates that because Ms. Collins considered the loan a personal loan from the bank to herself, she did not consider the guarantors of the loans to be obligated to repay the

loans nor did she feel that such loans were campaign loans because they were made to her and not to the Collins Committee.[1/] Ms. Collins notes that no other signatures appeared on the loan papers as cosigners.

Ms. Collins states that at the time of the receipt of the loans in question she was unaware that such loans violated Commission regulations and that it was not her intent to violate Commission regulations or to cause anyone else to violate Commission regulations.

Ms. Collins contends that after conferring with the Federal Election Commission in July 1990 and at their request the Collins Committee amended its reports to show the source of the loan as First Independence Bank of Detroit and listed Barbara-Rose Collins as the endorser. On November 13, 1990, Ms. Collins indicates that she was informed that the loans might be in violation of Act because such loans are considered contributions until repaid and all guarantors were obligated to repayment if she defaulted. According to Ms. Collins, she took immediate corrective action to remedy the situation by repaying the bank loans in their entirety. The total balance of the loans were paid in full on November 15, and 16, 1990. Attached to the complaint are letters from the bank verifying the fact that the loans have been paid in full.

Ms. Collins asserts that since the loans are paid off they

1/ In response to the Commission's notification of complaint Don H. Barden has submitted a copy of the guaranty he signed for Ms. Collins. The language of guaranty clearly states that the guarantor is liable for repayment of the loan.

cannot be considered contributions by the bank and/or guarantors.

The complaint also contains an amendment to the Collins Committee's 12 Day Pre-General Election Report which itemizes each loan and lists the guarantors for each loan. According to the amendment filed on November 20, 1990, one loan for $36,000 on July 16, 1990, lists Barbara-Rose Collins and Don H. Barden as endorser/guarantor and another loan for $25,000 on July 16, 1990, lists Barbara-Rose Collins, James Sharp and Cara Woods as endorser/guarantors. Per this amendment, the two loans made to the Collins Committee totaled $61,000.

B. Response of Don H. Barden

The response of Don H. Barden acknowledges that he acted as a guarantor of a loan to Barbara-Rose Collins. Attached to the Barden response is a copy of the guaranty document received from the bank. The guaranty document submitted indicates that Mr. Barden was the guarantor of the $50,000 loan to Ms. Collins. A letter from a bank official indicates that the loan has been paid in full and that Mr. Barden is released from any obligations on the loan. Mr. Barden contends that he guaranteed the loan to Ms. Collins as an individual and only after being assured that the guaranty was proper under Federal Election Commission regulations. Mr. Barden notes that he had no intention of violating the Act and that though he was active in the Collins campaign he had no role in the receipt and disbursement of funds or the filing of reports.

C. Law

Pursuant to 2 U.S.C. § 441a(a)(1)(A), an individual may not make contributions to a candidate for federal office or her

political committee in excess of $1,000 per election. 2 U.S.C. § 431(8)(A)(i) 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." The term "loan" includes guarantees, endorsements, and any form of security. 11 C.F.R. 100.7(a)(1)(i).

Under 2 U.S.C. § 431(8)(B)(vii)(I), a loan is considered a loan by each endorser or guarantor in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors.

When a candidate receives a loan for use in connection with her campaign, the candidate receives such loan as a agent of her authorized committee. 2 U.S.C. § 432(e)(2). A loan which exceeds the contribution limitation of the Act is unlawful whether or not it is repaid. 11 C.F.R. § 100.7(a)(1)(i)(A).

D. Application of the Law

During the 1990 election cycle, Barbara-Rose Collins was a candidate for the U.S. House of Representatives from Michigan's 13th Congressional District. Ms. Collins won the Democratic primary election on August 7, 1990, and the general election on November 6, 1990. According to the record and reports on file at the Commission, Ms. Collins received two loans totaling $75,000 (in the amounts of $50,000 and $25,000 respectively) on July 16, 1990, from a bank in Detroit. These loans were initially disclosed on the Collins Committee's 12 Day Pre-Primary Election Report as a loan of personal funds from Ms. Collins to the Collins

Committee.

On September 19, 1990, the Collins Committee amended its 12 Day Pre-Primary Election Report to disclose the First Independence National Bank as the source of the loans and Barbara-Rose Collins as endorser of the loans. No guarantors were disclosed on the Schedule C. In the Collins Committee's October Quarterly Report filed October 16, 1990, the Collins Committee returned to its original disclosure of the source of these loans, listing Barbara-Rose Collins as the source of these loans.

Subsequently, in its 12 Day Pre-General Election Report, the Collins Committee disclosed that the First Independence National bank was the source of the loans and Barbara-Rose Collins was endorser of the loans. Finally, after the election on November 6, 1990, the Collins Committee amended its 12 Day Pre-General Election Report to disclose that a $36,000 loan was guaranteed by Don H. Barden and a $25,000 loan to the Collins Committee was guaranteed by James Sharp and Cara Woods. Ms. Collins also listed herself as endorser of these loans.

It appears from the record that the $36,000 loan represented proceeds from a $50,000 loan that was guaranteed by Don H. Barden. According to Ms. Collins, the rest of the proceeds were for her own personal use. The Collins Committee's 30 Day Post-General Election Report discloses that the two loans ($36,000 and $25,000) to the Collins Committee were repaid on November 15 and 16, 1990. Additionally, bank documents submitted with the complaint indicate that the two bank loans ($50,000 and $25,000) were repaid in full on November 15 and 16, 1990.

Respondent in the matter acknowledges that the loan ($50,000) was made to Ms. Collins. Don H. Barden also acknowledges that he guaranteed the loan made to Ms. Collins. The guaranty document submitted by Mr. Barden clearly indicates that the guarantor was liable for the repayment of the loan if Collins defaulted.

As noted, a loan, including a loan guarantee, received by a candidate for use in her campaign is a contribution under the Act. See Advisory Opinion 1985-33.[2/] Unless otherwise stipulated in the guaranty document, guarantors are deemed to have contributed that portion of the outstanding loan amount divided by the total number of endorsers and guarantors. In the case of the $50,000 loan to Ms. Collins the full amount of which was guaranteed by Mr. Barden, Mr. Barden is deemed to have contributed $50,000.

Based on the foregoing, there is reason to believe that Don H. Barden violated 2 U.S.C. § 441a(a)(1)(A) by exceeding the contribution limits of the Act.

2/ In Advisory Opinion 1985-33, Representative Cardiss Collins explained that certain "entities" were willing to make loans to her but not to her campaign committee. Since she intended to loan these funds to her committee, Rep. Collins asked whether such loans should be reported as personal funds of the candidate. The Commission concluded that because the Act and Commission regulations specify that when a candidate receives loans for use in her campaign the candidate receives the loans as a agent of his or her authorized committee, these loans are contributions under the Act. The loans should be reported as loans from the original lender to the committee, rather than as loans from the personal funds of the candidate.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 25, 1991

Robert F. Bauer, Esquire
Judith L. Corley
Perkins Coie
Suite 800
607 14th Street, N.W.
Washington, D.C. 20005-2011

RE: MUR 3181
James Sharp and Cara Woods

Dear Mr. Bauer and Ms. Corley:

On December 4, 1990, the Federal Election Commission notified your clients, James Sharp and Cara Woods, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your clients at that time.

Upon further review of the allegations contained in the complaint, and information supplied by your clients, the Commission, on August 27, 1991, found that there is reason to believe James Sharp and Cara Woods violated 2 U.S.C. § 441a(a)(1)(A), a provision of 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 James Sharp and Cara Woods. 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 receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against James Sharp and Cara Woods, 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 ordinarily will not give extensions beyond 20 days.

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

If you have any questions, please contact Deborah Curry, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

John Warren McGarry

John Warren McGarry
Chairman

Enclosures
Factual & Legal Analysis

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

Respondents: James Sharp and Cara Woods

MUR 3181

This matter was generated by a signed and sworn complaint filed by Barbara-Rose Collins against herself and the Collins for Congress Committee. ("Collins Committee"). The complaint alleges violations of the Act with respect to certain loans received by the Collins Committee. Based on Ms. Collins' allegations, notification of complaint was sent to James Sharp and Cara Woods.

A. The Barbara-Rose Collins Complaint

According to the complaint filed by Barbara-Rose Collins, she received two loans totaling $75,000 from First Independence National Bank of Detroit as a personal loan on July 16, 1990. Attached to the complaint are copies of the two promissory notes totaling $75,000 evidencing the loans. The loan documents are labeled "consumer loan agreement." One loan is in the amount of $25,000 and the other loan is in the amount of $50,000. The loans were received by Ms. Collins on the same date of July 16, 1990 and each had a maturity date of January 1, 1991. The interest rate on each loan was 11%.

According to the complaint, Ms. Collins intended to use some of the proceeds of the two loans to help defray the cost of her primary election for Congress and some for her own personal use. The complaint indicates that because Ms. Collins considered the loan a personal loan from the bank to herself, she did not

consider the guarantors of the loans to be obligated to repay the loans nor did she feel that such loans were campaign loans because they were made to her and not to the Collins Committee.[1/] Ms. Collins notes that no other signatures appeared on the loan papers as cosigners.

Ms. Collins states that at the time of the receipt of the loans in question she was unaware that such loans violated Commission regulations and that it was not her intent to violate Commission regulations or to cause anyone else to violate Commission regulations.

Ms. Collins contends that after conferring with the Federal Election Commission in July 1990 and at their request the Collins Committee amended its reports to show the source of the loan as First Independence Bank of Detroit and listed Barbara-Rose Collins as the endorser. On November 13, 1990, Ms. Collins indicates that she was informed that the loans might be in violation of Act because such loans are considered contributions until repaid and all guarantors were obligated to repayment if she defaulted. According to Ms. Collins, she took immediate corrective action to remedy the situation by repaying the bank loans in their entirety. The total balance of the loans were paid in full on November 15, and 16, 1990. Attached to the complaint are letters from the bank verifying the fact that the loans have been paid in full.

Ms. Collins asserts that since the loans are paid off they

1/ Don H. Barden has submitted a copy of the guaranty he signed for Ms. Collins. The language of guaranty clearly states that the guarantor is liable for repayment of the loan.

cannot be considered contributions by the bank and/or guarantors.

The complaint also contains an amendment to the Collins Committee's 12 Day Pre-General Election Report which itemizes each loan and lists the guarantors for each loan. According to the amendment filed on November 20, 1990, one loan for $36,000 on July 16, 1990, lists Barbara-Rose Collins and Don H. Barden as endorser/guarantor and another loan for $25,000 on July 16, 1990, lists Barbara-Rose Collins, James Sharp and Cara Woods as endorser/guarantors. Per this amendment, the two loans made to the Collins Committee totaled $61,000.

B. Responses of James Sharp and Cara Woods

The joint response of James Sharp and Cara Woods acknowledge that they were guarantors for a loan to Barbara-Rose Collins. Attached to the response are affidavits from James Sharp and Cara Woods which reiterate and corroborate the essential elements presented in the joint response. The joint response did not contain copies of the guaranty documents. Though both individuals were aware that Ms. Collins was a candidate for the U.S. Congress, they contend that the loan guarantees were made to Ms. Collins in her personal capacity and "without regard to her status as a candidate for federal office".

According to the joint response, Mr. Sharp, a close personal friend and supporter of Ms. Collins, was asked to guarantee what he believed to be a personal loan. Similarly, Cara Woods was asked by Mr. Sharp to sign a guarantee for Ms. Collins' loan. Both individuals indicate that their belief that the loan was to Ms. Collins in her personal capacity was reinforced by the bank

documents that they signed which identified the loan as a "consumer loan."

The response notes that neither person was aware that guarantees of loans are treated as contributions under federal campaign laws. Furthermore, the Sharp/Woods response states that they received no notice that such guarantees were treated as contributions. Moreover, counsel also asserts that the characterization of a candidate's personal loan as campaign related is commonly misunderstood area of federal election law and point out that this misunderstanding of the law extended to the candidate, Ms. Collins.

C. Law

Pursuant to 2 U.S.C. § 441a(a)(1)(A), an individual may not make contributions to a candidate for federal office or her political committee in excess of $1,000 per election. 2 U.S.C. § 431(8)(A)(i) 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." The term "loan" includes guarantees, endorsements, and any form of security. 11 C.F.R. 100.7(a)(1)(i).

Under 2 U.S.C. § 431(8)(B)(vii)(I), a loan is considered a loan by each endorser or guarantor in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors.

When a candidate receives a loan for use in connection with her campaign, the candidate receives such loan as a agent of her

authorized committee. 2 U.S.C. § 432(e)(2). A loan which exceeds the contribution limitation of the Act is unlawful whether or not it is repaid. 11 C.F.R. § 100.7(a)(1)(i)(A).

D. Application of the Law

During the 1990 election cycle, Barbara-Rose Collins was a candidate for the U.S. House of Representatives from Michigan's 13th Congressional District. Ms. Collins won the Democratic primary election on August 7, 1990, and the general election on November 6, 1990. According to the record and reports on file at the Commission, Ms. Collins received two loans totaling $75,000 (in the amounts of $50,000 and $25,000 respectively) on July 16, 1990, from a bank in Detroit. These loans were initially disclosed on the Collins Committee's 12 Day Pre-Primary Election Report as a loan of personal funds from Ms. Collins to the Collins Committee. On September 19, 1990, the Collins Committee amended its 12 Day Pre-Primary Election Report to disclose the First Independence National Bank as the source of the loans and Barbara-Rose Collins as endorser of the loans. No guarantors were disclosed on the Schedule C. In the Collins Committee's October Quarterly Report filed October 16, 1990, the Collins Committee returned to its original disclosure of the source of these loans, listing Barbara-Rose Collins as the source.

Subsequently, in its 12 Day Pre-General Election Report, the Collins Committee disclosed that the First Independence National bank was the source of the loans and Barbara-Rose Collins was endorser of the loans. Finally, after the election on November 6, 1990, the Collins Committee amended its 12 Day Pre-General

Election Report to disclose that a $36,000 loan was guaranteed by Don H. Barden and a $25,000 loan to the Collins Committee was guaranteed by James Sharp and Cara Woods. Ms. Collins also listed herself as endorser of these loans.

It appears from the record that the $36,000 loan represented proceeds from a $50,000 loan that was guaranteed by Don H. Barden.[2/] According to Ms. Collins, the rest of the proceeds were for her own personal use. The Collins Committee's 30 Day Post-General Election Report discloses that the two loans ($36,000 and $25,000) to the Collins Committee were repaid on November 15 and 16, 1990. Additionally, bank documents submitted with the complaint indicate that the two bank loans ($50,000 and $25,000) were repaid in full on November 15 and 16, 1990.

Respondents in the matter acknowledge that a loan ($25,000) was made to Ms. Collins. It has also been acknowledged by James Sharp and Cara Woods that they were the guarantors of the loan made to Ms. Collins. The guaranty document submitted by Mr. Barden clearly indicates that the guarantors were liable for the repayment of the loan if Collins defaulted and it is assumed that the other guarantors (Sharp and Woods) signed similar agreements to guarantee the second loan to Ms. Collins.

As noted, a loan, including a loan guarantee, received by a candidate for use in her campaign is a contribution under the Act.

2/ This office assumes that Sharp and Woods were the sole guarantors on this loan to Ms. Collins.

See Advisory Opinion 1985-33.[3] Unless otherwise stipulated in the guaranty document, guarantors are deemed to have contributed that portion of the outstanding loan amount divided by the total number of endorsers and guarantors. In the case of the $25,000 loan to Ms. Collins that was guaranteed by James Sharp and Cara Woods, their individual contributions would be approximately $12,500 each.[4]

While respondents acknowledge the relevant facts of the matter, they argue that they believed they were making a personal loan to the candidate and not to her congressional committee. This asserted reliance on how the loan was characterized overlooks the fact that moneys received by the candidate after initiation of her candidacy are presumed to be for the purpose of influencing a Federal election.[5] Significantly here, the guarantors appear to have been close personal friends of Ms. Collins, knew she was a

---

3/ In Advisory Opinion 1985-33, Representative Cardiss Collins explained that certain "entities" were willing to make loans to her but not to her campaign committee. Since she intended to loan these funds to her committee, Rep. Collins asked whether such loans should be reported as personal funds of the candidate. The Commission concluded that because the Act and Commission regulations specify that when a candidate receives loans for use in her campaign the candidate receives the loans as a agent of his or her authorized committee, these loans are contributions under the Act. The loans should be reported as loans from the original lender to the committee, rather than as loans from the personal funds of the candidate.

4/ This would be the minimum contribution made by James Sharp and Cara Woods if no amount or portion was stipulated on the written instrument.

5/ Moreover, loans to pay for personal or living expenses of the candidate are contributions under the Act and consequently are not excludable as personal funds of the candidate. See Advisory Opinions 1982-64 and 1978-40.

candidate for federal office, and do not deny their knowledge that the loan was to be used to influence Ms. Collins candidacy. Rather, they only state that the guarantees were made "without regard to her status as a candidate for federal office." Consequently, Mr. Sharp and Mr. Woods have made excessive contributions to the Collins Committee and this result is not altered if the guarantee was signed after the loan of funds to the Collins Committee.

Accordingly, there is reason to believe James Sharp and Cara Woods violated 2 U.S.C. § 441a(a)(1)(A) by making excessive contributions to the Collins Committee.[6/]

6/ The amount that exceeded the contribution limits for Cara Woods is $11,500. James Sharp had contributed ($1,000) to the Collins Committee during the 1990 election cycle. Consequently, the full amount of his contribution ($12,500) exceeded the limits under the Act.

COLLINS FOR CONGRESS
P.O. Box 07167
Detroit, Michigan 48207

OGC 3045

October 7, 1991

91 OCT -7 PM 4:07
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

Mr. John Warren McGarry
Chairman
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3181
Barbara-Rose Collins;
Collins for Congress and
Sally Dean, as Treasurer

Dear Chairman McGarry:

I am in receipt of your letter dated September 25, 1991.

Pursuant to 11 C.F.R. S 111.18 (d), I am writing to request a pre-probable cause conciliation.

Thank you in advance for your consideration in this matter.

Sincerely,

Barbara-Rose Collins

Barbara-Rose Collins
Member of Congress

06C 3181

AMY ROBERTSON GOLDSON
ATTORNEY AT LAW

4015 28TH PLACE, NORTHWEST
WASHINGTON, D.C. 20008
(202) 966-7531
(202) 537-3308 FAX

RECEIVED
FEDERAL ELECTION COMMISSION
91 DEC 13 AM 10:55

December 12, 1991

91 DEC 13 PM 2:14
FEDERAL ELECTION COMMISSION

The Federal Election Commission
Office of General Counsel
Attn: Jonathan Bernstein, Esquire
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3181

Dear Mr. Bernstein:

As a follow-up to our telephone conversation on Tuesday, I would like to reiterate that Rep. Barbara-Rose Collins, Collins for Congress and Sally Dean, as treasurer are ready, willing and able to pursue pre-probable cause conciliation pursuant to 11 C.F.R. section 111.18(d), at your earliest convenience.

Having received no further communication following Rep. Collins' October 7, 1991 letter to the Commission, I had attempted to reach Ms. Curry. I am aware of the very busy case load that you and Ms. Curry are responsible for. However, if this matter can be resolved before the close of 1991, we'd be most grateful.

Please contact me at your convenience. Thank you for your courtesy and cooperation.

Sincerely,

Amy R. Goldson

Amy R. Goldson

ARG:lmg

cc: The Hon. Barbara-Rose Collins

LAW OFFICES

COHN AND MARKS

SUITE 600
1333 NEW HAMPSHIRE AVENUE, N.W.
WASHINGTON, D.C. 20036-1573

TELEPHONE (202) 293-3860
CABLE COMAR-WASHINGTON, D.C.
TELECOPIER (202) 293-4827

(202) 452-4827
DIRECT DIAL

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JOEL M. LEVY
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ROY R. RUSSO
RONALD A. SIEGEL
IAN D. VOLNER
LAWRENCE N. COHN
RICHARD A. HELMICK
BRIAN M. MADDEN
WAYNE COY JR.

N. FRANK WIGGINS
MARY L. PELESH
J. BRIAN DE BOICE
ALLAN ROBERT ADLER

LAUREN M. BLOOM
SUSAN V. SACHS
APRIL MCCLAIN DELANEY
JOHN R. PRZYPYSZNY*
MELINDA K. SANNER**

OF COUNSEL
MARCUS COHN
LEONARD H. MARKS

*MEMBER D.C. AND D.E. BAR ONLY
**MEMBER MARYLAND BAR ONLY

October 15, 1991

Federal Election Commission
Office of General Counsel
Attention: Deborah Curry, Esq.
999 East Street, N.W.
Washington, D.C. 20463

Re: MUR 3181 - Don H. Barden

Dear Ms. Curry

This letter is written on behalf of Don H. Barden in connection with the Commission's letter of September 25, 1991 to Mr. Barden. The Commission's letter was not received by Mr. Barden until September 30, 1991, perhaps due to the fact that it was directed to an old address.

We are in the process of assisting Mr. Barden with the preparation of a response to the Commission's letter. Additional time is needed to obtain an executed affidavit from Mr. Barden and to finalize the response.

It is requested that the time for filing of a response to the Commission's letter be extended for a short period of time from October 15, 1991 to October 18, 1991.

Very truly yours

Ronald A. Siegel
N. Frank Wiggins

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3181

NAME OF COUNSEL: N. Frank Wiggins & Ronald A. Siegel

ADDRESS: Cohn & Marks
1333 New Hampshire Ave., N.W., Suite 600
Washington D.C. 20036

TELEPHONE: (202) 293-3860

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
91 OCT 16 AM 11:18

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.

October 9, 1991
Date

Don H Barden
Signature

RESPONDENT'S NAME: Don H. Barden

ADDRESS: 243 W. Congress, 10th Floor
Detroit, MI 48226

HOME PHONE:

BUSINESS PHONE: (313) 963-5010

OGC 3163

ORIGINAL

LAW OFFICES

COHN AND MARKS

SUITE 600
1333 NEW HAMPSHIRE AVENUE, N.W.
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RICHARD SSD
SUSAN A. SIEGEL
ANN [illegible]ONER
CHARLES N. COHN
[illegible]HAN A. HELMICK
BRIAN M. MADDEN
[illegible]

N. FRANK WIGGINS
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LAUREN M. BLOOM
SUSAN V. SACHS
APRIL MCCLANAHAN ONEAL
JOHN R. PRZYBYSZNEY
MELINDA K. SKINNER**

OF COUNSEL
MARCUS COHN
LEONARD H. MARKS

*MEMBER ILLINOIS BAR ONLY
**MEMBER MARYLAND BAR ONLY

October 17, 1991

BY HAND

The Federal Election Commission
Office of General Counsel
Attention: Deborah Curry, Esq.
999 East Street, N.W.
Washington, D.C. 20463

91 OCT 17 PM 1:40
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

Re: MUR 3181-Don H. Barden

Dear Ms. Curry

We represent Don H. Barden in the above-referenced matter. We are writing in response to the Commission's September 25, 1991 letter to Mr. Barden, which, perhaps owing to the fact that it was directed to an old address, was received by him on September 30, 1991.

As Mr. Barden has previously conceded to the Commission (in a letter from him dated December 19, 1990, a copy of which is appended as exhibit 1) and as he affirms today (exhibit 2 to this letter is a contemporaneous affidavit from Mr. Barden) Mr. Barden did guarantee a loan to Representative Collins. Thirty six thousand dollars of the guaranteed loan was used by Representative Collins in her election campaign. We concede that this may constitute a technical violation of 2 U.S.C. § 441a(a)(1)(A).

Mr. Barden requests pre-probable cause conciliation. We submit that no enforcement action should be undertaken for the following reasons:

1. As Mr. Barden attests, he has not previously violated the Federal Election Campaign Act of 1971. See Barden affidavit at paragraph 6.

2. Mr. Barden's guarantee of the loan monies used by Congresswomar. Collins in her campaign was innocent in two senses.

a. First, Mr. Barden made inquiry of Representative

Collins as to the legality of his actions under the Act. Representative Collins assured Mr. Barden that his undertaking as a guarantor of her personal obligation under the note was entirely permissible. Barden affidavit at paragraph 4.

b. Second, as Mr. Barden affirms (Barden affidavit at paragraphs 4 and 5) he believed at the time that he executed the guarantee that all of the monies lent to Ms. Collins were obligations of hers, and not of any campaign organization.

For these reasons, we submit that no sanction should be sought against Mr. Barden.

Respectfully submitted,

Ronald A. Siegel

Ronald A. Siegel

N. Frank Wiggins

Cohn and Marks
1333 New Hampshire Ave., N.W.
Suite 600
Washington, D.C. 20036
(202) 293-3860

[illegible] Washington Boulevard
[illegible] Bank Tower
Detroit, MI 48226
313-963-3010

EXHIBIT 1

Barden
COMMUNICATIONS INC

December 19, 1990

Federal Election Commission
Office of General Counsel
999 East Street, NW
Washington, D.C. 20463

RE: MUR 3181

Dear General Counsel:

This letter is written in response to your December 4, 1990 letter regarding the above referenced subject.

Thank you for the opportunity you have provided me in demonstrating that no action should be taken against me regarding this subject.

I wish to advise you of the following:

1. I guaranteed a loan to Barbara Rose Collins, as an individual, only after being assured that the guaranty was proper and permitted under Federal Election Rules. I have enclosed for your reference, the Guaranty document that I signed which I received from the bank in conjunction with the bank's notification that the loan in question has been paid in full (See First Independence National Bank letter dated December 3, 1990 with enclosure).

2. Further, I would like to refer you to Ms. Collins' letter of November 19, 1990, Paragraphs two and three which further demonstrates my reliance on the representation that my guarantee of a personal loan to Barbara Rose Collins, as an individual, was appropriate. I had no intention, nor will I ever do anything in violation of the Federal Election Commission Rules.

3. Even though I was actively involved in Ms. Collins' campaign, I had absolutely no role in receiving and dispersing campaign contributions or the filing of the necessary campaign reports.

I am sincerely sorry that this situation developed and I was totally unaware of the ramifications of this matter until very recently. I hope the above information clearly demonstrates that no further action is warranted.

Thank you for your consideration. If you have any additional questions, please advise.

Sincerely,

Don H. Barden

DHB/ap

Enclosures

EXHIBIT 2

AFFIDAVIT OF DON H. BARDEN

DON H. BARDEN, FIRST BEING DULY SWORN, DEPOSES AND SAYS:

1. I make this affidavit for submission by my lawyers in response to the September 25, 1991 letter concerning MUR 3181 to me from John Warren McGarry for the Federal Election Commission.

2. I received Mr. McGarry's letter on September 30, 1991.

3. In July of 1990, I executed a document guaranteeing a loan from First Independence National Bank of Detroit to Barbara-Rose Collins. I now understand that my guarantee might be construed as a technical violation of the Federal Election Campaign Act of 1971 and wish to pursue pre-probable cause conciliation.

4. Before executing the guarantee documents, I inquired of Representative Collins as to the legality of my undertaking under the Federal Election Campaign Act of 1971 and was assured by her that the guarantee was entirely permissible because the loan was made to her personally rather than to any campaign organization.

5. Although I now understand that this assessment may have been legally incorrect, I believed and relied on it at the time.

6. To the best of my knowledge and belief, I have never before done anything that is arguably a violation of the Federal Election Campaign Act of 1971.

All the statements above are true and correct to the best of my knowledge and belief.

Don H. Barden

Subscribed and sworn before me this 16TH day of OCTOBER 1991

Robert A. Hood
Notary Public

ROBERT A. HOOD
Notary Public, Wayne County, MI
My Commission Expires Oct. 17, 1992

OGC 3174

PERKINS COIE

A Law Partnership Including Professional Corporations
1201 Third Avenue, 40th Floor • Seattle, Washington 98101-3099 • (206) 583-8888

October 18, 1991

91 OCT 18 PM 5:14
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

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

Re: MUR 3181 - James Sharp and Cara Woods

Dear Ms. Curry:

Attached is the response of Respondents to the Commission's September 25, 1991 letter in the above-referenced matter under review.

Please note that I am submitting today a faxed copy of Mr. Sharp's executed affidavit. As soon as the original is received, I will forward it to you.

If you have any questions or need additional information, please do not hesitate to contact the undersigned.

Very truly yours,

Robert F. Bauer
Judith L. Corley
Counsel to Respondents

[15641-0001/DA912910.020]

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
1201 THIRD AVENUE, 40TH FLOOR • SEATTLE, WASHINGTON 98101-3099 • (206) 583-8888

October 18, 1991

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

Re: MUR 3181 - James Sharp and Cara Woods

Dear Ms. Curry:

This is in response to the Commission's letter dated September 25, 1991, notifying the above Respondents that it had found reason to believe a violation had occurred in this case.

Respondents have already submitted to the Commission their sworn statements setting out their understanding of the transaction in question. Respondents incorporate here by reference their earlier response and sworn statements. These statements showed that both understood that the loan they guaranteed was made to Ms. Collins in her personal capacity and that the loan did not involve her campaign committee. The documents signed by both men were clearly identified by the bank documents as a "consumer" loan. The guarantees were made on the basis of their personal friendship with Ms. Collins, and would have been made regardless of her candidacy.

The General Counsel's analysis of the response notes that "moneys received by the candidate after the initiation of her candidacy are presumed to be for the purpose of influencing a Federal election." It is unclear exactly what more the Commission would require to rebut this presumption. Respondents have already stated under oath that the loans were made to Ms.. Collins personally, without regard to her status as a candidate. The General Counsel's analysis notes that neither Respondent denied knowledge "that the loan was to be used to influence Ms. Collins candidacy." Attached to this response is the additional sworn affidavit of Mr. Sharp using this language. Since Mr. Woods was asked by Mr. Sharp to execute the guarantee, his understanding could not have been any different.

[15641-0001/DA912840.047]

As was stated in Respondents' earlier letter to the Commission, the guarantees in this case were not made with any intent to violate the campaign laws or to circumvent the contribution limitations. At the time, Respondents had no familiarity with the federal law regarding candidate loans, and received no notice of the consequences of their guarantees under that law. Simply stated, Respondents acted on the request of a personal friend in making the guarantees and inadvertently violated the law. This is not a cash contribution -- no money was passed from Respondents to Ms. Collins or her campaign. Respondents were never asked to perform on the guarantee. As soon as the matter was brought to Ms. Collins attention, it was promptly corrected.

Respondents believe that their actions in this case do not warrant any further action by the Commission and ask that the Commission dismiss the complaint. If the Commission intends to proceed with this matter, Respondents ask to enter into pre-probable cause conciliation.

If you have any questions or need additional information, please contact the undersigned.

Very truly yours,

Robert F. Bauer
Judith L. Corley
Counsel to Respondents

BEFORE THE FEDERAL ELECTION COMMISSION

MUR 3181

Respondents: James Sharp and Cara Woods

AFFIDAVIT OF JAMES SHARP

I, JAMES SHARP, being duly sworn according to law, hereby depose and state as follows:

1. I have personal knowledge of the facts set forth herein and if called to testify in this matter, I would testify as set forth herein.

2. During 1990, I was approached by Barbara-Rose Collins and asked to guarantee a portion of a personal loan that she was seeking to obtain from a bank in Detroit.

3. While I was aware that Ms. Collins was at the time a candidate for federal office, I had no knowledge that the loan was to be used to influence Ms. Collins' candidacy.

4. On August 10, 1990, the date I signed the loan guarantee, I had no knowledge that loan proceeds had already been loaned by Ms. Collins to the Collins for Congress Committee on July 16, 1990.

5. My understanding that the loan guarantee I signed was a loan for Ms. Collins personal use is supported by the loan documents themselves which indicate the loan was a consumer loan by the bank, to Ms. Collins personally, not to Collins for Congress Committee.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United State of American that the foregoing is true and correct. Executed this 16 day of October, 1991.

James A. Sharp

DOC 3169

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3181

NAME OF COUNSEL: Amy Golson, Esq.

ADDRESS: 4015 28th Place N.W.
Washington, D.C.20008

TELEPHONE: (202) 966-7531

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
91 OCT 18 PM 3:08

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.

October 15, 1991
Date

Barbara-Rose Collins
Signature

RESPONDENT'S NAME: Hon. Barbara-Rose Collins

ADDRESS: 1541 Longworth H.O.B.
Washington, D.C. 20515

HOME PHONE: N/A

BUSINESS PHONE: (202) 225-2261

OGC 4280

LAW OFFICES

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OF COUNSEL
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TELEPHONE (202) 293-3860
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TELECOPIER (202) 293-4827

DIRECT DIAL (202) 452-4827

February 3, 1992

BY HAND

The Federal Election Commission
Office of General Counsel
Attention: Deborah Curry, Esq.
999 East Street, N.W.
Washington, D.C. 20463

92 FEB -3 PM 12:19

FEDERAL ELECTION COMMISSION

Re: MUR 3181 - Don H. Barden

Dear Ms. Curry

I am enclosing an executed Affidavit of Don H. Barden in case No. MUR 3181. Please let me know if I can be of any further assistance.

Sincerely

Ronald A. Siegel

Ronald A. Siegel

Enclosure

BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER) MUR 3181
)
Don H. Barden)

92 FEB -3 AM 12:20

AFFIDAVIT

I, Don H. Barden, being first duly sworn, depose and say as follows:

1. I reside at 18240 Fairway Drive, Detroit, Michigan 48221.

2. My principal place of business is Barden Communications, located at 243 W. Congress, 10th Floor, Detroit, Michigan 48226.

3. I have known Barbara-Rose Collins for several years both as a friend of the family and as a member of the City Council.

4. I was active in Ms. Collins's campaign and was the chairman of her finance committee, an honorary or figurehead position. Although I acted as a fundraiser, I was not involved in the details of the campaign. I had no role in receiving and distributing campaign contributions or the filing of campaign reports.

5. I contributed directly to Ms. Collins's campaign, but I do not recall whether the contribution was made before or after Ms. Collins approached me about the loan guarantee.

6. In July of 1990, I executed a document guaranteeing a loan from the First Independence National Bank of Detroit to Ms. Collins.

7. Approximately thirty days prior to my execution of the loan guarantee document, I had been approached by Ms. Collins about guaranteeing the personal loan.

8. It was my understanding from my conversation with Ms. Collins that the loan was for her personally and not for any campaign organization, and that Ms. Collins intended to use some of the funds for personal purposes and to loan some of the funds to her campaign.

9. During my conversation with Ms. Collins, I specifically inquired of Ms. Collins as to the legality of my guaranteeing the loan under the Federal Election Campaign Act of 1971, as amended. I raised this issue in normal course because as a businessman with

a high profile and a good record which I want to preserve, I am very particular about how I conduct my affairs. It was important for me to be assured that the guarantee was permissible under the Act.

10. Ms. Collins assured me that the loan was permissible because the loan of funds was a personal loan and a personal obligation of Ms. Collins and not the campaign committee. I believed and relied on Ms. Collins's representation that the loan guarantee was proper and permissible when I executed the loan guarantee document.

11. Within approximately thirty days after that contact from Ms. Collins, I was called to a meeting at the First Independence National Bank of Detroit to sign the loan guarantee.

12. When I arrived at the meeting at the bank, to the best of my recollection, Ms. Collins, Mr. James Sharp and Mr. Larry Jones, then President of the bank, were already present.

13. I stayed at the meeting for only a brief time, approximately five to ten minutes, during which time Mr. Jones explained the rate on the loan and when it had to be repaid. I then signed the loan guarantee and left the meeting.

14. By virtue of Mr. Sharp's presence at the bank meeting, I assumed that Mr. Sharp was involved in some other component of the transaction between the bank and Ms. Collins, but I did not know the details thereof. My assumption was that Mr. Sharp was at the meeting for the purpose of signing a loan guarantee although I did not actually see Mr. Sharp sign any such document.

15. I know Mr. Sharp casually as a fellow local businessman. I believe that Mr. Sharp was a supporter of Ms. Collins, but I am not certain as to whether, and to what extent, he actually campaigned for her. While I am not entirely certain, I have some recollection of Mr. Sharp attending one of the meetings of the campaign committee or finance committee.

16. The next occasions on which I heard about the loan guarantee was when I read in the newspaper about the complaint which Ms. Collins filed against herself with the Federal Election Commission and, thereafter, received a copy of the complaint. Some time thereafter, I spoke with Ms. Collins and expressed to her that I was surprised and upset about the possibility of the loan guarantee being a violation of federal election campaign rules, particularly in light of her prior assurance that the loan guarantee was permissible. Ms. Collins explained that she believed that the loan guarantee was permissible under the law at the time that I executed the loan guarantee and that someone had told her, during that time period, that her assessment was correct.

17. By letter dated December 3, 1990, the bank advised me that the loan to Ms. Collins had been paid in full and that I was relieved from all obligations under the guarantee document. The bank returned the guarantee document to me.

18. The information contained in this affidavit is in addition to the information, including in my affidavit of October 16, 1991, which I previously furnished to the Federal Election Commission.

Further the affiant sayeth not.

Don H. Barden

Subscribed and sworn to before me, on this 31 day of JANUARY, 1992.

Notary Public

AMY ROBERTSON GOLDSON
ATTORNEY AT LAW

4015 28TH PLACE, NORTHWEST
WASHINGTON, D.C. 20008
(202) 966-7531
(202) 587-3308 FAX

RECEIVED
FEDERAL ELECTION COMMISSION

92 FEB -7 AM 11:57

February 5, 1992

92 FEB 11 PM 5:00

The Federal Election Commission
Office of General Counsel
Attn: Jonathan Bernstein, Esquire
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3181

Dear Mr. Berstein:

I would like to reiterate that Rep. Barbara-Rose Collins, Collins for Congress and Sally Dean, as treasurer, are ready, willing and able to pursue pre-probable cause conciliation pursuant to 11 C.F.R. Section 111.18(d), at your earliest convenience.

Having received no further communication following Rep. Collins' October 7, 1991 letter to the Commission, I had attempted to reach Ms. Curry. I am aware of the very busy case load that you and Ms. Curry are responsible for. However, if this matter can be resolved in the near future, we'd be most grateful.

Please contact me at your convenience. Thank you for your courtesy and cooperation.

Sincerely,

Amy R. Goldson

ARG:lmg

cc: The Hon. Barbara-Rose Collins

RECEIVED
F.E.C.
SECRETARIAT
1990 FEB 18 AM 11:09

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	
Barbara-Rose Collins;	)	MUR 3181
Collins for Congress and	)	
Sally Dean, as treasurer;	)	
Don H. Barden, James Sharp	)	
and Cara Woods	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was generated by a signed and sworn complaint filed by Barbara-Rose Collins against herself and the Collins for Congress Committee ("Collins Committee"). The complaint alleged violations of the Act with respect to certain loans received by the Collins Committee. Specifically, the complaint involved the proceeds of two loans (in amounts of $50,000 and $25,000 respectively) received by Ms. Collins on July 16, 1990, from the First Independence National Bank of Detroit. An amendment to the Collins Committee's 12 Day Pre-General Election Report disclosed that the loans in question were guaranteed by Don H. Barden, James Sharp and Cara Woods. The loans to the Collins Committee were repaid on November 15 and 16, 1990.

Based on the foregoing, the Commission found reason to believe Don H. Barden, James Sharp and Cara Woods violated 2 U.S.C. § 441a(a)(1)(A) by making excessive contributions to the Collins Committee. The Commission also found reason to believe Barbara-Rose Collins, Collins for Congress and Sally Dean, as treasurer, violated 2 U.S.C. §441a(f) by

knowingly accepting the excessive contributions. Additionally, the Commission found reason to believe the Collins Committee and Sally Dean, as treasurer, violated 2 U.S.C. §434(b) by failing to accurately report the loans.

In response to the notification of reason to believe, Barbara-Rose Collins, Collins for Congress and Sally Dean, as treasurer, have requested pre-probable cause conciliation. (Attachment 1).1/ Respondents James Sharp and Cara Woods ask that no further action be taken and for dismissal of the complaint, or in the alternative, if the Commission intends to proceed with the matter, respondents James Sharp and Cara Woods request pre-probable cause conciliation. (Attachment 2). An affidavit by James Sharp was submitted with the response. The response of Don H. Barden requests that no further action be taken in the matter and also requests pre-probable cause conciliation. (Attachment 3). An affidavit from Don H. Barden was submitted with the response.

Upon review of the materials submitted, a telephone interview was conducted with Don H. Barden with counsel present. Based on that interview, another affidavit was drafted and

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1/ The respondents' initial request for pre-probable cause conciliation resulted in some confusion. Though this Office received the request for pre-probable conciliation on October 7, 1991, several days later an attorney called indicating that she was counsel for Ms. Collins and her committee and that she would be submitting a request for an extension of time so that she could obtain the necessary documents located elsewhere in order to make an adequate response to the Commission. On October 18, 1991, this Office received only a designation of counsel form signed by Ms. Collins. In December, counsel confirmed by telephone and subsequently by letter that Ms. Collins wished to enter into pre-probable cause conciliation.

submitted to Mr. Barden to be signed and notarized. (Attachment 4).

II. ANALYSIS

As noted in the First General Counsel's Report dated August 20, 1991, the Collins Committee made a series of amendments to its reports disclosing the two loans totaling $75,000. With respect to the loans in question, the Collins Committee filed a post-election day amendment to its 12 Day Pre-General Election Report, disclosing that a $36,000 loan to the Committee was guaranteed by Don H. Barden and a $25,000 loan to the Committee was guaranteed by James Sharp and Cara Woods. The $36,000 loan represented proceeds from the $50,000 loan guaranteed by Don H. Barden. Consequently, the two loans made to the Collins Committee total $61,000.

Loans, including a loan guarantee, received by a candidate for use in her campaign are contributions under the Act. See Advisory Opinion 1985-33.2/ Unless otherwise stipulated in the guaranty document, guarantors are deemed to have contributed that portion of the outstanding loan amount divided by the total number of endorsers or guarantors.

Respondent Barbara-Rose Collins acknowledges that she received two loans totaling $75,000 and turned over a large

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2/ Moreover, loans to pay for personal or living expenses of the candidate are contributions under the Act and consequently are not excludable as personal funds of the candidate. See Advisory Opinion 1982-64 and 1978-40.

portion of the loan proceeds to the Collins Committee.3/ Don H. Barden, James Sharp and Cara Woods have also acknowledged that they were guarantors for the loans made to Ms. Collins.

Respondents Don H. Barden, James Sharp and Cara Woods have argued in prior responses to the Commission that they believed they were making a personal loan to the candidate and not to Ms. Collins' congressional committee. These assertions by respondents, however, did not adequately address the issue of respondents' possible knowledge of the fact that the loans were to be used to influence Ms. Collins' candidacy. Whether respondents knew or had reason to know that the funds would be used by Ms. Collins in her campaign for federal office is a significant issue bearing on the liability of the guarantors. As next discussed, the submissions of respondents add information on this issue but also pose certain discrepancies that should be reconciled before closing the investigation in this matter.

A. Response of James Sharp and Cara Woods

Counsel for respondents James Sharp and Cara Woods contends that their agreement in the matter does not warrant further action by the Commission. (Attachment 2, page 4). In support of this contention, counsel reiterates the prior response and sworn statements indicating that they understood that the loan was made to Ms. Collins personally and did not involve her

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3/ As noted, Ms. Collins and the Collins Committee responded to the Commission's notification of reason to believe with a request for pre-probable cause conciliation. No materials or further response was submitted with the request.

campaign committee. (Attachment 2, page 3). Counsel again notes that: the bank documents signed by respondents (Sharp and Woods) were titled "consumer" loan, the basis of the loan was respondents' personal friendship with Ms. Collins, and the loans were made without regard to her candidacy. (Id.).

The affidavit of James Sharp attached to the Sharp/Woods submission states unequivocally that though Mr. Sharp knew Ms. Collins was a candidate for federal office, he had no knowledge that the loan was to be used to influence Ms. Collins candidacy. (Attachment 2, page 5). Mr. Sharp also states that on August 10, 1990, the date he signed the loan guarantee, he had no knowledge that the loan proceeds had already been loaned to the Collins Committee. (Attachment 2, page 5). Additionally, Mr. Sharp asserts that his understanding that the loan guarantee was for personal use is supported by the loan document which identified the transaction as a consumer loan.

No affidavit was received from Cara Woods and counsel suggests that Woods' knowledge could not have been any different because Cara Woods was asked by Mr. Sharp to execute the guarantee. (Attachment 2, page 3). Furthermore, no documents, such as copies of the guaranty, were received from these respondents.

B. Submissions of Don H. Barden

The initial submission of Don H. Barden also contends that no further action should be taken in the matter with respect to this respondent. (Attachment 3, pages 6). Mr. Barden submits that his action was innocent in the following ways. First,

Mr. Barden notes that he inquired as to the legality of his actions and was assured by Ms. Collins that the obligation was personal and entirely permissible. (Attachment 3, pages 7 and 10). Second, Mr. Barden notes his belief at the time he executed the guarantee that the obligation was of Ms. Collins and not of any campaign organization. (Id.). An affidavit by Mr. Barden in verification of the response is attached to the submission. (Attachment 3, page 10).

In contrast to Mr. Sharp's unequivocal denial, Mr. Barden's response did not clearly address the issue of whether he knew that the proceeds of the loan would be loaned to the Collins Committee. Believing that further probing of this issue would be beneficial, this Office contacted counsel for Mr. Barden, who agreed to make his client available for a telephone conference. The interview of Mr. Barden culminated in submission of a supplemental affidavit by Mr. Barden. (Attachment 4, pages 13-15).

According to the supplemental affidavit, Mr. Barden was approached by Ms. Collins about guaranteeing the loan approximately thirty days prior to the execution of the loan. (Attachment 4, page 13). Mr. Barden's understanding was that it was a personal loan to Ms. Collins and not to her campaign. Mr. Barden also understood, however, that Ms. Collins intended to loan some of the funds to her campaign. (Attachment 4, page 13). Mr. Barden reiterates that he inquired of Ms. Collins about the legality of the loan and was assured that the loan was permissible because the loan was a personal obligation of

Ms. Collins and not the Collins Committee. (Attachment 4, page 14). Mr. Barden notes that he relied on the assurances of Ms. Collins that the loan guarantee was permissible when he executed the guarantee. (Id.).

Mr. Barden describes in his affidavit the brief meeting he attended prior to the signing of the loan guarantee document. The meeting took place at the bank, and Ms. Collins, Mr. James Sharp and Mr. Larry Jones, then President of the bank, were already present when he arrived at the meeting. (Attachment 4, page 14). Mr. Barden stayed five or ten minutes and heard Mr. Jones explain the rate on the loan and when it was to be repaid. Afterwards, Mr. Barden states that he signed the guarantee and left the meeting. (Id.).

According to Mr. Barden, because of Mr. Sharp's presence at the bank meeting, Mr. Barden assumed he was involved in some other aspect of the transaction between the bank and Ms. Collins. (Attachment 4, page 14). Mr. Barden affirms that although he did not actually see Mr. Sharp sign a loan guarantee document he assumed that Mr. Sharp was at the meeting for the same purpose as himself, i.e. to sign a loan guarantee. (Id.). Mr. Barden indicates in the affidavit that he knows Mr. Sharp casually as a fellow businessman, believes that he was a supporter of Ms. Collins, and has some recollection of Mr. Sharp attending one of the meetings for the campaign or finance committee. (Id.).

C. Pre-Probable Cause Conciliation Requests

The supplemental affidavit of Mr. Barden elaborates on the

circumstances surrounding the loan guarantee transaction and provides a clearer picture of what transpired between Mr. Barden and Ms. Collins. Significantly though, Mr. Barden's testimony raises the serious issue of inconsistent or contradictory declarations when read with the affidavit of Mr. Sharp.

Mr. Sharp states under oath that he had no knowledge that the loan he guaranteed was to be used to influence Ms. Collins candidacy and that on August 10, 1990, the date he assertedly signed the loan guarantee, he had no knowledge that the loan proceeds had already been loaned by Ms. Collins to the Collins Committee. According to Mr. Barden, Mr. Sharp was present at the bank meeting Barden attended in which the bank president discussed the terms of the loan. Thus, it appears Sharp too may have been approached sometime earlier by Ms. Collins about the possibility of guaranteeing a loan. If Ms. Collins conveyed the same understanding to Mr. Sharp as she did to Mr. Barden, i.e. that the consumer loan to her would be used at least in part for her campaign, Mr. Sharp's affidavit is not wholly accurate.4/

In an attempt to resolve the variance in the affidavits submitted by the respondents in this matter, this Office is arranging with counsel to interview Ms. Collins about the transactions in question. Accordingly, the Office of the

---

4/ This understanding would be consistent with Ms. Collins' sua sponte complaint in this matter. She has contended not that the guarantors were unaware of the purpose of the loans, but rather that she, and they, believed that loans to her personally rather than to the campaign, could be permissably guaranteed by individuals beyond the section 441a contribution limitations. See MUR 3181 Complaint pp. 1-2.

General Counsel recommends that the Commission decline to enter into pre-probable cause conciliation with Barbara-Rose Collins; Collins for Congress and Sally Dean, as treasurer; and Don H. Barden, James Sharp and Cara Woods. After this additional informal investigation, this Office will make further report to the Commission.

III. RECOMMENDATIONS

1. Decline, at this time, to enter into conciliation with Barbara-Rose Collins; Collins for Congress and Sally Dean, as treasurer; Don H. Barden, James Sharp and Cara Woods prior to a finding of probable cause to believe.

2. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

February 14, 1992
Date

BY: Lois G. Lerner
Lois G. Lerner
Associate General Counsel

Attachments
1. Request for Conciliation (Barbara-Rose Collins and Collins Committee)
2. Response of James Sharp and Cara Woods
3. Response of Don H. Barden
4. Supplemental Affidavit of Mr. Barden

Staff Assigned: Debby Curry

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Barbara-Rose Collins;	)	MUR 3181
Collins for Congress	)	
and Sally Dean, as treasurer;	)	
Don H. Barden, James Sharp	)	
and Cara Wood.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 20, 1992, the Commission decided by a vote of 5-0 to take the following actions in MUR 3181:

1. Decline, at this time, to enter into conciliation with Barbara-Rose Collins; Collins for Congress and Sally Dean, as treasurer; Don H. Barden, James Sharp and Cara Woods prior to a finding of probable cause to believe.

2. Approve the appropriate letters, as recommended in the General Counsel's Report dated February 14, 1992.

Commissioners Aikens, Elliott, McGarry, Potter and Thomas voted affirmatively for the decision; Commissioner McDonald did not cast a vote.

Attest:

2-20-92
Date

Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Tues., Feb. 18, 1992 11:09 a.m.
Circulated to the Commission: Tues., Feb. 18, 1992 4:00 p.m.
Deadline for vote: Thurs., Feb. 20, 1992 4:00 p.m.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1992

Ronald A. Siegel, Esquire
N. Frank Wiggins, Esquire
Cohn and Marks
1333 New Hampshire Ave., N.W.
Suite 600
Washington, D.C. 20036

RE: MUR 3181
Don H. Barden

Dear Mr. Siegel and Mr. Wiggins:

On August 27, 1991, you were notified that the Federal Election Commission found reason to believe that your client, Don H. Barden, violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended. On October 17, 1991, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission appreciates your cooperation in facilitating the interview with Don H. Barden and your review of his affidavit. Nevertheless, because of the ongoing investigation in this matter, the Commission has determined to decline at this time to enter into conciliation prior to a finding of probable cause to believe.

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 me at (202) 219-3400.

Sincerely,

Deborah Curry
Attorney

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

February 27, 1992

Amy R. Goldson, Esquire
4015 28th Place, N.W.
Washington, D.C. 20008

RE: MUR 3181
Barbara-Rose Collins; Collins for Congress and Sally Dean, as treasurer

Dear Ms. Goldson:

On August 27, 1991, you were notified that the Federal Election Commission found reason to believe that Barbara-Rose Collins violated 2 U.S.C. 441a(f); and Collins for Congress and Sally Dean, as treasurer, violated 2 U.S.C. §§ 441a(f) and 434(b), provisions of the Federal Election Campaign Act of 1971, as amended. On October 7, 1991, December 12, 1991 and February 5, 1992, your clients requested to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has considered your request and determined, because of the need for additional information, to decline at this time to enter into conciliation prior to a finding of probable cause to believe. This letter is also written confirmation of our arrangements for the interview of Congresswoman Barbara-Rose Collins by this Office. Per our agreement, Congresswoman Collins will be interviewed by Commission staff on March 12, 1992 at 10:00 a.m. Our address is 999 E Street, N.W., 6th floor, Washington, D.C. As you know, you may be present during the interview.

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 me at (202) 219-3400.

Sincerely,

Deborah Curry
Deborah Curry
Attorney

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1992

Robert F. Bauer, Esquire
Judith L. Corley, Esquire
Perkins Coie
Suite 800
607 14th Street, N.W.
Washington, D.C. 20005-2011

RE: MUR 3181
James Sharp and Cara Woods

Dear Mr. Bauer and Ms. Corley:

On August 27, 1991, you were notified that the Federal Election Commission found reason to believe that your clients, James Sharp and Cara Woods, violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended. On October 18, 1991, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has considered your request and determined, because of the need to complete the investigation, to decline at this time to enter into conciliation prior to a finding of probable cause to believe. To assist us in completing the investigation in this matter, please submit the guarantees for James Sharp and Cara Woods and all other documents relating to the transactions. Such information should be submitted to the Office of the General Counsel within fifteen (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 me at (202) 219-3400.

Sincerely,

Deborah Curry/jcc
Deborah Curry
Attorney

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 18, 1992

Amy R. Goldson, Esquire
4015 28th Place, N.W.
Washington, D.C. 20008

RE: MUR 3181
Barbara-Rose Collins;
Collins for Congress and
Terry Hasse, as treasurer

Dear Ms. Goldson:

Please convey to Congresswoman Collins our appreciation for meeting with staff members in this Office on March 12, 1992. Pursuant to our discussions during that meeting, this letter confirms our request for additional information or documents in the matter. The following information or documents are requested within fifteen days of receipt of this letter: 1) copies of checks and deposit slips showing deposit of loan proceeds into Congresswoman Collins' personal bank account; 2) copies of checks or any documents showing the transfer of the loan proceeds from Congresswoman Collins' personal bank account to the account of the Collins for Congress Committee; 3) the date of the International Market fundraiser (near August) attended by Congresswoman Collins at which Cara Woods indicated that he had "stood up" for Ms. Collins at the bank; and 4) a written explanation for the variance in the reporting of the loans to the Commission. Additionally, this Office would like a copy of the documents for the second loan from First Independence Bank for $75,000 that was repaid by loans to Congresswoman Collins from her credit unions.

Thanks again for your cooperation and that of your client. If you have any questions regarding the documents or information requested, please call me at (202) 219-3400.

Sincerely,

Deborah Curry

Deborah Curry
Attorney

#4432

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011 • (202) 628-6600

March 18, 1992

92 MAR 18 AM 11:47

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

Re: MUR 3181 - James Sharp and Cara Woods

Dear Ms. Curry:

This is in response to your letter dated February 27, 1992, requesting copies of the loan guarantees signed by Mr. Sharp and Mr. Woods. Enclosed is a copy of the guarantee signed by Mr. Sharp.

As I mentioned on the phone, the individual that I have been dealing with on this matter is on vacation until next week, and I was unable to obtain a copy of Mr. Woods' guarantee at this time. As soon as more information is available, I will let you know.

If you have questions, or need additional information, please do not hesitate to contact me.

Very truly yours,

Judith L. Corley

[15641-0001/DA920780.011]

TELEX 44-0277 PCSO UI • FACSIMILE (202) 434-1690
ANCHORAGE • BELLEVUE • LOS ANGELES • PORTLAND • SEATTLE • SPOKANE

GUARANTY

Dated: August 10, , 19 90

PARTICULAR TERMS - DEFINITIONS

As used in this Guaranty, the following terms and expressions have the respective meanings indicated opposite each of them; where the meaning of any term is stated to be "None", provisions involving the application of that term shall be disregarded.

GUARANTOR(S): JAMES A. SHARP, JR.

LENDER: First Independence National Bank of Detroit

ADDRESS: 44 Michigan Avenue, Detroit, Michigan, 48226

BORROWER(S): BARBARA-ROSE COLLINS

ADDRESS: 1300 EAST LAFAYETTE #507
DETROIT, MICHIGAN 48207

NOTE(S): CONSUMER LOAN DATED JULY 15, 1990

AMOUNT: $25,000.00

DATE: JULY 16, 1990

SECURITY: CERTIFICATE OF DEPOSIT

WHEREAS, the Borrower is about to execute and deliver to Lender its Note dated JULY 16, 1990 in the amount set forth above, and as security therefor to execute and deliver to Lender those certain Security Agreements or other instruments necessary to convey, assign, and pledge the security identified above (Security Agreements); and

WHEREAS, in order to induce the Lender to make said loan in the principal amount set forth above and to accept said Security Agreements and as additional security for the monies to be advanced under said Security Agreements, the Note secured thereby, and/or the Loan Agreement, the Borrower has agreed to procure and deliver this Guaranty, all to be executed by the Guarantor, and, if more than one, each shall be jointly and severally liable hereunder and the term "Guarantor" whenever used herein shall mean the undersigned or any one or more of them; and

WHEREAS, the Lender has refused to make said loan, or to enter into said Loan Agreement or to make the advances provided for under said Loan Agreement and/or Note, or to accept said Security Agreements or the Note secured thereby unless this Guaranty is executed by the Guarantor and delivered to the Lender;

NOW, THEREFORE, in consideration of the premises and as a part of the consideration for the making by the Lender to the Borrower of said loan, the Guarantor hereby covenants and agrees with the Lender as follows:

THIS GUARANTY, above-dated by Guarantor to Lender:

1. In order to induce Lender to make the loan evidenced by the Note of Borrower, and in consideration thereof and of other good and valuable consideration, the receipt of which is hereby acknowledged, the Guarantor hereby unconditionally guarantees to the Lender the due and punctual payment of, and not just the collectibility of the principal and interest (and premium, if any), on the Note when due, whether at maturity, pursuant to mandatory or optional prepayments, by acceleration or otherwise, all at the times and place subject to rights to cure, if any, and at the rate described in, and otherwise according to the tenor of the Note, Loan Agreement and the Security Agreement. This is an unconditional guaranty of payment and not of collection. Where performance in addition to payment is required, the Guarantor hereby further unconditionally guarantees to the Lender the punctual and faithful performance by Borrower of all duties, agreements and obligations of Borrower contained in the Note, Loan Agreement and the Security Agreements, respectively.

2. The Loan Agreement, Note, Security Agreements, and any other related instruments, documents and obligations (sometimes hereinafter collectively referred to herein as the "Indebtedness"), are hereby made a part of this Guaranty by reference thereto, with the same force and effect as if fully set forth herein.

3. The liability of the Guarantor shall in no way be affected or impaired by (without notice to, or by, or consent of the Guarantor): (a) any amendment, alteration, extension, renewal, waiver, indulgence or other modification of the Indebtedness; (b) any settlement or compromise in connection with the Indebtedness to any other debt or claim; (c) any substitution, exchange, release or other disposition of all or any part of the Indebtedness; (d) any failure, delay, neglect, act or omission by Lender to act in connection with the Indebtedness; (e) any advances for the purpose of performing or curing any term or covenant contained in the Indebtedness with respect to which Borrower shall be or would otherwise be in default; (f) the filing of a request by or against Borrower for bankruptcy, insolvency, reorganization or other debtor's relief afforded Borrower pursuant to the past, present, or future provision of any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, liquidation law or statute of any jurisdiction, whether state or federal, or by the decision of any court; or (g) any other matter whether similar or dissimilar to the foregoing. The obligations of Guarantor shall be unconditional, notwithstanding any defect in the genuineness, validity, regularity or enforceability of the Indebtedness, or any other circumstances whether or not referred to herein, which might otherwise constitute a legal or equitable discharge of a surety or guarantor.

The undersigned authorize Lender, without notice of demand and without affecting the undersigned's obligations hereunder, from time to time: (i) to renew, extend, increase, accelerate or otherwise change the time for payment of, the terms of or the interest on the Indebtedness or any part thereof; (ii) to take from any part and hold collateral for the payment of the Indebtedness or any part thereof, and to exchange, enforce or release such collateral or any part thereof; (iii) to accept and hold any endorsement or guaranty of payment of the Indebtedness or any part thereof and to release or substitute any such endorser or guarantor, or any other party in any way obligated to pay the Indebtedness or any part thereof; (iv) to direct the order or manner of the disposition of any and all collateral and the enforcement of any and all endorsements and guaranties relating to the Indebtedness or any part thereof as Lender, in its sole discretion, may determine; and

(v) to determine how, when and what application or payments and credits, if any, shall be made on the Indebtedness or any part thereof, and to apply the same upon principal or interest or the portion thereof, if any, in excess of the amount of this Guaranty.

Lender shall have the right to discharge or release one or more of the Guarantors from any obligation hereunder, in whole or in part, without in any way releasing, impairing or affecting its right against the other or others of the undersigned.

4. The Guarantor hereby waives: (a) notice of acceptance of this Guaranty and of creations of indebtedness of Borrower to Lender; (b) presentment and demand for payment of any indebtedness of Borrower; (c) protest, notice of protest, and notice of dishonor or default to the Guarantor or to any other party with respect to any of the Indebtedness; (d) all other notices to which the Guarantor might otherwise be entitled; (e) any demand for payment under this Guaranty; (f) any defense arising by reason of any disability or other defense of Borrower by reason of the cessation from any cause whatsoever of the liability of the Borrower; (g) any rights to extension, composition or otherwise under any past, present, or future bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, liquidation law or statute, whether federal or state, or by the decision of any court; and (h) any right or claim or claim of right to cause a marshalling of the Borrower's assets. No notice to or demand on the Guarantor shall be deemed to be a waiver of the obligations of the Guarantor or of the right of Lender to take further action without notice or demand as provided herein; nor in any event shall any modification or waiver of the provisions of this Guaranty be effective unless in writing nor shall any such waiver be applicable except in the specific instance for which given.

As further security for payment of the Indebtedness, the undersigned hereby grant to Lender a security interest in and lien on any and all property of the undersigned which is or may hereafter be in Lender's possession in any capacity, including, without limitation, all monies owed or to be owed by Lender to the undersigned and any balance of any deposit accounts with Lender; and with repsect to all of such property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code and under any other applicable law, as the same may from time to time be in effect in the State of Michigan, in addition to those rights granted herein and in any other agreement now or hereafter in effect between the undersigned and Lender.

Without limiting any other right of Lender, whenever Lender has the right to declare any Indebtedness to be immediately due and payable (whether or not it has so declared), Lender at its sole election may set off against the Indebtedness any and all monies then owed to the undersigned by Lender in any capacity whether or not due, and Lender shall be deemed to have exercised such right of setoff immediately at the time of such election even though any charge therefor is made or entered on Lender's records subsequent thereto.

5. This is an irrevocable, unconditional and absolute guarantee of payment and performance and Guarantor agrees that the liability of Guarantor on this Guaranty shall be immediate and shall not be contingent upon the exercise or enforcement by Lender of whatever remedies it may have against the Borrower or others, or the enforcement of any lien or realization upon any security Lender may at any time possess. Any one or more successive and/or concurrent actions may be brought hereon against Guarantor either in the same action, if any brought against Borrower, or in

separate actions, as often as Lender, in its sole discretion, may deem advisable. No election to proceed in one form of action or proceeding or against any party, or on any obligation, shall constitute a waiver of Lender's right to proceed in any other form of action or proceeding or against other parties unless Lender has expressly waived such right in writing. Specifically, but without limiting the generality of the foregoing, no action or proceeding by Lender against Borrower under any document or instrument evidencing or securing the Indebtedness of Borrower to Lender shall serve to diminish the liability of Guarantor, except to the extend Lender realizes payment by such action or proceeding, notwithstanding the effect of any such action or proceeding upon Guarantor's rights of subrogation against Borrower. Receipt by Lender of payment or payments with knowledge of the breach of any provision of any of the Indebtedness shall not, as to the Guarantor, be deemed a waiver of such breach. All rights, powers and remedies of Lender hereunder and under any other agreement now or at any time hereafter in force between Lender and the Guarantor shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to Lender by law.

6. In the event that Guarantor shall advance or become obligated to pay any sums, or in the event that for any reason Borrower or any subsequent owner of any property covered by the Security is now or shall hereafter become indebted to Guarantor, the amount of each sum of such indebtedness shall at all times be subordinate as to lien, time of payment and in all other respects, to the amounts owing to Lender by Borrower with regard to the subject security or any right to participate in any way therein or in the right, title or interest of Lender in such property, notwithstanding any payments by it under this Guaranty, all rights of subrogation and participation being hereby expressly subordinated as aforesaid.

7. Guarantor represents, warrants and covenants to Lender that, as of the date of this Guaranty: the fair saleable value of Guarantor's assets exceed its liabilities; Guarantor is meeting current liabilities as they mature; any financial statements of Guarantor furnished Lender are complete and correct and fairly represent the financial condition of the Guarantor, have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the period involved, all material liabilities of Guarantor are shown thereon or reflected in the footnotes thereto; since the date of said financial statements there have been no material adverse changes in the financial condition or operations of Guarantor, and there are not now pending any material court or administrative proceedings or undischarged judgments against Guarantor and no federal or state tax liens have been filed or threatened against Guarantor nor is Guarantor in default or claimed default under any agreement for borrowed money. Guarantor shall immediately give Lender written notice of any material adverse change in its financial condition, including but not limited to litigation commenced, tax liens filed, default claimed under their indebtedness for borrowed money or bankruptcy proceedings commenced by or against Guarantor. Guarantor shall deliver, timely to Lender, its annual financial statements for the preceding calendar/fiscal year; and at such reasonable times as Lender requests furnish its current financial statements to Lender and permit Lender or its representatives to inspect, at Guarantor's offices, its financial records and properties and make extracts therefrom in order to evaluate the financial condition of the Guarantor. Guarantor is fully aware of the financial condition of the Borrower. Guarantor delivers this Guaranty based solely upon its own independent investigation of the Borrower and in no part upon any representation or statement of Lender with respect thereto. Guarantor is in a position to and hereby assumes

full responsibility for obtaining any additional information concerning Borrower's financial condition as Guarantor may deem material to its obligations hereunder; and Guarantor is not relying upon nor expecting Lender to furnish it any information in Lender's possession concerning Borrower's financial condition.

8. Guarantor agrees to pay all expenses incurred by Lender in connection with enforcement of its rights under the Indebtedness, this Guaranty, or in the event the Lender is made party to any litigation because of the existence of the Indebtedness or this Guaranty, as well as court costs, collection charges and reasonable attorney fees and disbursements. Guarantor further agrees that to the extent Borrower makes a payment or payments to Lender, which payment or payments or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, custodian, receiver or other party under any bankruptcy reorganization, arrangement, readjustment of debt, dissolution, liquidation law or statute, state or federal law, common law or equitable cause then to the extent of such payment or repayment, the obligation or part thereof intended to be satisfied shall be revived and continued in full force and effect as if said payment had not been made.

9. Each reference herein to Lender shall be deemed to include its successors and assigns, in whose favor the provisions of this Guaranty shall also run. The term "Guarantor" as used in this Guaranty shall mean the "guarantor" and its successors and assigns, and each undertaking herein contained shall be their joint and several undertaking. All nouns, pronouns and relative terms relating to Guarantor and Borrower shall be deemed to be masculine, feminine or neuter, singular or plural, as the context may indicate.

10. This Guaranty may be executed in counterparts, and each such counterpart shall be deemed an original and shall be binding upon all parties thereto.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed all as of the day and year first above written.

WITNESSED BY:

ARLENE MAINS

GUARANTORS:

By: JAMES A. SHARP, JR.

By: _____

MUR 3181

AMY ROBERTSON GOLDSON
ATTORNEY AT LAW

4015 28TH PLACE, NORTHWEST
WASHINGTON, D.C. 20008
(202) 966-7531
(202) 537-3306 FAX

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

MAY 18 10 09 AM '92

92 MAY 18 PM 3:37

May 15, 1992

Ms. Deborah Curry
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Ms. Curry:

In response to your inquiries in your letter of March 18, 1992, I am enclosing a copy of Barbara-Rose Collins' letter and enclosures.

Should you have any further concerns, please do not hesitate to so advise.

Sincerely,

Amy R. Goldson

ARG:lmg

Enclosures

May 5, 1992

92 MAY 18 PM 3:37

Ms. Amy R. Goldson, Esq.
Attorney At Law
4015 28th Place, N.W.
Washington, D.C. 20008

Dear Attorney Goldson:

RE: MUR 3181

In compliance with the Federal Election Commission's letter of March 18, 1992, relative to the reporting variances, I contacted Ms. Sally Dean and learned that when she received the notice from the FEC of specific errors, she merely corrected the specific errors and forwarded the corrections to the Commission.

Apparently, she did not copy the entire report each time she complied with requests for specific corrections.

As to the date when I spoke with Cara Woods at the International Marketplace, it was at a reception on Oct. 24, 1990.

Also, enclosed are copies of the cancelled loan checks and my personal account number where the money was deposited.

The copies of checks showing the transfer of some of the loan proceeds from my personal account to the account of the Collins for Congress Committee, are being sent out on Thursday, May 14, 1992. I will forward this documentation as soon as it is received.

I trust this information is useful. Please keep me informed as to when I can expect a determination relative to this matter.

Sincerely,

Barbara-Rose Collins

Barbara-Rose Collins
Member of Congress

B-RC:mc
encl. (1)
cc: Sally Dean, Former Treasurer
Collins for Congress Committee

REMITTER

F.I.N.B.(loan proceeds)

FIRST INDEPENDENCE NATIONAL BANK
44 MICHIGAN AVENUE • DETROIT, MICHIGAN 48226

20997

JULY 16, 19 90

9-107
720

PAY TO THE ORDER OF BARBARA-ROSE COLLINS * * *

Auburn Road Location

0933004737

x Dawn Noel Collins

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR ENDORSEMENTS

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR ENDORSEMENTS

⑆700027515 0712902301⑈

COMERICA 093380501②⑆072000096⑈
AUBURN HILLS, MI.
⑆018016⑆6 02-15 96

⑆00012815 0718702301 01

Comerica personal checking acct
xx

COMERICA 093380501②⑆072000096⑈
AUBURN HILLS, MI.

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

JULY 6, 1993

Amy R. Goldson, Esq.
4015 28th Place, N.W.
Washington, D.C. 20008

RE: MUR 3181
Barbara-Rose Collins
Collins for Congress and
Terry Hasse, as treasurer

Dear Ms. Goldson:

As I noted in our phone conversation on June 17, 1993, the Commission is continuing its investigation in the above-captioned matter.

On March 18, 1992, subsequent to the meeting with Congresswoman Collins and staff members in this office, we requested, inter alia, the following information:

1) copies of checks or any documents showing the transfer of the loan proceeds from Congresswoman Collins' personal account to the account of the Collins for Congress Committee;

2) a copy of the documents for the second loan from First Independence National Bank of Detroit for $75,000 that was repaid by loans by Congresswoman Collins from her credit unions.

To date your clients have not complied with the Commission's request for this information.

Moreover, your letter dated June 22, 1992, revealed that the loan payoff of the initial loans totaling $75,000 came from personal lines of credit, another $10,000 bank loan, and loans from family members. Your letter represented that Congresswoman Collins was in the process of obtaining documentation for this second or payoff loan. To date, we have received no documents explaining the payoff of the original loans.

The following information or documents are requested:

1) copies of checks, deposit slips, or bank statements showing deposit of loan proceeds from

Congresswoman Collins' personal account to the account of the Collins for Congress Committee;

2) copies of documents relating to the payoff of the original two loans from First Independence National Bank of Detroit, including but not limited to, personal lines of credit, other bank loans and loan guarantees, and loans from family members.

3) sources of funds for the payoff of the original loans, including names, dates, and amounts.

Our records indicate that you have, at times in the past as well as during our June 17, 1993 phone conversation, suggested that our office contact directly First Independence National Bank of Detroit for documents pertaining to the various loan transactions involving Congresswoman Collins. In accordance with your suggestion and in furtherance of our investigation, we request that your client sign the enclosed authorization (two originals) so that we can approach the Bank for the information.

In light of the fact that you will be out of town from June 28 until July 17, 1993, please submit the signed authorization and requested information by close of business July 30, 1993.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly Baker

Holly Baker
Attorney

Encl.

OGC 9706

AMY ROBERTSON GOLDSON
ATTORNEY AT LAW

4015 28TH PLACE, NORTHWEST
WASHINGTON, D.C. 20008
(202) 966-7531
(202) 537-3308 FAX

August 11, 1993

Holly Baker, Esquire
Attorney
Federal Election Commission
999 E Street, N.W.
Rm. 657
Washington, D.C. 20463

Re: MUR 3181
Barbara-Rose Collins
Collins for Congress and
Terry Hasse, as Treasurer

Dear Ms. Baker:

This is in response to your letter of July 6, 1993 which I only recently received.

I am enclosing a release signed by Barbara-Rose Collins authorizing the FEC to obtain from First National Independence Bank of Detroit certain records - information as specified. This authorization is being provided to the FEC on the condition that you/FEC promptly supply me with a copy of any and all materials, information, etc., which you receive.

I am also enclosing copies of two checks dated July 16, 1990 (including the reverse side) reflecting the deposit of the loan proceeds.

Please understand that it was Mrs. Collins herself who initially brought the issue concerning the loans to the attention of the FEC, in the spirit of full disclosure of an inadvertent, technical error which was promptly corrected. I hope that upon receipt of the additional information from First Independence this matter will be resolved.

Thank you for your continued courtesy and cooperation.

Sincerely,

Amy R. Goldson

ARG:lmg

Enclosures

REMITTER

F.I.N.B.(loan proceeds)

FIRST INDEPENDENCE NATIONAL BANK
44 MICHIGAN AVENUE • DETROIT, MICHIGAN 48226

20997

JULY 16, 19 90

9-107
720

PAY TO THE ORDER OF BARBARA-ROSE COLLINS * $ 50,000.00

FIFTY THOUSAND AND 00/100 DOLLARS

CASHIER'S CHECK

Arlene D. Mann

⑈020997⑈ ⑆072001079⑆ 0114⑈00000⑈3⑈ ⑈0005000000⑈

REMITTER

Loan Proceeds

FIRST INDEPENDENCE NATIONAL BANK
44 MICHIGAN AVENUE • DETROIT, MICHIGAN 48226

21000

July 16 19 90

9-107
720

PAY TO THE ORDER OF BARBARA-ROSE COLLINS---------- $ 25,000.00

TWENTY FIVE THOUSAND AND 00/100 DOLLARS

CASHIER'S CHECK

Arlene D. Mann

⑈021000⑈ ⑆072001079⑆ 0114⑈00000⑈3⑈ ⑈0002500000⑈

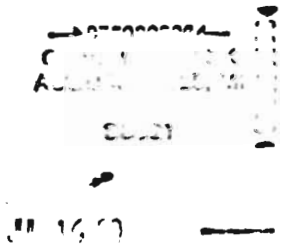
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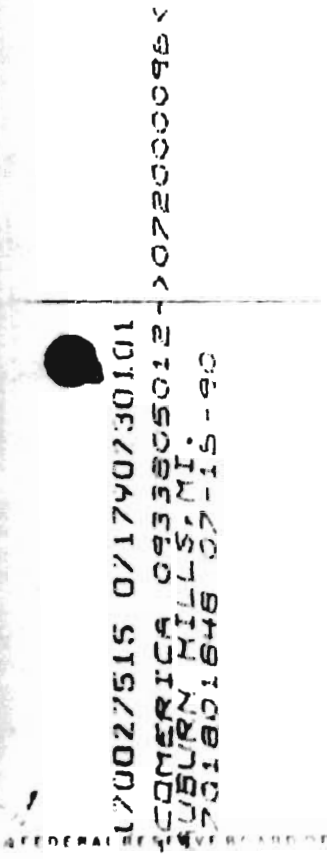
Barbara-Rose Collins

093100937

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE

0001 26476

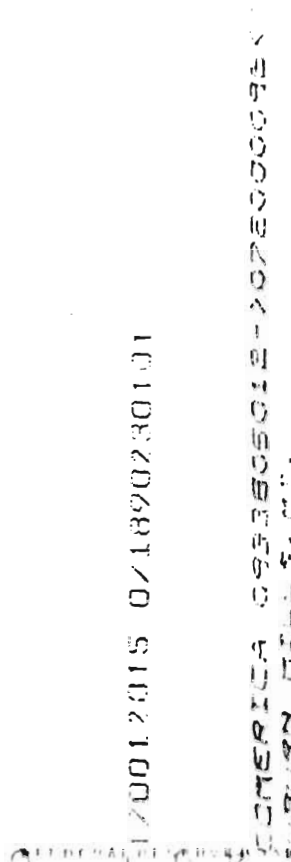




ENDORSE HERE

X Barbara-Rose Collins

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 18, 1993

First Independence National
Bank of Detroit
44 Michigan Ave.
Detroit, MI 48226

ATTN.: Legal Dept.

RE: MUR 3181

Dear Madam/Sir:

Enclosed is a customer authorization form, signed by Barbara-Rose Collins, permitting you to release to the Federal Election Commission all documents, including but not limited to records, receipts, deposit slips, checks, loan guarantees, loan agreements, transaction chronologies, dictations, and other internal memoranda, pertaining to two loans extended by First Independence National Bank of Detroit to Barbara-Rose Collins: one loan dated July 16, 1990 in two checks for $50,000 and $25,000, and a second loan in November 1990.

Please send legible copies of the specified documents to:

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

Please also reference MUR 3181 on your submission.

Please be advised that 2 U.S.C. § 437g(a)(12) prohibits making public any Commission investigation without the written consent of the person with respect to whom such investigation is made. You are advised that no such consent has been given in this case.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Encl.

93 AUG 17 AM 10:01

CUSTOMER AUTHORIZATION
FOR RELEASE OF FINANCIAL RECORDS

TO WHOM IT MAY CONCERN,

I, Barbara-Rose Collins, pursuant to provisions of the Right to Financial Privacy Act of 1978 (12 U.S.C. § 3401, et seq.), do hereby voluntarily consent to, direct and otherwise authorize the release of such financial records and information held by First Independence National Bank of Detroit, as are more fully described below; such production of records, data, and information to be made in the time period and to the entity as specified below.

I authorize disclosure of financial records during the three month time period of August 15 through November 15, 1993. Release of the records may be made to the Federal Election Commission, Office of General Counsel, 999 E Street, N.W., Washington, D.C. 20463. The records to be released concern two loans extended by your institution to me, Barbara-Rose Collins: one loan dated July 16, 1990 in two checks for $50,000 and $25,000, and a second loan in November 1990. The disclosure of this information to the Federal Election Commission is needed for the Commission's investigation of violations of the Federal Election Campaign Act of 1971, as amended.

I understand that I may revoke my authorization at any time before the financial records are disclosed. To the extent that I require further assistance in understanding my rights, I have discussed the matter with my counsel, Amy R. Goldson, Esq., 4015 28th Place, N.W., Washington, D.C. 20008.

IN WITNESS WHEREOF, I have hereby executed this Authorization as of the 6th day of August 1993, with my hand and seal below.

Barbara Rose Collins
Barbara-Rose Collins

IN THE STATE/DISTRICT OF CITY OF WASHINGTON
IN THE CITY/COUNTY OF DISTRICT OF COLUMBIA

Acknowledged and signed before me, Caroline F. Klemp (Notary's name), this 9 day of August, 1993.

[NOTARY'S SEAL]

(Notary's signature)

My commission expires: Caroline F. Klemp 19 .
Notary Public, Dist. of Columbia
Commission Expires April 30, 1995

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 19, 1993

Amy R. Goldson, Esq.
4015 28th Place, N.W.
Washington, D.C. 20008

Re: MUR 3181
Barbara-Rose Collins
Collins for Congress and
Terry Hasse, as treasurer

Dear Ms. Goldson:

This letter acknowledges receipt on August 17, 1993 of your letter, dated August 11, 1993, in which you enclosed a signed authorization form from your client, Barbara-Rose Collins, permitting the First National Independence Bank of Detroit to release certain specified information to the FEC.

We had requested by letter dated July 6, 1993 that inter alia, you ask Ms. Collins to sign two originals of the authorization form and forward them to us by July 30, 1993. On August 3, 1993, you called to indicate that you had received our letter on August 2, 1993. In a letter dated August 3, 1993, you reference our conversation, state that you received our letter on August 3 (did you mean to say August 2?), and indicate that you will expedite matters. As noted above, on August 17, 1993, we received one FAXed copy of the authorization form that bears an original signature of Barbara-Rose Collins.

Although we had asked for two originals and you sent a FAXed copy, we will nonetheless forward the signed FAX copy to the Bank. However, if the Bank refuses to accept that document, we will expect your client to execute an acceptable original.

In your August 17, 1993 letter, you state that the customer authorization form is being provided to the FEC on the condition that the FEC supply you with copies of all materials the FEC receives pursuant to that authorization. Although that condition was not part of our discussions in

this matter, the FEC will, as a matter of courtesy, make available to you a copy of the Bank records we receive.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

OGC 9864

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011
(202) 628-6600 • FACSIMILE (202) 434-1690

September 2, 1993

Holly J. Baker, Esq.
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: MUR 3181 - Cara Woods

Dear Ms. Baker:

Enclosed are two originals of the Customer Authorization for Release of Financial Records signed by Cara Woods as requested in your August 12 letter.

Sincerely,

Judith L. Corley

Judith L. Corley

Enclosure

[15641-0001/DA932450.010]

CUSTOMER AUTHORIZATION
FOR RELEASE OF FINANCIAL RECORDS

TO WHOM IT MAY CONCERN,

I, Cara Woods, pursuant to provisions of the Right to Financial Privacy Act of 1978 (12 U.S.C. § 3401, et seq.), do hereby voluntarily consent to, direct and otherwise authorize the release of such financial records and information held by First Independence National Bank of Detroit, as are more fully described below; such production of records, data, and information to be made in the time period and to the entity as specified below.

I authorize disclosure of financial records during the three month time period of August 30 through November 30, 1993. Release of the records may be made to the Federal Election Commission, Office of General Counsel, 999 E Street, N.W., Washington, D.C. 20463. The records to be released concern a loan extended by your institution to Barbara-Rose Collins and guaranteed by me. That loan was dated July 16, 1990 and was in the amount of $25,000. The disclosure of this information to the Federal Election Commission is needed for the Commission's investigation of violations of the Federal Election Campaign Act of 1971, as amended.

I understand that I may revoke my authorization at any time before the financial records are disclosed. To the extent that I require further assistance in understanding my rights, I have discussed the matter with my counsel, Judith L. Corley, Esq., Perkins Coie, 607 - 14th Street, N.W., Washington, D.C. 20005-2011.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of The United States of America that the foregoing is true and correct.

Executed this 1st day of Sept, 1993.

Cara Woods

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SEPTEMBER 9, 1993

First Independence National
Bank of Detroit
44 Michigan Ave.
Detroit, MI 48226

ATTN.: Legal Dept.

RE: MUR 3181

Dear Madam/Sir:

Enclosed is a customer authorization form, signed by Cara Woods, permitting you to release to the Federal Election Commission all documents, including but not limited to records, receipts, deposit slips, checks, loan guarantees, loan agreements, transaction chronologies, dictations, and other internal memoranda, pertaining to a $25,000 loan extended by First Independence National Bank of Detroit to Barbara-Rose Collins dated July 16, 1990 and guaranteed by Cara Woods.

Please send legible copies of the specified documents to:

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

Please also reference MUR 3181 on your submission.

Please be advised that 2 U.S.C. § 437g(a)(12) prohibits making public any Commission investigation without the written consent of the person with respect to whom such investigation is made. You are advised that no such consent has been given in this case.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Encl.

CUSTOMER AUTHORIZATION
FOR RELEASE OF FINANCIAL RECORDS

TO WHOM IT MAY CONCERN,

I, Cara Woods, pursuant to provisions of the Right to Financial Privacy Act of 1978 (12 U.S.C. § 3401, et seq.), do hereby voluntarily consent to, direct and otherwise authorize the release of such financial records and information held by First Independence National Bank of Detroit, as are more fully described below; such production of records, data, and information to be made in the time period and to the entity as specified below.

I authorize disclosure of financial records during the three month time period of August 30 through November 30, 1993. Release of the records may be made to the Federal Election Commission, Office of General Counsel, 999 E Street, N.W., Washington, D.C. 20463. The records to be released concern a loan extended by your institution to Barbara-Rose Collins and guaranteed by me. That loan was dated July 16, 1990 and was in the amount of $25,000. The disclosure of this information to the Federal Election Commission is needed for the Commission's investigation of violations of the Federal Election Campaign Act of 1971, as amended.

I understand that I may revoke my authorization at any time before the financial records are disclosed. To the extent that I require further assistance in understanding my rights, I have discussed the matter with my counsel, Judith L. Corley, Esq., Perkins Coie, 607 - 14th Street, N.W., Washington, D.C. 20005-2011.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of The United States of America that the foregoing is true and correct.

Executed this 1st day of Sept, 1993.

Cara Woods

Cara Woods

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Barbara-Rose Collins; Collins for Congress and Terry Hasse, as treasurer; James Sharp; Cara Woods; Don H. Barden; Anthony Soave	)	MUR 3181

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was generated by a signed and sworn complaint filed on November 26, 1990 by Barbara-Rose Collins against herself and her principal campaign committee, Collins for Congress ("Committee"). The complaint alleged violations of the Act with respect to certain loans received by the Collins Committee for use in the primary election held on August 7, 1990. Specifically, the complaint involved the proceeds of two loans of $50,000 and $25,000 disbursed to Ms. Collins on July 16, 1990, from the First Independence National Bank of Detroit. An amendment to the Committee's 12 Day Pre-General Election Report disclosed that the $50,000 loan was guaranteed by Don Barden, and that the $25,000 loan was guaranteed by James Sharp and Cara Woods. The loans were repaid on November 15 and 16, 1990. Based on the foregoing, the Commission, on August 27, 1991, found reason to believe that Don Barden, James Sharp, and Cara Woods violated 2 U.S.C. § 441a(a)(1)(A) by making excessive contributions in the form of loan guarantees to the Committee. The Commission

also found reason to believe that Barbara-Rose Collins, Collins for Congress and Sally Dean, as treasurer, violated 2 U.S.C. § 441a(f) by accepting the excessive contributions and violated 2 U.S.C. § 434(b) by failing to accurately report the loans. This Office then began, through informal means of discovery, its investigation into this matter.

This report contains recommendations to assure that this matter conforms to the court's opinion in FEC v. NRA Political Victory Fund, No. 91-5360 (D.C. Cir. Oct. 22, 1993) ("NRA"). Reflected in its recommendations is a change in the treasurer from Sally Dean to Terry Hasse. This report also discusses new information that the investigation has brought to light, and congruent with that information, this report additionally recommends that the Commission find reason to believe against another loan guarantor, approve an additional factual and legal analysis, and authorize document and deposition subpoenas.

II. RECOMMENDED ACTIONS IN LIGHT OF FEC v. NRA

Consistent with the Commission's November 9, 1993 decisions concerning compliance with the NRA opinion, and based on the original complaint filed in this matter and responses thereto, this Office recommends that the Commission revote its determinations to: 1) find reason to believe that Don Barden, James Sharp, and Cara Woods violated 2 U.S.C. § 441a(a)(1)(A); 2) find reason to believe that Barbara-Rose Collins violated 2 U.S.C. § 441a(f); 3) find reason to believe that Collins for Congress and Terry Hasse, as

treasurer, violated 2 U.S.C. §§ 434(b) and 441a(f)[1]; and 4) approve the factual and legal analyses, which were attached to the First General Counsel's Report dated August 20, 1991, subject to replacement of the former treasurer's name with the current treasurer's name.[2] This Office has attached the certification in this matter dated August 27, 1991, for the Commission's information. Attachment 1.

II. DISCUSSION

Responses to the complaint and conversations between respondents and attorneys of this Office have raised several factual issues requiring investigation in order to clarify the record and resolve certain inconsistencies. These issues include an additional loan guarantor not mentioned in the complaint, another loan used to pay off the July 16, 1990 loans from First Independence National Bank of Detroit ("FINB" or "the Bank"), discrepancies in accounts of what transpired in the loan guaranty process, and whether the loan from the Bank was made in the ordinary course of business.

A. James Sharp

As noted in the General Counsel's Report dated

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1. At the time of the initial reason to believe finding, Sally Dean was the treasurer of the Committee. Terry Hasse began filing reports as treasurer with the 1991 Year-End Report.

2. The recommendations concerning this matter ask for amendment of the Factual and Legal Analysis to reflect the current treasurer. This Office will send this Factual and Legal Analysis along with notification of the revotes.

February 14, 1992, James Sharp categorically denies that he guaranteed a loan for use in the Collins campaign, but rather that Ms. Collins asked him to guarantee a "portion of a personal loan that she was seeking to obtain from a bank in Detroit." (Sharp Affidavit dated October 16, 1991 attached to the General Counsel's Report dated February 14, 1992). He also states that when he signed the loan guarantee on August 10, 1990, he "had no knowledge" that loan proceeds had already been distributed to Ms. Collins on July 16, 1990. Id.

Mr. Sharp later submitted a copy of a signed loan guaranty document dated August 10, 1990 which states inter alia that James A. Sharp, Jr. is a guarantor for a "consumer loan dated July 15, 1990" in the amount of $25,000. Typed next to the word "date" is "July 16, 1990." That date also is typed in the space provided in the first paragraph of the document: "WHEREAS, the Borrower is about to execute and deliver to Lender its Note dated JULY 16, 1990 in the amount set forth above . . . " Also typed on the document is "SECURITY: CERTIFICATE OF DEPOSIT." Attachment 2. Documents received from the Bank pursuant to Ms. Collins' authorization for release of loan documents to the Commission further reveal that Mr. Sharp's security for the loan guaranty was a $10,000 certificate of deposit executed on August 13, 1990 and that he filed a personal financial statement with the Bank on August 7, 1990. The Bank documents also included a copy of Bank letters indicating

that the loan had been paid in full and that his liability had ended. In addition, also on file is a credit report on Mr. Sharp that the Bank had requested pursuant to the loan guaranty (illegible date; legible copy requested from the Bank). (Documents are on file in the Office of the General Counsel.)

B. Cara Woods

Mr. Woods, like Mr. Sharp, categorically denies that he guaranteed a loan for use in Ms. Collins' campaign for U.S. Congress. In his affidavit dated January 14, 1991, Mr. Woods states that he was approached by Mr. Sharp to guarantee a portion of a personal loan of $25,000 for Ms. Collins. (Affidavit attached to General Counsel's Report dated August 20, 1991). Mr. Woods is represented by the same counsel as Mr. Sharp, and counsel avers that Mr. Woods' understanding of the loan in question would be the same as Mr. Sharp's because Mr. Sharp approached him for the loan guaranty.

Mr. Woods has indicated to this Office that he does not have a copy of the loan guaranty papers, and although he signed an authorization for release of information from the Bank to the FEC, the Bank did not send a copy and has not yet responded to our follow-up request. The Bank did, however, send a personal financial statement that Mr. Woods had filled out and signed on August 7, 1990 and a copy of a credit report (illegible date) that the Bank had requested pursuant to the loan guaranty. (Documents are on file in the Office

of the General Counsel). The loan guaranty papers are important in that the nature of the agreement affects Mr. Woods' potential liability in this matter.

C. Anthony Soave

As noted above, Mr. Sharp states that when he signed the loan guaranty on August 10, 1990, he did not know that the loan proceeds had already been disbursed to Ms. Collins, for use in the primary election held on August 7, 1990. One document submitted by the Bank may account for the variance in dates. It is a "Notice to Cosigner" dated July 16, 1990 and signed by Anthony Soave. Handwritten on the document is the notation "dropped 8/15/90." Attachment 3. This is the only document from the Bank's submission bearing Mr. Soave's name.[3] Ms. Collins did not mention him in her complaint.[4] It appears that he may have guaranteed the $25,000 loan during July and August, 1990, prior to Mr. Woods and Mr. Sharp, during the critical pre-primary period. According to FEC disclosure reports, Mr. Soave did not make any direct contributions to the Committee, and thus, his

3. Counsel for the Bank indicated that Mr. Soave's records would not have been kept in the ordinary loan files available to loan officers, but rather would have been reviewed and kept by the Bank's President due to Mr. Soave's stature in the community. He is identified in Detroit newspapers as president of City Management, Inc. whose vice-president is James Sharp. Attachment 4.

4. Because the information about Mr. Soave was internally generated, this Office believes that it is not necessary to prepare for the Committee a new factual and legal analysis containing material about the Soave loan guaranty.

excessive contribution would be $24,000.[5] This Office, therefore, recommends that the Commission find reason to believe that Anthony Soave violated 2 U.S.C. § 441a(a)(1)(A) by making an excessive contribution in the form of a loan guaranty.

D. Don Barden

Don Barden, as noted in his second affidavit (attached to the General Counsel's Report dated February 14, 1992), states that about thirty days prior to his execution of the guaranty for the $50,000 loan, Ms. Collins had approached him about "guaranteeing a personal loan." He reports:

> It was my understanding from my conversation with Ms. Collins that the loan was for her personally and not for any campaign organization, and that Ms. Collins intended to use some of the funds for personal purposes and to loan some of the funds to her campaign . . . I specifically inquired of Ms. Collins as to the legality of my guaranteeing the loan under the [FECA] . . . Ms. Collins assured me that the loan was permissible because the loan of funds was a personal loan and a personal obligation of Ms. Collins and not the campaign committee.

Mr. Barden also states that when he went to the Bank to sign the guaranty documents, Ms. Collins, James Sharp, and Larry Jones, then President of the Bank, were present.

Mr. Barden submitted documents of his loan guaranty dated July 13, 1990 (which were attached to the First General Counsel's Report dated August 20, 1991). The Bank also sent

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5. This amount would be Mr. Soave's minimum contribution if no lesser amount was stipulated on the written instrument. A request for the loan guaranty instrument is included in the attached document subpoena.

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a "Notice to Cosigner" explaining potential liability for the loan; it is dated July 13, 1990. Attachment 5.

Counsel for the Bank in response to this Office's inquiries on October 20, 1993, indicated that Mr. Barden had been on the Bank's Board of Directors, but he was uncertain of the dates of Mr. Barden's tenure. He also indicated that the President of the Bank, not one of the loan officers, would have reviewed Mr. Barden's creditworthiness and that Mr. Barden's financial records would have been kept in the President's office rather than with ordinary consumer loan files because of his stature as a Bank customer and well-known Detroit businessman. As a consequence, a credit report, such as the ones for Mr. Sharp and Mr. Woods, would not have been in the Collins loan file which was reproduced for the FEC in response to the customer authorization forms from Ms. Collins and Mr. Woods. The Barden-Bank connection requires further investigation as do the events that transpired at the Bank because, as next discussed, Mr. Barden's account differs in key respects from that of Ms. Collins.

E. Barbara-Rose Collins

In light of the information contained in the affidavits of the guarantors, this Office informally interviewed Congresswoman Collins in the company of her attorney on March 12, 1992. The interview yielded information that in certain instances is at variance with that provided by the guarantors.

Mr. Barden and Mr. Sharp represent that Ms. Collins approached them about the loan, and all the guarantors indicate that their understanding was that the loan was a personal loan and not for her campaign. Mr. Sharp and Mr. Wood indicate that they knew Ms. Collins was a candidate, but they understood the loan to be personal. Mr. Barden likewise thought the loan was personal, but he did know Ms. Collins intended to use some of the loan proceeds for her campaign as well as for personal purposes. One Bank document entitled "Loan Presentation" and dated July 16, 1990, lists the "purpose" of the $50,000 loan guaranteed by Mr. Barden as "campaign expenses." Attachment 6. Whether Mr. Barden or any of the other guarantors saw this or a similar document is not known at this time.

Ms. Collins stated that the individuals on the finance committee knew that the loan proceeds would be used for campaign purposes, but that she did not know the legal significance of a loan guarantee and the liability of a loan guarantor. She thought that the individuals would merely "stand up for" her at the Bank, that is, vouch for her trustworthiness and reliability in repaying the loan from future fundraisers. She also stated that she never saw the individuals sign any documents obligating them to repay the loan, that no names, other than her own, appeared on the loan document she signed, and that she did not learn that Barden, Sharp, and Woods had signed legal documents and were liable

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until after the election when Mr. Barden told her he was liable if she defaulted.

Mr. Barden stated in his second affidavit (attached to the General Counsel's Report dated February 14, 1992) that he specifically questioned Ms. Collins about the permissibility of the loan guaranty. Further, after newspaper reports about campaign finances appeared following the election, he again talked to Ms. Collins, and he says that she told him that the guarantees were permissible at the time of the loan.

Mr. Barden indicated that Ms. Collins had approached him about the loan guarantee. She denies that she had any one-on-one contact with any of the guarantors about the loan. Ms. Collins states that the idea for the loan guarantees occurred during a finance meeting when the campaign's need for funds and fundraising plans were discussed. Further, she indicated that she never discussed the personal aspect of the loans with anyone and that she never discussed her personal debts with anyone.

Mr. Barden recalls that when he went to the Bank to sign the loan guaranty, he met with Ms. Collins and then-President Lawrence Jones. According to Mr. Barden, Mr. Sharp was also present. In contrast, Ms. Collins states that she went to the Bank alone, talked to the Bank

President,[6] and did not see any of the signed guarantees until after the election when she was alerted to the liability of the guarantors.

In summary, the Respondents in this matter have divergent and seemingly irreconcilable accounts as to key aspects of the loan transaction: the genesis of the loan and finding guarantors, the purpose of the loan, the liability of the principals, and the events that transpired at the Bank.

Another aspect of this matter that requires investigation involves the remedial steps Ms. Collins took to pay off the loan after the November election. She states that after discussing the guarantors' liability with Mr. Barden, she immediately obtained a second loan and paid in full the First Independence National Bank loans of $75,000 on November 15 and 16, 1990. Despite this Office's requests for clarification and documentation about this second loan, however, the sources, depositories, and reporting remain unresolved.

Similarly unresolved are the transactions involving the loan proceeds from the original $75,000 loan. If Ms. Collins deposited the loan proceeds into her personal account and then transferred funds to her campaign account, she may have violated the Act requiring the segregation of personal and

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6. Ms. Collins identified Lester Robinson as the president of the Bank, but she may be mistaken. Lester Robinson, however, was on the Board of Directors of the Bank at the time of the loan transactions. FEC indices indicate that Lester Robinson made no direct contributions to the Collins campaign.

campaign funds. See 2 U.S.C. § 434(b)(3); 11 C.F.R. § 102.15.

F. Conclusions

In order to expedite the matter, this Office recommends that the Commission authorize subpoenas for the production of documents and orders to answer questions to First Independence National Bank of Detroit; Anthony Soave; Barbara-Rose Collins; and to Collins for Congress and Terry Hasse, as treasurer. This Office also recommends that the Commission authorize deposition subpoenas to those knowledgeable about the transactions: Don Barden, James Sharp, Cara Woods, Anthony Soave, Barbara-Rose Collins, Lawrence Jones (former Bank President), Arlene Mains (loan officer at the time of the transactions), Martha Thomas (loan officer at the time of the transactions and current employee of the Bank), First Independence National Bank, and the Collins Committee. This Office further recommends that the Commission find reason to believe that Anthony Soave violated 2 U.S.C. § 441a(a)(1)(A).

III. RECOMMENDATIONS

1. Find reason to believe that Don Barden, James Sharp, Cara Woods, and Anthony Soave violated 2 U.S.C. § 441a(a)(1)(A).

2. Find reason to believe that Barbara-Rose Collins violated 2 U.S.C. § 441a(f).

3. Find reason to believe that Collins for Congress and Terry Hasse, as treasurer, violated 2 U.S.C. §§ 434(b) and 441a(f).

4. Approve the factual and legal analyses which were attached to the First General Counsel's Report dated August 20, 1991, subject to replacement of the former

treasurer's name with the current treasurer's name.

5. Approve the attached factual and legal analysis in regard to Anthony Soave.

6. Authorize the attached subpoenas for the production of documents and orders to answer written questions to Barbara-Rose Collins; the Collins for Congress Committee and Terry Hasse, as treasurer; Anthony Soave; and First Independence National Bank.

7. Authorize deposition subpoenas for Barbara-Rose Collins, Cara Woods, Don Barden, James Sharp, Anthony Soave, Lawrence Jones, Arlene Mains, Martha Thomas; and for Collins for Congress and First Independence National Bank to make available those knowledgeable of the transactions.

8. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

3-9-94
Date

BY: _____
Lois G. Lerner
Associate General Counsel

Attachments
1. Certification of August 27, 1991
2. Sharp Loan Guaranty
3. Soave Cosigner Document
4. Article from Detroit News
5. Barden Cosigner Document
6. Loan Presentation
7. Factual and Legal Analysis re: Soave
8. Subpoenas and Orders (4)

Attorney assigned: Holly Baker

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS
COMMISSION SECRETARY

DATE: FEBRUARY 9, 1994

SUBJECT: MUR 3181 - GENERAL COUNSEL'S REPORT DATED FEBRUARY 3, 1994.

The above-captioned document was circulated to the Commission on Friday, February 4, 1994 at 12:00 p.m.

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

Commissioner Aikens	
Commissioner Elliott	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Potter	
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda for Tuesday, February 15, 1994.

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

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Barbara-Rose Collins;	)	MUR 3181
Collins for Congress and Terry Hasse, as treasurer;	)	
James Sharp;	)	
Cara Woods;	)	
Don H. Barden;	)	
Anthony Soave.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 10, 1994, the Commission decided by a vote of 6-0 to take the following actions in MUR 3181:

1. Find reason to believe that Don Barden, James Sharp, Cara Woods, and Anthony Soave violated 2 U.S.C. § 441a(a)(1)(A).

2. Find reason to believe that Barbara-Rose Collins violated 2 U.S.C. § 441a(f).

3. Find reason to believe that Collins for Congress and Terry Hasse, as treasurer, violated 2 U.S.C. §§ 434(b) and 441a(f).

4. Approve the factual and legal analyses which were attached to the First General Counsel's Report dated August 20, 1991, subject to replacement of the former treasurer's name with the current treasurer's name, as recommended in the General Counsel's Report dated February 3, 1994.

5. Approve the factual and legal analysis in regard to Anthony Soave, as recommended in the General Counsel's Report dated February 3, 1994.

(continued)

6. Authorize the subpoenas for the production of documents and orders to answer written questions to Barbara-Rose Collins; the Collins for Congress Committee and Terry Hasse, as treasurer; Anthony Soave; and First Independence National Bank, as recommended in the General Counsel's Report dated February 3, 1994.

7. Authorize deposition subpoenas for Barbara-Rose Collins, Cara Woods, Don Barden, James Sharp, Anthony Soave, Lawrence Jones, Arlene Mains, Martha Thomas; and for Collins for Congress and First Independence National Bank to make available those knowledgeable of the transactions.

8. Approve the appropriate letters, as recommended in the General Counsel's Report dated February 3, 1994.

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

Attest:

2-14-94
Date

Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat:	Fri.,	Feb. 04, 1994	9:56 a.m.
Circulated to the Commission:	Fri.,	Feb. 04, 1994	12:00 p.m.
Deadline for vote:	Wed.,	Feb. 09, 1994	4:00 p.m.
Received Objection:	Wed.,	Feb. 09, 1994	11:41 a.m.
Placed on Agenda for:	Tues.,	Feb. 15, 1994	
Objection Withdrawn:	Thurs.,	Feb. 10, 1994	3:47 p.m.
Withdrawn from Agenda			

bjr

FEDERAL ELECTION COMMISSION

FEBRUARY 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Amy R. Goldson, Esq.
4015 28th Place, N.W.
Washington, D.C. 20008

RE: MUR 3181
Collins for Congress and
Terry Hasse, as treasurer

Dear Ms. Goldson:

On August 27, 1991, the Federal Election Commission found that there is reason to believe your clients, Collins for Congress ("Committee") and Terry Hasse, as treasurer, violated 2 U.S.C. §§ 434(b) and 441a(f).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 10, 1994, the Commission revoted to find reason to believe that your clients, Collins for Congress ("Committee") and Terry Hasse, as treasurer, violated 2 U.S.C. §§ 434(b) and 441a(f), and to approve the attached Factual and Legal Analysis. In addition, the Commission authorized the enclosed Subpoena and Order.

All responses to the enclosed Subpoena and Order must be submitted to the General Counsel's Office within 30 days of your receipt of this Subpoena and Order. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Subpoena and Order.

If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

Trevor Potter
Chairman

Enclosures
Factual and Legal Analysis
Subpoena and Order

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3181
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Terry Hasse, Treasurer and
Collins for Congress
c/o Amy R. Goldson, Esq.
4015 28th Place, N.W.
Washington, D.C. 20008

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 15th, day of February, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

for Delores Hardy
Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions and Definitions (2 pages)
Questions and Document Requests (1 page)

INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1990 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and request for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

QUESTIONS AND DOCUMENT REQUESTS

1. Identify all members of the Finance Committee of the Collins for Congress committee during the 1990 election cycle.

2. Identify all Collins for Congress depositories, including account numbers, during the 1990 election cycle.

3. List the names and dates of all fundraising events and projects from July through October 1990.

4. Provide dates of all meetings of the Finance Committee, identify attendees, and provide all documents, including but not limited to notes and minutes from the meetings, relating to the loan and loan guarantees extended to Barbara-Rose Collins in July 1990 at First Independence National Bank.

5. Provide all documents relating to the repayment of the loans that First Independence National Bank extended to Barbara-Rose Collins in July 1990.

6. Identify all persons, other than counsel, who assisted in preparation of the answers to the above questions.

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Barbara-Rose Collins MUR 3181
Collins for Congress and
Terry Hasse, as treasurer

This matter was generated by a signed and sworn complaint filed by Barbara-Rose Collins against herself and the Collins for Congress Committee ("Collins Committee"). The complaint alleges violations of the Act with respect to certain loans received by the Collins committee.

A. The Barbara-Rose Collins Complaint

According to the complaint filed by Barbara-Rose Collins, she received two loans totaling $75,000 from First Independence National Bank of Detroit as a personal loan on July 16, 1990. Attached to the complaint are copies of the two promissory notes totaling $75,000 evidencing the loans. The loan documents are labeled "consumer loan agreement." One loan is in the amount of $50,000. The loans were received by Ms. Collins on the same date of January 1, 1991. The interest rate on each loan was 11%.

According to the complaint, Ms. Collins intended to use some of the proceeds of the two loans to help defray the cost of her primary election for Congress and some for her own personal use. The complaint indicates that because Ms. Collins considered the loan a personal loan from the bank to herself, she did not consider the guarantors of the loans to be obligated to repay the loans nor did she feel that such loans were campaign loans because they were made to her and

not to the Collins Committee.[1] Ms. Collins notes that no other signatures appeared on the loan papers as cosigners.

Ms. Collins states that at the time of the receipt of the loans in question she was unaware that such loans violated Commission regulations and that it was not her intent to violate Commission regulations or to cause anyone else to violate Commission regulations.

Ms. Collins contends that after conferring with the Federal Election Commission in July 1990 and at their request, the Collins Committee amended its reports to show the source of the loan as First Independence Bank of Detroit and listed Barbara-Rose Collins as the endorser. On November 13, 1990, Ms. Collins indicates that she was informed that the loans might be in violation of Act because such loans are considered contributions until repaid and all guarantors were obligated to repay if she defaulted. According to Ms. Collins, she took immediate corrective action to remedy the situation by repaying the bank loans in their entirety. The total balance of the loans was paid in full on November 15, and 16, 1990. Attached to the complaint are letters from the bank verifying the fact the loans have been paid in full.

Ms. Collins asserts that since the loans are paid off, they cannot be considered contributions by the bank and/or

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1/ In response to the Commission's notification of complaint Don H. Barden has submitted a copy of the guaranty he signed for Ms. Collins. The language of guaranty clearly states that the guarantor is liable for repayment of the loan.

guarantors. Ms. Collins and the Collins Committee, however, concede that the Collins Committee did not correct the violation within sixty days of receiving the loans, as required by Commission regulations.

The complaint also contains an amendment to the Collins Committee's 12 Day Pre-General Election Report which itemizes each loan and lists the guarantors for each loan. According to the amendment filed November 20, 1990, one loan for $36,000 on July 16, 1990, lists Barbara-Rose Collins and Don H. Barden as endorser/guarantor and another loan for $25,000 on July 16, 1990, lists Barbara-Rose Collins, James Sharp and Cara Woods as endorser/guarantors. Per this amendment, the two loans made to the Collins Committee totaled $61,000.

B. Response of Barbara-Rose Collins and Collins Committee

The responses of Barbara-Rose Collins and the Collins Committee are brief. Ms. Collins asks that the Commission not penalize her because she had no intention of violating the law and she took immediate steps to pay off the loan once she discovered a violation had occurred. Ms. Dean, the treasurer at the time of the complaint, states that she should not be penalized because she was not aware that there were any guarantors of the loans. Ms. Dean also notes that immediate action was taken to correct the violation.

C. Law

Pursuant to 2 U.S.C. § 441a(a)(1)(A), an individual may not make contributions to a candidate for federal office or

her political committee in excess of $1,000 per election. 2 U.S.C. § 431(8)(A)(i) 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. The term "loan" includes guarantees, endorsements, and any form of security. 11 C.F.R. 100.7(a)(1)(i).

Under 2 U.S.C. § 431(8)(B)(vii)(I), a loan is considered a loan by each endorser or guarantor in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors.

When a candidate receives a loan for use in connection with her campaign, the candidate receives such loan as a agent of the authorized committee. 2 U.S.C. § 432(e)(2). A loan which exceeds the contribution limitation of the Act is unlawful whether or not it is repaid. 11 C.F.R. § 100.7(a)(1)(i)(A).

Additionally, the Act also makes unlawful the knowing acceptance of excessive contributions by candidates and political committees. 2 U.S.C. § 441a(f). Section 434(b) requires that political committees accurately report debts and obligations and that political committees properly disclose the amount and nature of outstanding debts. Additionally, the treasurer is responsible for determining whether contributions have exceeded the Act. 11 C.F.R. § 103.3.

D. Application of the Law

During the 1990 election cycle, Barbara-Rose Collins was a candidate for the U.S. House of Representatives from Michigan's 13th Congressional District. Ms. Collins won the Democratic primary election on August 7, 1990, and the general election on November 6, 1990. According to the record and reports on file at the Commission, Ms. Collins received two loans totaling $75,000 (in the amounts of $50,000 and $25,000 respectively) on July 16, 1990, from a bank in Detroit. These loans were initially disclosed on the Collins Committee's 12 day Pre-Primary Election Report as a loan of personal funds from Ms. Collins to the Collins Committee. On September 19, 1990, the Collins Committee amended its 12 Day Pre-Primary Election Report to disclose the First Independence National Bank as the source of the loans and Barbara-Rose Collins as endorser of the loans. No guarantors were disclosed on Schedule C. In the Collins Committee's October Quarterly Report filed October 16, 1990, the Collins Committee returned to its original disclosure of the source of these loans, listing Barbara-Rose Collins as the source.

Subsequently, in its 12 Day Pre-General Election Report, the Collins Committee disclosed that the First Independence National Bank was the source of the loans. Finally, after the election on November 6, 1990, the Collins Committee amended its 12 Day Pre-General Election Report to disclose that a $36,000 loan was guaranteed by Don H. Barden and a

$25,000 loan to the Collins Committee was guaranteed by James Sharp and Cara Woods.[2/] Ms. Collins also listed herself as endorser of these loans.

It appears from the record that the $36,000 loan represented proceeds from a $50,000 loan that was guaranteed by Don H. Barden.[3/] According to Ms. Collins, the rest of the proceeds were for her own personal use. The Collins Committee's 30 day Post-General Election Report discloses that the two loans ($36,000 and $25,000) to the Collins Committee were repaid on November 15 and 16, 1990.

Respondent acknowledges that she received two loans and that a large portion of the proceeds of the loans were turned over to the Collins Committee. It has also been acknowledged by Don H. Barden, James Sharp and Cara Woods that they were the guarantors of loans made to Ms. Collins. The guaranty document submitted by Mr. Barden clearly indicates that the guarantors were liable for repayment of the loan if Collins defaulted, and it is assumed that the other guarantors (Sharp and Woods) signed similar agreements to guarantee the second loan to Ms. Collins.

As noted, a loan, including a loan guarantee, received by a candidate for use in her campaign is a contribution

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2/ The Commission assumes that Sharp and Woods were the sole guarantors on this loan to Ms. Collins.

3/ A review of the reports on file at the Commission indicate that the Collins Committee has not amended its 12 Day Pre-Primary Election Report, the report first disclosing the loans, to disclose the amounts and guarantors of the loans in question.

under the Act. See Advisory Opinion 1985-33.[4] Further, guarantors are deemed to have contributed that portion of the outstanding loan amount divided by the total number of endorsers and guarantors. In the case of the $50,000 loan signed by Ms. Collins and guaranteed by Mr. Barden, Mr. Barden is deemed to have contributed $25,000 loan to Ms. Collins that was guaranteed by James Sharp and Cara Woods, their individual contributions would be approximately $8333 each.[5]

Based on the foregoing, there is reason to believe that Barbara-Rose Collins, the Collins Committee and Terry Hasse, as treasurer, violated 2 U.S.C. § 441a(f) by knowingly accepting excessive contributions.[6] Additionally, there is

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4/ In Advisory Opinion 1985-33, Representative Cardiss Collins explained that certain "entities" were willing to make loans to her but not to her campaign committee. Since she intended to loan these funds to her committee, Rep. Collins asked whether such loans should be reported as personal funds of the candidate. The Commission concluded that because the Act and Commission regulations specify that when a candidate receives loans for use in her campaign the candidate receives the loans as an agent of his or her authorized committee, these loans are contributions under the Act. The loans should be reported as loans from the original lender to the committee, rather than as loans from the personal funds of the candidate.

5/ This would be the minimum contribution made by James Sharp and Cara Woods if no lesser amount was stipulated on the written instrument.

6/ The amount that exceeded the contribution limits is as follows: Don H. Barden ($24,000) and Cara Woods ($7,333). Only James Sharp had contributed ($1,000) to the Collins Committee during the 1990 election cycle. Consequently, the full amount of his contribution ($8,333) exceeded the limits under the Act.

reason to believe the Collins Committee and Terry Hasse, as treasurer, violated 2 U.S.C. § 434(b) by failing to accurately report the receipt of these loans.

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

FEBRUARY 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Amy R. Goldson, Esq.
4015 28th Place, N.W.
Washington, D.C. 20008

RE: MUR 3181
Barbara-Rose Collins

Dear Ms. Goldson:

On August 27, 1991, the Federal Election Commission found that there is reason to believe your client, Barbara-Rose Collins, violated 2 U.S.C. § 441a(f).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 10, 1994, the Commission revoted to find reason to believe that your client, Barbara-Rose Collins, violated 2 U.S.C. § 441a(f), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed Subpoena/Order.

All responses to the enclosed Order/Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order/Subpoena. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order/Subpoena.

If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

Trevor Potter
Chairman

Enclosure
Order/Subpoena

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR 3181
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Barbara-Rose Collins
c/o Amy Goldson
4015 28th Place, N.W.
Washington, D.C. 20008

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 15th day of February, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

for Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions (1 page)
Definitions (1 page)
Questions and Document Requests (1 page)

INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from March, 1990 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and request for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

QUESTIONS AND DOCUMENT REQUESTS

1. Provide all documents relating to loans made to you by First Independence National Bank ("the Bank") in 1990 for installment loan account numbers

2. Provide a history of your banking relationship with First Independence National Bank, including checking, savings, campaign, and loan accounts; for each, provide dates opened and closed.

3. Provide all documents relating to the deposit of the $75,000 in loan proceeds and subsequent transfer to the Collins for Congress committee, including but not limited to check registers, deposit slips, and bank statements.

4. In regard to the repayment on November 15 and 16, 1990 of the $75,000 in installment loans from the Bank,

a. identify each source of funds, and for each provide the terms and conditions, amounts, outstanding balances or dates repaid;

b. provide account numbers for all banks, credit unions, or other financial institutions from which you obtained loans to make the November 1990 repayment;

c. for all sources identified in a. above, provide all documents relating to the funds, including but not limited to terms and conditions, loan guarantors, and security;

5. Identify any person, other than counsel, who assisted you in answering the above questions.

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

FEBRUARY 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Anthony Soave
423 Lakeshore Dr.
Grosse Pointe Farms
Michigan 48236

RE: MUR 3181
Anthony Soave

Dear Mr. Soave:

On February 10, 1994, 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.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Submit Written Answers and Subpoena to Produce Documents must be submitted within 30 days of your receipt of this Order and Subpoena. Any additional materials or statements you wish to submit should accompany the response to the Order and Subpoena. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this Order and Subpoena. If you intend to be represented by counsel, 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 or other communications from the Commission.

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

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

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that 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 Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

Trevor Potter
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Anthony Soave
423 Lakeshore Dr.
Grosse Pointe Farms
Michigan 48236

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 15th day of February, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

for Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions (1 page)
Definitions (1 page)
Questions and Document Requests (1 page)

INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from March, 1990 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and request for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

QUESTIONS AND DOCUMENT REQUESTS

1. Indicate any positions you held with, and all the activities you engaged in on behalf of, the Collins for Congress campaign committee during the 1990 election cycle.

2. State the terms of the loan guaranty you made to Barbara-Rose Collins in July 1990.

3. Provide all documents, including but not limited to loan guaranty documents, memoranda, correspondence, electronic messages, and notes of phone conversations or of other discussions that refer or pertain in any way to your guaranty of the loan to Barbara-Rose Collins at First Independence National Bank in July 1990.

4. Identify all individuals, including personnel of First Independence National Bank, with whom you discussed your loan guaranty to Barbara-Rose Collins, and the dates of those discussions.

5. Identify all individuals who were present when you signed documents relating to your guaranty of the loan to Barbara-Rose Collins in July 1990.

6. Identify any individuals, other than counsel, who helped you prepare answers to the above questions.

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Anthony Soave MUR 3181

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended ("the Act"), prohibits an individual from making a contribution to a candidate for federal office or her political committee in excess of $1,000 per election. See 2 U.S.C. § 441a(a)(1)(A). The Act defines the term "contribution" to include any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing a federal election. See 2 U.S.C. § 431(8)(A)(i). The term "loan" includes guarantees, endorsements, and any form of security. 11 C.F.R. § 100.7(a)(1)(i)(A).

During the 1990 election cycle, Barbara-Rose Collins was a candidate for the U.S. House of Representatives from Michigan's 13th Congressional District. Ms. Collins won the Democratic primary election on August 7, 1990 and the general election on November 6, 1990. According to information on file at the Commission, Ms. Collins received a loan of

$25,000 on July 16, 1990 from First Independence National Bank of Detroit used in whole or part for campaign expenses. Anthony Soave signed a Notice to Cosigner on July 13, 1990 informing him of his potential liability as a loan guarantor for the loan to Barbara-Rose Collins, account number

A loan, including a loan guarantee, received by a candidate for use in her campaign is a contribution under the Act. Thus, Mr. Soave may have made an excessive contribution to Barbara-Rose Collins in the form of a loan guarantee.

Therefore, there is reason to believe that Anthony Soave violated 2 U.S.C. § 441a(a)(1)(A).

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

FEBRUARY 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

First Independence National Bank
Gerald Van Wyke, Esq.
44 Michigan Ave.
Detroit, MI 48226

RE: MUR 3181

Dear Mr. Van Wyke:

Enclosed is a Subpoena to Produce Documents and Order to Submit Written Answers, directed to First Independence National Bank. The Right to Financial Privacy Act of 1978 permits the customer whose records are sought ten days from the date of receipt of the Subpoena and Order to move to quash them. Upon the expiration of this period, the Commission will notify you that it has complied with the Right to Financial Privacy Act. In the absence of judicial intervention, it is then your obligation to comply with the terms of the Subpoena and Order. See 12 U.S.C. §§ 3405 and 3411.

Please be advised that 2 U.S.C. § 437g(a)(12) prohibits making public any Commission investigation without the written consent of the person with respect to whom such investigation is made. You are advised that no such consent has been given in this case.

If you have any questions please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Subpoena and Order

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: First Independence National Bank
Gerald Van Wyke, Esq.
44 Michigan Ave.
Detroit, MI 48226

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of your receipt of the Commission's Certification of Compliance with the Right to Financial Privacy Act.

WHEREFORE, The Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 15th day of February, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

for Delores Hardy
Marjorie W. Emmons
Secretary to the Commission

Attachment
Document Requests and Questions

ATTACHMENT TO SUBPOENA AND ORDER TO:

First Independence National Bank
Gerald Van Wyke, Esq.
44 Michigan Ave.
Detroit, MI 48226

The attached Subpoena to Produce Documents and Order to Submit Written Answers to Questions has been issued by the Federal Election Commission under the authority of 2 U.S.C. § 437d(a)(1) and (3) as part of a lawful investigation being conducted under the authority of 2 U.S.C. § 437g(a)(2). You are required to submit written answers to the questions and the requested documents within 15 days of the Commission's Certification of Compliance with the Right to Financial Privacy Act.

You are hereby advised of the provisions of 2 U.S.C. § 437g(a)(12) which prohibits anyone from making public any Commission investigation and provides for a fine up to $5,000 for a violation of that provision.

Please set forth answers in the spaces provided below each question (attaching supplemental pages as required) and return this original with an original affidavit signed by the appropriate bank official attesting to the truth of the answers. The affidavit must be sworn to and notarized.

Considering the possible application of the Right to Financial Privacy Act of 1978, please do not provide any information not requested by the questions.

1. In regard to Barbara-Rose Collins installment loan account numbers provide all documents, including but not limited to, loan documents; loan guarantees; internal bank memoranda; notes of meetings and discussions about the loan transactions; terms of the loans and guarantees; ledgers indicating repayment, dates, and amounts.

Response:

2. Provide a complete chronology of the loan transaction relating to the Barbara-Rose Collins installment loan account number including dates of phone conversations and meetings, identity of attendees, substance of each discussion or contact.

Response:

3. Provide a complete chronology of the loan transaction relating to the Barbara-Rose Collins installment loan account number including, but not limited to, dates of phone conversations and meetings, identity of attendees, and substance of each discussion or contact.

Response:

4. Identify the members of the board of directors of First Independence National Bank, and the terms of their tenure, from 1980 to the present.

Response:

5. Identify all First Independence National Bank personnel, their names, addresses, titles, tenure, and duties, who participated in any way in the loan transactions referenced by the Barbara-Rose Collins installment loan account numbers

Response:

6. Identify all persons who assisted in preparation of the answers to the above questions.

Response:

7. For any of the data described in questions 1 - 5 above maintained electronically, provide the formats for the data, a description of any codes/symbols utilized, the software used to create the electronic records, and readable computer diskettes 3 1/2" or 5 1/4" or magnetic tape if stored on tape.

Response:

FEDERAL ELECTION COMMISSION

FEBRUARY 16, 1994

Judith L. Corley, Esq.
Perkins Coie
607 14th Street, N.W.
Washington, D.C. 20005

RE: MUR 3181
James Sharp and Cara Woods

Dear Ms. Corley:

On August 27, 1991, the Federal Election Commission found that there is reason to believe that your clients, James Sharp and Cara Woods violated 2 U.S.C. § 441a(a)(1)(A).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 10, 1994, the Commission revoted to find reason to believe that your clients, James Sharp and Cara Woods, violated 2 U.S.C. § 441a(a)(1)(A), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

You may rely on your prior submissions, or you may submit any additional factual and 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.

If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

Trevor Potter
Chairman

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

FEBRUARY 16, 1994

Ronald A. Siegel, Esq.
Cohn and Marks
Suite 600
1333 New Hampshire Ave., N.W.
Washington, D.C. 200036-1573

RE: MUR 3181
Don Barden

Dear Mr. Siegel:

On August 27, 1991, the Federal Election Commission found that there is reason to believe that your client, Don Barden, violated 2 U.S.C. § 441a(a)(1)(A).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 10, 1994, the Commission revoted to find reason to believe that your client, Don Barden, violated 2 U.S.C. § 441a(a)(1)(A), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

You may rely on your prior submissions, or you may submit any additional factual and 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.

If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

Trevor Potter
Chairman

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

FEBRUARY 17, 1994

Amy R. Goldson, Esq.
4015 28th Place, N.W.
Washington, D.C. 20008

RE: MUR 3181
Barbara-Rose Collins

Dear Ms. Goldson:

Records or information concerning the transactions of your client, Barbara-Rose Collins, held by the financial institution named in the attached subpoena and order are being sought by this agency in accordance with the Right to Financial Privacy Act of 1978 for the following purpose: to investigate possible violations of the Federal Election Campaign Act of 1971, as amended, by Barbara-Rose Collins in connection with loans made by First Independence National Bank to her in July 1990.

If your client desires that such records or information not be made available, you must:

1. Fill out the accompanying motion paper and sworn statement or write one of your own, stating that your client is the customer whose records are being requested by the Commission and either giving the reasons you or your client believe that the records are not relevant to the legitimate law enforcement inquiry stated in this notice or any other legal basis for objecting to the release of the records.

2. File the motion and statement by mailing or delivering them to the clerk of one of the following United States District Courts: Eastern District of Michigan or the United States District Court for the District of Columbia.

3. Serve the Commission by mailing or delivering a copy of your motion and statement to: Federal Election Commission, Office of the General Counsel, 999 E Street, N.W., Washington, D.C. 20463.

4. Be prepared to come to court and present your position in further detail.

If you or your client do not follow the above procedures, upon the expiration of ten days from the date of service or 14 days from the date of mailing of this notice, the records or information requested therein will be made available. These records may be transferred to other Government authorities for legitimate law enforcement inquiries, in which event you or your client will be notified after the transfer.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker
Attorney

Enclosures
Subpoena and Order to First Independence National Bank
Motion to Quash Subpoena and Order
Affidavit

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR 3181
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: First Independence National Bank
Gerald Van Wyke, Esq.
44 Michigan Ave.
Detroit, MI 48226

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of your receipt of the Commission's Certification of Compliance with the Right to Financial Privacy Act.

WHEREFORE, The Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 15th day of February, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

for Delores Hardy
Marjorie W. Emmons
Secretary to the Commission

Attachment
Document Requests and Questions

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

BARBARA-ROSE COLLINS, Petitioner	)	MOTION TO QUASH COMMISSION SUBPOENA/ORDER
v.	)	
THE FEDERAL ELECTION COMMISSION, Respondent	)	

MOTION TO QUASH COMMISSION
SUBPOENA/ORDER

This matter comes before the court pursuant to 12 U.S.C. § 3401 et. seq., Right to Financial Privacy Act of 1978. Petitioner, Barbara-Rose Collins, requests this court to quash a subpoena and order of the Federal Election Commission which seeks to obtain certain bank documents and information relating to accounts maintained by Petitioner.

In support of this application, Petitioner swears to the following:

1. Petitioner controlled and maintained accounts at First Independence National Bank of Detroit.

2. The Commission seeks financial records relating to the above accounts as part of its investigation pursuant to 2 U.S.C. § 437g.

3. Petitioner believes the Commission is not entitled to these records because

_____

(Name)

OGC 199

SIDLEY & AUSTIN

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1722 EYE STREET, N.W.
WASHINGTON, D.C. 20006
TELEPHONE 202: 736-8000
TELEX 89-463
FACSIMILE 202: 736-8711

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LOS ANGELES
NEW YORK

LONDON
SINGAPORE
TOKYO

FOUNDED 1866

WRITER'S DIRECT NUMBER
(202) 736-8235

94 FEB 23 AM 11:13

February 22, 1994

Holly Baker, Esq.
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Ms. Baker:

We have been retained by Anthony Soave in connection with MUR 3181. Enclosed is the statement of designation of counsel signed by Mr. Soave.

Sincerely,

Michael A. Nemeroff

Enclosure

MAN94A83.SED

[redacted]TMENT OF DESIGNATION OF CO[redacted]L

MUR 3181

NAME OF COUNSEL: Thomas C. Green/Michael A. Nemeroff

ADDRESS: Sidley & Austin

1722 Eye Street, N.W.

Washington, D.C. 20006

TELEPHONE: 202/736-8069/202-736-8[illegible]5

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.

2/22/94
Date

[illegible]
Signature

RESPONDENT'S NAME: Anthony Soave

ADDRESS: 423 Lakeshore Drive

Grosse Pointe Farms

Michigan 48236

HOME PHONE:

BUSINESS PHONE: 313-567-4700

OGC 296

AMY ROBERTSON GOLDSON
ATTORNEY AT LAW

4015 28TH PLACE, NORTHWEST
WASHINGTON, D.C. 20008
(202) 966-7531
(202) 537-3308 FAX

94 FEB 29 AM 9:11

February 23, 1994

Trevor Potter, Chairman
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20436

Dear Mr. Potter:

Enclosed please find for filing an original and two copies of my Praecipe of Withdrawal.

Should you have any questions, please do not hesitate to call.

Sincerely,

Amy R. Goldson

ARG:lmg

Enclosures

received
2/28/94

94 FEB 23 AM 9:11

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR 3181
)

PRAECIPE OF WITHDRAWAL

Please withdraw the apprearance of Amy R. Goldson, Esq., as attorney for the Hon. Barbara-Rose Collins. Mrs. Collins has no objection to my withdrawal as counsel.

Respectfully submitted,

Amy R. Goldson
4015 28th Place, N.W.
Washington, D. C. 20008
(202) 966-7531

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing PRAECIPE OF WITHDRAWAL was sent this 23rd day of February, 1994, by mail pre-paid to:

Trevor Potter, Chairman
Federal Election Commission
Washington, D.C. 20436

and by telefax to:

Hon. Barbara-Rose Collins
1108 Longworth HOB
Washington, D.C. 20515

Amy R. Goldson

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MARCH 7, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

First Independence National Bank
Gerald Van Wyke, Esq.
44 Michigan Ave.
Detroit, MI 48226

RE: MUR 3181

Dear Mr. Van Wyke:

Enclosed is a Certificate of Compliance with the Right to Financial Privacy Act of 1978, issued in connection with the Subpoena and Order sent to your financial institution on February 16, 1994, seeking the financial records of Barbara-Rose Collins.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Certificate

CERTIFICATION OF COMPLIANCE WITH THE RIGHT TO FINANCIAL PRIVACY ACT

TO: First Independence National Bank
Gerald Van Wyke, Esq.
44 Michigan Ave.
Detroit, MI 48226

FROM: Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RE: MUR 3181

I hereby certify, pursuant to Section 1103(b) of the Right to Financial Privacy Act of 1978, 12 U.S.C. § 3403(b), that the provisions of the Act have been complied with as to the Subpoena to Produce Documents and Order to Submit Written Answers forwarded to you in the above-captioned matter, responses to which are being ordered pursuant to 12 U.S.C. §§ 3402 and 3405.

Sincerely,

3-7-94
Date

Holly J. Baker
Attorney

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MARCH 10, 1994

First Independence National Bank
Gerald Van Wyke, Esq.
44 Michigan Ave.
Detroit, MI 48226

RE: MUR 3181

Dear Mr. Van Wyke:

This letter is to follow up our phone conversation on the materials, pertaining to the Barbara-Rose Collins loan transactions, that the Bank provided pursuant to customer authorization forms signed by Barbara-Rose Collins on August 6, 1993 and Cara Woods on September 1, 1993, and subsequently requested by the Federal Election Commission's Subpoena and Order dated February 15, 1994.

In the documents previously submitted by the Bank, the following documents were either illegible or cut off:

Credit report of Cara Woods (illegible top portion, especially the left side)

Credit report of Don Barden (illegible top and left side)

Credit report of Barbara-Rose Collins (illegible top and left side)

Consumer Loan Application dated 7-9-90 and signed by Barbara-Rose Collins (top cut off)

Credit report of James Sharp (illegible top and left side)

The Commission would appreciate the Bank's attempt to provide complete and legible photocopies.

The Subpoena calls for all records indicating repayment of the loans. Since the Bank did not produce any such ledgers in its previous submission, please provide such repayment records for the loan accounts referenced in Question 1 of the Subpoena.

As noted on the Subpoena and Order, please also provide the names and addresses of Bank personnel, past and present, including but not limited to Arlene Mains, Martha Thomas, and

Lawrence Jones, who were involved in any way in the Barbara-Rose Collins loan transactions.

Please also provide the names and addresses of the members of the Bank's Board of Directors at the time of the Barbara-Rose Collins loan transactions. Please indicate the dates of Don Barden's membership on the Bank's Board of Directors.

As I noted in our phone conversation, the chronologies of the loan transactions referred to in Questions 2 and 3 of the Subpoena and Order are also essential to our inquiry. Since you indicated that the Bank is short-handed, if the Bank needs more time to comply with that part of the Subpoena and Order, the Commission would consider your request for an extension of time to produce the chronologies.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

Holly Baker
Attorney

94 [illegible] 7:28

SKADDEN, ARPS, SLATE, MEAGHER & FLOM
1440 NEW YORK AVENUE, N.W.
WASHINGTON, D.C. 20005-2111
(202) 371-7000

FAX (202) 393-5760
DIRECT DIAL
(202) 371-7007

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MOSCOW
PARIS
PRAGUE
SYDNEY
TOKYO
TORONTO

March 11, 1994

BY FAX & MAIL

Holly Baker, Esq.
Office of General Counsel
Federal Election Commission
999 E Street, Northwest
Washington, D.C. 20463

Re: MUR 3181 Collins for Congress
The Honorable Barbara-Rose Collins

Dear Ms. Baker:

Per our conversation yesterday, enclosed is a Designation of Counsel for the above referenced respondent. As new counsel to the case, I need additional time to review the file and applicable documents. In addition, the information you requested of Congresswoman Collins is in Detroit, much of it stored in a fashion that will require a thorough search to retrieve. Therefore, I am requesting an extension of 30 days to respond to the subpoena. According to my calculation, the original return date for the subpoena is March 19, 1994. If the extension is granted, the new due date will be April 18, 1994.

Thank you for your consideration of this request. Once we respond to the Commission's request for documents, I look forward to an early resolution of this matter.

Sincerely,

Kenneth A. Gross

Enclosure

[redacted]

[redacted]: 3181

[redacted]: Kenneth A. Gross

[redacted]: Skadden, Arps, Slate, Meagher & FLom
1440 New York Avenue, Northwest
Washington, D.C. 20005

[redacted]: (202) 371-7007

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.

3/10/94
[redacted]

Barbara-Rose Collins
[redacted]

The Honorable Barbara-Rose Collins
[redacted]'S [redacted]: Collins for Congress

[redacted]: Terry Hagan, as Treasurer
P.O. Box 07167
Detroit, Michigan 48207

[redacted]:

[redacted]:

R-05X

OGC 475

SIDLEY & AUSTIN
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1722 EYE STREET, N.W.
WASHINGTON, D.C. 20006
TELEPHONE 202: 736-8000
TELEX 89-463
FACSIMILE 202: 736-8711

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LOS ANGELES
NEW YORK

LONDON
SINGAPORE
TOKYO

WRITER'S DIRECT NUMBER
(202) 736-8235

March 11, 1994

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

Re: MUR 3181

Dear Ms. Baker:

On behalf of our client in MUR 3181, Anthony Soave, we request a 30-day extension to April 19, 1994, to respond to the Commission's subpoena and its written interrogatories. Because of the age of the case and the recent involvement of this firm, our client has been unable to complete a search for responsive documents, nor have we been able to complete our discussions with him. This is our first request for an extension.

We have, however, obtained the loan guaranty signed by Mr. Soave and a letter from the First Independence National Bank releasing Mr. Soave from all obligations under the guaranty. We are forwarding these documents to you in partial compliance with the Commission's subpoena. In addition, the Commission's Factual And Legal Analysis concerning Mr. Soave makes reference to a "Notice of Consigner" signed by him and dated July 13, 1990. We have not been able to locate such a document, and we request a copy. Please let me know at your earliest convenience whether the Commission will grant our requests for an extension and for this document.

Sincerely,

Michael A. Nemeroff

MAN94800.SED

FIRST INDEPENDENCE NATIONAL BANK
44 MICHIGAN AVENUE • DETROIT, MICHIGAN 48226
TELEPHONE 313-256-8300

August 14, 1990

Anthony Soave
3400 East Lafayette
Detroit, Michigan 48209

RE: Loan Guaranty

Dear Mr. Soave:

Enclosed is the original of the guaranty which you signed for a loan which was extended to Barbara-Rose Collins on July 16, 1990. You are, as of this date, released from all obligations arising from the signing of that document.

If you have any questions, please feel free to contact us.

Sincerely,

Arlene D. Mains
Vice President

ADM/db

Enclosure

GUARANTY

Dated: July 16 , 19 90

PARTICULAR TERMS - DEFINITIONS

As used in this Guaranty, the following terms and expressions have the respective meanings indicated opposite each of them; where the meaning of any term is stated to be "None", provisions involving the application of that term shall be disregarded.

GUARANTOR(S): ANTHONY SOAVE

LENDER: First Independence National Bank of Detroit

ADDRESS: 44 Michigan Avenue, Detroit, Michigan, 48226

BORROWER(S): BARBARA-ROSE COLLINS

ADDRESS: 1300 East Lafayette #507
Detroit, Michigan 48207

NOTE(S): Consumer Loan dated July 16, 1990

AMOUNT: $25,000.00

DATE: July 16, 1990

LOAN AGREEMENT DATED: July 16, 1990

SECURITY: N/A

WHEREAS, the Borrower is about to execute and deliver to Lender its Note dated July 16, 1990 in the amount set forth above, and as security therefor to execute and deliver to Lender those certain Security Agreements or other instruments necessary to convey, assign, and pledge the security identified above (Security Agreements); and

WHEREAS, in order to induce the Lender to make said loan in the principal amount set forth above and to accept said Security Agreements and as additional security for the monies to be advanced under said Security Agreements, the Note secured thereby, and/or the Loan Agreement, the Borrower has agreed to procure and deliver this Guaranty, all to be executed by the Guarantor, and, if more than one, each shall be jointly and severally liable hereunder and the term "Guarantor" whenever used herein shall mean the undersigned or any one or more of them; and

WHEREAS, the Lender has refused to make said loan, or to enter into said Loan Agreement or to make the advances provided for under said Loan Agreement and/or Note, or to accept said Security Agreements or the Note secured thereby unless this Guaranty is executed by the Guarantor and delivered to the Lender;

NOW, THEREFORE, in consideration of the premises and as a part of the consideration for the making by the Lender to the Borrower of said loan, the Guarantor hereby covenants and agrees with the Lender as follows:

THIS GUARANTY, above-dated by Guarantor to Lender:

1. In order to induce Lender to make the loan evidenced by the Note of Borrower, and in consideration thereof and of other good and valuable consideration, the receipt of which is hereby acknowledged, the Guarantor hereby unconditionally guarantees to the Lender the due and punctual payment of, and not just the collectibility of the principal and interest (and premium, if any), on the Note when due, whether at maturity, pursuant to mandatory or optional prepayments, by acceleration or otherwise, all at the times and place subject to rights to cure, if any, and at the rate described in, and otherwise according to the tenor of the Note, Loan Agreement and the Security Agreement. This is an unconditional guaranty of payment and not of collection. Where performance in addition to payment is required, the Guarantor hereby further unconditionally guarantees to the Lender the punctual and faithful performance by Borrower of all duties, agreements and obligations of Borrower contained in the Note, Loan Agreement and the Security Agreements, respectively.

2. The Loan Agreement, Note, Security Agreements, and any other related instruments, documents and obligations (sometimes hereinafter collectively referred to herein as the "Indebtedness"), are hereby made a part of this Guaranty by reference thereto, with the same force and effect as if fully set forth herein.

3. The liability of the Guarantor shall in no way be affected or impaired by (without notice to, or by, or consent of the Guarantor): (a) any amendment, alteration, extension, renewal, waiver, indulgence or other modification of the Indebtedness; (b) any settlement or compromise in connection with the Indebtedness to any other debt or claim; (c) any substitution, exchange, release or other disposition of all or any part of the Indebtedness; (d) any failure, delay, neglect, act or omission by Lender to act in connection with the Indebtedness; (e) any advances for the purpose of performing or curing any term or covenant contained in the Indebtedness with respect to which Borrower shall be or would otherwise be in default; (f) the filing of a request by or against Borrower for bankruptcy, insolvency, reorganization or other debtor's relief afforded Borrower pursuant to the past, present, or future provision of any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, liquidation law or statute of any jurisdiction, whether state or federal, or by the decision of any court; or (g) any other matter whether similar or dissimilar to the foregoing. The obligations of Guarantor shall be unconditional, notwithstanding any defect in the genuineness, validity, regularity or enforceability of the Indebtedness, or any other circumstances whether or not referred to herein, which might otherwise constitute a legal or equitable discharge of a surety or guarantor.

The undersigned authorize Lender, without notice of demand and without affecting the undersigned's obligations hereunder, from time to time: (i) to renew, extend, increase, accelerate or otherwise change the time for payment of, the terms of or the interest on the Indebtedness or any part thereof; (ii) to take from any part and hold collateral for the payment of the Indebtedness or any part thereof, and to exchange, enforce or release such collateral or any part thereof; (iii) to accept and hold any endorsement or guaranty of payment of the Indebtedness or any part thereof and to release or substitute any such endorser or guarantor, or any other party in any way obligated to pay the Indebtedness or any part thereof; (iv) to direct the order or manner of the disposition of any and all collateral and the enforcement of any and all endorsements and guaranties relating to the Indebtedness or any part thereof as Lender, in its sole discretion, may determine; and

(v) to determin how, when and what appli .ion or payments and credits, if any, shall be made on the Indebtedness or any part thereof, and to apply the same upon principal or interest or the portion thereof, if any, in excess of the amount of this Guaranty.

Lender shall have the right to discharge or release one or more of the Guarantors from any obligation hereunder, in whole or in part, without in any way releasing, impairing or affecting its right against the other or others of the undersigned.

4. The Guarantor hereby waives: (a) notice of acceptance of this Guaranty and of creations of indebtedness of Borrower to Lender; (b) presentment and demand for payment of any indebtedness of Borrower; (c) protest, notice of protest, and notice of dishonor or default to the Guarantor or to any other party with respect to any of the Indebtedness; (d) all other notices to which the Guarantor might otherwise be entitled; (e) any demand for payment under this Guaranty; (f) any defense arising by reason of any disability or other defense of Borrower by reason of the cessation from any cause whatsoever of the liability of the Borrower; (g) any rights to extension, composition or otherwise under any past, present, or future bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, liquidation law or statute, whether federal or state, or by the decision of any court; and (h) any right or claim or claim of right to cause a marshalling of the Borrower's assets. No notice to or demand on the Guarantor shall be deemed to be a waiver of the obligations of the Guarantor or of the right of Lender to take further action without notice or demand as provided herein; nor in any event shall any modification or waiver of the provisions of this Guaranty be effective unless in writing nor shall any such waiver be applicable except in the specific instance for which given.

As further security for payment of the Indebtedness, the undersigned hereby grant to Lender a security interest in and lien on any and all property of the undersigned which is or may hereafter be in Lender's possession in any capacity, including, without limitation, all monies owed or to be owed by Lender to the undersigned and any balance of any deposit accounts with Lender; and with repsect to all of such property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code and under any other applicable law, as the same may from time to time be in effect in the State of Michigan, in addition to those rights granted herein and in any other agreement now or hereafter in effect between the undersigned and Lender.

Without limiting any other right of Lender, whenever Lender has the right to declare any Indebtedness to be immediately due and payable (whether or not it has so declared), Lender at its sole election may set off against the Indebtedness any and all monies then owed to the undersigned by Lender in any capacity whether or not due, and Lender shall be deemed to have exercised such right of setoff immediately at the time of such election even though any charge therefor is made or entered on Lender's records subsequent thereto.

5. This is an irrevocable, unconditional and absolute guarantee of payment and performance and Guarantor agrees that the liability of Guarantor on this Guaranty shall be immediate and shall not be contingent upon the exercise or enforcement by Lender of whatever remedies it may have against the Borrower or others, or the enforcement of any lien or realization upon any security Lender may at any time possess. Any one or more successive and/or concurrent actions may be brought hereon against Guarantor either in the same action, if any brought against Borrower, or in

separate actions, as often as Lender, in its sole discretion, may deem advisable. No election to proceed in one form of action or proceeding or against any party, or on any obligation, shall constitute a waiver of Lender's right to proceed in any other form of action or proceeding or against other parties unless Lender has expressly waived such right in writing. Specifically, but without limiting the generality of the foregoing, no action or proceeding by Lender against Borrower under any document or instrument evidencing or securing the Indebtedness of Borrower to Lender shall serve to diminish the liability of Guarantor, except to the extend Lender realizes payment by such action or proceeding, notwithstanding the effect of any such action or proceeding upon Guarantor's rights of subrogation against Borrower. Receipt by Lender of payment or payments with knowledge of the breach of any provision of any of the Indebtedness shall not, as to the Guarantor, be deemed a waiver of such breach. All rights, powers and remedies of Lender hereunder and under any other agreement now or at any time hereafter in force between Lender and the Guarantor shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to Lender by law.

6. In the event that Guarantor shall advance or become obligated to pay any sums, or in the event that for any reason Borrower or any subsequent owner of any property covered by the Security is now or shall hereafter become indebted to Guarantor, the amount of each sum of such indebtedness shall at all times be subordinate as to lien, time of payment and in all other respects, to the amounts owing to Lender by Borrower with regard to the subject security or any right to particpiate in any way therein or in the right, title or interest of Lender in such property, notwithstanding any payments by it under this Guaranty, all rights of subrogation and participation being hereby expressly subordinated as aforesaid.

7. Guarantor represents, warrants and covenants to Lender that, as of the date of this Guaranty: the fair saleable value of Guarantor's assets exceed its liabilities; Guarantor is meeting current liabilities as they mature; any financial statements of Guarantor furnished Lender are complete and correct and fairly represent the financial condition of the Guarantor, have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the period involved, all material liabilities of Guarantor are shown thereon or reflected in the footnotes thereto; since the date of said financial statements there have been no material adverse changes in the financial condition or operations of Guarantor, and there are not now pending any material court or administrative proceedings or undischarged judgments against Guarantor and no federal or state tax liens have been filed or threatened against Guarantor nor is Guarantor in default or claimed default under any agreement for borrowed money. Guarantor shall immediately give Lender written notice of any material adverse change in its financial condition, including but not limited to litigation commenced, tax liens filed, default claimed under their indebtedness for borrowed money or bankruptcy proceedings commenced by or against Guarantor. Guarantor shall deliver, timely to Lender, its annual financial statements for the preceding calendar/fiscal year; and at such reasonable times as Lender requests furnish its current financial statements to Lender and permit Lender or its representatives to inspect, at Guarantor's offices, its financial records and properties and make extracts therefrom in order to evaluate the financial condition of the Guarantor. Guarantor is fully aware of the financial condition of the Borrower. Guarantor delivers this Guaranty based solely upon its own independent investigation of the Borrower and in no part upon any representation or statement of Lender with respect thereto. Guarantor is in a position to and hereby asssumes

full responsibility for obtaining any additional information concerning Borrower's financial condition as Guarantor may deem material to its obligations hereunder; and Guarantor is not relying upon nor expecting Lender to furnish it any information in Lender's possession concerning Borrower's financial condition.

8. Guarantor agrees to pay all expenses incurred by Lender in connection with enforcement of its rights under the Indebtedness, this Guaranty, or in the event the Lender is made party to any litigation because of the existence of the Indebtedness or this Guaranty, as well as court costs, collection charges and reasonable attorney fees and disbursements. Guarantor further agrees that to the extent Borrower makes a payment or payments to Lender, which payment or payments or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, custodian, receiver or other party under any bankruptcy reorganization, arrangement, readjustment of debt, dissolution, liquidation law or statute, state or federal law, common law or equitable cause then to the extent of such payment or repayment, the obligation or part thereof intended to be satisfied shall be revived and continued in full force and effect as if said payment had not been made.

9. Each reference herein to Lender shall be deemed to include its successors and assigns, in whose favor the provisions of this Guaranty shall also run. The term "Guarantor" as used in this Guaranty shall mean the "guarantor" and its successors and assigns, and each undertaking herein contained shall be their joint and several undertaking. All nouns, pronouns and relative terms relating to Guarantor and Borrower shall be deemed to be masculine, feminine or neuter, singular or plural, as the context may indicate.

10. This Guaranty may be executed in counterparts, and each such counterpart shall be deemed an original and shall be binding upon all parties thereto.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed all as of the day and year first above written.

WITNESSED BY:

GUARANTORS:

By: _____
ARTHUR SOAVE

FEDERAL ELECTION COMMISSION

MARCH 14, 1994

Michael A. Nemeroff, Esq.
Sidley & Austin
1722 Eye Street, N.W.
Washington, D.C. 20006

RE: MUR 3181
Anthony Soave

Dear Mr. Nemeroff:

This is to acknowledge receipt of the loan guaranty and bank letter you sent and to respond to your letter dated March 11, 1994, requesting an extension of 30 days until April 19, 1994 to respond to the Commission's Subpoena and Order in the above-captioned matter.

Considering the Federal Election Commission's responsibilities to act expeditiously in the conduct of investigations, the Office of the General Counsel cannot grant your full request, but can only agree to a 15 day extension. Accordingly, the response is due by close of business on April 4, 1994.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

FEDERAL ELECTION COMMISSION

March 14, 1994

VIA FACSIMILE AND FIRST CLASS MAIL

Kenneth A. Gross, Esq.
Skadden, Arps, Slate, Meagher & Flom
1440 New York Ave., N.W.
Washington, D.C. 20005

RE: MUR 3181
Barbara-Rose Collins; Collins for Congress and Terry Hasse, as treasurer

Dear Mr. Gross:

This is in response to your facsimile dated March 11, 1994, requesting an extension of 30 days until April 19, 1994 to respond to the Commission's Subpoena and Order in the above-captioned matter.

Considering the Federal Election Commission's responsibilities to act expeditiously in the conduct of investigations, the Office of the General Counsel cannot grant your full request, but can only agree to a 15 day extension. Accordingly, the response is due by close of business on April 4, 1994.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

06C 750

SIDLEY & AUSTIN
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

1722 EYE STREET, N.W.
WASHINGTON, D.C. 20006
TELEPHONE 202: 736-8000
TELEX 89-463
FACSIMILE 202: 736-8711

CHICAGO
LOS ANGELES
NEW YORK

LONDON
SINGAPORE
TOKYO

FOUNDED 1866

WRITER'S DIRECT NUMBER
(202) 736-8235

April 4, 1994

Holly J. Baker, Esq.
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3181 -- Anthony Soave

Dear Ms. Baker:

Enclosed with this letter is the response of Anthony Soave to the Commission's subpoena to produce documents and to its order to submit written answers. Also enclosed are the documents referred to in Mr. Soave's response and documents responsive to the Commission's subpoena. This letter supplements our partial response dated March 11, 1994.

Mr. Soave admits that he guaranteed a loan in the amount of $25,000 made to Barbara-Rose Collins. The guaranty was dated July 16, 1990 and was cancelled August 14, 1990 with no further obligation on the guaranty to Mr. Soave. The Commission has asserted that the guaranty violates the Federal Election Campaign Act because a portion of the funds borrowed by Ms. Collins were loaned to her campaign committee and because the guaranty exceeds the contribution limitation applicable to individuals. The loan in question was made to Barbara-Rose Collins in her personal capacity, and Mr. Soave did not know at the time of the guaranty whether Ms. Collins would use the funds personally or provide the funds to her campaign. He also did not know that a guaranty of a personal loan might be considered a contribution subject to the Act's contribution limitation. Mr. Soave made the guaranty in the belief that it was lawful and did not have the guaranty reviewed by counsel. He assumed that he would not be asked for a guaranty if it was not permitted by the Act. Because he now understands the law, he will not guaranty a loan to a Federal candidate in the future.

In these circumstances, the Commission should permit pre-probable cause conciliation to resolve this matter promptly. There are a number of reasons that conciliation is proper at this time:

(1) If Mr. Soave's guaranty violated the Act, it was an innocent violation of short duration. Mr. Soave's guaranty of the loan in question lasted less than a month.

(2) Mr. Soave had no notice that either Ms. Collins' loan or his guaranty might be subject to the Federal Election Campaign Act.

(3) Mr. Soave has cooperated fully with the Commission and has promptly provided all information in his possession in response to the Commission's questions.

(4) The Commission did not give Mr. Soave any notice that it might take action against him until February, 1994, more than 3 1/2 years after his guaranty was terminated. He has been prejudiced by this delay because his memory has faded of the events in question.

No purpose would be served by further investigation. Mr. Soave has responded to the Commission's information request to the best of his ability. Accordingly, we urge a prompt resolution of this matter.

Sincerely,

Michael A. Nemeroff

Enclosure

MAN94822.SED

DRAFT 3/30/94
PRIVILEGED AND CONFIDENTIAL
Attorney Work Product

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Anthony Soave	))))	MUR 3181

RESPONSE OF ANTHONY SOAVE
TO SUBPOENA TO PRODUCE DOCUMENTS
AND ORDER TO SUBMIT WRITTEN ANSWERS

Anthony Soave, being under oath, submits the following answers to the questions from the Federal Election Commission contained in the Subpoena To Produce Documents [And] Order To Submit Written Answers dated February 15, 1994.

1. Indicate any positions you held with, and all the activities you engaged in on behalf of, the Collins for Congress campaign committee during the 1990 election cycle.

I held no position with the Collins for Congress committee, and did not take an active part in her campaign. I do not know whether I was listed in campaign literature as having a role in the campaign. If that was the case, it was only an honorary role. I made no personal contribution to the campaign committee.

My personal calendar for 1990 shows that I was scheduled to have lunch with Ms. Collins on June 26, 1990 at Joe Muer's, a restaurant in Detroit. I have no specific recollection of whether that lunch occurred. A copy of the calendar page is attached.

I executed a guaranty dated July 16, 1990, of a loan in the amount of $25,000 to Barbara-Rose Collins. I did this at the suggestion of Jim Sharp, who is Vice President for Government Relations for City Management Corporation. I generally rely on his advice on political matters. I do not recall the circumstances under which I executed the guaranty. I do not recall speaking with Ms. Collins or any member of her campaign committee about this guaranty. A copy of the guaranty has been forwarded to the Commission.

At some point after July 16, I believe that Jim Sharp suggested that I disassociate myself from the guaranty because I am a Republican and a substantial contributor to Republican causes. He offered to substitute himself on the guaranty. By letter dated August 14, 1990, the bank returned my guaranty to me and relieved me of any obligation for the loan to Ms. Collins. A copy of the bank's letter has been forwarded to the Commission.

At the time I made the guaranty, I did not know that under the Federal Election Campaign Act a guaranty of a bank loan might, under certain circumstances, be subject to the contribution limitations established by the Act. I further assumed that I would not be asked to guaranty such a loan if it would violate any law. I, therefore, did not make any independent inquiry as to the legal consequences of making the guaranty.

2. State the terms of the loan guaranty you made to Barbara-Rose Collins in July, 1990.

See the guaranty.

3. Provide all documents, including but not limited to, loan guaranty documents, memoranda, correspondence, electronic messages, and notes of phone conversations or of other discussions that refer or pertain in any way to your guaranty of the loan to Barbara-Rose Collins at First Independence National Bank in July, 1990.

The guaranty and bank letter have been forwarded; attached is the page from my calendar.

4. Identify all individuals, including personnel of First Independence National Bank, with whom you discussed your loan guaranty to Barbara-Rose Collins, and the dates of those discussions.

I have no recollection of discussing the bank loan to Ms. Collins with any person other than Mr. Sharp. As explained above, this occurred in the period of mid-July to mid-August, 1990. I do not have a recollection of specific discussions. I also have discussed the guaranty with the attorneys representing me in this matter.

5. Identify all individuals who were present when you signed documents relating to your guaranty of the loan to Barbara-Rose Collins in July, 1990.

I have no specific recollection of signing the guaranty. It has now been brought to my attention that the guaranty is witnessed by Jim Sharp.

6. Identify any individuals, other than counsel, who helped you prepare answers to the above questions.

None.

Respectfully submitted,

Anthony Soave

Anthony Soave

State of Florida
County of Sarasota

Sworn to before me this
31 day of March, 1994

Sue Pylman
Notary Public

3-31-94
Date

SUE PYLMAN
MY COMMISSION # CC 276446
EXPIRES: April 13, 1997
Bonded Thru Notary Public Underwriters

MAN94A88.SED

OGC 198

SKADDEN, ARPS, SLATE, MEAGHER & FLOM

1440 NEW YORK AVENUE, N.W.

WASHINGTON, D.C. 20005-2111

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FAX (202) 393-5760

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MOSCOW
PARIS
PRAGUE
SYDNEY
TOKYO
TORONTO

April 4, 1994

VIA HAND DELIVERY

Holly Baker, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, NW
Washington, D.C. 20463

Re: MUR 3181 - Collins for Congress

Dear Ms. Baker:

Please find enclosed a response to the Subpoena to Produce Documents and Order to Submit Written Answers dated February 15, 1994. The response includes information available to us at this time. We are in the process of gathering further information and, per our conversation, will forward such information to you as soon as possible. Thank you for your consideration and cooperation.

Sincerely,

Kenneth A. Gross

Enclosures

FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
The Honorable Barbara-Rose Collins	)	
	)	**MUR 3181**
	)	

RESPONSE TO SUBPOENA TO PRODUCE DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS

1. **Provide all documents relating to loans made to you by First Independence National Bank ("the Bank") in 1990 for installment loan account numbers**

The requested documents are attached as attachment 1.

2. **Provide a history of your banking relationship with First Independence National Bank, including checking, savings, campaign, and loan accounts; for each, provide dates opened and closed.**

The following is a history of the banking relationship between The Honorable Barbara-Rose Collins and First Independence National Bank:

a. On July 16, 1990, a loan for $25,000 (account number was made to The Honorable Barbara-Rose Collins, individually. It was paid in full on November 15, 1990.

b. On July 16, 1990, a loan for $50,000 (account number was made to The Honorable Barbara-Rose Collins, individually. It was paid in full on November 16, 1990.

c. On November 16, 1990, a loan for $10,000 was made to The Honorable Barbara-Rose Collins, individually. This loan was paid back in full as of November 1, 1991.

e. The Honorable Barbara-Rose Collins has a personal account with First National. There is zero balance in this account. Further information on this account will be forthcoming.

3. **Provide all documents relating to the deposit of the $75,000 in loan proceeds and subsequent transfer to the Collins for Congress committee, including but not limited to check registers, deposit slips, and bank statements.**

The requested documents are attached as attachment 2. Documents relating to the deposit of the $75,000 in loan proceeds into The Honorable Barbara-Rose Collins' campaign account will be forthcoming.

4. **In regard to the repayment on November 15 and 16, 1990 of the $75,000 in installment loans from the Bank,**
   a. **identify each source of funds, and for each provide the terms and conditions, amounts, outstanding balances or dates repaid;**
   b. **provide account numbers for all banks, credit unions, or other financial institutions from which you obtained loans to make the November 1990 repayment;**
   c. **for all sources identified in a. above, provide all documents relating to the funds, including but not limited to terms and conditions, loan guarantors, and security;**

Sufficient information to answer this question is not yet available. Information is being gathered, and the answer will be forthcoming.

5. **Identify any person, other than counsel, who assisted you in answering the above questions.**

None for the documents and answers in this response, except for contacting proper officials for documents.

ATTACHMENT 1

CONSUMER LOAN AGREEMENT

2495 285 1975

BORROWER(S) (Borrower, I, My or Me)
BARBARA ROSE COLLINS
1310 EAST LAFAYETTE #507
DETROIT, MI 48207

LENDER (Lender, You or Your)
First Independence National Bank of Detroit
44 Michigan Avenue
Detroit, MI 48226

NOTE NUMBER	DATE OF TRANSACTION	MATURITY DATE	LOAN AMOUNT	OFFICE	OFFICIAL ID
	11/16/90	11/16/95	10,000.00		

I promise to pay this loan (total of payments, plus other charges) to the order of Lender or Order, according to the terms below (including those set forth in the Truth-in-Lending Disclosure). Words, numbers or phrases preceded by a ☐ are applicable only if the ☐ is marked. "I" means I/We.

TRUTH-IN-LENDING DISCLOSURE

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	At the time I have the right to receive an itemization of the Amount Financed. (I/we) (Do/Don't) want a copy.
The cost of my credit as a yearly rate	The dollar amount the credit will cost me	The amount of credit provided to me or on my behalf	The amount I will have paid after I have made all payments as scheduled	
15.11 %	$ 4,310.00	$ 10,000.00	$ 14,310.00	

My PAYMENT SCHEDULE will be:

No. of Pmts	Amount of Pmts ($)	When Payments Due	Other Fees
60	$ 238.50	First Pmt Due 12/16/90	$
	$	All other payments will be due on ☒ The same day of each following month	$
			Filing Fee $

SECURITY. I am giving a security interest, mortgage or trust deed in the following as indicated: ☐ the goods or property being purchased ☐ real property ☒ personal property other than household goods not used as principal dwelling securing other loans with Lender ☒ rights of setoff ☐ other (describe by type)

PAYABLE ON DEMAND. ☐ The obligation is payable on demand. ☐ The disclosures are based on an assumed maturity of one year.

ASSUMPTION. If this loan is for purchase and is secured by My principal dwelling, My loan is not assumable.

LATE CHARGE. If I am more than ____ days late in making any payment, in addition to My payments, I will pay a late charge of ☐ the lesser of ☐ the greater of ☐ an amount equal to ☐ $ ____ or ☐ ____% of the payment in default.

PREPAYMENT. If I pay off early, I ☐ may have to pay a penalty. ☒ will not have to pay a penalty. In other case, I will not be entitled to a refund of any portion of any service, processing or like fee.

VARIABLE RATE DISCLOSURE. ☐ This is a Variable Rate Note. The annual percentage rate may increase during the term of the transaction if:

The interest rate will not increase above ____%. The most much interest rate increase at one time will be ____%.

The rate will not increase more than once every ____. Any INCREASE will take the form of ☐ A larger amount due at maturity ☐ Higher payment amounts or ☐ More payments of the same amount.

VARIABLE RATE EXAMPLE

☐ Based on My loan, if the interest rate increased ____% on ____

☐ a My loan were for $ ____ for ____ at an interest rate of ____% and the interest rate increased ____% on ____

RESULTS

☐ My final payment would increase to $ ____ from $ ____

☐ My regular payment would increase to $ ____ from $ ____

☐ There would be ____ additional payments.

☐ My loan is subject to a variable rate feature and is secured by My principal dwelling. Variable rate disclosures have been provided at an earlier time.

ADDITIONAL CONTRACT TERMS. See below and on the reverse side for further information about nonpayment, default and the right to accelerate the maturity of the obligation.

INSURANCE

Credit Life and Disability insurance are not required to obtain credit and will not be provided unless I/We agree to pay the additional cost by signing or initialing below. This is only a request and I/We may apply for insurance and the coverage may be denied. If it is denied, the requesting party(ies) will be notified. The amount of coverage will be shown in My insurance policy.

Type	Premium		Signature
Credit Life	$	We want Credit Life Insurance	X ____ X ____
Credit Disability	$	I want Credit Disability Insurance	X ____

PROPERTY INSURANCE. I may obtain the property insurance required by this agreement from anyone reasonably acceptable to You. If I/We provide it a term of ____ with cost $ ____ which I will pay You.

ADDITIONAL TERMS

FINANCE CHARGE BREAKDOWN	Interest	Service Fee	TOTAL PREPAID	Property Charge
	$ 4,285.00	$	$ 25.00	$ 4,310.00

This loan is subject to ☒ A fixed Interest Rate of 15.00% per annum. ☐ A Variable simple interest rate.

Initial Variable Simple Interest Rate	Present Variable Index Rate	Minimum Interest Rate	Maximum Interest Rate	Interest Rate Changes Will Occur
%	%	%	%	

☒ The unpaid balance of this loan after acceleration or maturity will be subject to an annual interest rate of 15.00%.

☐ MONTHLY PAYMENTS. I will have a payment due every month on the same day even if I may have paid more than a regularly scheduled payment at any previous time.

COLLATERAL

☐ I give You a security interest in the collateral described below, including any after-acquired property.

☐ I give You a Mortgage to have recorded in the Real Estate Records on the property address as described above. The legal description of the property is described in a Real Estate Mortgage of even date between the parties to this agreement as shown above.

ITEMIZATION OF AMOUNT FINANCED

This section will be completed at Your option, unless I have indicated that I want an itemization of amount financed by initialing above.

Amounts Paid to Others on My Behalf	AMOUNT
Public Officials	
Credit Reporting Agencies	
Appraisers	
Insurance Companies	
LOAN PROCESSING	25.00
Amount Given to Me Directly	10,000.00
Amount Paid on My Accounts with Creditor	
Prepaid Finance Charges	
Amount Financed	10,000.00

SIGNATURE(S)

I have signed this loan agreement on the date below and acknowledge that I have read it, understand it and that I have received a completely filled in copy of it.

BORROWER'S SIGNATURE/DATE
X Barbara Rose Collins
BARBARA-ROSE COLLINS

BORROWER'S SIGNATURE/DATE ☐ Owner of Collateral other than Borrower
X

BORROWER'S SIGNATURE/DATE ☐ Owner of Collateral other than Borrower
X

LENDER (CREDITOR) SIGNATURE FOR FILING PURPOSES

BY LAURENCE S. JONES
ITS PRESIDENT AND CHIEF EXECUTIVE OFF.

COSIGNER. I understand that I have full liability and responsibility to pay this loan. You don't have to make any demands on any other person signing this Agreement or take steps to exercise any collateral before you sue me to collect. I have read and understand this entire agreement.

Co-Signer's Name

,90u EAST LAFAIETTE #507
DETROIT, MI 48207

Bank of Det[illegible]
[illegible] Michigan Avenue
[illegible]oit, MI 48226

NOTE NUMBER	DATE OF TRANSACTION	MATURITY DATE	LOAN AMOUNT	OFFICE	RENEWAL OF
[illegible]	09/16/90	01/16/91	25,000.00		

Truth-in-Lending Disclosure: Words, numbers or phrases preceded by a ☐ are applicable only if the ☐ is marked "x" means estimate

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	At this time I have the right to receive an itemization of the Amount Financed. (Initial here if I want such an itemization.)
The cost of my credit as a yearly rate	The dollar amount the credit will cost me	The amount of credit provided to me or on my behalf	The amount I will have paid after I have made all payments as scheduled	
11.063 %	$ 1,382.63	$ 25,000.00	$ 26,382.63	

My PAYMENT SCHEDULE will be

No. of Pmts	Amount of Pmts ($)	When Payments Due	Other Fees
1	$ 700.00	First Pmt Due Date 10/16/90	$
1	$ 25682.63	All other payments will be due on 01/16/91	$
		☒ SAME DAY QUARTERLY ☐ The same day of each following month	Filing Fee $

SECURITY: I am giving a security interest in [illegible] mortgage or trust deed, in the one following as indicated ☐ the goods or property being purchased
☐ real property ☒ personal property other than household goods not used as principal dwelling securing other loans with Lender ☒ right of setoff
☐ other [illegible] by trust

PAYABLE ON DEMAND: ☐ This obligation is payable on demand ☐ The disclosures are based on an assumed maturity of one year

ASSUMPTION: If this loan is to purchase and is secured by My principal dwelling, My loan ☐ may ☐ may not be assumed

LATE CHARGE: If I am more than [illegible] days late in making any payment, in addition to My payment, I will pay a late charge of
☐ the lesser of ☐ the greater of ☐ an amount equal to ☐ $ [illegible] or ☐ [illegible] % of the payment [illegible]

PREPAYMENT: If I pay off early, I ☐ may have to pay a penalty ☒ will not have to pay a penalty. In either case, I will not be entitled to a refund of any part of any amount precluding an add-on

VARIABLE RATE DISCLOSURE: ☐ This is a Variable Rate Note. The annual percentage rate may increase during the term of this [illegible]

PAID-IN-FULL

The interest rate will not increase above [illegible] %. The maximum interest rate increase at any time [illegible]
The rate will not increase more than [illegible] every [illegible]. Any INCREASE will take the form of ☐ A larger [illegible]
amount due at maturity ☐ Higher payment amounts or ☐ More payments of the same amount

VARIABLE RATE EXAMPLE

RESULTS

☐ Based on My loan ☐ the interest rate increased [illegible] % on
☐ My final payment would increase to $ [illegible] from $ [illegible]
☐ If My loan were for $ [illegible] for [illegible] at an interest rate
☐ My regular payment would increase to $ [illegible] from $ [illegible]
at [illegible] % and the interest rate increased [illegible] % on
☐ There additional payments would be [illegible]

☐ My loan is subject to a variable rate feature and is secured by My principal dwelling. Variable rate disclosures have been provided at an earlier time.

ADDITIONAL CONTRACT TERMS: See below and on the reverse side for further information about nonpayment, default and the right to accelerate the maturity of the obligation.

INSURANCE

Credit Life and Disability insurance are not required to obtain credit and will not be provided unless I/We agree to pay the additional cost by signing or initialing below. This is only a request and application for insurance and the coverage may be denied. If it is denied, the requesting party(ies) will be notified. The amount of coverage will be shown in My insurance policy.

Type	Premium	Signature
Credit Life	$	I/We want Credit Life Insurance X [illegible] X
Credit Disability	$	I want Credit Disability Insurance X [illegible]

PROPERTY INSURANCE: I may obtain the property insurance required by this agreement from anyone reasonably acceptable to You. If You provide it, a term of [illegible] will cost $ [illegible] which I will pay You.

ADDITIONAL TERMS

FINANCE CHARGE BREAKDOWN	Insurance	Service Fee	TOTAL PREPAID	Finance Charge
	$ 1,382.63	$	$	$ 1,382.63

This loan is subject to ☒ A Fixed Interest Rate of 11.00 % per annum ☐ A Variable simple interest rate

Initial Variable Simple Interest Rate	Present Variable Index Rate	Maximum Interest Rate	Maximum Interest Rate	Interest Rate Changes Are Due
%	%	%	%	

☒ The unpaid balance of this loan after acceleration or maturity will be subject to an annual interest rate of 15.00 %
☐ MONTHLY PAYMENTS: I will have a payment due every month on the specified due date even if I may have paid more than a regularly scheduled payment at any previous time.

COLLATERAL

☐ I give You a security interest in the collateral shown below, including any and all accessions.

☐ I give You a Mortgage or have executed a Trust Deed related to the real property address as described above. The legal description being documented in a Real Estate Mortgage or Trust Deed between the parties to this agreement as shown above.

ITEMIZATION OF AMOUNT FINANCED

This section will be completed at Your option unless I have indicated that I want an itemization of amount financed by initialing above.

Amounts Paid to Others on My Behalf	AMOUNT
Public Officials	
Credit Reporting Agencies	
Appraisers	
Insurance Companies	
Amount Given to Me Directly	25,000.00
Amount Paid on My Account with Creditor	
Prepaid Finance Charges	
Amount Financed	25,000.00

SIGNATURE(S)

I have signed this loan agreement on the date below and acknowledge that I have read it, understand it and that I have received a completely filled in copy of it.

BORROWER'S SIGNATURE/DATE
X Barbara-Rose Collins
BARBARA-ROSE COLLINS

BORROWER'S SIGNATURE/DATE
☐ Owner of Collateral other than Borrower
X

BORROWER'S SIGNATURE/DATE
☐ Owner of Collateral other than Borrower
X

LENDER ACCEPTANCE SIGNATURE FOR FILING PURPOSES
Arlene D. Mains
BY ARLENE D. MAINS
ITS VICE PRESIDENT

CO-SIGNER: I understand that I have full liability and responsibility to pay this loan. You don't have to make any demands on any other person before you can hold me responsible. I agree to pay any collateral before you ask me to pay. I have read and understand this entire agreement.

Co-Signer's Name

Co-Signer's Signature/Date X

Copyright 1987 Financial FormSystems® Form FF200 (9/89)

ORIGINAL

1300 EAST LAFAYETTE #50
DET[illegible]T, MI 48207

Independence National
Bank of D[illegible]troit
[illegible] Michigan Avenue
[illegible]troit, MI 48226

NOTE NUMBER	DATE OF TRANSACTION	MATURITY DATE	LOAN AMOUNT	OFFICE	RENEWAL OF
	07/16/90	01/16/91	$50,000.00		

I promise to pay this loan (total of payments, plus other permitted charges) to the order of Lender or Order according to the terms below (including those set forth in the Truth in Lending Disclosure). Words, numbers or phrases preceded by a ☐ are applicable only if the ☐ is marked "X" means estimate

TRUTH IN LENDING DISCLOSURE

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of this credit as a yearly rate	The dollar amount this credit will cost me	The amount of credit provided to me or on my behalf	The amount I will have paid after I have made all payments as scheduled
11.063 %	$ 2,765.95	$ 50,000.00	$ 52,765.95

At the time I have the right to receive an itemization of the Amount Financed. [illegible] of item [illegible] a deposit

My PAYMENT SCHEDULE will be

No. of Pmts	Amount of Pmts	When Payments Due	Other Fees
1	$ 1375.00	First Pmt Due 10/16/90	$
1	$ 51390.95	01/16/91	$
			Filing Fee $

All other payments will be due on [X] SAME DAY QUARTERLY
[ ] The same day of each following month

SECURITY I am giving a security interest, mortgage or trust deed in the following as indicated [ ] the goods or property being purchased
[ ] real property [X] personal property other than household goods not used as principal dwelling securing other loans with Lender [X] right of setoff
[ ] other (describe briefly)

PAYABLE ON DEMAND [ ] The obligation is payable on demand [ ] The disclosures are based on an assumed maturity of one year

ASSUMPTION If this loan is for purchase and is secured by My principal dwelling, My loan [illegible] assumable

LATE CHARGE If [illegible] more than [illegible] days late, I will pay a late charge of
[ ] the greater of [ ] an amount equal to [ ] $ [illegible] or [ ] [illegible] % of the payment in default

PREPAYMENT If I pay off early, I [ ] may [X] will not have to pay a penalty. [illegible] I will not be entitled to a refund of any portion of any finance, processing or like fee

VARIABLE RATE DISCLOSURE [ ] This is a Variable Rate loan. The annual percentage rate may increase during the term of this transaction if

The interest rate will not exceed [illegible] % The maximum interest rate increase at one time will be [illegible] %
The rate will not increase more than once every [illegible] Any INCREASE will take the form of [ ] A higher
amount due at maturity [ ] Higher payment amounts or [ ] More payments of the same amount

VARIABLE RATE EXAMPLE

RESULTS

[ ] Based on My loan if the interest rate increases [illegible] % on
[ ] If My loan was for $ [illegible] for [illegible] at an interest rate
of [illegible] % and the interest rate increases [illegible] %

[ ] My final payment would increase to $ [illegible] from $
[ ] My regular payment would increase to $ [illegible] from $
[ ] There would be [illegible] additional payments

[ ] My loan is subject to a variable rate feature and is secured by My principal dwelling. Variable rate disclosures have been provided at an earlier time

ADDITIONAL CONTRACT TERMS See below and on the reverse side for further information about nonpayment, default and the right to accelerate the maturity of the obligation

INSURANCE

Credit Life and Disability insurance are not required to obtain credit and will not be provided unless I/We agree to pay the additional cost by signing or initialing below. This is only a request and application for insurance and the coverage may be denied. If it is denied, the requesting party(ies) will be notified. The amount of coverage will be shown on My insurance policy.

Type	Premium	Signature
Credit Life	$	I/We want Credit Life Insurance X X
Credit Disability	$	I want Credit Disability Insurance X

PROPERTY INSURANCE I may obtain the property insurance required by this agreement from anyone reasonably acceptable to You. If You provide it, the term [illegible] for [illegible] will cost $ [illegible] which I will pay You

ADDITIONAL TERMS

	Unearned	Service Fee			Finance Charge
FINANCE CHARGE BREAKDOWN	$ 2,765.95	$	TOTAL PREPAID $	$	$ 2,765.95

This loan is subject to [X] A fixed interest Rate of 11.00% per annum [ ] A Variable simple interest rate

Initial Variable Simple Interest Rate	Present Variable Index Rate	Maximum Interest Rate	Maximum Interest Rate	Interest Rate Changes Will Occur
%	%	%	%	

[X] The unpaid balance of this loan after acceleration or maturity will be subject to an annual interest rate of 15.%
[ ] MONTHLY PAYMENTS I will have a payment due every month on the specified due date even if I may have paid more than a regularly scheduled payment at any previous time

COLLATERAL

[ ] I give You a security interest in the collateral shown below, including any and all accessions

PAID-IN-FULL

[ ] I give You a Mortgage or have executed a Trust Deed related to the real property address as described above. The legal [illegible] or being documented in a Real Estate Mortgage or Trust Deed between the parties to this agreement as shown above.

ITEMIZATION OF AMOUNT FINANCED

This section will be completed at Your option unless I have indicated that I want an itemization of amounts financed by including above.

Amounts Paid to Others on My Behalf	AMOUNT
Public Officials	
Credit Reporting Agencies	
Appraisers	
Insurance Companies	
Amount Given to Me Directly	50,000.0
Amount Paid on My Accounts with Creditor	
Prepaid Finance Charges	
Amount Financed	50,000.0

SIGNATURE(S)

I have signed this loan agreement on the date below and acknowledge that I have read it, understand it and that I have received a complete[illegible] filled-in copy of it.

BORROWER'S SIGNATURE/DATE	BORROWER'S SIGNATURE/DATE	BORROWER'S SIGNATURE/DATE
X Barbara Rose Collins	[ ] Owner of Collateral other than Borrower X	[ ] Owner of Collateral other than Borrower X
BARBARA ROSE COLLINS		

LENDER (CREDITOR) SIGNATURE FOR FILING PURPOSES
Arlene D. Mains
BY ARLENE D. MAINS
ITS VICE PRESIDENT

CO-SIGNER I understand that I have full liability and responsibility to pay this loan. You do not have to make any demands on any other person signing this Agreement or take steps to repossess any collateral before you ask me to pay. I have read and understand this entire agreement.

Co-Signer's Name

Co-Signer's Signature/Date X

* Copyright 1987 Financial Formsystems* Form FF200 (9/89)

ORIGINAL

2 5 0 4 5 4 0 2 3

REMITTER

F.I.N.B.(loan proceeds)

FIRST INDEPENDENCE NATIONAL BANK
26 MICHIGAN AVENUE • DETROIT, MICHIGAN 48226

20997

JULY 16, 19 90

9-107
720

PAY TO THE ORDER OF BARBARA-ROSE COLLINS * $ 50,000.00

50000 00

DOLLARS

CASHIER'S CHECK

Arlene D. Raines

⑈020997⑈ ⑆072001079⑆ 0144-00000-3⑈ ⑈0005000000⑈

REMITTER

Loan Proceeds

FIRST INDEPENDENCE NATIONAL BANK
26 MICHIGAN AVENUE • DETROIT, MICHIGAN 48226

21000

July 16 1990

9-107
720

PAY TO THE ORDER OF BARBARA-ROSE COLLINS---------- $ 25,000.00

25000 00

DOLLARS

CASHIER'S CHECK

Arlene D. Raines

⑈021000⑈ ⑆072001079⑆ 0144-00000-3⑈ ⑈0002500000⑈

Barbara Rae Collins

[redacted]

DO NOT WRITE STAMP OR SIGN BELOW THIS LINE
RESERVED

[redacted]

[redacted]

[redacted]

MUR 3181

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT
Apr 7 11 59 PM '94

SIDLEY & AUSTIN
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
1722 EYE STREET, N.W.
WASHINGTON, D.C. 20006
TELEPHONE 202: 736-8000
TELEX 89-463
FACSIMILE 202: 736-8711

CHICAGO
LOS ANGELES
NEW YORK

LONDON
SINGAPORE
TOKYO

FOUNDED 1866

WRITER'S DIRECT NUMBER
(202) 735-8235

April 7, 1994

Holly J. Baker, Esq.
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3181 -- Anthony Soave

Dear Ms. Baker:

As we discussed, when the Commission completes its investigation in the above-captioned MUR, we request that it agree to enter into negotiations leading to a pre-probable cause conciliation agreement with Mr. Soave pursuant to 11 C.F.R. § 111.18(d).

Sincerely,

Michael A. Nemeroff

MAN94822.SED

OGC 919

SKADDEN, ARPS, SLATE, MEAGHER & FLOM

1440 NEW YORK AVENUE, N.W.
WASHINGTON, D.C. 20005-2107

(202) 371-7000

FAX (202) 393-5760

DIRECT DIAL (202) 371-7007

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NEW YORK
PARIS
SAN FRANCISCO
SYDNEY
TOKYO
TORONTO
WILMINGTON

April 12, 1994

VIA HAND DELIVERY

Holly Baker, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, NW
Washington, D.C. 20463

Re: MUR 3181 - Collins for Congress

Dear Ms. Baker:

Please find enclosed documents which are responsive to questions 3 and 4 of the Subpoena to Produce Documents. Thank you for your consideration and cooperation.

If you have any questions, please call me.

Sincerely,

Kenneth A. Gross

Enclosures.

1403582

FILL IN WHITE AREAS ONLY

REVOLVING CREDIT REQUEST VOUCHER

DETROIT MUNICIPAL CREDIT UNION

1480 E. JEFFERSON
DETROIT, MICHIGAN 48207-3199

ACCOUNT NUMBER

DATE 11-15-90

I HEREBY REQUEST THE SUM OF ▶ $ 2805 | 45

PLUS ANY AMOUNT NECESSARY FOR MINIMUM PLEDGED SHARES BE ADDED TO MY PRESENT REVOLVING LOAN

BALANCE, IF ANY, SUBJECT TO AND PURSUANT TO THE TERMS AND CONDITIONS OF MY REVOLVING CREDIT AGREEMENT

THE PURPOSE OF THIS LOAN IS ▶	Campaign Debt
SECURITY (IF ANY) ▶	
PERMANENT SECURITY AGREEMENT REQUIRED ☐	SIGNATURE X Barbara-Rose Collins
VOUCHER CLERK INITIALS mp NO. 001 PA ☐	ADDRESS (IF MAILED) 1300 E. Lafayette #507
LOAN OFFICER APPROVAL 06	ID –

NEW MONEY $ 2805 45

OLD BALANCE $ 3178 14

INTEREST ADJUSTMENT, IF ANY $ 16 41

NEW BALANCE $ 6000 —

☒ MONTHLY PAYMENT
☐ WEEKLY
☐ BI-WEEKLY $ 180 —

FIRST PAYMENT DUE 12-15-90

FOR CREDIT UNION USE ONLY

Last Payment Date _____
Present Balance 3178.14
Accrued Int. 16 41
Sub-total 3194 55
Amt. Requested 2805.45
Total 6000 —

Amount Appvd _____

Co-maker Card Typed —
Other P/R Deductions _____

Co-Makers:

Name _____ Dept. _____
Pen. No. _____ Cert Date _____
$ _____ Pension Fund $ _____ Balance Status
Soc. Sec. # _____

Name _____ Dept. _____
Pen. No. _____ Cert Date _____
$ _____ Pension Fund $ _____ Balance Status
Soc. Sec. # _____

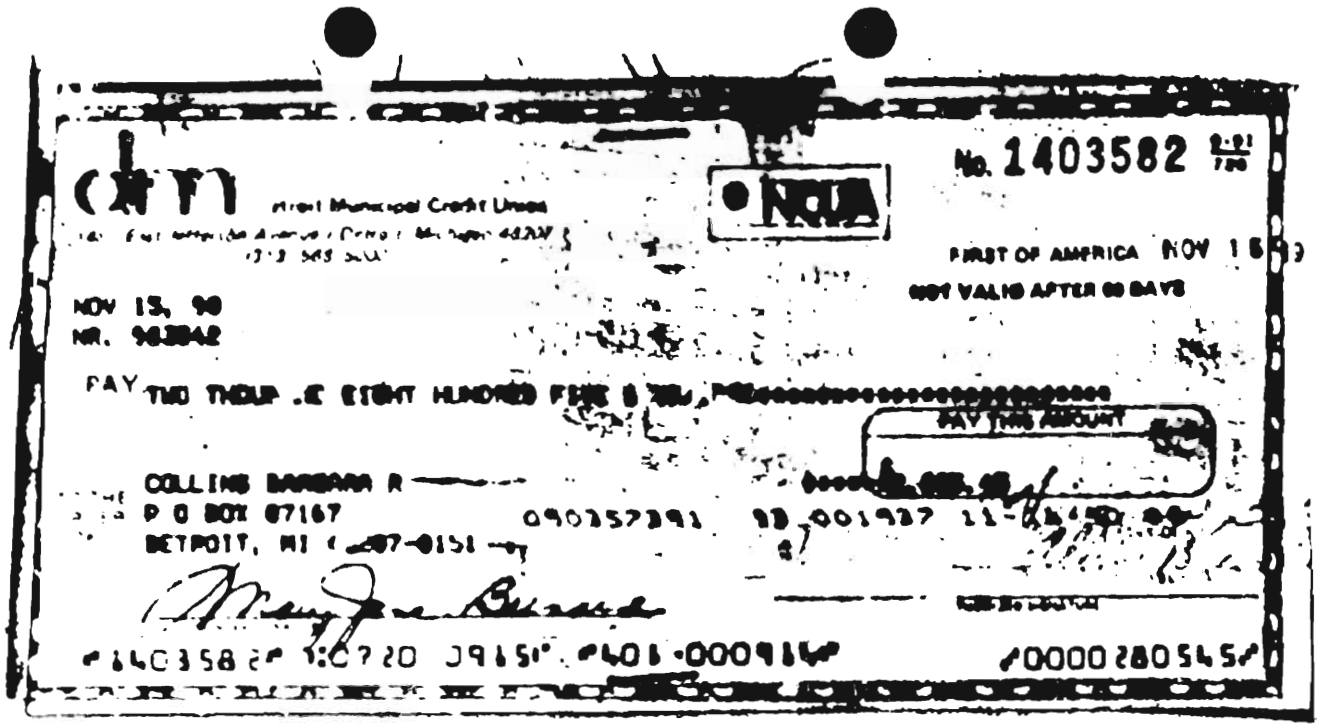
Name _____ Dept. _____
Pen. No. _____ Cert Date _____
$ _____ Pension Fund $ _____ Balance Status

DT-1st		1st Pmt Date
		Purpose Code
L.O.C.		5 Digits
Dt Nxt		Date Nxt Pmt.
Alt.		Paying More
L. Officer		Employee I.D.
Frg.		12, 26, 52
Pymt.		Amt. of PD
Mth.	2	
Int. Code		1-14 1/2%, 2-15%, 3-13 1/2%, 5-13 3/4%, 6-12 1/2%
Int. %	Tab	
Ins Code		02345
Type	4	
Source		2-cash, 5-PD
Term	041	
Pledge		S/C Dollar Amt
RDC		0-Not S/C, 1-S/C
RDC %	Tab	
Col. Sec		Security Code
Xmit	FM	Must Key In

ARE YOU PRESENTLY A CO-SIGNER?
YES _____ NO _____ NAME _____

Pension No.	Bal.	Status
	$	

Dept City Com. Cert Date 1-1-82
Pension Amt $ 48065.15
Balance Status LOC
Personal $ 3178.14 — Credit Life (YES) NO
Car Loan $ — — CR L A&H NO YES
Car Insurance Yes No
Bankruptcy No Doubtful Lns No
Date of Last Voucher 11-30-89



No. 1403582

NCUA

First Municipal Credit Union

FIRST OF AMERICA NOV 1 5

NOT VALID AFTER 60 DAYS

NOV 15, 90

PAY TWO THOUS .E EIGHT HUNDRED FIVE & [illegible]

PAY THIS AMOUNT

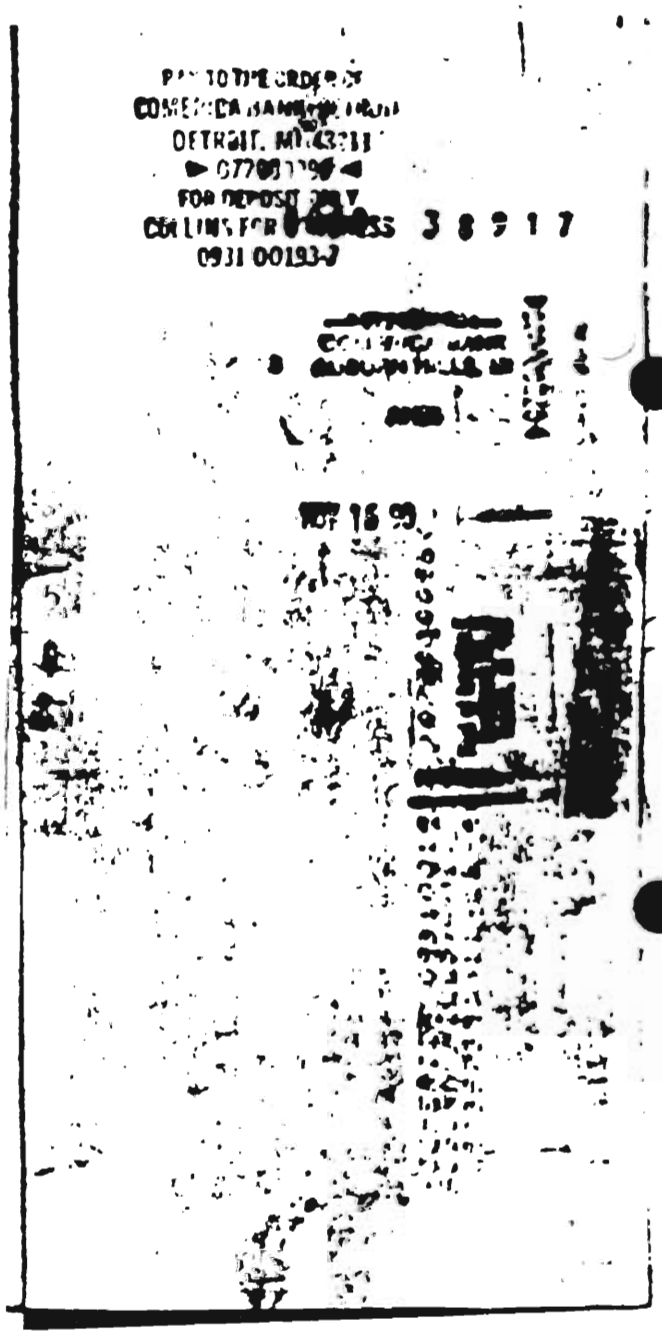
COLLINS BARBARA R

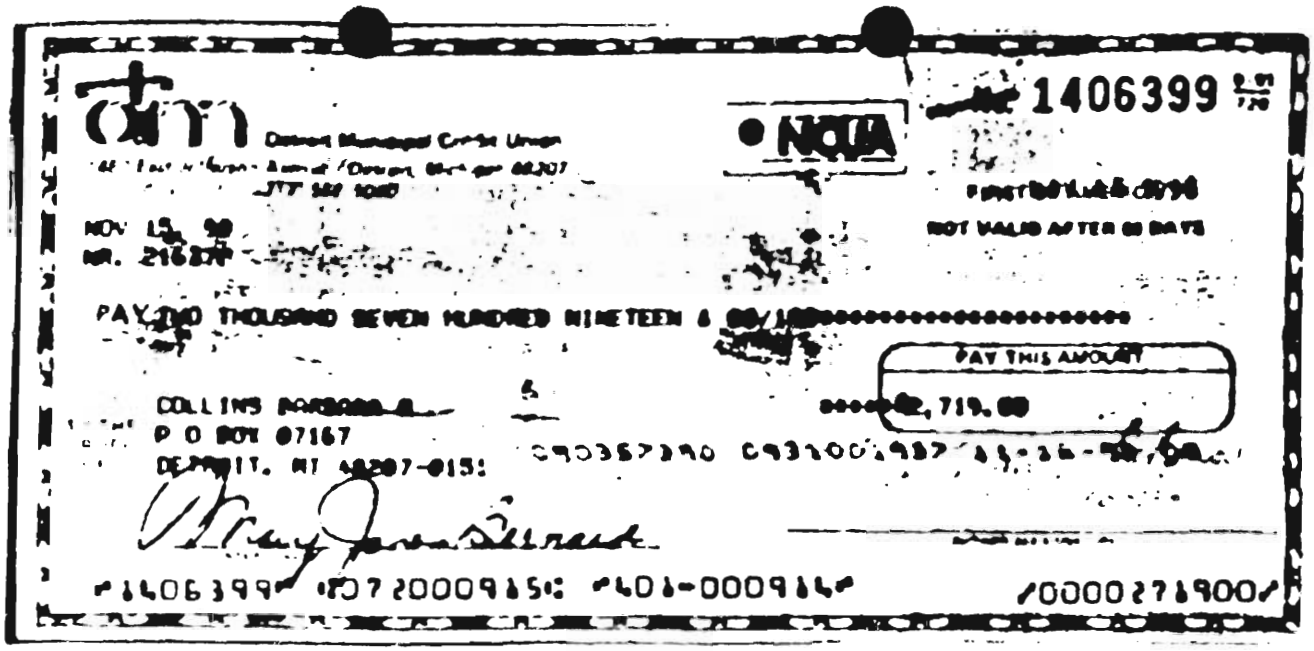
P O BOX 07167

DETROIT, MI [illegible]

090357391 [illegible]

⑈1403582⑈ ⑆072000915⑆ ⑈401·000986⑈ ⑈0000280545⑈





DMCU Detroit Municipal Credit Union

NCUA

1406399

PAY TWO THOUSAND SEVEN HUNDRED NINETEEN & 00/100

PAY THIS AMOUNT

$2,719.00

COLLINS

P O BOX 07167

DETROIT, MI 48207-0157

⑆1406399⑆ ⑆072000985⑆ ⑆401-000986⑆ /0000271900/

1403582
CHECK NO

FILL IN WHITE AREAS ONLY

REVOLVING CREDIT REQUEST VOUCHER

DETROIT MUNICIPAL CREDIT UNION

1480 E. JEFFERSON
DETROIT, MICHIGAN 48207-3199

ACCOUNT NUMBER

DATE 11-15-90

I HEREBY REQUEST THE SUM OF ▶ $ 2805 | 45 PLUS ANY AMOUNT NECESSARY FOR MINIMUM PLEDGED SHARES BE ADDED TO MY PRESENT REVOLVING LOAN

BALANCE, IF ANY, SUBJECT TO AND PURSUANT TO THE TERMS AND CONDITIONS OF MY REVOLVING CREDIT AGREEMENT

THE PURPOSE OF THIS LOAN IS ▶	Campaign Debt
SECURITY (IF ANY) ▶	
PERMANENT SECURITY AGREEMENT REQUIRED ☐	SIGNATURE X Barbara Lee Collins
VOUCHER CLERK INITIALS mb NO. 001 PA ☐	ADDRESS (IF MAILED) 1300 E. Lafayette #507
LOAN OFFICER APPROVAL 06	ID –

NEW MONEY $ 2805 45

OLD BALANCE $ 3178 14

INTEREST ADJUSTMENT (IF ANY) $ 16 41

NEW BALANCE $ 6000 —

☒ MONTHLY PAYMENT
☐ WEEKLY
☐ BI-WEEKLY
$ 180 —

FIRST PAYMENT DUE 12-15-90

FOR CREDIT UNION USE ONLY

Last Payment Date
Present Balance 3178.14
Accrued Int. 16.41
Sub-total 3194.55
Amt. Requested 2805.45
Total 6000 —

Amount Appvd.

Co-maker Card Typed —
Other P/R Deductions

Co-Makers:

Name Dept.
Pen. No Cert Date
$ Pension Fund $ Balance Status
Soc. Sec. #

Name Dept.
Pen. No Cert Date
$ Pension Fund $ Balance Status
Soc. Sec. #

Name Dept.
Pen. No Cert Date
$ Pension Fund $ Balance Status
Soc. Sec. #

DT-1st — 1st Pmt Date
— Purpose Code
L.O.C. — 5 Digits
Dt Nxt — Date Nxt. Pmt.
Alt. — Paying More
L. Officer — Employee I.D
Frg. — 12, 26, 52
Pymt. — Amt. of PD
Mth. 2
Int. Code — 1-14%, 2-15%, 3-13%, 5-13½%, 6-12%
Int. % Tab
Ins Code — 02345
Type 4
Source — 2-cash, 5-PD
Term 041
Pledge — $/C Dollar Amt
RDC — 0 Not S/C, 1 S/C
RDC % Tab
Col. Sec — Security Code
Xmit FM — Must Key In

ARE YOU PRESENTLY A CO-SIGNER?
YES ____ NO ____ NAME ____
Pension No. Bal Status
$

Dept City Com Cert Date 1-1-82
Pension Amt. $ 48 665.15
Balance Status LOC
Personal $ 3178.14 — Credit Life (YES) NO
Car Loan $ — — CR L A&H NO YES
Car Insurance Yes No
Bankruptcy No Doubtful Lns No
Date of Last Voucher 11-30-89

FEDERAL ELECTION COMMISSION

April 13, 1994

VIA HAND DELIVERY

Kenneth A. Gross, Esq.
Skadden, Arps, Slate, Meagher & Flom
1440 New York Ave., N.W.
Washington, D.C. 20005

RE: MUR 3181
Barbara-Rose Collins; Collins for Congress and Terry Hasse, as treasurer

Dear Mr. Gross:

As we discussed on the telephone on April 12, 1994, I am enclosing several Customer Authorization for Release of Financial Records forms. Please have your client complete, sign, and return to me two originals for each of the financial institutions that provided funds relating to the repayment of the loans extended by First Independence National Bank. In order to avoid having this Office seek suit authorization for subpoena enforcement in U.S. District Court, please return the executed forms by the close of business Friday, April 15, 1994.

Please note, too, that the Commission's subpoena and order requires information in questions 2 and 4 that your client has not yet provided. I would expect that information to be provided also on Friday, April 15, 1994.

Finally, this Office understands that you also represent the Collins for Congress committee. To date, we have received no response from the committee. Please also submit on Friday, April 15, 1994 documents and answers responsive to the Commission's outstanding subpoena and order.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Release of Financial Records forms

OGC 969

SKADDEN, ARPS, SLATE, MEAGHER & FLOM
1440 NEW YORK AVENUE, N.W.
WASHINGTON, D.C. 20005-2107
(202) 371-7000

FAX (202) 393-5760
DIRECT DIAL (202) 371-7007

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TORONTO
WILMINGTON

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
Apr 15 10 59 AM '94

April 15, 1994

VIA HAND DELIVERY

Holly Baker, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, NW
Washington, D.C. 20463

Re: MUR 3181 - Collins for Congress

Dear Ms. Baker:

Please find enclosed documents which are responsive to questions 3 and 4 of the Subpoena to Produce Documents. Thank you for your consideration and cooperation.

If you have any questions, please call me.

Sincerely,

Kenneth A. Gross

Enclosures

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 2 OF 7

FOR LINE NUMBER 17

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)

COLLINS FOR CONGRESS

	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Full Name, Mailing Address and ZIP Code Cynthia L Simpson 19252 Lahser Detroit Mich 48219	Services Rendered Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	10-19-90	1000 00
B. Full Name, Mailing Address and ZIP Code Vera Richardson 2146 Chene Detroit Mich 48207	Salary Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	10-19-90 10-24-90	125 00 250 00
C. Full Name, Mailing Address and ZIP Code Michigan Con. Gas Co P.O. Box 44906 Det Mich 48244	Purpose of Disbursement Gas for [illegible] Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	10-19-90	80 00
D. Full Name, Mailing Address and ZIP Code National Urban League 500 East 62nd St. New York, N.Y. 10021	Purpose of Disbursement Contribution to political committee for [illegible] Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	10-19-90	100 00
E. Full Name, Mailing Address and ZIP Code Virginia Walker Fleury 2207 Franklin Det Mich	Purpose of Disbursement Volunteer Services Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	10-19-90	20 00
F. Full Name, Mailing Address and ZIP Code 1st Independence Nat Bk of Mt Kisco 44 Michigan Det Mich 48226	Purpose of Disbursement Repayment of loan (25,000 00) Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	10-23-90	700 00
G. Full Name, Mailing Address and ZIP Code 1st Independence Nat Bk of Mt Kisco 44 Michigan Det Mich 48226	Purpose of Disbursement Repayment of loan (25,000 00) Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	10-23-90	1375 00
H. Full Name, Mailing Address and ZIP Code Maria Starks 2927 E Lafayette Det Mich 48207	Purpose of Disbursement Volunteer Services Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	10-23-90	500 00
I. Full Name, Mailing Address and ZIP Code J M Davis 2554 Schaefer Det Mich 48217	Purpose of Disbursement Volunteer Services Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	10-23-90	297 00
SUBTOTAL of Disbursements This Page (optional)			4444 00
TOTAL This Period (last page this line number only)			

REMITTER

F.I.N.B.(loan proceeds)

FIRST INDEPENDENCE NATIONAL BANK

20997

JULY 16, 19 90

9-107
720

PAY TO THE ORDER OF BARBARA-ROSE COLLINS * $ 50,000.00

50000 00

DOLLARS

CASHIER'S CHECK

Arlene D. Rains

"O 20997" :072001079: 0114 00000 3" "000 5000000"

REMITTER

Loan Proceeds

FIRST INDEPENDENCE NATIONAL BANK

21000

July 16 19 90

9-107
720

PAY TO THE ORDER OF BARBARA-ROSE COLLINS $ 25,000.00

25000 00

DOLLARS

CASHIER'S CHECK

Arlene D. Rains

"O 21000" :072001079: 0114 00000 3" "000 2500000"

Barbara-Kae Collins

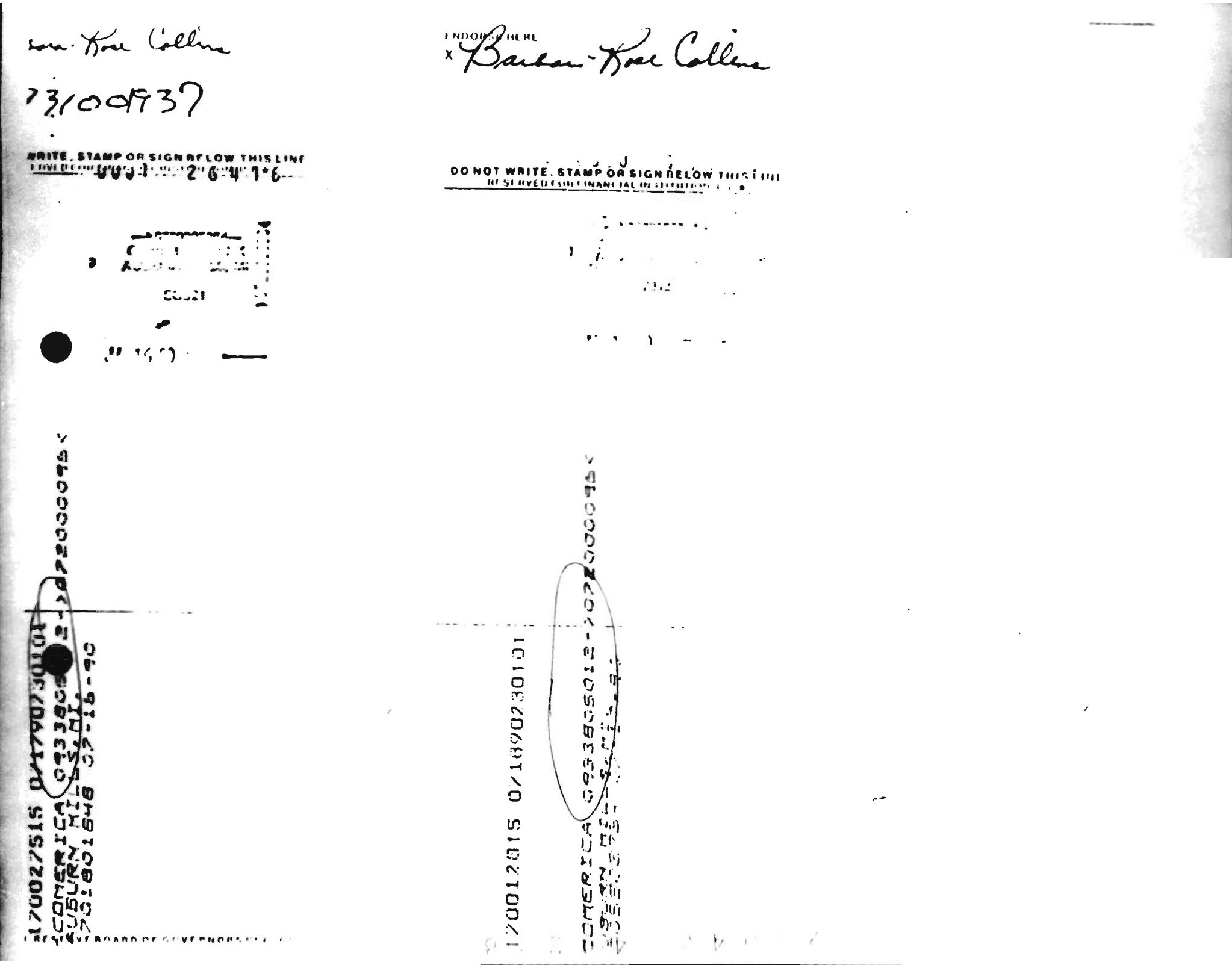
73100937

WRITE, STAMP OR SIGN BELOW THIS LINE

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE

ENDORSE HERE

X Barbara-Kae Collins



[redacted]

BARBARA-ROSE COLLINS
1300 E. LAFAYETTE, APT 507
DETROIT, MI 48207

8-20 19 90 1388

PAY TO THE ORDER OF Collins for Congress $ 9000 —

Nine Thousand DOLLARS

Comerica Bank Detroit
Chene Medbury Office #23
5900 Chene Street
Detroit, Michigan 48211

MEMO Loan

Barbara-Rose Collins

[redacted]

DEPOSIT TICKET

COLLINS FOR CONGRESS

DEPOSITED IN Comerica Bank-Detroit
Chene Medbury Office
5900 Chene Street
Detroit, Michigan 48211

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement

BE SURE EACH ITEM IS PROPERLY ENDORSED

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

CURRENCY		8-20-90
COIN		DOLLARS / CENTS
CHECKS LIST EACH SEPARATELY	B. K. Collins Loan	9000 —
TOTAL FROM OTHER SIDE OR ATTACHED LIST		
PLEASE RE-ENTER TOTAL TOTAL	9000	—

DEPOSIT TICKET

COLLINS FOR CONGRESS

DEPOSITED IN

Comerica Bank-Detroit
Chene Medbury Office
5900 Chene Street
Detroit, Michigan 48211

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.
BE SURE EACH ITEM IS PROPERLY ENDORSED

DATE 8-21-90

CURRENCY

COIN

CHECKS LIST EACH SEPARATELY
B R Collins 5000 —

TOTAL FROM OTHER SIDE OR ATTACHED LIST

PLEASE ADD ENTER TOTAL HERE TOTAL 5000 —

5000 —

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

BARBARA-ROSE COLLINS
1300 E. LAFAYETTE, APT 507
DETROIT, MI 48207

8-21 19 90 1389

720

PAY TO THE ORDER OF Collins for Congress $ 5000 —

Five Thousand DOLLARS

Comerica Bank Detroit
Chene Medbury Office #93
5900 Chene Street
Detroit Michigan 48211

MEMO Loan

Barbara-Rose Collins

[redacted]

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

DATE 11-16-90

CURRENCY	COIN	CHECKS (LIST EACH SEPARATELY)	DOLLARS	CENTS
		Mr. & Mrs. B. Singer	3000	00
		Barbara-Rose Collins	4000	00
		Barbara-Rose Collins	1500	00
		Barbara-Rose Collins	2719	00
		Barbara-Rose Collins	2805	45

TOTAL FROM OTHER SIDE OR ATTACHED LIST

TOTAL $ 975 3h 45

DEPOSITED IN

Comerica Bank-Detroit
Chene Medbury Office
5900 Chene Street
Detroit, Michigan 48211

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement

BE SURE EACH ITEM IS PROPERLY ENDORSED

COLLINS FOR CONGRESS

DEPOSIT TICKET

Loans

dm Detroit Municipal Credit Union
1480 East Jefferson Avenue / Detroit, Michigan 48207
(313) 568-5000

NCUA

No. 1406399 9-91 720

FIRST OF AMERICA NOV 15 1990

NOV 15, 90
NR. 216370

NOT VALID AFTER 60 DAYS

PAY: TWO THOUSAND SEVEN HUNDRED NINETEEN & 00/100**********

PAY THIS AMOUNT

TO THE ORDER OF COLLINS BARBARA R
P O BOX 07167
DETROIT, MI 48207-0151

*****$2,719.00

Mary Jane Bernard
COUNTERSIGNATURE

AUTHORIZED SIGNATURE

[redacted]

dm Detroit Municipal Credit Union
1480 East Jefferson Avenue / Detroit, Michigan 48207
(313) 568-5000

NCUA

No. 1403582 9-91 720

FIRST OF AMERICA NOV 15

NOV 15, 90
NR. 983542

NOT VALID AFTER 60 DAYS

PAY: TWO THOUSAND EIGHT HUNDRED FIVE & 45/100**********

PAY THIS AMOUNT

TO THE ORDER OF COLLINS BARBARA R
P O BOX 07167
DETROIT, MI 48207-0151

*****$2,805.45

Mary Jane Bernard
COUNTERSIGNATURE

AUTHORIZED SIGNATURE

[redacted]

Detroit Teachers Credit Union

7700 PURITAN AVENUE • DETROIT MICHIGAN 48238 • TELEPHONE 313/345-7200

214235

VOID AFTER 90 DAYS

PAY FOUR THOUSAND AND NO/100 DOLLARS PAY EXACTLY 4,000 AND 00 CTS

NOVEMBER 15, 1990 DATE

$****4.000.00

TO THE ORDER OF BARBARA R COLLINS

DETROIT TEACHERS CREDIT UNION

214235

[redacted]

DETROIT TEACHERS CREDIT UNION • DETROIT, MICHIGAN

Cashier Check

9-9
720

Comerica Bank-Detroit

No 06937

Cynthia Simpson
Bruce Simpson, Sr.
Bruce Simpson, Jr.

Date 11-15-90

$**3000.00**

Pay to the Order of **Collins For Congress**

PAY EXACTLY 3000 AND 00 CTS Dollars

Authorized Signature Deborah Porter

[redacted]

BARBARA ROSE-COLLINS
1300 E. LAFAYETTE, NO. 507
DETROIT, MI 48207

11-15 19 90

1406

PAY TO THE ORDER OF Collins for Congress $ 15,000.—

Fifteen Thousand DOLLARS

Comerica Bank-Detroit
Chene-Maldbury Office #93
5800 Chene Street
Detroit, Michigan 48211

MEMO Loan

Barbara-Rose Collins

[redacted]

Cashier Check - Purchaser's Receipt

9-9
720

No 06937

Cynthia Simpson
Bruce Simpson, Sr.
Bruce Simpson, Jr.

11-15-90

3000.00

Collins For Congress

Purchaser's Receipt - Not Negotiable

For

[redacted]

REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee
(Summary Page)

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full): COLLINS FOR CONGRESS

ADDRESS (number and street) ☐ Check if different than previously reported: P.O. BOX 07167

CITY, STATE and ZIP CODE: DETROIT MICHIGAN 48207

STATE/DISTRICT:

2. FEC IDENTIFICATION NUMBER: #13668 9 / C C C 2 4 5 7 1 2

3. IS THIS REPORT AN AMENDMENT? ☐ YES ☒ NO

4. TYPE OF REPORT

- ☐ April 15 Quarterly Report
- ☐ July 15 Quarterly Report
- ☐ October 15 Quarterly Report
- ☐ January 31 Year End Report
- ☐ July 31 Mid-Year Report (Non-election Year Only)
- ☐ Twelfth day report preceding PRIMARY (Type of Election) election on 8-7-90 in the State of Michigan
- ☐ Thirtieth day report following the General Election on _____ in the State of _____
- ☐ Termination Report

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 7-1-90 through 7-18-90		
6	Net Contributions (other than loans)		
	(a) Total Contributions (other than loans) (from Line 11(e))	11198.00	56829.00
	(b) Total Contribution Refunds (from Line 20(d))	-0-	
	(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	11198.00	56829.00
7	Net Operating Expenditures		
	(a) Total Operating Expenditures (from Line 17)	39894.56	89171.26
	(b) Total Offsets to Operating Expenditures (from Line 14)		500.00
	(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	39894.56	88671.26
8	Cash on Hand at Close of Reporting Period (from Line 27)	43157.74	
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)	79188.00	

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: SALLY DEAN

Signature of Treasurer: Sally Dean

Date: 7-20-90

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)

SCHEDULE C (Revised 3/80)

LOANS OWED BY Committee

LOANS

Page 1 of 1 for LINE NUMBER 13 A
(Use separate schedules for each numbered line)

Name of Committee (In Full)
COLLINS FOR CONGRESS

A. 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
BARBARA-ROSE COLLINS 1300 E. Lafayette #507 Detroit Michigan 48207	50,000 00	-0-	50,000 00

Election: X Primary ☐ General ☐ Other (specify)

Terms: Date Incurred 7-16-90 Date Due _____ Interest Rate 11 %(apr) ☐ 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
BARBARA-ROSE COLLINS 1300 E. Lafayette #507 Detroit Mich 48207	25,000 00	-0-	25,000 00

Election: X Primary ☐ General ☐ Other (specify)

Terms: Date Incurred 7-17-90 Date Due _____ Interest Rate 11 %(apr) ☐ 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)	75,000 00
TOTALS This Period (last page in this line only)	75,000 00

Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 1 OF 2

FOR LINE NUMBER 17

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)
CILLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code Hispanic Democrats of Mich - Wayne county Chapter P.O. Box 9640 Detroit Mich 48209	Purpose of Disbursement Training Distributon Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-11-90	Amount of Each Disbursement This Period 175 00
B. Full Name, Mailing Address and ZIP Code U.S. postmaster 1401 W. Fort Detroit Mich 48201	Purpose of Disbursement stamps Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-11-90	Amount of Each Disbursement This Period 125 00
C. Full Name, Mailing Address and ZIP Code American Public Affairs Inst. 600 Randolph - Ste 410 Detroit Mich 48226	Purpose of Disbursement Voters Guide Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-11-90	Amount of Each Disbursement This Period 100 00
D. Full Name, Mailing Address and ZIP Code Jewel Ware 4815 Iroquois Detroit Mich 48214	Purpose of Disbursement Refrigerator for Headquarters Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-11-90	Amount of Each Disbursement This Period 25 00
E. Full Name, Mailing Address and ZIP Code Versa Richardson 2146 Chene Detroit Mich 48207	Purpose of Disbursement Salary / Refreshments " " Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-13-90	Amount of Each Disbursement This Period 250 00
F. Full Name, Mailing Address and ZIP Code Sawichi J Scn 4521 W. Lafayette Detroit Mich	Purpose of Disbursement Yard, window Signs Campaign Buttons Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-13-90	Amount of Each Disbursement This Period 437 50
G. Full Name, Mailing Address and ZIP Code Comerica Bank Penobscot Branch. Detroit Michigan	Purpose of Disbursement Cashiers check Coley & Asso C. For C Radio Adv. - 3rd Qtr. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-16-90	Amount of Each Disbursement This Period 27,000 00
H. Full Name, Mailing Address and ZIP Code Thelma Leonard Bicentennial Towers 4 E Alexandrine Det Mich 48201	Purpose of Disbursement Catering for "meet the Candidate" Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-16-90	Amount of Each Disbursement This Period 20 00
I. Full Name, Mailing Address and ZIP Code Mark D. Dancik Spirit of the City Newspaper 743 Beaubien - Ste 547 Detroit Mich 48226	Purpose of Disbursement Newspaper Ad Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-16-90	Amount of Each Disbursement This Period 400 00

SUBTOTAL of Disbursements This Page (optional)	32465.00
TOTAL This Period (last page this line number only)	

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 2 OF 2

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Full Name, Mailing Address and ZIP Code LEWIS & THOMPSON AGENCY, INC 2617 W GRAND BLVD DETROIT, MICH 48208	Special multi-Risk INSURANCE Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-16-90	461 66
B. Full Name, Mailing Address and ZIP Code MILT HARRIS 21511 PRAIRIE DETROIT MICH 48221	~~Loan~~ Services ~~for Headquarters~~ Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-16-90	200 00
C. Full Name, Mailing Address and ZIP Code JEWEL WARE 4815 IROQUOIS DETROIT MICH 48214	Picnic for delegates Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-16-90	40 04
D. Full Name, Mailing Address and ZIP Code JEWEL WARE 4815 IROQUOIS DETROIT MICH 48214	Misc. Expenses for ~~Headquarters~~ Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-16-90	14 52
E. Full Name, Mailing Address and ZIP Code JEWEL WARE 4815 IROQUOIS DET MICH 48214	Petty CASH. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-18-90	175 00
F. Full Name, Mailing Address and ZIP Code Christ Cornerstone Baptist Church 16962 MACK AVE DET, MICH	Prayer Breakfast Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-18-90	150 00
G. Full Name, Mailing Address and ZIP Code LILLIAN DOCK 12104 E OUTER DRIVE DET MICH 48224	Catering, gas & stage for victory celebration Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-18-90	500 00
H. Full Name, Mailing Address and ZIP Code GANNETT OUTDOOR CO OF MI 88 CUSTER AVE DETROIT MICH 48202	BILLBOARD AD SPACE. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-7	5950 00
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: [ ] Primary [ ] General [ ] Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional)	7429.56
TOTAL This Period (last page this line number only)	39894.56

LOANS To Committee

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 1 OF 1

FOR LINE NUMBER

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NAME OF COMMITTEE (in Full)
COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code BARBARA Rose COLLINS 1300 E. Lafayette #507 Detroit Mich 48207 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer LOAN Occupation (Personal) Aggregate Year-to-Date > $	Date (month, day, year) 7-16-90	Amount of Each Receipt this Period 50,000 00
B. Full Name, Mailing Address and ZIP Code BARBARA-Rose Collins 1300 E. Lafayette #507 Detroit Mich 48207 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer LOAN Occupation (Personal) Aggregate Year-to-Date > $	Date (month, day, year) 7-17-90	Amount of Each Receipt this Period 25,000 00
C. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
D. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
E. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
F. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
G. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period

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

TOTAL This Period (last page this line number only) 75,000 00

Political Action Committee

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 1 OF 1

FOR LINE NUMBER 11C

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NAME OF COMMITTEE (in Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
UAW-V-CAP 8000 E Jefferson Detroit MICH 48214 Receipt For: [X] Primary [ ] General [ ] Other (specify):	P.A.C. Occupation: Treas.-Bell Canstevens Aggregate Year-to-Date > $	7-9-90	5000 00
B. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
C. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
D. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
E. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
F. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
G. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional)	5000 00
TOTAL This Period (last page this line number only)	5000 00

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 1 OF 2

FOR LINE NUMBER 11 A 2

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NAME OF COMMITTEE (in Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
ROBERT E. MCPHEESON 4624 RAVINE DRIVE Bloomfield Township 48010 Receipt For: X Primary ☐ General ☐ Other (specify)	Candence Medical Products 21285 Hilltop Southfield, MI 48034 Occupation: President Aggregate Year-to-Date > $	7-1-90	500 00
B. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
Cynthia Diane Stephens 28030 Lichfield Detroit 48221 Receipt For: X Primary ☐ General ☐ Other (specify)	Wayne County Circuit Court 1801 City-County Bldg Occupation: Judge Aggregate Year-to-Date > $	7-3-90	250 00
C. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
Ollie McKinney 130c E. Lafayette Detroit Mich 48207 Receipt For: X Primary ☐ General ☐ Other (specify)	City of Detroit 604 City-County Bldg Det 48226 Occupation: Director of Employment & Tra Aggregate Year-to-Date > $	7-3-90	250 00
D. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
Warren C. Evans 4239 Pasadena Detroit 48238 Receipt For: X Primary ☐ General ☐ Other (specify)	Sheriff Dept. 1231 St Antoine Det Mich 48226 Occupation: Under-Sheriff Chief Deputy Aggregate Year-to-Date > $	7-3-90	250 00
E. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
FRED G SAMSON 34454 MAYFAIR CT. FARMington Hills, Mich 48331 Receipt For: X Primary ☐ General ☐ Other (specify)	Fred Silber Co. 22007 Woodward Ferndale Mi 48220 Occupation: Secretary/Treas Aggregate Year-to-Date > $	7-6-90	500 00
F. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
Dennis Silber. 5116 W Bloomfield Lake West Bloomfield 48033 Receipt For: X Primary ☐ General ☐ Other (specify)	Fred Silber Co 22007 Woodward Ferndale Mi 48220 Occupation: Vice-President Aggregate Year-to-Date > $	7-6-90	500 00
G. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
Fred Silber. 23411 Stratford ct. Southfield Mich 48034 Receipt For: X Primary ☐ General ☐ Other (specify)	Fred Silber Co. 22007 Woodward Ferndale Mi 48220 Occupation: President Aggregate Year-to-Date > $	7-6-90	500 00

SUBTOTAL of Receipts This Page (optional) . . . . . > 2750 00

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

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 2 OF 2

FOR LINE NUMBER 11 A i

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 committees

NAME OF COMMITTEE (in Full)
COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code DAVID S. HOLMES 94 E. Boston Blvd DETROIT 48202 Receipt For: X Primary ☐ General ☐ Other (specify)	Name of Employer State of Mich. Occupation Senator. Aggregate Year-to-Date > $ 498 00	Date (month, day, year) 7-6-90	Amount of Each Receipt this Period 100 00
B. Full Name, Mailing Address and ZIP Code Dr. Agustin Arbulu NANCY ARBULU 3154 woods circle Detroit 48207 Receipt For: X Primary ☐ General ☐ Other (specify)	Name of Employer Counsel, Evans & Luptak 2510 Buhl Bldg Detroit Mich 48226 Occupation Attorney Aggregate Year-to-Date > $	Date (month, day, year) 7-7-90 11-15-90	Amount of Each Receipt this Period 250 00 250 00
C. Full Name, Mailing Address and ZIP Code FRANK P. STELLA 19180 Gainsborough Detroit 48223 Receipt For: X Primary ☐ General ☐ Other (specify)	Name of Employer F.P. Stella Products 2600 Fenkell Detroit 48238 Occupation Self-Employed Aggregate Year-to-Date > $ 525 00	Date (month, day, year) 7-6-90	Amount of Each Receipt this Period 125 00
D. Full Name, Mailing Address and ZIP Code ROGER SHERT, C.P.A. 204 City-County Bldg. Detroit Mich 48226 Receipt For: X Primary ☐ General ☐ Other (specify)	Name of Employer City of Detroit Occupation Certified Public Acct. Aggregate Year-to-Date > $ 250 00	Date (month, day, year) 7-7-90 7-23-90	Amount of Each Receipt this Period 150 00 100 00
E. Full Name, Mailing Address and ZIP Code LAWRENCE F. DOSS 345 E. CRESCENT LANE DETROIT MICH 48207 Receipt For: X Primary ☐ General ☐ Other (specify)	Name of Employer DOSS RENTALS 345 E Crescent Det 48207 Occupation Self-Employed Aggregate Year-to-Date > $	Date (month, day, year) 7-10-90	Amount of Each Receipt this Period 500 00
F. Full Name, Mailing Address and ZIP Code PAUL M. ZIETOFF 280 DAINES ST - STE 300 BIRMINGHAM, MICH 48009 Receipt For: X Primary ☐ General ☐ Other (specify)	Name of Employer UNI PROP 280 DAINES - ste 301 Birmingham Mi 48009 Occupation PRESIDENT Aggregate Year-to-Date > $	Date (month, day, year) 7-6-90	Amount of Each Receipt this Period 250 00
G. Full Name, Mailing Address and ZIP Code Receipt For: X Primary ☐ General ☐ Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional)	1725 00
TOTAL This Period (last page this line number only)	4475 00

DETAILED SUMMARY PAGE

of Receipts and Disbursements

(Page 2, FEC FORM 3)

Name of Committee (in full)	Report Covering the Period
COLLINS FOR CONGRESS	From 07-01-90 To 07-18-90

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)	4475.00		11(a)(i)
(ii) Unitemized	1723.00		11(a)(ii)
(iii) Total of contributions from individuals	6198.00		11(a)(iii)
(b) Political Party Committees	-0-		11(b)
(c) Other Political Committees (such as PACs)	5000.00		11(c)
(d) The Candidate	-0-		11(d)
(e) TOTAL CONTRIBUTIONS (other than loans)(add 11(a)(iii), (b), (c) and (d))	11195.00	56729.00	11(e)
12 TRANSFERS FROM OTHER AUTHORIZED COMMITTEES			12
13 LOANS			
(a) Made or Guaranteed by the Candidate	75,000.00	75,000.00	13(a)
(b) All Other Loans	-0-	4188.00	13(b)
(c) TOTAL LOANS (add 13(a) and (b))	75,000.00	79188.00	13(c)
14 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	-0-	500.00	14
15 OTHER RECEIPTS (Dividends, Interest, etc.)	-0-	-0-	15
16 TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15)	86198.00	132329.00	16
II. DISBURSEMENTS			
17 OPERATING EXPENDITURES	39894.56	89171.26	17
18 TRANSFERS TO OTHER AUTHORIZED COMMITTEES	-0-		18
19 LOAN REPAYMENTS			
(a) Of Loans Made or Guaranteed by the Candidate	-0-		19(a)
(b) Of All Other Loans	-0-		19(b)
(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b))	-0-		19(c)
20 REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees	-0-		20(a)
(b) Political Party Committees	-0-		20(b)
(c) Other Political Committees (such as PACs)	-0-		20(c)
(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c))	-0-		20(d)
21 OTHER DISBURSEMENTS	-0-		21
22 TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21)	39894.56	89171.26	22

III. CASH SUMMARY

23 CASH ON HAND AT BEGINNING OF REPORTING PERIOD	$ (-3145.70)	23
24 TOTAL RECEIPTS THIS PERIOD (from Line 16)	$ 86198.00	24
25 SUBTOTAL (add Line 23 and Line 24)	$ 83052.30	25
26 TOTAL DISBURSEMENTS THIS PERIOD (from Line 22)	$ 39894.56	26
27 CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25)	$ 43157.74	27

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Page 1 of 1
LINE NUMBER 13 B1C
(Use separate schedules for each numbered line)

Name of Committee (in Full) COLLINS FOR CONGRESS	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
A. Full Name, Mailing Address and Zip Code of Debtor or Creditor COLLINS FOR COUNCIL P.O. BOX 07167 DETROIT MICHIGAN 48207	4188 00	-0-	-0-	4188 00
Nature of Debt (Purpose): itemized on 7-15-90 Report.				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
1) SUBTOTALS This Period This Page (optional)				4188 00
2) TOTAL This Period (last page this line only)				4188 00
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)				75000 00
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				79188 00

DETAILED SUMMARY PAGE

of Receipts and Disbursements
(Page 2, FEC FORM 3)

Name of Committee (in full): COLLINS FOR CONGRESS

Report Covering the Period From 7-1-90 To 9-30-90

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)	28425.00		11(a)(i)
(ii) Unitemized	16080.00		11(a)(ii)
(iii) Total of contributions from individuals	44505.00	85710.00	11(a)(iii)
(b) Political Party Committees	-0-	-0-	11(b)
(c) Other Political Committees (such as PACs)	25800.00	40620.00	11(c)
(d) The Candidate	-0-	-0-	11(d)
(e) TOTAL CONTRIBUTIONS (other than loans)(add 11(a)(iii), (b), (c) and (d))	70305.00	126330.00	11(e)
12 TRANSFERS FROM OTHER AUTHORIZED COMMITTEES			12
13 LOANS			
(a) Made or Guaranteed by the Candidate	-0-	75000.00	13(a)
(b) All Other Loans	-0-	4188.00	13(b)
(c) TOTAL LOANS (add 13(a) and (b))	-0-	79188.00	13(c)
14 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	321.00	821.00	14
15 OTHER RECEIPTS (Dividends, Interest, etc.)	-0-	-0-	15
16 TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15)	70626.00	206,339.00	16
II. DISBURSEMENTS			
17 OPERATING EXPENDITURES	84,446.15	167,613.33	17
18 TRANSFERS TO OTHER AUTHORIZED COMMITTEES	-0-	-0-	18
19 LOAN REPAYMENTS			
(a) Of Loans Made or Guaranteed by the Candidate	-0-	-0-	19(a)
(b) Of All Other Loans	4188.00	4188.00	19(b)
(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b))	4188.00	4188.00	19(c)
20 REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees	-0-	-0-	20(a)
(b) Political Party Committees	-0-	-0-	20(b)
(c) Other Political Committees (such as PACs)	4000.00	4000.00	20(c)
(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c))	4000.00	4000.00	20(d)
21 OTHER DISBURSEMENTS bank charge book fees	7.50	117.90	21
22 TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21)	92,641.65	175,919.23	22

III. CASH SUMMARY

23 CASH ON HAND AT BEGINNING OF REPORTING PERIOD	$ 52,435.42	23
24 TOTAL RECEIPTS THIS PERIOD (from Line 16)	$ 70,626.00	24
25 SUBTOTAL (add Line 23 and Line 24)	$ 123,061.42	25
26 TOTAL DISBURSEIMENTS THIS PERIOD (from Line 22)	$ 92,641.65	26
27 CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25)	$ 30,419.77	27

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 1 OF 10

FOR LINE NUMBER 11A1

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NAME OF COMMITTEE (in Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Occupation Aggregate Year-to-Date > $		
B. Full Name, Mailing Address and ZIP Code DR Eugene Pettis 16680 Rosemont Rd Detroit MI 48219 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer Det. East Mental Health 9141 E Jefferson Det Mich Occupation Director Aggregate Year-to-Date > $ 300.00	Date (month, day, year) 7-19-90 7-30-90	Amount of Each Receipt this Period 20 00 10 00
C. Full Name, Mailing Address and ZIP Code Roger E. Winkleman 5185 Cold Spring Lane West Bloomfield, MI 48322 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 7-20-90 7-23-90	Amount of Each Receipt this Period 125 00 125 00
D. Full Name, Mailing Address and ZIP Code George P Barnes JR 6329 W. 7 Mile Detroit Mich. 48221 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer Heritage Optical 8741 W Chicago Det mich. Occupation Optician Aggregate Year-to-Date > $ 425.00	Date (month, day, year) 7-23-90	Amount of Each Receipt this Period 125 00
E. Full Name, Mailing Address and ZIP Code R. VYAYENDRAN 20259 VAN ANTWERP HARPER WOODS, MI 48225 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer Mitco Services 1420 Washington Blvd Det Mich 48226 Occupation Consultant Aggregate Year-to-Date > $ 625.00	Date (month, day, year) 7-23-90 7-30-90	Amount of Each Receipt this Period 125 00 500 00
F. Full Name, Mailing Address and ZIP Code BERNARD MINDELL 3700 PENOBSCOT BLDG DET MICH 48226 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer Self-Employed (Same) Occupation Attorney Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 7-23-90	Amount of Each Receipt this Period 250 00
G. Full Name, Mailing Address and ZIP Code DAVID & KATHLEEN M. LEWIS 1755 BURNS DRIVE DETROIT MICHIGAN 48214 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer Lewis White & Clay 1300 1st National Bldg Det Mich 48226 Occupation Attorney Aggregate Year-to-Date > $ 500.00	Date (month, day, year) 7-23-90	Amount of Each Receipt this Period 500 00

SUBTOTAL of Receipts This Page (optional) 1980 00

TOTAL This Period (last page this line number only)

SCHEDULE A — **ITEMIZED RECEIPTS**

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

PAGE 2 OF 10

FOR LINE NUMBER 11A1

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code FRANK R SARA J. Greenberg 35163 OLD TIMBER RD. FARMINGTON HILLS, MI 48331 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Michigan Capital Inc. 20755 Greenfield Suite 200 Southfield Mich 48075 Occupation Owner. Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 7-23-90	Amount of Each Receipt this Period 250 00
B. Full Name, Mailing Address and ZIP Code DAVID LEBENBOM 6795 ORINOCO CIRCLE BIRMINGHAM, MICH 48010 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer 3000 Town Center Southfield, MI 48075 Occupation Attorney Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 7-23-90	Amount of Each Receipt this Period 250 00
C. Full Name, Mailing Address and ZIP Code LEONARD H. TRUNSKY 6347 NORTHFIELD WEST BLOOMFIELD, MI 48322 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer CROWN Steel Fab Co 6347 Northfield Bloomfield, Mich 48322 Occupation President Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 7-18-90	Amount of Each Receipt this Period 250 00
D. Full Name, Mailing Address and ZIP Code Eugene BOBTNICK + Joan 9101 Freeland. DETROIT, MICH. 48228 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer TOTAL Building Ser. 9101 FREELAND. DETROIT MICH Occupation PRESIDENT Aggregate Year-to-Date > $ 500.00	Date (month, day, year) 7-19-90	Amount of Each Receipt this Period 500 00
E. Full Name, Mailing Address and ZIP Code SADIE COHN C/O MARION PRIMO 1631 - 1ST NATIONAL BLDG DET MICH 48226 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer — Occupation unemployed. Aggregate Year-to-Date > $ 1000.00	Date (month, day, year) 7-25-90	Amount of Each Receipt this Period 1000 00
F. Full Name, Mailing Address and ZIP Code Woldrow W + Anna Woody 12140 Joseph Campau Detroit, Mich 48212 Receipt For ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Self-Employed. Woody Pontiac sales 2180 E. Jefferson Hamtramck Mich Occupation Dealership Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 7-19-90	Amount of Each Receipt this Period 250 00
G. Full Name, Mailing Address and ZIP Code GARY H. ROSENTHAL 280 North Woodward Ste 400 Birmingham, Mich 48011 Receipt For ☒ Primary ☐ General ☐ Other (specify):	Name of Employer J. G. Financial Management 280 E. Woodward Birmingham, Mich Occupation Owner Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 7-23-90	Amount of Each Receipt this Period 250 00

SUBTOTAL of Receipts This Page (optional) 2750 00

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

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 3 OF 10

FOR LINE NUMBER 11A

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
JIMMY GARMO 17729 Telegraph Det Mich 48219 Receipt For: [X] Primary [ ] General [ ] Other (specify)	Starway Inn 17729 Telegraph Det Mich 48219 Occupation: OWNER Aggregate Year-to-Date > $ 1000.00	7-25-90	1000 00
B. Full Name, Mailing Address and ZIP Code TAMMY DELLY 17361 Greenfield Det Mich 48235 Receipt For: [X] Primary [ ] General [ ] Other (specify)	Name of Employer: Delly's Market 17361 Greenfield Det Mich Occupation: OWNER Aggregate Year-to-Date > $ 250.00	7-20-90	250 00
C. Full Name, Mailing Address and ZIP Code Joseph Z Nederlander 36400 W-12 mile Southfield Mich Receipt For: [X] Primary [ ] General [ ] Other (specify)	Name of Employer: Nederlander Corp Tucker Bldg Det Mich Occupation: Self Employed Aggregate Year-to-Date > $ 500.00	7-20-90	500 00
D. Full Name, Mailing Address and ZIP Code Daniel S Cooper One Michigan # 230 Lansing Mich Receipt For: [X] Primary [ ] General [ ] Other (specify)	Name of Employer: Cooper, Fink & Zaumen One Michigan Lansing Mich Occupation: Attorney Aggregate Year-to-Date > $ 500.00	7-20-90	500 00
E. Full Name, Mailing Address and ZIP Code David H Fink 31700 Middlebelt #150 Farmington Hills, Mich Receipt For: [X] Primary [ ] General [ ] Other (specify)	Name of Employer: Cooper, Fink & Zaumen One Michigan Lansing Mich Occupation: Attorney Aggregate Year-to-Date > $ 250 00	7-19-90	250 00
F. Full Name, Mailing Address and ZIP Code Ronald W Zech 980 Bradford East Bloomfield Hills Mich Receipt For: [X] Primary [ ] General [ ] Other (specify)	Name of Employer: Ctr Tra Inc. 12225 Stephens Rd Warren Mich Occupation: Executive Aggregate Year-to-Date > $ 300.00	7-20-90	300 00
G. Full Name, Mailing Address and ZIP Code N Receipt For: [ ] Primary [ ] General [ ] Other (specify)	Name of Employer: Occupation: Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional) 2800 00

TOTAL This Period (last page this line number only)

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 4 OF 10

FOR LINE NUMBER 11A1

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NAME OF COMMITTEE (In Full)

Collins For Congress

A. Full Name, Mailing Address and ZIP Code M.J. Moroun & Mrs. Moroun 835 Lakeshore Grosse Pte Shores, MI 48236 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $ 1100.00	Date (month, day, year) 7-20-90	Amount of Each Receipt this Period 1000 00
B. Full Name, Mailing Address and ZIP Code John Carlo Catenacci 21570 Hall Road Mt Clemens, MI 48043 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer John Carlo, Inc. 21570 Hall Road Mt. Clemens, MI 48043 Occupation Executive Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 7-24-90	Amount of Each Receipt this Period 250 00
C. Full Name, Mailing Address and ZIP Code Ted A. Molesworth 321 Park Ave Yale, Mich 48097 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Molesworth Paving Co. 2376 Wadhams Rd. Attyron, MI 48061 Occupation Contractor Aggregate Year-to-Date > $ 500.00	Date (month, day, year) 7-24-90	Amount of Each Receipt this Period 500 00
D. Full Name, Mailing Address and ZIP Code Sharon McPhail Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Wayne County 1441 St. Antoine Detroit, MI 48226 Occupation Prosecutor Aggregate Year-to-Date > $ 500.00	Date (month, day, year) 7-30-90	Amount of Each Receipt this Period 500 00
E. Full Name, Mailing Address and ZIP Code Walter J. Wilpin 31400 Franklin Freeway Farmington Hills, MI 48018 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Wilpin Distributors 9350 Freeland Detroit, MI 48228 Occupation Owner Aggregate Year-to-Date > $ 1000.00	Date (month, day, year) 7-30-90	Amount of Each Receipt this Period 1000 00
F. Full Name, Mailing Address and ZIP Code Neil L. Platz 4433 Wentworth Troy, Mich 48098 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Turner Const. Co 150 W Jefferson Det Mich 48226 Occupation Civil Engineer Aggregate Year-to-Date > $ 300.00	Date (month, day, year) 7-30-90	Amount of Each Receipt this Period 300 00
G. Full Name, Mailing Address and ZIP Code Eddie C. Williams 11611 W McNichols Detroit Mich 48221 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $ 400.00	Date (month, day, year) 7-30-90	Amount of Each Receipt this Period 300 00
SUBTOTAL of Receipts This Page (optional)			3850 00
TOTAL This Period (last page this line number only)			

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 5 OF 10

FOR LINE NUMBER 11A1

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
Vicki E. CESTAR JR 4224 White water Creek ATLANTA GA 30327 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Walbridge/Aldinger 613 abbott ave East Detroit 48226 Occupation: Vice President Aggregate Year-to-Date > $ 300.00	7-30-90	300 00
B. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
HENRY HAGOOD 14230 Stahelin Detroit Mich Receipt For: ☒ Primary ☐ General ☐ Other (specify):	City of Detroit City County Bldg. (11 Floor) Detroit, MI 48226 Occupation: Executive Assistant Aggregate Year-to-Date > $ 300.00	7-30-90	300 00
C. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
IRVING NUSBAUM 26575 Willowgreen FRANKLIN MI 48025 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	— Occupation: Retired Aggregate Year-to-Date > $ 250.00	7-30-90	250 00
D. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
Robert M Thompson 5905 Belleville Road. Belleville MI 48111 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Moles Wreck Paving Co. 2376 Waldhams Rd. West Huron, MI 48061 Occupation: Contractor Aggregate Year-to-Date > $ 1000.00	7 30 90	1000 00
E. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
C. Arnold Curry, M.D. & CARA Jean Curry 17815 HAMILTON DETROIT MICH 48203 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Self-Employed Occupation: Medical Doctor Aggregate Year-to-Date > $ 100.00	7-31-90	100 00
F. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
Cullen Dubose 4515 W Saginaw Lansing, Mich 48917 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Paina Bldg. Construction Occupation: Realtor Contractor Aggregate Year-to-Date > $ 450.00	7-31-90	50 00
G. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
ETTA & CHARLES Bagley 19005 Birchcrest Detroit Mich 48221 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Occupation: Aggregate Year-to-Date > $ 2510.00	7-31-90	100 00

SUBTOTAL of Receipts This Page (optional) 2100 00

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

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 6 OF 10

FOR LINE NUMBER 11A1

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code AGUSTIN V. ARBULU 2500 Buhl Bldg Detroit MICH 48226 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer: self-Employed Occupation: A Horney Aggregate Year-to-Date: $ 125.00	Date (month, day, year): 8-2-90	Amount of Each Receipt this Period: 125 00
B. Full Name, Mailing Address and ZIP Code Gilbert A. BIRMAN Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer: Occupation: Aggregate Year-to-Date: $ 250.00	Date (month, day, year): 8-7-90	Amount of Each Receipt this Period: 250 00
C. Full Name, Mailing Address and ZIP Code William M. Bredhead. 31350 Coachlight Lane Bingham Farms, MI 48010 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer: Plunkett & Cooney PC 900 Marquette Bldg Det Mich 48226 Occupation: Lawyer Aggregate Year-to-Date: $ 500.00	Date (month, day, year): 8-2-90	Amount of Each Receipt this Period: 500 00
D. Full Name, Mailing Address and ZIP Code E. C. LEVY JR. and EDWARD C. LEVY 5800 DIX AVE DET MICH 48209 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer: Edward C. Levy Co 5800 Dix Ave Det Mich 48209 Occupation: Corporate Exec Aggregate Year-to-Date: $ 1000.00	Date (month, day, year): 8-2-90	Amount of Each Receipt this Period: 1000 00
E. Full Name, Mailing Address and ZIP Code RONALD R. PANCRATE 4518 OAK POINTE DR. BRIGHTON, MI 48116 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer: Patrick Media Group 4000 Town Ctr. Ste 540 Southfield MI 48075 Occupation: Vice Pres. Sales + Marketing Aggregate Year-to-Date: $ 1000.00	Date (month, day, year): 8-7-90	Amount of Each Receipt this Period: 1000 00
F. Full Name, Mailing Address and ZIP Code KEVIN P. REILLY P.O. BOX 66338 BATON ROUGE, LA 70896 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer: LAMAB Corporation 5551 Corporate Baton Rouge, LA Occupation: Aggregate Year-to-Date: $ 500.00	Date (month, day, year): 8-7-90	Amount of Each Receipt this Period: 500 00
G. Full Name, Mailing Address and ZIP Code NATHAN JOHNSON 2512 W GRAND BLVD Detroit MI 48208 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer: Nathan Johnson Assoc 2512 W Grand Blvd Det Mich Occupation: Architect Aggregate Year-to-Date: $ 500.00	Date (month, day, year): 8-7-90	Amount of Each Receipt this Period: 500 00

SUBTOTAL of Receipts This Page (optional)	3875 00
TOTAL This Period (last page this line number only)	

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 7 OF 10

FOR LINE NUMBER 11AI

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code ERIC V. Smith 2601 Cadillac Tower Detroit Mich 48226 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer self Employed (same) Occupation attorney Aggregate Year-to-Date > $ 1000.00	Date (month, day, year) 8-7-90	Amount of Each Receipt this Period 1000 00
B. Full Name, Mailing Address and ZIP Code Jeanette Forest 650 Noble Court W Bloomfield Mi 48322 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Forrest Hall LTD 867 E Grand Blvd Det Mich Occupation Owner Aggregate Year-to-Date > $ 140.00	Date (month, day, year) 8-7-90	Amount of Each Receipt this Period 70 00
C. Full Name, Mailing Address and ZIP Code C. Arnold Clara Jean Curry & Curry 17815 Hamilton Detroit, Mi 48203 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Self Employed Occupation M.D. - (Doctor) Aggregate Year-to-Date > $ 200.00	Date (month, day, year) 8-7-90	Amount of Each Receipt this Period 100 00
D. Full Name, Mailing Address and ZIP Code DOROTHY LATHAM 1020 STAFFORD PLACE DETROIT MICH 48207 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer LATHAM'S Adult Fashion 850 E Grand Blvd Det 48207 Occupation Owner Aggregate Year-to-Date > $ 240.00	Date (month, day, year) 8-7-90 8-7-90	Amount of Each Receipt this Period 70 00 170 00
E. Full Name, Mailing Address and ZIP Code Jerry Ahwal 220 Bagley Ste 502 Det Mich Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer American-Arab Anti-Discrimation Comm 220 Bagley Det Mich Occupation Aggregate Year-to-Date > $ 210.00	Date (month, day, year) 8-10-90	Amount of Each Receipt this Period 210 00
F. Full Name, Mailing Address and ZIP Code Judith J. Cooper 20434 Lancaster Harper Woods, MI 48225 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer J. Lewis Cooper Co. 13400 Stephenson Hwy Detroit Mich Occupation Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 8-10-90	Amount of Each Receipt this Period 250 00
G. Full Name, Mailing Address and ZIP Code Abdul Ameer Alkhafaji 8001 Lawton Det Mich 48206 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer U D Market 8001 Lawton Det Mich Occupation Owner Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 8-10-90	Amount of Each Receipt this Period 250 00
SUBTOTAL of Receipts This Page (optional)			2120 00
TOTAL This Period (last page this line number only)			

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 8 OF 10

FOR LINE NUMBER 11A1

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code Stephen Mardigian 26024 Heather Lane Grosse, Mich 48138 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $ 1000.00	Date (month, day, year) 8-10-90	Amount of Each Receipt this Period 1000 00
B. Full Name, Mailing Address and ZIP Code Carmen A. Mardigian 26024 Heather Lane Grosse, Mich Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $ 1000.00	Date (month, day, year) 8-10-90	Amount of Each Receipt this Period 1000 00
C. Full Name, Mailing Address and ZIP Code Daniel Weiss P.O Box 43193 Detroit Mich 48243 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Weiss Construction Co 200 Renaissance Detroit, MI Occupation Owner Aggregate Year-to-Date > $ 800.00	Date (month, day, year) 8-10-90	Amount of Each Receipt this Period 800 00
D. Full Name, Mailing Address and ZIP Code MACK PYE JR 19355 PARKSIDE DETROIT MICH 48221 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer MAC's CAR WASH 15500 SCHOOLCRAFT DET MI Occupation OWNER Aggregate Year-to-Date > $ 298.00	Date (month, day, year) 8-10-90	Amount of Each Receipt this Period 200 00
E. Full Name, Mailing Address and ZIP Code FRANK VALLECORSA Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $ 1000.00	Date (month, day, year) 8-10-90	Amount of Each Receipt this Period 1000 00
F. Full Name, Mailing Address and ZIP Code LUCILLE VALLECORSA Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $ 1000.00	Date (month, day, year) 8-10-90	Amount of Each Receipt this Period 1000 00
G. Full Name, Mailing Address and ZIP Code Rick & Leslie Magy 4549 Fairway Ridge West Bloomfield Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Tucker Ruth PC 25800 Northwestern Hwy Ste 950 - Southfield Occupation Attorney Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 8-21-90	Amount of Each Receipt this Period 250 00

SUBTOTAL of Receipts This Page (optional)	5250 00
TOTAL This Period (last page this line number only)	

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 9 OF 10

FOR LINE NUMBER 11A1

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code William J. Healy 90 Barrow St. New York, N.Y. 10004 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer: Goldman Sachs & Co 85 Broadstreet New York, N.Y. Occupation: Investment Banker Aggregate Year-to-Date > $ 500.00	Date (month, day, year) 9-6-90	Amount of Each Receipt this Period 500 00
B. Full Name, Mailing Address and ZIP Code James N. Lane 85 Broadstreet New York, N.Y. 10004 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer: Goldman Sach & Co 85 Broadstreet New York, N.Y Occupation: Investment Banker Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 9-6-90	Amount of Each Receipt this Period 250 00
C. Full Name, Mailing Address and ZIP Code Garland E Wood 51 - W - 10544 st. New York, N.Y. 10025 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer: Goldman Sach & Co 85 Broadstreet New York NY. Occupation: Investment Banker Aggregate Year-to-Date > $ 250.00	Date (month, day, year) 9-6-90	Amount of Each Receipt this Period 250 00
D. Full Name, Mailing Address and ZIP Code David Holmes 94 E Boston Blvd Det Mich 48202 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer: State of Michigan Occupation: Senator Aggregate Year-to-Date > $ 545 00	Date (month, day, year) 9-23-90	Amount of Each Receipt this Period 50 00
E. Full Name, Mailing Address and ZIP Code Richard P. Hathaway 702 Middlesex Grosse Pointe Pk, Mich 48230 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer: Wayne County 1821 City-County Bldg. Detroit, MI 48226 Occupation: Wayne County Judge Aggregate Year-to-Date > $ 600 00	Date (month, day, year) 9-23-90	Amount of Each Receipt this Period 500 00
F. Full Name, Mailing Address and ZIP Code Cliff Watson 5590 Bedford Det Mich 48224 Receipt For: ☒ Primary ☐ General ☐ Other (specify)	Name of Employer: Det Bd of Education 5057 Woodward Det Mich Occupation: Principal Aggregate Year-to-Date > $ 250 00	Date (month, day, year) 9-23-90	Amount of Each Receipt this Period 50 00
G. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional) 1600 00

TOTAL This Period (last page this line number only)

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 10 OF 10

FOR LINE NUMBER 11A1

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code Richard A Domenick 27118 Sutherland Warren, Mich 48093 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer Centra Inc. 6497 E. 10 Mile Rd. Warren, MI 48091 Occupation Director of Maint. + Const. Aggregate Year-to-Date > $ 500.00	Date (month, day, year) 9-23-90	Amount of Each Receipt this Period 500 00
B. Full Name, Mailing Address and ZIP Code Gerald A Rauch 20432 Hunt Club Harper Woods Mich 48225 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer Central Cartage Co. 12225 Stephens Warren, MI 48091 Occupation Real Estate Aggregate Year-to-Date > $ 600 00	Date (month, day, year) 9-23-90	Amount of Each Receipt this Period 500 00
C. Full Name, Mailing Address and ZIP Code Mike & Marian Litch 600 Civic Center Drive Detroit Mich 48226 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer Olympia Arena's Bd civic center Det Mich. Occupation owner Aggregate Year-to-Date > $ 800.00	Date (month, day, year) 9-28-90	Amount of Each Receipt this Period 800 00
D. Full Name, Mailing Address and ZIP Code George H. Butcher, III 310 Oxford Rd. New Rochelle, NY 10804 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer Goldman, Sachs & Co 85 Broad Street New York, NY 10004 Occupation Municipal Vice Pres. - Finance Dept. Aggregate Year-to-Date > $ 500.00	Date (month, day, year) 9-6-90	Amount of Each Receipt this Period 500.00
E. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
F. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
G. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional)	2300.00
TOTAL This Period (last page this line number only)	23125.00

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 1 OF 3

FOR LINE NUMBER 11C

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS — P.A.C.

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
National Education Assoc 1201-16th St, N.W. Washington, D.C. 20036 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	P.A.C. TREAS. — DON CAMERON Aggregate Year-to-Date > $ 5000.00	7-25-90	5000.00
B. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
HEALTH + People P.A.C. (HPAC) 600 LAFAYETTE, EAST DET, MICH 48226 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Blue Cross/Blue Shield — TREAS — MARY FARONI Aggregate Year-to-Date > $ 500.00	7-11-90	500.00
C. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
COMERICA — P.A.C. CORPORATE TRUST DIVISION 211 W. FORT DETROIT, MICH 48226 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	P.A.C. TREAS. — THOMAS J. HECTOR Aggregate Year-to-Date > $ 1500.00	7-11-90 8-1-90	500.00 1000.00
D. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
Assoc. General Contractors of America 1957 E Street, N.W. Washington, D.C. 20006 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	P.A.C. Occupation Treasurer: Susan J. Loonies Aggregate Year-to-Date > $ 2500.00	7-26-90	2500.00
E. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
RJR Political Action Committee P.O. Box 718 Winston-Salem, NC 27102 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	P.A.C. TREAS Donald Foreman Aggregate Year-to-Date > $ 2000.00	7-30-90	2000.00
F. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
SMAC — Political Action Committee 8224 Old Courthouse Road Vienna, VA 22180 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	P.A.C. TREAS — DANA THOMPSON Aggregate Year-to-Date > $ 2500.00	7-30-90	2500.00
G. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
Philip Morris - PAC - PhilPAC 120 PARK AVE - 25th Flr NEW YORK, N.Y. 10017 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	TREAS — Kathleen M. Linehan Aggregate Year-to-Date > $ 250.00	8-2-90	250.00

SUBTOTAL of Receipts This Page (optional)	14250.00
TOTAL This Period (last page this line number only)	

SCHEDULE A **ITEMIZED RECEIPTS**

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

PAGE 2 OF 3

FOR LINE NUMBER 11C

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS P.A.C

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
Michigan Bell's P.A.C. 444 Michigan Ave Detroit Mich 48226 Receipt For: [X] Primary [ ] General [ ] Other (specify):	P.A.C Treas Occupation: Diane De Pudesta Aggregate Year-to-Date > $ 225.00	8-2-90	125 00
B. Full Name, Mailing Address and ZIP Code Committee Action - P.A.C. Committee (CCAP) P.O. Box 32048 Detroit Mich. 48232 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer Treas - Occupation Aggregate Year-to-Date > $ 500.00	8-7-90	500 00
C. Full Name, Mailing Address and ZIP Code Chrysler Political Support Comm 1200 Chrysler Dr Highland Pk, Mi Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer Treas - Thomas Cappe Occupation Mgr Gov Affairs Aggregate Year-to-Date > $ 675.00	8-21-90	125 00
D. Full Name, Mailing Address and ZIP Code Committee on Political Education 815 - 16th N.W. Washington, D.C. 20006 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer Treas - Occupation Thomas Donahue Aggregate Year-to-Date > $ 5000.00	8-21-90	500 00
E. Full Name, Mailing Address and ZIP Code Mechanical Contractors Assoc of America, Inc PAC 5530 Wisconsin Ste 750 Chevy Chase, MD 20815 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer P.A.C. Treas - Occupation Patricia M. Fink Aggregate Year-to-Date > $ 1000.00	8-21-90	1000 00
F. Full Name, Mailing Address and ZIP Code 1341 Congressional Dist Democratic Organization PAC 2566 East Grand Blvd Detroit Mich 48202 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer PAC Treas - Occupation Vera Magee Aggregate Year-to-Date > $ 2800.00	8-21-90	2800 00
G. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional)	9550.00
TOTAL This Period (last page this line number only)	

SCHEDULE A — **ITEMIZED RECEIPTS**

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

PAGE 3 OF 3

FOR LINE NUMBER 11C

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS (P.A.C.)

A. Full Name, Mailing Address and ZIP Code Detroit Edison PAC Ed PAC - Federal 2000 Second Ave. Detroit Mich 48226 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Vice Pres - Occupation S. Martin Taylor Aggregate Year-to-Date > $ 1000.00	Date (month, day, year) 9-23-90	Amount of Each Receipt this Period 1000 00
B. Full Name, Mailing Address and ZIP Code McPAC P.O. Box 552 Troy, Mich 48099 Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer TREAS. Occupation Nathan Upfal Aggregate Year-to-Date > $ 500.00	Date (month, day, year) 9-28-90	Amount of Each Receipt this Period 500 00
C. Full Name, Mailing Address and ZIP Code First Congressional District Democratic Organization 13122 Dexter Receipt For: ☒ Primary ☐ General ☐ Other (specify):	Name of Employer Treasurer Occupation Mildred Stalling Aggregate Year-to-Date > $ 500.00	Date (month, day, year) 7-19-90	Amount of Each Receipt this Period 500.00
D. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
E. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
F. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
G. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional)	2000 00
TOTAL This Period (last page this line number only)	35800 00

SCHEDULE A — ITEMIZED RECEIPTS — Refunds

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

PAGE 7 OF 1

FOR LINE NUMBER 14

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NAME OF COMMITTEE (In Full)
Collins for Congress

	Name of Employer / Occupation / Aggregate Year-to-Date	Date (month, day, year)	Amount of Each Receipt this Period
A. Full Name, Mailing Address and ZIP Code J.D.A. Inc 150 W. Jefferson #1000 Det Mich 48226 Receipt For: [X] Primary [ ] General [ ] Other (specify):	Occupation See 131H (4-1-90) Aggregate Year-to-Date > $ 680.00	7-23-90	180 00
B. Full Name, Mailing Address and ZIP Code Renaissance Communication Univ UMTC Radio 1500 Michigan Dearborn Mich Receipt For: [X] Primary [ ] General [ ] Other (specify):	Name of Employer: Radio Occupation Aggregate Year-to-Date > $ 141.00	9-18-90	141 00
C. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
D. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
E. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
F. Full Name, Mailing Address and ZIP Code Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
G. Full Name, Mailing Address and ZIP Code Receipt For [ ] Primary [ ] General [ ] Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional)	321 00
TOTAL This Period (last page this line number only)	321 00

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 1 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)
Collins for Congress

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
St. Regis Hotel 3071 W. Grand Blvd Detroit Mich 48206	7/23/90 Catering Kick-Off Reception Disbursement for: ☑ Primary ☐ General ☐ Other (specify)	7-19-90	2000 00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
The Typocraft Company 445 York Detroit Mich 48202	Invitations, Envelopes, Tickets for 7-23-90 event Disbursement for ☑ Primary ☐ General ☐ Other (specify)	7-19-90	595.92
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
E & H Printing 17395 Livernois Detroit Mich 48221	oil cloth sign w/ raffle printing / Stub Printing of Tickets-Apparel Disbursement for ☑ Primary ☐ General ☐ Other (specify)	7-14-90 7-25-90	630.00 69.50
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
ERMA FURLOW 11300 Wyoming #319 Det Mich	Photography Disbursement for ☒ Primary ☐ General ☐ Other (specify)	7-19-90	207.48
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Versa Richardson 2146 Chene Detroit Mich 48207	Salary Disbursement for ☒ Primary ☐ General ☐ Other (specify)	7-19-90 9-7-90	125 00 250 00
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Sawicki & Son 1521 W. Lafayette Detroit Mich.	Deposit T-Shirts - Hats Yard Signs Disbursement for ☒ Primary ☐ General ☐ Other (specify)	7-23-90	3000 00
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Ed Central 11647 Jos. Campau Det Mich 48212	Ad. Publication 7-19 Disbursement for ☒ Primary ☐ General ☐ Other (specify)	7-23-90	200 00
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Jewel Ware 4815 Iroquois Det Mich 48214	Telephone Bank - Gas allowance Headquarter expense Disbursement for ☒ Primary ☐ General ☐ Other (specify)	7-23-90	370 00
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Gateway outdoor Adv. 515 Woodward Hgts. Ferndale Mich 48220	Billboards Disbursement for ☒ Primary ☐ General ☐ Other (specify)	7-23-90	150 00

SUBTOTAL of Disbursements This Page (optional) 7597.90

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

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 2 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)
COLLINS FOR CONGRESS

	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Full Name, Mailing Address and ZIP Code Verda R. Chandler 2179 Chene Det Mich 48207	Catering - Meeting Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	7-24-90	150 00
B. Full Name, Mailing Address and ZIP Code Mary Lou Richardson 14987 Cheyenne Det Mich	Purpose of Disbursement Catering Fundraiser 7-28 Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 7-24-90	Amount of Each Disbursement This Period 150 00
C. Full Name, Mailing Address and ZIP Code Sawicki & Son 1521 W Lafayette Det Mich	Purpose of Disbursement Bail on Posters Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 7-24-90	Amount of Each Disbursement This Period 2494 92
D. Full Name, Mailing Address and ZIP Code OPUS One 565 Larned Det Mich 48206	Purpose of Disbursement Catering fundraiser (Union Contractors) Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 7-24-90	Amount of Each Disbursement This Period 292 16
E. Full Name, Mailing Address and ZIP Code Charles Ransom 12709 Santa Rosa Det Mich 48238	Purpose of Disbursement Salary Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 7-25-90	Amount of Each Disbursement This Period 300 00
F. Full Name, Mailing Address and ZIP Code National Black Women Political Leadership Caucus 4 E. Alexandrine Det. Mich 48201 #1123	Purpose of Disbursement Slate Printing & rent Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 7-25-90	Amount of Each Disbursement This Period 352 47
G. Full Name, Mailing Address and ZIP Code Sawicki & Son 1521 W Lafayette Det Mich	Purpose of Disbursement Slate Bags Hats - T-Shirts Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 7-25-90	Amount of Each Disbursement This Period 2771 00
H. Full Name, Mailing Address and ZIP Code U.S. Postmaster 1401 W. Fort Det Mich	Purpose of Disbursement Stamps Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 7-25-90	Amount of Each Disbursement This Period 100 00
I. Full Name, Mailing Address and ZIP Code U.S. Postmaster 1401 W Fort Det Mich	Purpose of Disbursement stamps Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 8-20-90 8-22-90	Amount of Each Disbursement This Period 700 00 200 00

SUBTOTAL of Disbursements This Page (optional) 7510 03

TOTAL This Period (last page this line number only)

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 3 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code Janet Williams 6008 Whitewood Detroit Mich 48210	Purpose of Disbursement Gas Allowance July - 9-16-23 Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-25-90	Amount of Each Disbursement This Period 75 00
B. Full Name, Mailing Address and ZIP Code Margaret Edwards 3049 Pennsylvania Det Mich 48214	Purpose of Disbursement Absentee Voters Assistance Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-25-90	Amount of Each Disbursement This Period 100 00
C. Full Name, Mailing Address and ZIP Code Versa Richardson 2146 Chene Det Mich 48207	Purpose of Disbursement Catering for headquarter. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-27-90	Amount of Each Disbursement This Period 250 00
D. Full Name, Mailing Address and ZIP Code Versa Richardson 2146 Chene Det Mich 48207	Purpose of Disbursement Salary + Catering Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-27-90	Amount of Each Disbursement This Period 151 00
E. Full Name, Mailing Address and ZIP Code Coley + Assoc. Inc. 677 Selden Ste 201 Det Mich 48201	Purpose of Disbursement Radio Advertisement Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-27-90	Amount of Each Disbursement This Period 12,000 00
F. Full Name, Mailing Address and ZIP Code Michigan Chronicle 479 Ledyard. Det Mich 48201	Purpose of Disbursement Advertisement Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-31-90	Amount of Each Disbursement This Period 2226 04
G. Full Name, Mailing Address and ZIP Code U.S. Post Master 1441 W Fort. Detroit Mich	Purpose of Disbursement Stamps Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-30 90	Amount of Each Disbursement This Period 400 00
H. Full Name, Mailing Address and ZIP Code Janet Williams 6008 Whitehead Det Mich 48210	Purpose of Disbursement Gas Allowance. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-30-90	Amount of Each Disbursement This Period 50 00
I. Full Name, Mailing Address and ZIP Code Jewell Ware 4815 Iroquois Det Mich 48214	Purpose of Disbursement Tickets To Queen's Blues Festival Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-30-90	Amount of Each Disbursement This Period 84 00
SUBTOTAL of Disbursements This Page (optional)			15336.04
TOTAL This Period (last page this line number only)			

SCHEDULE B — ITEMIZED DISBURSEMENTS

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

PAGE 4 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
13th Congressional Dist. Democratic Party org. 2466 E Grand Blvd Det Mich 48202	Printing + Distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90	500 00
B. Full Name, Mailing Address and ZIP Code Toni Baggett Coley + Assoc., Inc. 677 Selden Ste 201 Det Mich 48201	Purpose of Disbursement (4) on-site photo shots. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90	120 00
C. Full Name, Mailing Address and ZIP Code Mark Dansik Coley + Assoc., Inc. 677 Selden Ste 201 Det Mich 48201	Purpose of Disbursement Revised Layout for Brochure Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90	70 00
D. Full Name, Mailing Address and ZIP Code Milt Harris 20511 Prairie Det Mich 48221	Purpose of Disbursement Lawn service + stage cost Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90 9-5-90	100 74 200 00
E. Full Name, Mailing Address and ZIP Code Bessie Flower + Gift Shop 70 Alexandrine Det Mich 48201	Purpose of Disbursement Flowers for - Winkelman's Rec + Seniors' Dance Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90	41 82
F. Full Name, Mailing Address and ZIP Code Detroit Edison PO Box 2559 Det Mich 48226	Purpose of Disbursement Electricity Bill Headquarter Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90 8-20-90 9-18-90	77 00 144 36 12-67
G. Full Name, Mailing Address and ZIP Code Detroit EDISON P.O. Box 2559 Det Mich 48226	Purpose of Disbursement Electricity Bill 2nd Hdqtr Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90 8-31-90 9-12-90	14 94 14 74 40 29
H. Full Name, Mailing Address and ZIP Code Michigan Bell P.O. Box 5230 Saginaw MI 48663	Purpose of Disbursement Phone for 2nd. Headquarter Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90 9-5-90 9-12-90	116 28 96 52 12 92
I. Full Name, Mailing Address and ZIP Code Michigan Bell P.O Box 5030 Saginaw, MI 4886	Purpose of Disbursement Phone for - 1st Headquarter Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90 9-18-90	735 17 36 58
SUBTOTAL of Disbursements This Page (optional)			2338 93
TOTAL This Period (last page this line number only)			

SCHEDULE B **ITEMIZED DISBURSEMENTS**

Use [illegible] schedule(s) for each category of the Detailed Summary Page

PAGE 5 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)
COLLINS for CONGRESS

	A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement / Disbursement for	Date (month, day, year)	Amount of Each Disbursement This Period
1	Sawicki & Son 1521 W. Lafayette Det, Mich	Balance Due on Hats & T Shirts Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-20-90	3619 20
	B. Full Name, Mailing Address and ZIP Code	**Purpose of Disbursement / Disbursement for**	**Date (month, day, year)**	**Amount of Each Disbursement This Period**
2	Black State 13535 Livernois Detroit Mich 48235	Printing & Dict. of State Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90	250 00
	C. Full Name, Mailing Address and ZIP Code	**Purpose of Disbursement / Disbursement for**	**Date (month, day, year)**	**Amount of Each Disbursement This Period**
3	E & H Printing 17345 Livernois Detroit Mich 4822[illegible]	Challenger Cards & 2000 Flyers Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90	151 00
	D. Full Name, Mailing Address and ZIP Code	**Purpose of Disbursement / Disbursement for**	**Date (month, day, year)**	**Amount of Each Disbursement This Period**
4	Jewel Ware 4815 Iroquois Detroit Mich	4 tickets Booker T. Washington annual affair Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90	48 00
	E. Full Name, Mailing Address and ZIP Code	**Purpose of Disbursement / Disbursement for**	**Date (month, day, year)**	**Amount of Each Disbursement This Period**
5	Christian Love Bap. Church 1834 E. Grand Blvd Det Mich 48214	Donation for Pastor E. L. Johnson Disbursement for: [X] Primary [ ] General [ ] Other (specify)	7-30-90	1250
	F. Full Name, Mailing Address and ZIP Code	**Purpose of Disbursement / Disbursement for**	**Date (month, day, year)**	**Amount of Each Disbursement This Period**
6	Versa Richardson 2146 Cline Det Michigan	Catering-Food Headquarters Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-1-90	200 00
	G. Full Name, Mailing Address and ZIP Code	**Purpose of Disbursement / Disbursement for**	**Date (month, day, year)**	**Amount of Each Disbursement This Period**
7	The Beneficiary 14660 Woodmont Rd. Det Mich	Full Page Ad Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-1-90	500 00
	H. Full Name, Mailing Address and ZIP Code	**Purpose of Disbursement / Disbursement for**	**Date (month, day, year)**	**Amount of Each Disbursement This Period**
8	Jewel Ware 4815 Iroquois Det Mich 48214	Expenses headquarter-phone Bank Edd Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-1-90	450 00
	I. Full Name, Mailing Address and ZIP Code	**Purpose of Disbursement / Disbursement for**	**Date (month, day, year)**	**Amount of Each Disbursement This Period**
9	Motor City Electronics 19400 James Coogens Dr. Det Mich 48235	Sound Equipment Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-1-90	272 48

SUBTOTAL of Disbursements This Page (optional)	5503.18
TOTAL This Period (last page this line number only)	

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 6 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)
COLLINS FOR CONGRESS

	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Full Name, Mailing Address and ZIP Code American Speedy Printing Ctr 405 S. Cedar Ste. 3 Lansing Mich 48933	Printing & Typesetting Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	8-1-90	414 09
B. Full Name, Mailing Address and ZIP Code Sowicki & Son 1521 W Lafayette Det Mich	Purpose of Disbursement 1000 yard signs & Posters Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	8-1-90 8-20-90	2059 20 3494 40
C. Full Name, Mailing Address and ZIP Code Bessie's Flowers & Gift Shop 70 W Alexandrine Det Mich 48201	Purpose of Disbursement flowers (Jenkins affair) & (Pistas affair) Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	8-2-90 9-5-90	29 00 16 00
D. Full Name, Mailing Address and ZIP Code Rachel Styles 14329 Mettrace Det Mich 48227	Purpose of Disbursement Catering for Jenkins Affair Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	8-2-90	480 00
E. Full Name, Mailing Address and ZIP Code E & H Printing 17395 Lennane Det Mich 48221	Purpose of Disbursement 300 invitations envelopes, RSVP cards Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	8-2-90	189 50
F. Full Name, Mailing Address and ZIP Code Ma Fo Fo Delt 8902 2nd Blvd Det Mich 48202	Purpose of Disbursement Deposit for Pistas affair fundraiser 8-4 Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	8-2-90	262 50
G. Full Name, Mailing Address and ZIP Code Motor City Electronics 1940 E James Couzens Detroit Mich 48235	Purpose of Disbursement Bal due on Sound Equipment Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	8-2-90	1226 16
H. Full Name, Mailing Address and ZIP Code Milt Harris 20511 Prairie Det Mich 48221	Purpose of Disbursement Bal on stage-platform materials Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	8-2-90	25 00
I. Full Name, Mailing Address and ZIP Code Versa Richardson 2146 Cline Det Mich 48206	Purpose of Disbursement Salary & Catering Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	8-3-90 8-17-90 8-25-90	125 00 325 00 325 00
SUBTOTAL of Disbursements This Page (optional)			9021.65
TOTAL This Period (last page this line number only)			

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 7 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)
COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Barbara Rose Collins 2256 Leland Detroit Mich 48207	Election Day Expenses Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-2-90	500 00
B. Full Name, Mailing Address and ZIP Code Mark Doncik Coley & Assoc. Inc 677 Selden ste 201 Det Mich 48201	Purpose of Disbursement Typesetting Campaign Flyers. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-2-90	Amount of Each Disbursement This Period 80 00
C. Full Name, Mailing Address and ZIP Code U.S. Post Master 1401 W. Fort Det Mich	Purpose of Disbursement Bulk Rate Mailing Permit 171 Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-3-90	Amount of Each Disbursement This Period 500 00
D. Full Name, Mailing Address and ZIP Code Northwest Courier 11300 Wyoming #319 Detroit, MI	Purpose of Disbursement (4 full Page Ad. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-3-90	Amount of Each Disbursement This Period 392 00
E. Full Name, Mailing Address and ZIP Code Cynthia Simpson 12252 Laing Detroit Mich 48224	Purpose of Disbursement Head Quarter Expenses Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-3-90	Amount of Each Disbursement This Period 100 00
F. Full Name, Mailing Address and ZIP Code Cynthia Simpson 12252 Laing Detroit Mich 48224	Purpose of Disbursement Weekend Expenses for Headquarter. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-3-90	Amount of Each Disbursement This Period 100 00
G. Full Name, Mailing Address and ZIP Code Milt HARRIS 20511 PRAIRIE Detroit Mich	Purpose of Disbursement Labor (Victory Party Staff Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-3-90	Amount of Each Disbursement This Period 200 00
H. Full Name, Mailing Address and ZIP Code Office Holders Expense fund Acct 21C3348190	Purpose of Disbursement Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-3-90	Amount of Each Disbursement This Period 1000 00
I. Full Name, Mailing Address and ZIP Code Gregory Simpkins 1130 Parker #208 Detroit Mich 48214	Purpose of Disbursement Election Day food & Refresh-ments. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-3-90	Amount of Each Disbursement This Period 1000 00

SUBTOTAL of Disbursements This Page (optional) 3830 00

TOTAL This Period (last page this line number only)

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 8 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)

COLLINS FOR CONGRESS

	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Full Name, Mailing Address and ZIP Code RON JACKSON 1100 W. McNichols Suite 104 - Detroit, MI 48223	Victory Party Entertainment Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-6-90	250 00
B. Full Name, Mailing Address and ZIP Code Gregory Simpkins 1130 Parker #208 Detroit, MI 48214	Payment to Surveillance Equipment Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-6-90	300 00
C. Full Name, Mailing Address and ZIP Code RON JACKSON (Suite 104) 1100 W. McNichols Detroit, MI 48221	Entertainment (&4) Millender ctr. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-6-90	150 00
D. Full Name, Mailing Address and ZIP Code DATA METRIC INC	Vote tracking + Exit Polling Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-6-90	3000 00
E. Full Name, Mailing Address and ZIP Code Rent-A-Center 1500 Woodward Detroit, MI 48226	Purpose of Disbursement Rental of 2 TV's (40") & 7 Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-6-90	Amount of Each Disbursement This Period 75 00
F. Full Name, Mailing Address and ZIP Code Barbara-Rose Collins 1300 E. Lafayette #507 Detroit, MI 48207	Purpose of Disbursement Poll Workers, Share House, Harbor Light + Hostesses Election Night Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-6-90	Amount of Each Disbursement This Period 1300 00
G. Full Name, Mailing Address and ZIP Code Shyleria S Pearson 2450 W Grand Blvd Det, Mich.	Purpose of Disbursement 3 wks Literature Drop Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-9-90	Amount of Each Disbursement This Period 75 00
H. Full Name, Mailing Address and ZIP Code Carolyn Hall 5274 Cotter Rd Detroit, MI	Purpose of Disbursement 3 wks Literature drop Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-9-90	Amount of Each Disbursement This Period 75 00
I. Full Name, Mailing Address and ZIP Code Gannett Outdoor Co. of MI 88 Custer Ave. Detroit, MI 48202	Purpose of Disbursement Billboard Ad Space Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-7-90	Amount of Each Disbursement This Period 5950.00

SUBTOTAL of Disbursements This Page (optional) 11175 00

TOTAL This Period (last page this line number only)

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 9 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)
COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Janice LUCAS 15400 Puritan Detroit MICH.	3 weeks Litature Distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-9-90	75 00
B. Full Name, Mailing Address and ZIP Code Delores Scruggs 11001 Roxbury Detroit, Mich.	Purpose of Disbursement 3 weeks Literature Distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-9-90	Amount of Each Disbursement This Period 75 00
C. Full Name, Mailing Address and ZIP Code Nina Abercrombie 2610 w. Chicago Blvd. Detroit, MI	Purpose of Disbursement 2 weeks Literature distribution. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-9-90	Amount of Each Disbursement This Period 50 00
D. Full Name, Mailing Address and ZIP Code Eva J. Morgan 5814 Sheridan Det, Mich.	Purpose of Disbursement 3 weeks Literature Distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-9-90	Amount of Each Disbursement This Period 75 00
E. Full Name, Mailing Address and ZIP Code Louise Abernathy 4 E Alexandrine #H5 Det, Mich.	Purpose of Disbursement 3 weeks Literature Distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-9-90	Amount of Each Disbursement This Period 75 00
F. Full Name, Mailing Address and ZIP Code Claude Young 4 E Alexandrine #1,2 Det, Mich.	Purpose of Disbursement 3 weeks Literature dist Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-9-90	Amount of Each Disbursement This Period 75 00
G. Full Name, Mailing Address and ZIP Code W. A Dilworth 4 E Alexandrine #216 Det. Mich.	Purpose of Disbursement 3 weeks Literature dist Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-9-90	Amount of Each Disbursement This Period 75 00
H. Full Name, Mailing Address and ZIP Code Opal Craft 888 Pulliam Det, Mich.	Purpose of Disbursement 3 weeks Lit. dist Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-9-90	Amount of Each Disbursement This Period 75 00
I. Full Name, Mailing Address and ZIP Code Susie M Lomax 822 Seward Det, Mich.	Purpose of Disbursement 3 weeks Literature distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-9-90	Amount of Each Disbursement This Period 75 00

SUBTOTAL of Disbursements This Page (optional) 650 00

TOTAL This Period (last page this line number only)

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 10 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)
COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Rev. Rose Williams 822 Brady Dr Det Mich	3 weeks literature distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-9-90	75 00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Francine Dent 551 E Grand Blvd. Det Mich	3 weeks Literature distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-9-90	75 00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Versa Richardson 2146 Chene Det Mich 48207	Salary + Catering Disbursement for [X] Primary [ ] General [ ] Other (specify)	8-9-90 9-14-90	125 00 125 00
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Lucille Button 1310 Pallister Det Mich	1 week Literature distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-9-90	25 00
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Sylvia J Penn 2450 W Grand Blvd Det Mich	1 week Literature distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-4-90	25 00
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Francine Dent 551 E Grand Blvd. Det Mich	1 week literature distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-9-90	25 00
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Motor City Electronics 19400 Joseph Campau Det Mich 48234	Sound Equipment Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-9-90	110 24
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Eastside Slate 8411 E Forest Det Mich	Printing + distribution of slate Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-9-90	500 00
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Gloria Kilbrew 14200 Rosemont Det Mich	BCC + Guest dinner meeting Disbursement for [X] Primary [ ] General [ ] Other (specify)	8-9-90	12 00

SUBTOTAL of Disbursements This Page (optional)	1097 24
TOTAL This Period (last page this line number only)	

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 11 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)
COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Gordon Turner	Bar Tender for Picnic Affair + Victory Club Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-9-90	175 00
B. Full Name, Mailing Address and ZIP Code Helen Wright 17345 Livernois Det Mich 48221	Purpose of Disbursement Printing, plates, Ballogy Del Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-9-90 9-14-90	1258 42 3500 00
C. Full Name, Mailing Address and ZIP Code Cheryl Cherry 1093 Joseph Campau Det Mich 48207	Purpose of Disbursement Services Rendered Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-23-90	1000 00
D. Full Name, Mailing Address and ZIP Code American Express	Purpose of Disbursement National League of Cities Business Expense also Community Media Development Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-20-90	408 60
E. Full Name, Mailing Address and ZIP Code Metropolitan Detroit AFL-CIO Cope - 2550 W. Gd. Blvd Detroit Mich	Purpose of Disbursement Cope Dinner tickets Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-20-90 9-12-90	100 00 100 00
F. Full Name, Mailing Address and ZIP Code The Typicraft Co. 445 York St. Det Mich 48202	Purpose of Disbursement Invitations + Replys 7/23 Fundraiser Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-20-90	397 28
G. Full Name, Mailing Address and ZIP Code MR. FOTO'S Delicatessen 8902 - 2nd ave. Det Mich 48202	Purpose of Disbursement Bal due Catering (8-4) Fundraiser Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-20-90	262 50
H. Full Name, Mailing Address and ZIP Code Gannett Outdoor Adv 88 Custer ave Detroit Mich 48214	Purpose of Disbursement Billboards - Extra month Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-20-90	5950 00
I. Full Name, Mailing Address and ZIP Code Van Cephus 859 Longfellow Detroit Mich 48202	Purpose of Disbursement Music for Winkelman Fundraiser Disbursement for: [X] Primary [ ] General [ ] Other (specify)	8-20-90	150 00

SUBTOTAL of Disbursements This Page (optional) 13301 80

TOTAL This Period (last page this line number only)

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 12 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)
COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code Mt. Carmel Baptist Ch 7432 OAKLAND Detroit Michigan	Purpose of Disbursement Donation Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-20-90	Amount of Each Disbursement This Period 200 00
B. Full Name, Mailing Address and ZIP Code Bethany Temple 2995 Jay Det Mich	Purpose of Disbursement Donation Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period 100 00
C. Full Name, Mailing Address and ZIP Code Shrine of Black Madonna 7625 Linwood Detroit Michigan	Purpose of Disbursement Donation Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period 300 00
D. Full Name, Mailing Address and ZIP Code National Council of Negro Women P.O. Box 96960 Washington, D.C. 20090-0960	Purpose of Disbursement Membership Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-20-90	Amount of Each Disbursement This Period 25 00
E. Full Name, Mailing Address and ZIP Code Mildred Kyles 20121 Orleans Det Mich 48203	Purpose of Disbursement Sponsor Congressional Black Caucus Mich. Reception Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-15-90	Amount of Each Disbursement This Period 200 00
F. Full Name, Mailing Address and ZIP Code William Brown 700 Seward Det Mich	Purpose of Disbursement Silk Screening Umbrella Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-22-90	Amount of Each Disbursement This Period 50 00
G. Full Name, Mailing Address and ZIP Code 13th Congressional Dist. 2866 East Grand Blvd Detroit Mich 48202	Purpose of Disbursement State Convention Hospitality Suite Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 9-5-90	Amount of Each Disbursement This Period 50 00
H. Full Name, Mailing Address and ZIP Code Bd of Water Commissioners P.O. Box 32711 Det Mich	Purpose of Disbursement water Bill 2nd Headquarter Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 9-7-90	Amount of Each Disbursement This Period 7438
I. Full Name, Mailing Address and ZIP Code Jewel Ware 4815 Iroquois Det Mich 48214	Purpose of Disbursement Truck Rental-Move Headquarters Equipment Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 9-11-90	Amount of Each Disbursement This Period 280 00
SUBTOTAL of Disbursements This Page (optional)			1199 38
TOTAL This Period (last page this line number only)			

SCHEDULE B — ITEMIZED DISBURSEMENTS

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

PAGE 13 OF 15

FOR LINE NUMBER 17

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)
COLLINS FOR CONGRESS

	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Full Name, Mailing Address and ZIP Code Kande' Dean 12714 Santa Rosa Detroit Mich 48238	Services Rendered Disbursement for: [X] Primary [ ] General [ ] Other (specify)	9-11-90	150 00
B. Full Name, Mailing Address and ZIP Code Jewel Ware 1368 Broadway Detroit Mich	Purpose of Disbursement Installation of Phones order # N958702 Disbursement for: [X] Primary [ ] General [ ] Other (specify)	9-11-90	484 00
C. Full Name, Mailing Address and ZIP Code The Women's Justice Center P.O. Box 13500 Detroit Mich 48213	Purpose of Disbursement Benefit (9-8) Donation Disbursement for: [X] Primary [ ] General [ ] Other (specify)	9-12-90	25 00
D. Full Name, Mailing Address and ZIP Code Detroit Symphony Orchestra 3711 Woodward Ave Det Mich 48201	Purpose of Disbursement Introductory Dinner for Conductor (ticket) Disbursement for: [X] Primary [ ] General [ ] Other (specify)	9-12-90	200 00
E. Full Name, Mailing Address and ZIP Code Black United Fund of Mich 2187 W Grand Blvd Det Mich 48208	Purpose of Disbursement Youth Council Ticket Dinner (10-13) Disbursement for: [X] Primary [ ] General [ ] Other (specify)	9-12-90	50 00
F. Full Name, Mailing Address and ZIP Code Children's Museum Friends 67 E. Kirby Detroit Mich 48202	Purpose of Disbursement Donation Disbursement for: [X] Primary [ ] General [ ] Other (specify)	9-12-90	35 00
G. Full Name, Mailing Address and ZIP Code Racial Justice Ctr. of Grosse Pte, Inc 17150 Maumee Grosse Pte, Mich 48230	Purpose of Disbursement membership Disbursement for: [X] Primary [ ] General [ ] Other (specify)	9-12-90	25 00
H. Full Name, Mailing Address and ZIP Code Margaret Crutchfield Ashworth Scholarship fund 5381 Pacific Det Mich 48204	Purpose of Disbursement Donation Disbursement for: [X] Primary [ ] General [ ] Other (specify)	9-12-90	25 00
I. Full Name, Mailing Address and ZIP Code West Side Unity Church 4737 Joy Road Det Mich 48204	Purpose of Disbursement Adv. in Anniversary Book Disbursement for: [X] Primary [ ] General [ ] Other (specify)	9-12-90	85 00
SUBTOTAL of Disbursements This Page (optional)			1069 00
TOTAL This Period (last page this line number only)			

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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

PAGE 14 OF 15

FOR LINE NUMBER 17

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NAME OF COMMITTEE (In Full)
COLLINS FOR CONGRESS

	A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	DSOH Volunteer Council 3711 Woodward Ave Det Mich.	Buffet & concert ticket Disbursement for: [X] Primary [ ] General [ ] Other (specify)	9-13-90	115 00
	B. Full Name, Mailing Address and ZIP Code National Political Congress of Black Women P.O. Box 43082 Det Mich 48243	Purpose of Disbursement full page Ad with picture Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 9-12-90	Amount of Each Disbursement This Period 110 00
	C. Full Name, Mailing Address and ZIP Code Helen Wright E+H Printing 17395 Livernois Det Mich	Purpose of Disbursement 500 Envelopes & Letter head Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 9-18-90	Amount of Each Disbursement This Period 112 00
	D. Full Name, Mailing Address and ZIP Code Amigos de SER 9301 Michigan Ave Det Mich 48210	Purpose of Disbursement luncheon Business Recognition Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 9-18-90	Amount of Each Disbursement This Period 50 00
	E. Full Name, Mailing Address and ZIP Code The Black Slate 13535 Livernois Det Mich 48238	Purpose of Disbursement Slate Printing & Distribution Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 9-18-90	Amount of Each Disbursement This Period 1000 00
	F. Full Name, Mailing Address and ZIP Code National League of Cities 1301 Pennsylvania Washington, D.C.	Purpose of Disbursement Steering Committee Dinner Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 9-18-90	Amount of Each Disbursement This Period 37 00
	G. Full Name, Mailing Address and ZIP Code Martin Luther King School 5315 Bedford Det Mich 48224	Purpose of Disbursement 20th Anniversary ad Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 9-18-90	Amount of Each Disbursement This Period 50 00
	H. Full Name, Mailing Address and ZIP Code Pershing High School P O Box 34681 Det Mich	Purpose of Disbursement 60th Anniversary Ad Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 9-18-90	Amount of Each Disbursement This Period 35 00
	I. Full Name, Mailing Address and ZIP Code Gregory Simpkins 1130 Parker #208 Det Mich 48214	Purpose of Disbursement Newspaper Purchase Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 9-18-90	Amount of Each Disbursement This Period 25 00
	SUBTOTAL of Disbursements This Page (optional)			1534 00
	TOTAL This Period (last page this line number only)			

SCHEDULE B **ITEMIZED DISBURSEMENTS**

Use [illegible] schedule(s) for each category of the Detailed Summary Page

PAGE 15 OF 15

FOR LINE NUMBER 17

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)

COLLINS FOR CONGRESS

	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Full Name, Mailing Address and ZIP Code BUKU Productions 8427 Piedmont Det Mich 48228	Fundraiser Pub - colored museum at DIA Repertory Theat	9-20-90	1580 00
B. Full Name, Mailing Address and ZIP Code Versa Richardson 2179 Chene Det Mich 48207	Salary	9-21-90	1250 00
C. Full Name, Mailing Address and ZIP Code Lewis Thompson Agency 2617 W Grand Blvd Det Mich 48208	Special multi-print Polaroid for headquarters	9-21-90	937 50
D. Full Name, Mailing Address and ZIP Code Bethel A.M.E. Church 5050 Richard Allen Blvd Det Mich 48202	Prayer Breakfast 8-3-90	9-21-90	120 00
E. Full Name, Mailing Address and ZIP Code Milt Harris 20511 Prairie Det Mich 48224	Lawn Ser. for headquarters Sept. 1990	9-21-90	200 00
F. Full Name, Mailing Address and ZIP Code Burnette Baptist Church 16801 Schoolcraft Det Mich 48227	souvenir program Book 1/4 Page Ad	9-21-90	35 00
G. Full Name, Mailing Address and ZIP Code National Political Congress of Black Women 1340 City-County Bldg Det Mich 48226	membership dues Prayer Breakfast	9-21-90 9-24-90	35 00 50 00
H. Full Name, Mailing Address and ZIP Code Labor's International Hall of Fame 4000 Town Center #1240 Southfield MI 48075	Induction Dinner	9-24-90	75 00
I. Full Name, Mailing Address and ZIP Code Versa Richardson 2179 Chene Det Mich	Salary	9-28-90	125 00

Disbursement for: [X] Primary [ ] General [ ] Other (specify)

SUBTOTAL of Disbursements This Page (optional)	3282 00
TOTAL This Period (last page this line number only)	84946.15

SCHEDULE B — ITEMIZED DISBURSEMENTS

(Debt) LOAN Repayment

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

PAGE 1 OF 1

FOR LINE NUMBER 19B

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)

Collins for Congress

A. Full Name, Mailing Address and ZIP Code Collins for Council P.O. Box 07167 Det Mich 48207	Purpose of Disbursement Payment of debt Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 8-6-90	Amount of Each Disbursement This Period 4188 00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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) .....

SCHEDULE B ITEMIZED DISBURSEMENTS

REFUND C.P.A.C.

Use [illegible] schedule(s) for each category of the Detailed Summary Page

PAGE 11 OF

FOR LINE NUMBER 20

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)

COLLINS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code Young's Political Action 4634-3 mile rd Detroit Mich 48224	Purpose of Disbursement Committee Over Limit Allowed. Disbursement for: [X] Primary [ ] General [ ] Other (specify)	Date (month, day, year) 7-24-90	Amount of Each Disbursement This Period 4000 00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] 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: [ ] Primary [ ] General [ ] Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			4000 00
TOTAL This Period (last page this line number only)			4000 00

SCHEDULE C
(Revised 3/80)

LOANS Owed By Committee

LOANS

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

Name of Committee (In Full) Collins for Congress

A. 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
Barbara-Rose Collins 1300 E Lafayette #507 Det Mich 48207	50,000 00	-	

Election: ☒ Primary ☐ General ☐ Other (specify)

Terms: Date Incurred 7-16-90 Date Due 1-16-91 Interest Rate 11 % (apr) ☐ 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
Barbara-Rose Collins 1300 E. Lafayette 507 Detroit, Mich 48207	25,000 00		

Election: ☒ Primary ☐ General ☐ Other (specify)

Terms: Date Incurred 7-16-90 Date Due 1-16-91 Interest Rate 11 % (apr) ☐ 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)	75,000 00

Carry outstanding balance only to LINE 1, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Page 1 of 1 Pgs.
LINE NUMBER 22
(Use separate schedules for each numbered line)

Name of Committee (In Full) Collins for Congress	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
A. Full Name, Mailing Address and Zip Code of Debtor or Creditor Collins for Council P.O. Box 07167 Detroit Michigan 48207	4188 00		4188 00	- 0 -
Nature of Debt (Purpose): Itemized on (7-15) Report				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
1) SUBTOTALS This Period This Page (optional)				- 0 -
2) TOTAL This Period (last page this line only)				
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)				75000 00
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				75000 00

SKADDEN, ARPS, SLATE, MEAGHER & FLOM
1440 NEW YORK AVENUE, N.W.
WASHINGTON, D.C 20005-2111
(202) 371-7000

FAX (202) 393 5760
DIRECT DIAL
(202) 371-7007

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PARIS
PRAGUE
SYDNEY
TOKYO
TORONTO

April 20, 1994

VIA FAX

Holly Baker, Esq.
Federal Election Commission
999 E Street, Northwest
Washington, D.C. 20463

Dear Ms. Baker:

The enclosed documents represent the pay-off the $75,000 in loans. I will call you later today.

Sincerely,

Kenneth A. Gross

Enclosure

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
Apr 20 11 44 AM '94

COLLINS FOR CONGRESS
P.O. BOX 07197
DETROIT, MI 48207

[redacted]

1354

Nov 15, 1990

PAY TO THE ORDER OF First Independence Nat'l Bank $ 25,248.26

Twenty-five Thousand, two Hundred Eight and 26 cents DOLLARS

Comerica Bank-Detroit
Chene Woodbury Office
8008 Chene Street
Detroit, Michigan 48211

090089967 900 0054 01 11-15-90

FOR Final Report Re Loan Barbara Lee Collins

[redacted]

COLLINS FOR CONGRESS
P.O. BOX 07197
DETROIT, MI 48207

[redacted]

1353

November 16, 1990

PAY TO THE ORDER OF First Independence National Bank of Detroit $ 50,478.52

Fifty Thousand, four Hundred Seventy-Eight and 52 DOLLARS

12

Comerica Bank-Detroit
Chene Woodbury Office
8008 Chene Street
Detroit, Michigan 48211

090089430 900 0001 01 11-19-90

FOR Final Report Barbara Lee Collins

[redacted]

1751 36084

0986000000

072001079

072000326

5055 09514

0000012246

072001079

072000326

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 21, 1994

VIA HAND DELIVERY

Kenneth A. Gross, Esq.
Skadden, Arps, Slate, Meagher & Flom
1440 New York Ave., N.W.
Washington, D.C. 20005

RE: MUR 3181
Barbara-Rose Collins; Collins for Congress and Terry Hasse, as treasurer

Dear Mr. Gross:

As we discussed, please add the words "deposits (both sides)" to all four copies of the Customer Authorization for Release of Financial Records you submitted.

I expect that your messenger will return the corrected forms by close of business today.

Sincerely,

Holly J. Baker
Attorney

Enclosures
Customer Authorization forms (4)

OGC 1062

SKADDEN, ARPS, SLATE, MEAGHER & FLOM
1440 NEW YORK AVENUE, N.W.
WASHINGTON, D.C. 20005-2111
(202) 371-7000

FAX: 202 393-5760
DIRECT DIAL
202 371-7007

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RECEIVED
FEDERAL ELECTION
COMMISSION
LEGISLATIVE DIVISION
APR 21 9 39 AM '94

April 20, 1994

Holly Baker, Esq.
Federal Election Commission
999 E Street, Northwest
Washington, D.C. 20463

MUR 3181

Dear Ms. Baker:

Please find enclosed the Authorization forms for The Honorable Barbara-Rose Collins' personal account and campaign committee account.

If you have any questions, please call.

Sincerely,

Kenneth A. Gross

Enclosure

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
APR 21 12 15 PM '94

CUSTOMER AUTHORIZATION
FOR RELEASE OF FINANCIAL RECORDS

TO WHOM IT MAY CONCERN,

I, Barbara-Rose Collins, pursuant to provisions of the Right to Financial Privacy Act of 1978 (12 U.S.C. § 3401, et seq.), do hereby voluntarily consent to, direct and otherwise authorize the release of such financial records and information held by Comerica Bank, as are more fully described below; such production of records, data, and information to be made in the time period and to the entity as specified below.

I authorize disclosure of financial records during the three month time period of April 25 through July 25, 1994 Release of the records may be made to the Federal Election Commission, Office of General Counsel, 999 E Street, N.W., Washington, D.C. 20463. Specifically, statements, offsets, checks (both sides) made to my account in the amount of $1,000 or more during the period July 1 thru Dec. 31, 1990. The disclosure of this information to the Federal Election Commission is needed for the inquiry by the Federal Election Campaign the Commission under Act of 1971, as amended.

I understand that I may revoke my authorization at any time before the financial records are disclosed. To the extent that I require further assistance in understanding my rights, I have discussed the matter with my counsel, Kenneth A. Gross, Esq., Skadden, Arps, Slate, Meagher & Flom, 1440 New York Ave., N.W., Washington, D.C. 20005.

IN WITNESS WHEREOF, I have hereby executed this Authorization as of the 20th day of April, 1994, with my hand and seal below.

Barbara-Rose Collins

Barbara-Rose Collins

IN THE STATE/DISTRICT OF Columbia
IN THE CITY/COUNTY OF Washington

Acknowledged and signed before me, Jeffrey P. Neudorfer (Notary's name), this 20th day of April, 1994.

{NOTARY'S SEAL}

Jeffrey P. Neudorfer
(Notary's signature)

My commission expires: October 14, 1994.

CUSTOMER AUTHORIZATION
FOR RELEASE OF FINANCIAL RECORDS

TO WHOM IT MAY CONCERN,

I, Barbara-Rose Collins, pursuant to provisions of the Right to Financial Privacy Act of 1978 (12 U.S.C. § 3401, et seq.), do hereby voluntarily consent to, direct and otherwise authorize the release of such financial records and information held by Comerica Bank, as are more fully described below; such production of records, data, and information to be made in the time period and to the entity as specified below.

I authorize disclosure of financial records during the three month time period of April 25 through July 25, 1994. Release of the records may be made to the Federal Election Commission, Office of General Counsel, 999 E Street, N.W., Washington, D.C. 20463. Specifically, statements, offsets, checks(both sides) made to my account in the amount of $1,000 or more during the period July 1 thru December 31, 1990. The disclosure of this information to the Federal Election Commission is needed for the inquiry by the Federal Election Campaign the Commission under Act of 1971, as amended.

I understand that I may revoke my authorization at any time before the financial records are disclosed. To the extent that I require further assistance in understanding my rights, I have discussed the matter with my counsel, Kenneth A. Gross, Esq., Skadden, Arps, Slate, Meagher & Flom, 1440 New York Ave., N.W., Washington, D.C. 20005.

IN WITNESS WHEREOF, I have hereby executed this Authorization as of the 20th day of April, 1994, with my hand and seal below.

Barbara-Rose Collins

IN THE STATE/DISTRICT OF Columbia
IN THE CITY/COUNTY OF Washington

Acknowledged and signed before me, Jeffrey P. Neudorfer (Notary's name), this 20th day of April, 1994.

[NOTARY'S SEAL]

Jeffrey P. Neudorfer
(Notary's signature)

My commission expires: October 14, 1994.

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

APRIL 22, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Comerica Bank
P.O. Box 75000
Detroit, MI 48275-3541

RE: MUR 3181

Dear Madame/Sir:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. Enclosed are two Customer Authorization for Release of Financial Records forms executed by Barbara-Rose Collins for her personal account and her campaign committee's account at Comerica Bank.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

Please submit the requested information within 15 days of receipt of this letter.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker
Attorney

Enclosure
Customer Authorizations (2)

R. ur 3181

CUSTOMER AUTHORIZATION
FOR RELEASE OF FINANCIAL RECORDS

TO WHOM IT MAY CONCERN,

I, Barbara-Rose Collins, pursuant to provisions of the Right to Financial Privacy Act of 1978 (12 U.S.C. § 3401, et seq.), do hereby voluntarily consent to, direct and otherwise authorize the release of such financial records and information held by Comerica Bank, as are more fully described below; such production of records, data, and information to be made in the time period and to the entity as specified below.

I authorize disclosure of financial records during the three month time period of April 25 thru July 25, 1994. "Collins for Congress" Release of the records may be made to the Federal Election Commission, Office of General Counsel, 999 E Street, N.W., Washington, D.C. 20463. Specifically, statements, deposits, offsets, checks (both sides) made to the account during the period of July 1, 1990 thru Dec. 31, 1991. The disclosure of this information to the Federal Election Commission is needed for the inquiry by the Federal Election Campaign the Commission under Act of 1971, as amended.

I understand that I may revoke my authorization at any time before the financial records are disclosed. To the extent that I require further assistance in understanding my rights, I have discussed the matter with my counsel, Kenneth A. Gross, Esq., Skadden, Arps, Slate, Meagher & Flom, 1440 New York Ave., N.W., Washington, D.C. 20005.

IN WITNESS WHEREOF, I have hereby executed this Authorization as of the 20th day of April, 1994, with my hand and seal below.

Barbara-Rose Collins

Barbara-Rose Collins

IN THE STATE/DISTRICT OF Columbia
IN THE CITY/COUNTY OF WASHington

Acknowledged and signed before me, JEFFREY P. NEUDORFER (Notary's name), this 20th day of April, 1994.

[NOTARY'S SEAL]

Jeffrey P. Neudorfer
(Notary's signature)

My commission expires: October 14, 1994.

MUR 3151

CUSTOMER AUTHORIZATION
FOR RELEASE OF FINANCIAL RECORDS

TO WHOM IT MAY CONCERN,

I, Barbara-Rose Collins, pursuant to provisions of the Right to Financial Privacy Act of 1978 (12 U.S.C. § 3401, et seq.), do hereby voluntarily consent to, direct and otherwise authorize the release of such financial records and information held by Comerica Bank, as are more fully described below; such production of records, data, and information to be made in the time period and to the entity as specified below.

I authorize disclosure of financial records during the three month time period of April 25 through July 25, 1994 Release of the records may be made to the Federal Election Commission, Office of General Counsel, 999 E Street, N.W., Washington, D.C. 20463. Specifically, statements, offsets, checks (both sides), deposits made to my account in the amount of $1,000 or more during the period July 1 thru Dec. 31, 1990. The disclosure of this information to the Federal Election Commission is needed for the inquiry by the Commission under the Federal Election Campaign Act of 1971, as amended.

I understand that I may revoke my authorization at any time before the financial records are disclosed. To the extent that I require further assistance in understanding my rights, I have discussed the matter with my counsel, Kenneth A. Gross, Esq., Skadden, Arps, Slate, Meagher & Flom, 1440 New York Ave., N.W., Washington, D.C. 20005.

IN WITNESS WHEREOF, I have hereby executed this Authorization as of the 20th day of April, 1994, with my hand and seal below.

Barbara-Rose Collins

Barbara-Rose Collins

IN THE STATE/DISTRICT OF Columbia
IN THE CITY/COUNTY OF Washington

Acknowledged and signed before me, Jeffrey P. Neudorfer (Notary's name), this 20th day of April, 1994.

[NOTARY'S SEAL]

Jeffrey P. Neudorfer
(Notary's signature)

My commission expires: October 14, 1994.

Comerica Incorporated

P.O. Box 75000
Detroit, Michigan 48275

CGC 1307

May 2, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
MAY 12 2 25 PM '94

HOLLY J BAKER
FEDERAL ELECTION COMMISSION
999 E STREET NW
WASHINGTON DC 20463

Dear Mr. Baker

Subject: ***Case Name: BARBARA ROSE COLLINS***
Case No.: MUR 3181

This letter is to acknowledge receipt of the above referenced request received May 2, 1994.

Please be advised that we assess a service charge of $30 per research hour and $.30 per microfilm/photo copy.

The Internal Services Department will be contacting you regarding the total estimated services charges and the approximate length of time to process your request. If the total estimated service charges exceed $150, a retainer of one half the amount is required. Upon completion of the records reproduction process, the remaining balance is due.

Please contact the undersigned immediately if you can provide any additional information, or if specific records can be designated to limit the scope and expense of our search.

If you have any questions, feel free to contact us.

Thank you.

Nancy E. Asaro
Lead Process Analyst
Internal Services Department
P.O. Box 75000
Detroit, Michigan 48275-3541
(313) 222-4178

OGC 1339

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
MAY 13 10 54 AM '94

FIRST INDEPENDENCE NATIONAL BANK
44 MICHIGAN AVENUE • DETROIT, MICHIGAN 48226
TELEPHONE 313-256-8200

May 9, 1994

Ms. Holly J. Baker
Attorney
Federal Election Commission
Washington, D.C. 20463

Re: MUR 3181

Dear Ms. Baker:

The following are enclosed in response to your modified subpoena to First Independence National Bank in the above matter.

1. Chronology of the loan, prepared by Denise Sellers, loan administrator, who reviewed the file and prepared the response to the subpoena.

2. Credit report of Cara Woods

3. Denise Sellers, the person who reviewed the files and prepared the chronology, was unable to locate a credit report on Mr. Barden

4. Credit report of Barbara-Rose Collins

5. Consumer loan application of Barbara-Rose Collins

6. Credit report of James Sharp

7. Computer print-outs showing zero balances on the two loans

8. Names and addresses of Bank personnel known to have had anything to do with the loan:

Lawrence Jones 4869 Rambling Road Troy, MI 48098	No longer with the Bank
Arlene Mains 48581 I-94 Service Drive Apt. 303 Belleville, MI 48111	No longer with the Bank

Martha Thomas
1488 A Robert Bradley Drive
Detroit, MI 48207

9. Names and addresses of board members at the time the loan was made:

Rev. Charles Adams Hartford Baptist Church 18700 James Couzens Detroit, MI 48235	No longer member of Board
Don Barden Barden Cablevision 12775 Lyndon Ave Detroit, MI 48227	No longer member of Board
Bishop P.A. Brooks 30945 Wendbrook Birmingham, MI 48010	No longer member of Board
Dr. Arnold C. Curry 17815 Hamilton Rd. Detroit, MI 48202	No longer member of Board
Don Davis 44 Michigan Ave. Detroit, MI 48226	
Will Davis 20114 Stratford Detroit, MI 48221	No longer member of Board
Lawrence S. Jones 4869 Rambling Road Troy, MI 48098	No longer member of Board
Rev. Charles C. Morton 19520 Stratford Detroit, MI 48234	
Dennis Silber 22007 Woodward Ferndale, MI 48220	
Marc Stepp 17160 Faust Detroit, MI 48219	No longer member of Board

Gerald Van Wyke
2681 Covington Pl.
Birmingham, MI 48301

Eloise C. Whitten
14540 Vassar
Detroit, MI 48235

If you have any questions, please call me.

Sincerely,

Gerald Van Wyke
Counsel

12/3/90 Letter to Cara Woods from Martha Thomas releasing her from all obligations arising from guaranty Signed 9/16/90.

11/20/91 Received fax from Comerica Mortgage for Verification of Credit on Installment loan

11/20/91 Received fax from Comerica Mortgage for Verification of Credit on Installment loan #

3/25/92 Memo from R. Shealey to Arlene Mamo requesting copy of Agreement signed by Jim Sharp & Cara Woods to be sent to Mr. Sharpe.

8/18/93 FEC request for documents

8/7/90 Ran TRW on Mr. Sharp

8/7/90 PFS on Cara Woods; attached is Statement of Financial Condition on Cara & Sara Woods.

8/13/90 Assignment and Collateral Receipt signed by James G. Sharp for CD # for $10,000 for borrower Barbara-Rose Collins

8/14/90 Letter to Anthony Loans by Arlene Mains releasing him from all obligations arising from guaranty on loan # Signed 7/16/90

11/15/90 Letter from Arlene Mains to Barbara-Rose Collins indicating loan # is paid in full.

12/3/90 Letter to Don Borden from Martha Thomas releasing him from all obligations arising from guaranty signed 7/16/90

12/3/90 Letter to James G. Sharpe Jr. by Martha Thomas releasing him from all obligations arising from guaranty on loan and to make arrangements for return

Chronology

7/9/90 application for loan for $25,000 signed by Barbara Lase Callins

7/10/90 received fax of Statement of financial condition on Anthony + Darlene Seaux

7/13/90 Notice to Co-Signer signed by Don H. Barden for applicant Barbara Lase Callins.

7/16/90 Loan presentation for $25,000 approved by L. Jones

7/16/90 Loan presentation for $50,000 approved by Executive Board.

7/16/90 Loan Agreement signed for $25,000 ~~000~~ loan # - Cashier check # issued for same amount.

7/16/90 Loan Agreement, signed for $50,000 loan #

8/7/90 Personal Financial Statement on James A Thayer Jr

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

June 22, 1994

VIA FEDERAL EXPRESS

First Independence National Bank
c/o Gerald Van Wyke, Esq.
First Independence National Bank
44 Michigan Ave.
Detroit, MI 48226

RE: MUR 3181

Dear Mr. Van Wyke:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena which requires your client, First Independence National Bank through Don Davis, Martha Thomas, and all other individuals knowledgeable of the transactions, to appear and give sworn testimony on July 15, 1994 at 9 a.m. at the United States Attorney's Office, 231 W. Lafayette, Detroit, MI, in connection with an investigation it is conducting. The Commission does not consider the Bank a respondent in this matter, but rather a witness only.

The Commission's Subpoena requires the above to appear and give sworn testimony about loans made by First Independence National Bank to Barbara-Rose Collins in July 1990, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Act.

Certain of the information called for by the subpoena may constitute "financial records" of a "customer" within the meaning of the Right to Financial Privacy Act of 1978 [12 U.S.C. 3401-22] ("the RFPA"). Pursuant to Section 1103(b) of the RFPA [12 U.S.C. 3403(b)], you may not release this information or records until you receive a certificate of compliance with the applicable provisions of that act. I expect to send you such a certificate in approximately 14 days.

Further, because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any

investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $40, plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Subpoena

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181)

SUBPOENA

TO: First Independence National Bank
c/o Gerald Van Wyke, Esq.
First Independence National Bank
44 Michigan Ave.
Detroit, MI 48226

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you, through Martha Thomas, Don Davis, and all other individuals knowledgeable of the transactions to appear for depositions with regard to loans made by First Independence National Bank to Barbara-Rose Collins in July, 1990. Notice is hereby given that the depositions are to be taken on July 15, 1994 at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI, beginning at 9:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 22nd day of June, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

Delores Hardy for
Marjorie W. Emmons
Secretary to the Commission

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

June 22, 1994

VIA FEDERAL EXPRESS

Lawrence Jones
4869 Rambling Road
Troy, MI 48098

RE: MUR 3181

Dear Mr. Jones:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena which requires you to appear and give sworn testimony on July 15, 1994 at 3 p.m. at the United States Attorney's Office, 231 W. Lafayette, Detroit, MI, in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

The Commission's Subpoena requires you to appear and give sworn testimony about loans made by First Independence National Bank to Barbara-Rose Collins in July 1990, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Act.

Certain of the information called for by the subpoena may constitute "financial records" of a "customer" within the meaning of the Right to Financial Privacy Act of 1978 [12 U.S.C. 3401-22] ("the RFPA"). Pursuant to Section 1103(b) of the RFPA [12 U.S.C. 3403(b)], you may not release this information or records until you receive a certificate of compliance with the applicable provisions of that act. I expect to send you such a certificate in approximately 14 days.

Further, because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $40, plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Subpoena

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181)

SUBPOENA

TO: Lawrence Jones
4869 Rambling Road
Troy, MI 48098

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to loans made by First Independence National Bank to Barbara-Rose Collins in July, 1990. Notice is hereby given that the deposition is to be taken on Friday, July 15, 1994 at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI, beginning at 3:00 p.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 22nd day of June, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

for Delores Hardy
Marjorie W. Emmons
Secretary to the Commission

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

June 22, 1994

VIA FEDERAL EXPRESS

Arlene Mains
48581 I-94 Service Drive
Apt. 303
Belleville, MI 48111

RE: MUR 3181

Dear Ms. Mains:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena which requires you to appear and give sworn testimony on July 11, 1994 at 2 p.m. at the United States Attorney's Office, 231 W. Lafayette, Detroit, MI, in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

The Commission's Subpoena requires you to appear and give sworn testimony about loans made by First Independence National Bank to Barbara-Rose Collins in July 1990, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Act.

Certain of the information called for by the subpoena may constitute "financial records" of a "customer" within the meaning of the Right to Financial Privacy Act of 1978 [12 U.S.C. 3401-22] ("the RFPA"). Pursuant to Section 1103(b) of the RFPA [12 U.S.C. 3403(b)], you may not release this information or records until you receive a certificate of compliance with the applicable provisions of that act. I expect to send you such a certificate in approximately 14 days.

Further, because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $40, plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Subpoena

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181)

SUBPOENA

TO: Arlene Mains
48581 I-94 Service Drive
Apt. 303
Belleville, MI 48111

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to loans made by First Independence National Bank to Barbara-Rose Collins in July, 1990. Notice is hereby given that the deposition is to be taken on Monday, July 11, 1994 at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI, beginning at 2:00 p.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 22nd day of June, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

for Delores Hardy
Marjorie W. Emmons
Secretary to the Commission

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 22, 1994

VIA HAND DELIVERY

Kenneth A. Gross, Esq.
Skadden, Arps
1440 New York Ave., N.W.
Washington, D.C. 20005-2111

RE: MUR 3181
Barbara-Rose Collins

Dear Mr. Gross:

Records or information concerning the transactions of your client, Barbara-Rose Collins, held by the financial institution and employees in the attached subpoenas are being sought by this agency in accordance with the Right to Financial Privacy Act of 1978 for the following purpose: to investigate possible violations of the Federal Election Campaign Act of 1971, as amended, by Barbara-Rose Collins in connection with loans made by First Independence National Bank to her in July 1990.

If your client desires that such records or information not be made available, you must:

1. Fill out the accompanying motion paper and sworn statement or write one of your own, stating that your client is the customer whose records are being requested by the Commission and either giving the reasons you or your client believe that the records are not relevant to the legitimate law enforcement inquiry stated in this notice or any other legal basis for objecting to the release of the records.

2. File the motion and statement by mailing or delivering them to the clerk of one of the following United States District Courts: Eastern District of Michigan or the United States District Court for the District of Columbia.

3. Serve the Commission by mailing or delivering a copy of your motion and statement to: Federal Election Commission, Office of the General Counsel, 999 E Street, N.W., Washington, D.C. 20463.

4. Be prepared to come to court and present your position in further detail.

If you or your client do not follow the above procedures, upon the expiration of ten days from the date of service or 14 days from the date of mailing of this notice, the records or information requested therein will be made available. These records may be transferred to other Government authorities for legitimate law enforcement inquiries, in which event you or your client will be notified after the transfer.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosures
Subpoenas to First Independence National Bank, Lawrence Jones, and Arlene Mains
Motion to Quash Subpoena
Affidavit

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181

SUBPOENA

TO: Arlene Mains
48581 I-94 Service Drive
Apt. 303
Belleville, MI 48111

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to loans made by First Independence National Bank to Barbara-Rose Collins in July, 1990. Notice is hereby given that the deposition is to be taken on Monday, July 11, 1994 at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI, beginning at 2:00 p.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 22nd day of June, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

for Delores Hardy
Marjorie W. Emmons
Secretary to the Commission

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181)

SUBPOENA

TO: First Independence National Bank
c/o Gerald Van Wyke, Esq.
First Independence National Bank
44 Michigan Ave.
Detroit, MI 48226

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you, through Martha Thomas, Don Davis, and all other individuals knowledgeable of the transactions to appear for depositions with regard to loans made by First Independence National Bank to Barbara-Rose Collins in July, 1990. Notice is hereby given that the depositions are to be taken on July 15, 1994 at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI, beginning at 9:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 22nd day of June, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

for Marjorie W. Emmons
Secretary to the Commission

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181)

SUBPOENA

TO: Lawrence Jones
4869 Rambling Road
Troy, MI 48098

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to loans made by First Independence National Bank to Barbara-Rose Collins in July, 1990. Notice is hereby given that the deposition is to be taken on Friday, July 15, 1994 at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI, beginning at 3:00 p.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 22nd day of June, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

for Delores Hardy
Marjorie W. Emmons
Secretary to the Commission

4 4 3 4

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

BARBARA-ROSE COLLINS, Petitioner	)	MOTION TO QUASH COMMISSION SUBPOENA
v.	)	
THE FEDERAL ELECTION COMMISSION, Respondent	)	

MOTION TO QUASH COMMISSION SUBPOENA

This matter comes before the court pursuant to 12 U.S.C. § 3401 et. seq., Right to Financial Privacy Act of 1978. Petitioner, Barbara-Rose Collins, requests this court to quash a subpoena of the Federal Election Commission which seeks to obtain certain bank documents and information relating to accounts maintained by Petitioner.

In support of this application, Petitioner swears to the following:

1. Petitioner controlled and maintained accounts at First Independence National Bank of Detroit.

2. The Commission seeks financial records and information relating to the above accounts as part of its investigation pursuant to 2 U.S.C. § 437g.

3. Petitioner believes the Commission is not entitled to information about these records because

4 1 3 6

(Name)

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

BARBARA-ROSE COLLINS, Petitioner	)	
	)	AFFIDAVIT
v.	)	
THE FEDERAL ELECTION COMMISSION, Respondent	)	

AFFIDAVIT

Washington,
District of Columbia

Barbara-Rose Collins being duly sworn, makes the following her affidavit and states:

1. I hereby affirm that all of the statements in the Motion to Quash Commission Subpoena are true and accurate to the best of my knowledge and belief.

2. Further the affiant sayeth not.

_____
Barbara-Rose Collins

Subscribed and sworn to before me this day of 1994

_____
Notary Public

My Commission expires .

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 24, 1994

VIA HAND DELIVERY

Michael Nemeroff, Esq.
Sidley & Austin
1722 Eye St., N.W.
Washington, D.C. 20006

RE: MUR 3181
Anthony Soave

Dear Mr. Nemeroff:

On February 16, 1994, you were notified that the Federal Election Commission had found reason to believe your client, Anthony Soave, violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring your client to appear and give sworn testimony, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $40, plus mileage. Subsequent to the depositions, your client will be sent checks for the witness fee and mileage.

Please confirm the scheduled appearance with me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Subpoena

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3181
)

SUBPOENA

TO: Anthony Soave
c/o Michael Nemeroff, Esq.
Sidley & Austin
1722 Eye St., N.W.
Washington, D.C. 20006

Pursuant to 2 U.S.C. § 437d(a)(3), the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on Wednesday, July 13, 1994 at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI, beginning at 2:00 p.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 23rd day of June, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 24, 1994

VIA HAND DELIVERY

Ronald A. Siegel, Esq.
Cohn & Marks
Suite 600
1333 New Hampshire Ave., N.W.
Washington, D.C. 20036-1573

RE: MUR 3181
Don Barden

Dear Mr. Siegel:

You were notified that the Federal Election Commission had found reason to believe your client, Don Barden, violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring your client to appear and give sworn testimony, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $40, plus mileage. Subsequent to the depositions, your client will be sent checks for the witness fee and mileage.

Please confirm the scheduled appearance with me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Subpoena

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181)

SUBPOENA

TO: Don Barden
c/o Ronald A. Siegel, Esq.
Cohn & Marks
Suite 600
1333 New Hampshire Ave., N.W.
Washington, D.C. 20036-1573

Pursuant to 2 U.S.C. § 437d(a)(3), the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on Thursday 14, 1994 at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI, beginning at 9:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 23rd day of June, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 24, 1994

VIA HAND DELIVERY

Judith Corley, Esq.
Perkins Coie
607 14th Street, N.W., Suite 800
Washington, D.C. 20005-2011

RE: MUR 3181
Cara Woods; James A. Sharp, Jr.

Dear Ms. Corley:

You were notified that the Federal Election Commission had found reason to believe your clients, Cara Woods and James A. Sharp, Jr., violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoenas requiring your clients to appear and give sworn testimony, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $40, plus mileage. Subsequent to the depositions, your clients will be sent checks for the witness fee and mileage.

Please confirm the scheduled appearance with me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Subpoenas to Cara Woods and James A. Sharp, Jr.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181)

SUBPOENA

TO: Cara Woods
c/o Judith Corley, Esq.
Perkins Coie
Suite 800
607 14th Street, N.W.
Washington, D.C. 20005-2011

Pursuant to 2 U.S.C. § 437d(a)(3), the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on Wednesday, July 13, 1994 at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI, beginning at 9:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 23rd day of June, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181)

SUBPOENA

TO: James A. Sharp, Jr.
c/o Judith Corley, Esq.
Perkins Coie
Suite 800
607 14th Street, N.W.
Washington, D.C. 20005-2011

Pursuant to 2 U.S.C. § 437d(a)(3), the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on Tuesday, July 12, 1994 at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI, beginning at 9:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 23rd day of June, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

VIA FEDERAL EXPRESS

JUL 08 1994

Lawrence Jones
4869 Rambling Road
Troy, MI 48098

RE: MUR 3181

Dear Mr. Jones:

Enclosed is a Certificate of Compliance with the Right to Financial Privacy Act of 1978, issued in connection with the Subpoena sent to you on June 22, 1994, seeking the financial records of Barbara-Rose Collins. Accordingly, I expect to see you for your deposition as scheduled on Friday, July 15, 1994 at 3:00 p.m., at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Certificate

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JUL 08 1994

VIA FEDERAL EXPRESS

First Independence National Bank
Gerald Van Wyke, Esq.
44 Michigan Ave.
Detroit, MI 48226

RE: MUR 3181

Dear Mr. Van Wyke:

Enclosed is a Certificate of Compliance with the Right to Financial Privacy Act of 1978, issued in connection with the Subpoena sent to your financial institution on June 22, 1994, seeking the financial records of Barbara-Rose Collins.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Certificate

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JUL 08 1994

VIA FEDERAL EXPRESS

Arlene Mains
48581 I-94 Service Drive
Apt. 303
Belleville, MI 48111

RE: MUR 3181

Dear Ms. Mains:

Enclosed is a Certificate of Compliance with the Right to Financial Privacy Act of 1978, issued in connection with the Subpoena sent to you on June 22, 1994, seeking the financial records of Barbara-Rose Collins. Accordingly, I expect to see you for your deposition as scheduled on Monday, July 11, 1994 at 2:00 p.m., at the United States Attorney's Office, 231 W. Lafayette, Room 817, Detroit, MI.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Certificate

STATEMENT OF DESIGNATION OF COUNSEL

MUR: 3181

NAME OF COUNSEL: Carolyn Utrecht

ADDRESS: Oldaker, Ryan & Leonard
818 Connecticut Avenue, NW #1100
Washington, D.C. 20006

TELEPHONE: (202) 728-1010

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
Jul 13 8 43 AM '94

The above-named individual/individuals is/are 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.

7-12-94
Date

Signature

RESPONDENT'S NAME: Don H. Barden

ADDRESS: Barden Communications, Inc.
243 W. Congress, Suite 1000
Detroit, MI 48226

BUSINESS PHONE: (313) 963-5010

* Ronald A. Siegel remains as counsel. This is a designation of additional counsel.

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

July 19, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
JUL 19 2 56 PM '94

MEMORANDUM

TO: File, MUR 3181

FROM: Jonathan A. Bernstein
Assistant General Counsel

Subject: Information produced by Don Barden

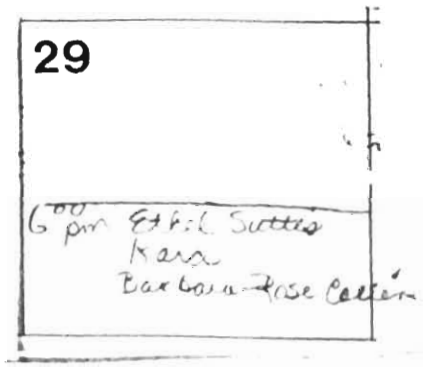
After Don Barden's deposition on Thursday morning, July 14th, Mr. Barden reviewed his personal calendar and by agreement with staff of this office, later that day provided the attached redacted pages containing references to Barbara-Rose Collins' campaign. Also attached is a copy of the front and back of the 1990 contribution to Rep. Collins' campaign that he remembered in his deposition. When attorney Lyn Utrecht produced these pages to me at the Office of the U.S. Attorney in Detroit, I requested also the pages for July 13th and 16th, to allow us to see his schedule on Friday and Monday, on one of which days he attended a meeting at the bank and signed his loan guaranty. Ms. Utrecht promised to consider this and let us know. Appended immediately after the contribution check are my skeletal notes of Ms. Utrecht's explanations re the various calendar entries that she gave me quickly while sitting in the reception area. I explained that we would take under advisement whether to depose Mr. Barden further or to question him about the entries via other means and would be contacting her.

Ms. Utrecht also provided information about Mr. Barden's loan guarantees to individuals as he'd suggested during the deposition. She said he had guaranteed a loan to a business associate in Ohio in late 1988, plus another business associate on 11/12/93. Re his brother in-law, Barden guaranteed two loans, the first on 10/2/89 and the second on 3/8/90.

Attachment

MAY 1990

SUNDAY	MONDAY	TUESDAY	WEDNESDAY



JUNE

THURSDAY	FRIDAY	SATURDAY
		2 5:00pm Barbara Koller Collins Fundraiser at House
8 Noon - BRC 1940 Chop House		

JUNE 1990

SUNDAY	MONDAY	TUESDAY	WEDNESDAY

11

6pm Trolley BRC meeting

BPME, Las Vegas

20

4-6pm BRC/alaChem Fondue Chimp

[JULY]

THURSDAY FRIDAY SATURDAY

12 BRC 1:45
Nielsen Sweeps Month:
7/12-8/8

TCA, Los Angeles

JULY 1990

SUNDAY	MONDAY	TUESDAY	WEDNESDAY

23

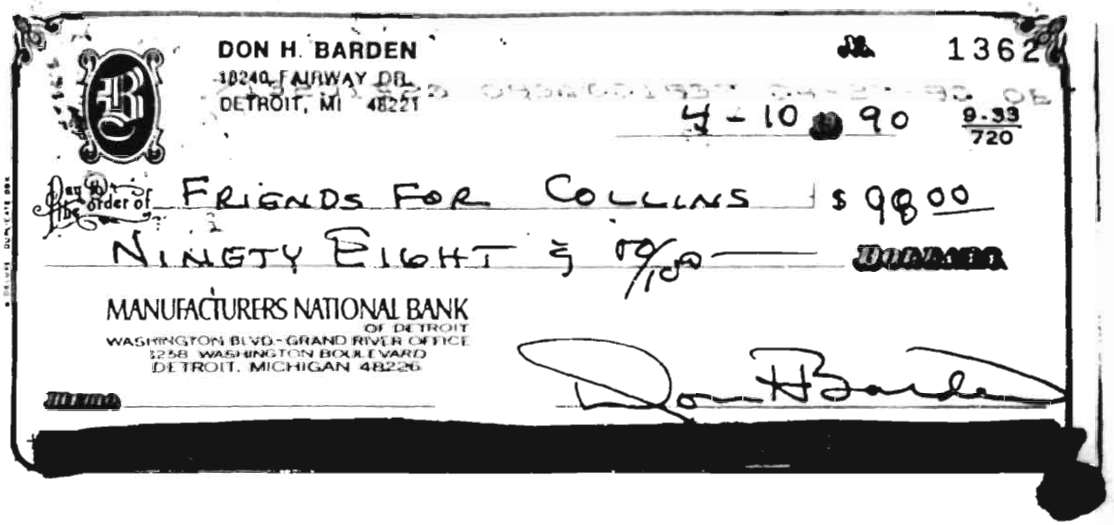
5:30 BRC Kick off St. Regis

30

5:30 BRC Finance Comm London Chop

25

6:30 BRC Hea



DON H. BARDEN
10240 FAIRWAY DR.
DETROIT, MI 48221

1362

4-10 90

9-33
720

Pay To The Order of FRIENDS FOR COLLINS $ 98.00

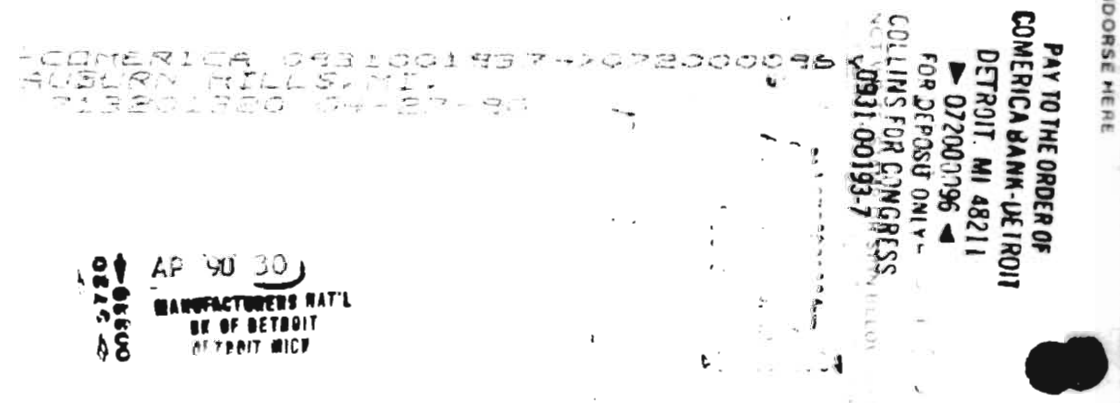
NINETY EIGHT & 00/100 DOLLARS

MANUFACTURERS NATIONAL BANK
OF DETROIT
WASHINGTON BLVD-GRAND RIVER OFFICE
1258 WASHINGTON BOULEVARD
DETROIT, MICHIGAN 48226

[redacted]

Don H Barden

[redacted]



COMERICA 072000196
AUBURN HILLS, MI.
"13801700 04-27-90

PAY TO THE ORDER OF
COMERICA BANK-DETROIT
DETROIT, MI 48211
▶ 072000196 ◀
FOR DEPOSIT ONLY
COLLINS FOR CONGRESS
0931 00193-7

ENDORSE HERE

AP 90 30
MANUFACTURERS NAT'L
BK OF DETROIT
DETROIT MICH

5/29 6 pm - related to 6/2 funder
Nana – Cara Curry
Suttis → campaign staffer

6/2 Home funder

6/8 1940 Chop House – noon
Paints didn't cuz of Fri-Sun golf tourney

→ 6/11 6 pm Trolley BRC meeting
did be Fin. Cmte meet

6/20 BRC/Abe Cherry → campaign field coordinator
4-6 pm London Chop → meeting e.g. ideas

7/12 "BRC 1:45" → he booked time when she was coming by → did've been telling him he bank meet

7/23 5:30 BRC Kick-off
St. Regis

7/25 6:30 BRC Headquarters
=? he went
7/30 BRC Finance Comm. London Chop

Okes

- busin. 11/12/93
- busin in Ohio late '88
- bro-in law

2x

(1) 10/2/89
(2) 3/8/90

OLDAKER, RYAN & LEONARD
ATTORNEYS AT LAW
818 CONNECTICUT AVENUE, N.W.
SUITE 1100
WASHINGTON, D.C. 20006

(202) 728-1010
FACSIMILE (202) 728-4044

JUL 22 12 32 PM '94
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

July 21, 1994

Jonathan Bernstein, Esq.
Assistant General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3181
Don Barden

Dear Mr. Bernstein:

This letter is in regard to the deposition of Don Barden taken on July 14, 1994. I understand that the Commission's practice with regard to witnesses in enforcement actions is to request that those witnesses review the transcripts and sign them either at the Commission's offices or at the office of the court reporter who transcribed the testimony. I further understand that the Commission does not generally permit witnesses to have copies of their deposition transcripts. However, since Mr. Barden is a respondent in this matter and not just a witness, we request that he be provided a copy of the transcript of his deposition. This will allow him to review the transcript in his office at his convenience, and will enable him to review it with his counsel without the need for counsel to travel to Detroit incurring additional unnecessary expense for Mr. Barden in this matter.

Most importantly, it is critical to our ability to fully represent Mr. Barden that we be able to quote accurately from his testimony in our subsequent responses to the Commission in the course of this matter. Without the transcript of Mr. Barden's statement we are unable to do so. This puts us at a tremendous disadvantage in presenting Mr. Barden's position and fully articulating the mitigating circumstances surrounding his involvement in this matter. Fundamental principles of fairness and due process require that a respondent have access to his own statements used by the Government in a proceeding against him.

Of course, Mr. Barden understands the confidentiality of Commission investigations, but it is also important to note that the confidentiality provision was put into the law for the protection of respondents in Commission enforcement actions, not as a means of withholding their own statements from them or of preventing them from preparing an adequate defense.

If you have any questions concerning this request, please let me know.

Sincerely,

Lyn Utrecht

Lyn Utrecht

FIRST INDEPENDENCE NATIONAL BANK
44 MICHIGAN AVENUE • DETROIT, MICHIGAN 48226
TELEPHONE 313-256-8200

JUL 22 8 52 AM '94

July 18, 1994

Holly J. Baker, Attorney
Federal Election Commission
999 E Street, NW
Washington, D.C. 20463

Re: MUR 3181

Dear Ms. Baker:

As we discussed last Friday, the Bank located certain information regarding lending authorities and Credit Committee proceedings (we have learned that the correct name of the committee is not Senior Loan Committee, etc.).

Two memoranda prepared by Elizabeth Moses are enclosed. They are responsive to several of the questions you asked me to answer. Ms. Moses tells me that she has no knowledge of the loan in question; she was on vacation during the week preceding July 16, 1990.

Mr. Davis is researching his records to find the cancelled check he discussed with you Friday.

Sincerely,

Gerald Van Wyke

MEMORANDUM

TO: *GERALD VAN WYKE*

FROM: *ELIZABETH MOSES*

DATE: *JULY 18, 1994*

RE: *1990 CREDIT COMMITTEE RESEARCH - BARBARA ROSE COLLINS*

Pursuant to your request I have researched the archive files and ascertained that Credit Committee meetings were held July 19, July 13, June 28, June 21, June 14, May 31, May 24, May 10, and May 3 in 1990. The Barbara Rose Collins loan was not presented at any of the aforementioned meetings.

Further, the Bank's records indicate that the Barbara Rose Collins loan served as an attachment to the Board of Director's meeting held July 16, 1990 (See Board Minutes-Attachment 1). The loan attachment (See Attachment 2) indicated that the loan was approved by an Executive Board poll. This loan attachment (See Agenda Report to Board of Directors - Attachment 3) also was located in Credit Committee archive files which were preserved by the former Senior Loan Officer, Barbara Worden.

I have provided a sample of the Credit Committee structure from 1990 which includes an Agenda and Credit Committee minutes from the July 13, 1990 meeting.

Please let me know if I can be of further assistance.

ATTACHMENT 1

BOARD MINUTES

FIRST INDEPENDENCE NATIONAL BANK OF DETROIT

BOARD OF DIRECTOR'S MONTHLY MINUTES OF MEETING

These are the minutes of the regular meeting of the Board of Directors of First Independence National Bank of Detroit which was held at 7:40 am in the Bank's Board Room of 44 Michigan Avenue, on July 17, 1990, with Chairman Don Davis presiding.

Directors present: Barden, Brooks, Curry, D. Davis, W. Davis, Jones, Morton, Robinson, Silber, Stepp, Van Wyke, and Whitten.

Directors absent: Adams.

Also present were: G. Harrington, R. Lacy, M. Jones, N. Fortson, M. Dolsen, B. Worden, J. Locke, and E. Moses.

The minutes of the previous meeting held on June 18, 1990 were approved as read. The minutes from the Audit Committee held on June 14, 1990 and the Credit and Problem Loan Committee were ratified and approved. These minutes serve as Attachment 1 to these minutes.

The Loans for Approval were presented and are Attachment 2 to these minutes.

The loans approved by the Executive Committee were ratified and approved. These loans were

| Barbara-Rose Collins.

A motion was duly made and seconded for Ms. Vaughan and Mr. Mattocks to fill the positions as specified and was unanimously carried.

The chairman asked if there was any other business to come before the board. The board was informed of the resignation of the Vice President and Director of Human Resources, Leonard Posey, to accept a position with a private firm. No replacement has been identified but it was noted the current Personnel Assistant, Sharon Garner, will be performing a majority of Mr. Posey's duties until further notice.

Director Morton moved for adjournment. The board adjourned at 11:25am.

Respectfully submitted:

Elizabeth Simmons-Moses
Board Secretary

5 Attachments:

1. Minutes:
   a. Board of Directors Meeting (June 18, 1990)
   b. Audit Committee (July 14, 1990)
   c. Credit and Problem Loan Committee
2. Loans for Approval
   a. Executive Committee Loans Approved
3. Reports from the Loan Department
4. Financial Report dated June 30, 1990
5. Resumes

ATTACHMENT 2

BARBARA ROSE COLLINS

LOAN

LOAN PRESENTATION

NAME: Barbara-Rose Collins
1300 East Lafayette # 507
Detroit, Michigan 48207

OCCUPATION: Council Woman, Detroit City Council- nine years.

REQUEST: Loan in the amount of $50,000.

T.L.C.: $75,000 (Additional loan of $25,000 Pending).

RATE & TERMS Prime plus one, floating. Six month term.

BASIS: Unsecured. Personal guaranty of Don Barden.

REPAYMENT: Schedule - Interest due quarterly. All principal and interest then due to be paid at six month maturity.

Source - Various campaign fund raisers to be held during the six month period.

PURPOSE: Campaign expenses.

PRESENT LOAN: NONE

ACCOUNT RELATIONSHIP:

Account number	Date opened	Balance/ average balance
	11-82	$ 10,042.49
	07-85	(ave) 539.16 - 1990
		(ave) 985.73 - 1989
	inactive	
	access denied	83.16
Related account:	Collins for Council Committee	
	04-85	(ave) 3,783.04 - 1990
		(ave) 11,453.36 - 1989

BOARD OF DIRECTORS ACTION: Executive Board Poll

DONALD DAVIS	YES
LAWRENCE JONES	YES
LESTER ROBINSON	YES
WILL DAVIS	YES
GERALD VAN WYKE	UNAVAILABLE
CHARLES MORTON	YES

AGENCY REPORT:

Accounts all current or as agreed with the exception of one which was 30 days in June of 1989 and one closed in 1986, not paid according to terms. Most revolving accounts have $0 balances. Total balances of less than $10,000 with most of that being two accounts: American Express and Detroit Municipal Credit Union.

SUMMARY:

Mrs. Collins did not reveal her personal income, but a review of the record of credit shows a listing of prompt payment with limited use of credit.

The loan is intended to be paid from campaign fund raisers. Her campaign fund at First Independence has good, average balances. The loan is backed additionally by the guaranty of Don Barden whose personal financial statement has been reviewed and found satisfactory by First Independence President, Lawrence Jones.

The loan is recommended for approval as presented

ATTACHMENT 3

AGENDA REPORT TO

BOARD OF DIRECTORS

LOAN DEPARTMENT
REPORT TO THE BOARD OF DIRECTORS
July 16, 1990

I. LOANS SUBMITTED FOR APPROVAL

II. LOAN FOR REVIEW

III. LOAN LOSS RESERVE ANALYSIS

DELINQUENCY REPORT

NEW LOAN REPORTS

CREDIT COMMITTEE MINUTES

PROBLEM LOAN COMMITTEE MINUTES

ATTACHMENT 4

SAMPLE

CREDIT COMMITTEE

AGENDA

AND

MINUTES

DATED JULY 13, 1990

CREDIT COMMITTEE AGENDA

JULY 13, 1990

I. Review Minutes

II. Loan Presentations

III. Pending and Approved Commercial Loan Lists

IV. Pending and Approved Installment Loan Lists

V. The Overcraft Report

CREDIT COMMITTEE MINUTES
July 13, 1990

The Credit Committee of First Independence met at the Bank's main office at 8:35 A. M. Present were: L. S. Jones, G.E. Harrington, B. W. Worden, M. Jones, A. Mains, M. Thomas, R. Krause, G. Lambert and T. Manuel.

There were no minutes on July 5, 1990.

The following credits were presented.

The Commercial Loan Pending and Approved lists were reviewed.

The Installment Loan Pending and Approved lists were reviewed.

The Overdraft Report was reviewed.

The Credit Committee adjourned at 10:[illegible] A.M.

CREDIT COMMITTEE MINUTES
July 5, 1990

The Credit Committee of First Independence did not meet at the Bank's main office.

MEMORANDUM

TO: *GERALD VAN WYKE*

FROM: *ELIZABETH MOSES*

DATE: *JULY 18, 1994*

RE: *1990 LOAN DEPARTMENT RESEARCH*

Pursuant to your request the 1990 Signing Authorities dated May 22, 1990 and the the bank's Loan Committee authorities are attached. The Loan Committee authorities are an excerpt from the Bank Loan Policy revised as of February, 1988.

Please let me know if I can be of further assistance.

SIGNING AUTHORITIES

DATED MAY 22, 1990

FIRST INDEPENDENCE NATIONAL BANK OF DETROIT

DIRECTORS RESOLUTION RATIFYING THE LOAN AUTHORITIES FOR OFFICERS

RESOLVED, That the Loan Authorities as set forth in the attached and reviewed and approved at the Executive Committee meeting held on May 21, 1990 is hereby ratified, confirmed, and approved.

APPROVED BY
BOARD OF DIRECTORS
SUBMITTED: MAY 22, 1990

E. MOSES

RES-5-22

LOAN AUTHORITIES

NAME	CASHIER CHECKS	CERTIFIED CHECKS	G. L. TICKETS	MISC. DR & CR TICKETS	WIRES	LOAN AUTHORITY SECURED / UNSECURED	OVERDRAFTS	CERT. OF DEPOSITS	EXPENSE CHECKS	CHECK CASHER
L.S. JONES R. W. Worden A. D. Maine										
R. W Krause										
G. E. Harrington*										
M. L. Thomas*										
N. Carter*										
M. Jones										
A. Sherrill*										
C. Lambert										
A Giddens*										
J. Nagy*										
B. Nelson*										

LOAN COMMITTEE AUTHORITIES

500. BANK CREDIT COMMITTEE AND LOAN AUTHORITY

501. PURPOSE

A. The Bank Credit Committee shall be responsible for the implementation and coordination of the Bank's lending policies and procedures within the framework of this Loan Policy.

B. The Bank Credit Committee shall establish and regularly review the Bank's pricing policies. The President of the Bank shall establish the Bank's interest rates, or guidelines therefor, from time to time.

C. The Bank Credit Committee shall approve loans, lines of credit, leases and financing plans in accordance with the authorization provided by Section 504 D.

D. The Bank Credit Committee shall review from time to time, all delinquent loans, loans classified by the examiners, and such other credits that are determined to be substandard.

503. MEMBERSHIP

The membership of the Bank Credit Committee shall consist of the President and the Senior Loan Officer, the Senior Vice President, the Vice Presidents and the loan officers in charge of the Installment Loan, Real Estate Mortgage and Commercial Loan Departments. The Auditor shall be a non-voting member.

The Senior Loan Officer shall be the Chairman of the Committee. The Committee shall appoint one of its members as the Secretary.

503. PROCEDURE

A. The Bank Credit Committee shall meet regularly, but not less than twice per month, in order to provide timely approval of credit applications.

B. A quorum of the Committee shall consist of a majority of members.

C. Actions of the Committee shall be approved by a majority of the members present and shall be recorded by the Secretary. The minutes of each meeting shall be submitted to the Board of Directors for its approval.

504. LOAN AUTHORITY

A. Officer's Loan Authority

1. Loan Officers shall be authorized to approve loans or credit commitments up to the amounts shown for each officer in Schedule A, provided:

a. The loan does not exceed the officer's secured or unsecured authority less, respectively, the borrower's already outstanding direct, indirect and contingent secured and unsecured indebtedness to the bank.

FEDERAL ELECTION COMMISSION

JULY 25, 1994

Lynn Utrecht, Esq.
Oldaker, Ryan & Leonard
818 Connecticut Ave., N.W.
Suite 1100
Washington, D.C. 20006

RE: MUR 3181
Don Barden

Dear Ms. Utrecht:

We have received your request for a copy of the transcript of Mr. Barden's deposition conducted on July 14, 1994 in Detroit.

As your letter rightly notes, it is not the Commission's policy to make copies of depositions available to witnesses or respondents or to their counsel. Mr. Barden does have the opportunity to read and review the transcript at the offices of the court reporter located across the street from the United States Attorney's Office in downtown Detroit. Similarly, you may review a copy of the transcript of your client's deposition in our Office. Please call me at (202) 219-3400 to make arrangements.

Sincerely,

Holly J. Baker

Holly B. Baker
Attorney

4 0 0 4 1 3 3 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1994

VIA HAND DELIVERY

Robert Bauer, Esq.
Judith Corley, Esq.
Perkins Coie
607 14th Street, N.W., Suite 800
Washington, D.C. 20005-2011

RE: MUR 3181
Cara Woods

Dear Mr. Bauer and Ms. Corley:

On July 21, 1994, Mr. Bauer informed me that Carol Laham of Wiley, Rein, and Fielding would be the new counsel for Cara Woods. He also indicated that after consultations in Detroit among Mr. Woods, Ms. Corley, and Ms. Laham during the week of July 25, 1994, Ms. Laham would call to arrange a date for Mr. Woods' deposition in Washington, D.C. As I indicated to Mr. Bauer, these delays in producing Mr. Woods for deposition continue to raise the Commission's concern.

The Commission issued a subpoena to Mr. Woods to appear for deposition in Detroit on July 13, 1994. The Commission's attorneys were then in Detroit and prepared to depose Mr. Woods. By conference call on July 12, the night before the scheduled deposition, you informed Mr. Bernstein and me that due to a possible conflict discovered during preparation of Mr. Woods, you would not produce Mr. Woods for deposition the next morning. You also indicated that you would find other counsel for Mr. Woods should the conflict prove irresolvable. Without informing us of the resolution of the matter, Ms. Corley returned to Washington, D.C. the next morning. In subsequent phone conversations with Ms. Corley, we made known our expectation that Mr. Woods would be produced for deposition by Friday, July 15, 1994 in Detroit. We further indicated that should Mr. Woods fail to appear, he would be expected to come to Washington, D.C. at his own expense during the next week upon resolution of the representation issue which you assured us you were working to cure.

Now, nearly two weeks have passed and Mr. Woods has still not complied with the Commission's outstanding subpoena. Please make Mr. Woods available for deposition at

the offices of the Federal Election Commission in Washington, D.C. by August 5, 1994.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

4 4 3 5

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

July 28, 1994

VIA HAND DELIVERY

Michael Nemeroff, Esq.
Sidley & Austin
1722 Eye St., N.W.
Washington, D.C. 20006

RE: MUR 3181
Anthony Soave

Dear Mr. Nemeroff:

On July 13, 1994, your client, Anthony Soave, was deposed by the Federal Election Commission in Detroit, MI. During that deposition, Mr. Soave indicated that he could provide the following information and documents (summary, pp. 56-62):

1) Mr. Soave's social security number (p. 6)

2) names of City PAC's officers and members in 1990 (p. 26)

3) over what accounts James Sharp had signature authority in 1990 (p. 26)

4) what contributions (amounts, dates; canceled checks) Mr. Soave made to Barbara-Rose Collins' Michigan State House and Detroit City Council races (p. 28)

5) list loans and amounts to non-family individuals guaranteed by Mr. Soave, from 1988 through 1992, with categories of people rather than names where the category alone sufficiently indicates the relationship between Mr. Soave and the individual, e.g., City Management employee; indicate whether any of the loan guarantees were made to politicians and/or public figures (pp. 35 & 47)

6) identify and provide the current address of the person(s) who served as Mr. Soave's secretary at City Management in June and July 1990 (p. 39)

7) credit card records indicating whether Mr. Soave paid for lunch at Joe Muer's on June 26, 1990 (pp. 40-41, 43)

8) original calendar page from June 26, 1990 (p. 44)

Please submit the above information and documents to the Office of the General Counsel on or before August 15, 1994.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Renaissance
Court
Reporters Inc.

333 West Fort Street - Suite 1260
Detroit, MI 48226 - (313) 961-9190
Fax # (313) 961-9202

Allan P. LeBlanc
President

F. Albert Teodori
Vice President

Min-U-Script

DISCOVERY

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
28 12 56 PM '94

July 22, 1994

MUR 3181

Mr. Thomas C. Greene
Sidley & Austin
1722 I Street, N.W.
Washington, D.C. 20006

Re: Deposition of
Anthony Soave

Dear Mr. Greene:

Regarding the deposition of Anthony Soave taken before me on Wednesday, July 13, 1994, this is to inform you that the transcript is now ready for the witness to review at our office.

You told me to let you know and you would decide whether the witness actually wants to read and sign his transcript. Please let me know as soon as possible what your desire is in this regard.

Thank you for your cooperation.

Sincerely,

Dale E. Rose, CSR

cc: Mr. Bernstein
File

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

607 [illegible] STREET, N.W. • WASHINGTON, D.C. 20005-2011

(202) 628-6600 • FACSIMILE: (202) 434-1690

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

AUG 3 12 46 PM '94

August 3, 1994

Jonathan Bernstein, Esq.
Holly Baker, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: MUR 3181

Dear Mr. Bernstein and Ms. Baker:

We have received your recent letter about the sequence of events leading to our withdrawal from the representation of Mr. Woods and our attempt to assist in locating other counsel. It appears nonetheless that on some points our attempt to communicate the facts of the matter was completely unsuccessful.

Mr. Bernstein will recall, for example, that immediately after his return to Washington, D.C. on the first day that he was in the office he returned a call I placed to him the previous Friday, July 15. I advised him then that we have effected a complete withdrawal from the case and that negotiations with other counsel to assume the representation had begun and were progressing. I also told him, as I simultaneously advised Wiley, Rein, that I could make no commitment about Wiley, Rein's representation of Mr. Woods until such time as all the arrangements have been completed and most importantly until Mr. Woods could meet with Ms. Laham for the first time. It only stands to reason that an individual considering a new attorney will wish to meet the attorney and confer with her directly before proceeding with the representation. That is Mr. Woods' right, and we certainly encouraged him to exercise it. Nor would Wiley, Rein agree to represent him unless he had done so. Your letter suggests somehow that this representation has begun when, in fact, it has not.

ANCHORAGE • BELLEVUE • HONG KONG • LOS ANGELES • PORTLAND • SEATTLE • SPOKANE • TAIPEI • WASHINGTON, D.C.
STRATEGIC ALLIANCE: RUSSELL & DUMOULIN, VANCOUVER, B.C.

We also are distressed about the suggestion that Ms. Corley "left town" unexpectedly, somehow leaving the impression that we had committed, but did not fulfill a commitment, to produce Mr. Woods for a deposition on Friday, July 15. We could not have made such commitment because, as we had already informed you the evening of Tuesday, July 13, potential problems had developed which might require us to withdraw from the representation. We advised you that you would be notified as soon as possible of our success or lack thereof in resolving the conflict and any alternative arrangements Mr. Woods would make for his representation. That is, in fact, exactly what has transpired.

Perhaps we should review for the record the sequence of events to the present time:

(1) On July 13, 1994 we became to the conclusion that our continued representation of Mr. Woods would be inappropriate. That night, having located the hotel room where Mr. Bernstein was staying, we informed him of this possibility and stated that Mr. Woods could not appear for the deposition because he had no counsel then able to appear with him.

(2) On Friday, July 15, 1994 I called while you and Ms. Baker were reportedly still "on travel" and left a message for you to call me as soon as possible. By that day, not 48 hours later, we had already initiated discussions with other counsel which I was prepared to report to you.

(3) On Monday, July 18, 1994 Mr. Bernstein and I spoke by telephone. I reviewed with him the course of events to date. I assured him that arrangements were progressing toward substitute representation. Frankly, some of these assurances were made in the interest of courtesy in a collegial working relationship: Mr. Woods has every right to substitute counsel and the Commission every obligation to accommodate that substitution.

(4) Still later that week, following a representation that I would update these conversations by Thursday, July 21, I called Ms. Baker on another matter, and she invited me to brief her on the status of the Woods matter on behalf of both herself and Mr. Bernstein. I did so. She pledged that she would pass this information onto Mr. Bernstein.

As I advised you, Mr. Woods and Wiley, Rein are pursuing and expect to complete discussions this week and will advise you promptly of the result.

Respectfully submitted,

Robert F. Bauer

RFB:smb

cc: Carol Laham
Judith L. Corley

WILEY, REIN & FIELDING

1776 K STREET, N.W.
WASHINGTON, D.C. 20006
(202) 429-7000

CAROL A. LAHAM
(202) 429-7301

FACSIMILE
(202) 429-7049

August 4, 1994

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COUNSEL
AUG 4 12 49 PM '94

MUR 3181

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

Dear Ms. Baker:

This letter will confirm my conversation with you this morning regarding two facts: 1) that Mr. Bauer has contacted Wiley, Rein and Fielding regarding possibly representing Cara Woods in Matter Under Review 3181; and 2) that while my name has been given to the Federal Election Commission as a potential lawyer for Mr. Woods I do not represent him. When and if I do represent Mr. Woods I will contact you immediately.

Sincerely,

Carol A. Laham

Carol A. Laham

SIDLEY & AUSTIN
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

1722 EYE STREET, N.W.
WASHINGTON, D.C. 20006
TELEPHONE 202: 736-8000
TELEX 89-463
FACSIMILE 202: 736-8711

CHICAGO
LOS ANGELES
NEW YORK

LONDON
SINGAPORE
TOKYO

FOUNDED 1866

WRITER'S DIRECT NUMBER
(202) 736-8235

August 5, 1994

AUG 9 3 10 PM '94
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COMMISSION
OFFICE OF GENERAL COUNSEL

Holly Baker
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3181 - Anthony Soave

Dear Ms. Baker:

This letter answers the questions in your letter dated July 28, 1994.

1. Mr. Soave's social security number is

2. City PAC's officers in 1990 were Anthony Soave, P.C. Saputo, James A. Sharp, Jr., Timothy J. McCarthy. City PAC had no members.

3. Mr. Sharp had signature authority over the following accounts in 1990:

City Management Corporation Account
City Management Corporation Account
Political Action Committee-Federal
CityPac-State

All of these accounts are at Michigan National Bank.

4. Mr. Soave made no contribution to Barbara Rose-Collins, Michigan State House, and Detroit City Council races.

5. Mr. Soave guaranteed no loans from 1988 through 1992 to the categories of individuals specified in your letter.

6. The names and most recent available address of the person who served as Mr. Soave's secretary at City Management in June and July, 1990 is Julie Berge, 115 W. Chart Street, Plainweel, Michigan 49080.

7. The credit card record of Mr. Soave's lunch with Barbara Rose-Collins on June 26, 1990, in the amount of $33.04 is attached.

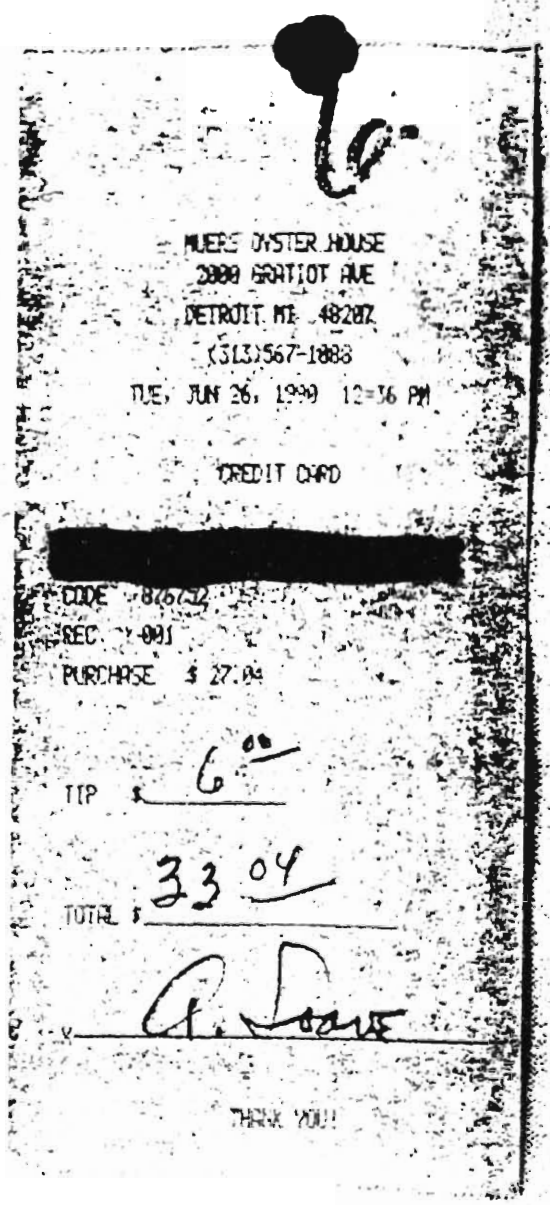
8. A better copy of Mr. Soave's calendar page from June 26, 1990, is also attached. Unfortunately, as I explained to you by telephone, the original diary page is not available.

We hope that we have now responded to all of your information requests, However if you have any additional questions, please give me a call to discuss them.

Sincerely,

Michael A. Nemeroff

Enclosures



MUERS OYSTER HOUSE
2888 GRATIOT AVE
DETROIT MI 48207
(313)567-1888
TUE, JUN 26, 1999 12:36 PM

CREDIT CARD

[redacted]

CODE 87672
REC # 001
PURCHASE $ 27.04

TIP $ 6.00

TOTAL $ 33.04

X [signature]

THANK YOU!

- Commissions Exercised
- Journal Entry
- Thoughts & Ideas
- Appointments, meetings
- Conversations

JUNE 1990
DAILY RECORD OF EVENTS

26
TUESDAY
177th Day 188 Left
Week 26

11:30 [illegible] E.P. Colvin & Co. re [illegible]

1:30 Bill McCauley ; Jon Horton

[illegible], Jack Schmidt

2:00 Jim Swanson

PERKINS COIE

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1 [illegible] STREET, N.W. • WASHINGTON, D.C. 20005-201

(202) 628-6600 • FAX: (202) 434-1690

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OFFICE OF
GENERAL
COUNSEL

August 4, 1994

Holly Baker, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: MUR 3181

Dear Holly:

I wanted to confirm in writing our position, as we discussed it today, on the termination of our representation of Mr. Cara Woods.

I have previously provided you and Mr. Bernstein a detailed account of the circumstances surrounding our withdrawal from the representation of Mr. Woods and our attempts to assist him with the retention of other counsel. You now ask whether we continue to represent him and if not, who does.

We are withdrawing from the representation, and we have so notified you. Our termination of active representation on the issues currently before the Commission does not, however, discharge our responsibility to Mr. Woods. Under Rule 1.16 of the D.C. Rules of Professional Conduct ("Declining or Terminating Representation") we are required to comply with subparagraph (d) which states as follows:

> "(d) In connection with any termination of representation, a lawyer shall take timely steps to the extent reasonably practicable to protect a client's interest, such as giving reasonable notice to the client, allowing time for employment of other counsel, surrendering papers and property to which the client is entitled, and refunding any advance payment of fee that has not been earned. The lawyer may retain papers relating to the client to the extent permitted by Rule 1.8(i)."

[1564I-0001/BAKER.DOC]

We believe that we have taken and continue to take timely steps to protect Mr. Woods, which include "allowing time for employment of other counsel." When Mr. Woods has retained other counsel we will be required to assist in the transfer of responsibility from this firm to the new counsel, including briefing new counsel upon its request on developments in the case to date. We intend to take all of these actions in the most expeditious fashion, and I believe our letter of August 3, 1994 reflects the steps that we have actively taken to date.

Until these arrangements are complete, we will continue to receive or address on behalf of Mr. Woods any inquiries from the Commission.

Please let me know if you have any additional questions.

Very truly yours,

Robert F. Bauer

RFB:smb

cc: Carol Laham (Wiley, Rein)

WILEY, REIN & FIELDING

1776 K STREET, N.W.
WASHINGTON, D.C. 20006
(202) 429-7000

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OFFICE OF GENERAL
COUNSEL
AUG 11 5 23 PM '94

August 11, 1994

CAROL A. LAHAM
(202) 429-7301

FACSIMILE
(202) 429-7049

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

MUR 3181

Dear Ms. Baker:

This letter will confirm that this office has just been retained to represent Cara Woods in connection with Matter Under Review 3181. As we discussed, I will check Mr. Woods' availability for a deposition on Thursday, August 18, Monday August 22, or Tuesday, August 23. You have indicated that Friday, August 19, as I had proposed, would not be convenient. I will contact you as soon I am able to establish Mr. Woods' availability.

Sincerely,

Carol A. Laham

Carol A. Laham

STATEMENT OF DESIGNATION OF COUNSEL

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OFFICE OF GENERAL
COUNSEL
Aug 23 10 23 AM '94

MUR 3181

NAME OF COUNSEL: Carol A. Laham, Esq.

ADDRESS: Wiley, Rein & Fielding

1776 K Street, N.W.

Washington, D.C. 20006

TELEPHONE: (202) 429-7301

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.

8/22/94
Date

Signature

RESPONDENT'S NAME: Cara Woods

ADDRESS: Cara Woods

27129 Colgate

Inkster, Michigan 48141

HOME PHONE:

BUSINESS PHONE:

2 3 4 3 4 1 1

OLDAKER, RYAN & LEONARD
ATTORNEYS AT LAW
818 CONNECTICUT AVENUE, N.W.
SUITE 1100
WASHINGTON, D.C. 20006

(202) 728-1010
FACSIMILE (202) 728-4044

August 16, 1994

Mr. Lawrence M. Noble, Esq.
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RE: MUR 3181
Don Barden

Dear Mr. Noble:

I received a letter from Ms. Holly Baker of your office on July 25, denying a request for a copy of the transcript of Mr. Don Barden's deposition on July 14, 1994. Due to the seriousness of this issue, I request the Commission consider this matter and that the deposition transcript remain in Detroit at the office of the court reporter until the Commission has responded.

I have attached copies of earlier correspondence. While your staff has stated that it is the practice of the Commission not to make deposition transcripts available to witnesses or respondents, they have not provided any explanation as to why respondents may not have their own testimony. Prior to this deposition, I had never been advised that respondents could not have copies of their own testimony. In fact, it had been my experience that respondents were permitted to have copies of their own deposition transcripts. Thus, I believe that the Office of General Counsel may not be following a consistent practice in this regard.

I would like to reemphasize to the Commission that it is imperative that I have access to Mr Barden's deposition transcript in order to fully represent his interests in this matter. The denial of access to this document prohibits the use of direct quotes, limiting my ability to effectively communicate my client's response and to substantiate his position. Not allowing a respondent in an enforcement action to quote from his own testimony in his responses to the Commission, threatens the fundamental principles of fairness and due process. The result is certainly not justifiable by the confidentiality provision that was inserted in the law to protect respondents, not to hamper them.

Further, it denies Mr. Barden the opportunity to review the transcript with counsel without bearing considerable travel expense for counsel to travel to Detroit.

Thank you for your consideration in this matter.

Sincerely,

Lyn Utrecht

Enclosures

MUR 3181

GRAPHMARK

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AUG 18 12 21 PM '94
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

August 13, 1994

Holly J. Baker, Attorney
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: Expenses/Arlene Mains

Dear Ms. Baker:

As we discussed before I left your offices in Washington on August 10, 1994, I am sending to you various items relating to expenses I incurred relating to my trip to and from Washington DC on August 9th and 10th. In addition, I am enclosing portions of resumes which will, I trust, give you the information you were seeking regarding my job titles and duties at specific points in time during my career.

Enclosed are receipts for cab fare to the airport on August 10th, lunch on the same date and parking expense for the two days. Baggage tips for the two days totalled $3.00: $2.00 on the 9th and $1.00 on the 10th. My mileage on the 9th from our office at 300 River Place to the airport was 23 miles. On the 10th of August, the mileage from the airport to my home was 11 miles.

This, I believe, should cover the items we discussed. Please let me know if you require any additional information.

Sincerely,

Arlene D. Mains

Arlene D. Mains

Enclosures

300 RIVER PLACE • SUITE 2050
DETROIT, MICHIGAN 48207
(313) 259-9479 • FAX: (313) 259-6049

Abrams Mains **TAXI CAB RECEIPT**

DATE: 8-10-94

CAB FARE FROM 999 E Street, Washington, DC **TO** Washington Mall

No. OF PASSENGERS 1 **TOTAL FARE $** 11.00

CAB CO. & No. _____ **DRIVER** _____

Lunch
Arlene Mains



tip - $2.00

ARLENE MAINS

COORDINATOR OF SUB-CONTRACTING

Graimark Realty Advisors, Inc.
300 River Place, Suite 2050
Detroit, MI 48207
(313) 259-9479

PROFESSIONAL EXPERIENCE:

Sept. 1992 - Present

Graimark Realty Advisors, Inc.

Feb. 1979 - Sept., 1992

First Independence National Bank
Manager of the Credit Card Department - until fall of 1979. Promoted to acting manager of Installment Lending in 1980, and then manager in 1981.

Promoted to AVP in 1984 and shortly thereafter became responsible for the Mortgage Department and all consumer lending for the Bank. In April, 1989 promoted to Vice President and Senior Consumer Loan Officer.

My responsibilities were in all areas of consumer and mortgage lending. The loan and product types which I worked with on a daily basis include residential mortgage loans, installment loans, home equity lines of credit, Mastercard lines of credit and Mastercard/Visa merchants.

June 1974 - February 1979

Union Savings Bank, Mancheseter, Michigan
I started as a part-time teller and moved through the ranks as Secretary, Collections Officer and Loan Officer to a position as Assistant Cashier, with responsibility for the MasterCard Dept. and the Farm Plan program.

EDUCATION:

Graduated from Calvin College, Grand Rapids, Michigan - 1980 - B.A. Education and teaching certificate for German, Psychology and Chemistry on a high school level and all subjects on a junior high level.

American Bankers' Association Schools
American Institute of Banking Courses

PROFESSIONAL AND COMMUNITY ORGANIZATIONS:

International Credit Association of Greater Detroit
Detroit Neighborhood Investment Corp. - Treasurer

R E S U M E

ARLENE MAINS

EDUCATIONAL BACKGROUND AND RELATED WORK EXPERIENCE

Graduated form Calvin College in Grand Rapids, Michigan in 1960 with a B.A. in Education and a teaching certificate for German, Psychology and Chemistry on a high school level and all subjects on a junior high level.

Attended the German School at Middlebury College in Middlebury, Vermont the summer of 1960 and taught German and acted as Librarian at Unity Christian High in Hudsonville, Michigan during the 1960-1961 school year.

Studied English at UCLA in Los Angeles the summer of 1961 and taught English and German at Manchester High in Manchester, Michigan from 1961 through 1965.

ADDITIONAL EDUCATION

American Bankers' Association Schools
- Compliance
- Bankcard Management
- Installment Lending
- Commercial Lending

American Institute of Banking Courses
- Installment Lending
- Accounting I, II and III
- Analysis of Financial Statements

PROFESSIONAL AND COMMUNITY ORGANIZATIONS

International Credit Association of Greater Detroit (Member)

Detroit Neighborhood Investment Corporation (Treasurer)

EMPLOYMENT HISTORY

FEBRUARY 1979 TO PRESENT

First Independence National Bank of Detroit

Came to First Independence as Manager of the Credit Card Department and was a one-person department for all cardholder and merchant related activity until the fall of 1979. With the addition of a clerk to the staff, continued as Manager of the Credit Card Department and became Assistant to the Manager of Installment Lending Department. Promoted to acting Manager of Installment Lending in 1980 and Manager in 1981. In this capacity was responsible for both the Installment and MasterCard Departments.

Promoted to Assistant Vice President in 1984 and shortly thereafter became responsible for the Mortgage Department and all consumer lending for the Bank. In April of 1989 promoted to Vice President and Senior Consumer Loan Officer.

Present responsibilities lie in all areas of consumer and mortgage lending. The loan and product types which I work with on a daily basis include residential mortgage loans, installment loans, home equity lines of credit, Mastercard lines of credit and Mastercard/Visa merchants. Loan functions consist of origination, underwriting, processing, documentation, closing and servicing. Also supervise the staff people who handle loan operations.

Attend seminars both for personal growth and to keep abreast of current information and regulations affecting consumer and mortgage lending. Information gained through these media as well as from reading periodicals and informational material published by various regulators is disseminated to the loan department.

JUNE 1974 TO FEBRUARY 1979

Union Savings Bank, Manchester Michigan

Started as a part-time teller and moved through the ranks as Secretary, Collections Officer and Loan Officer to a position as Assistant Cashier with full responsibility for the MasterCard Department and the Farm Plan program, both of which were started under my supervision. Farm Plan is a program for the purchase and servicing of receivables from farm implement dealers. Also functioned as one of the installment lending officers for the Bank.

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

AUGUST 25, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Kenneth A. Gross, Esq.
Skadden, Arps
1400 New York Ave., N.W.
Washington, D.C. 20005-2107

RE: MUR 3181
Barbara-Rose Collins

Dear Mr. Gross:

Pursuant to its investigation of the above-captioned matter, the Commission has issued the attached subpoena requiring your client to appear at 9:30 a.m. on Thursday, October 6, 1994, at the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463 and give sworn testimony which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $40, plus mileage. Subsequent to the deposition, you will be sent a check for your client's witness fee and mileage.

Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Enclosure
Subpoena

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3181

SUBPOENA

TO: The Honorable Barbara-Rose Collins
c/o Kenneth A. Gross, Esq.
Skadden, Arps
1400 New York Ave., N.W.
Washington, D.C. 20005-2107

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on Thursday, October 6, 1994 in the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, beginning at 9:30 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this Twenty-fifth day of August, 1994.

For the Commission,

Danny L. McDonald
Vice Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

Sep 26 11 37 AM '94

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of the	)	
	)	
Barbara-Rose Collins;	)	MUR 3181
Collins for Congress and Terry	)	
Hasse, as treasurer; Don Barden;	)	
Cara Woods; James Sharp; Anthony	)	
Soave	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On July 14, 1994, Don H. Barden was deposed in Detroit, MI pursuant to the Commission's subpoena for an investigatory deposition. According to Commission practice, Mr. Barden was informed at the end of the deposition that he would have an opportunity to read and sign a copy of the transcript in the office of the court reporter. In a letter faxed to staff of this Office on July 21, 1994, counsel for Mr. Barden requested that a copy of the transcript of Mr. Barden's deposition be made available to her even though, she acknowledged, it is Commission policy not to make copies of transcripts available to witnesses. Attachment 1, pages 3-4. This Office responded by letter dated July 25, 1994, declining to release a copy of the transcript. Attachment 1, page 5. Subsequently, on August 17, 1994, counsel faxed a letter, this time addressed to the Commission, renewing her request for a copy of her client's deposition transcript. Attachment 1, pages 1-2. This Report recommends that at this time, the Commission not release a copy of the deposition transcript.

II. **DISCUSSION**

The FEC is not required by law to provide a copy of an investigatory deposition transcript to a deponent when releasing a copy would harm its investigation. Under the Administrative Procedures Act ("APA"), in a nonpublic investigatory proceeding, a witness compelled by the FEC to submit data or evidence may for "good cause" be "limited to inspection of the official transcript of his testimony." 5 U.S.C. § 555(c); see SEC v. Sprecher, 594 F.2d 317, 319 (2d Cir. 1979).

This Office has specifically not allowed Mr. Barden to have a copy of his deposition transcript because this Office is still involved in deposing respondents and non-respondent witnesses. Various counsel for the several respondents and non-respondent witnesses are in contact with one another and have openly indicated to staff of this Office that they are in contact with one another. Moreover, one non-respondent witness under oath indicated that she had spoken to a previously deposed witness about the FEC deposition questions. Given the conflicting views of what transpired in the loan transactions which are the subject of MUR 3181, release of a key respondent's transcript while depositions are still in progress may serve to compromise the integrity of the remaining depositions. Preserving the integrity of the ongoing deposition process constitutes good cause to deny

Mr. Barden a copy of his deposition transcript at this time.[1] In accordance with the "good cause" provision of the APA, this Office has made the transcript available to Mr. Barden in the court reporter's office in Detroit and has extended as a courtesy to his counsel the opportunity to read the transcript in the Office of the General Counsel. Attachment 1 at 5. Mr. Barden and his counsel have not availed themselves of the opportunities provided by the Commission. See id.

In addition to the APA, the courts have held that investigative files are privileged as a matter of law and that the privilege rests with the agency not the deponent. The law enforcement investigative privilege, a common law privilege, is designed to "preserve the integrity of law enforcement techniques and confidential sources, to protect witnesses and law enforcement personnel, to safeguard the privacy of individuals under investigation and to prevent interference with the investigation." Raphael v. Aetna Casualty and Surety Co., 744 F. Supp. 71, 74 (S.D.N.Y. 1990) (citing In re Department of Investigation of New York, 856 F.2d 481, 484 (2d Cir. 1988)); cf. Frankel v. Securities and Exchange Commission, 460 F.2d 813, 817 (2d Cir.), cert. denied, 409 U.S. 889 (1972) (discussing protection of the government's legal case as one of Congress' purposes in creating a

1. Although counsel indicates it had been her experience that respondents received transcripts of their depositions, she has not provided details of the timing or circumstances of that experience. In fact, it has been the policy of this Office for some years not to routinely provide copies of deposition transcripts to deponents during the pendency of the investigation, especially where issues of credibility are involved. See, e.g. MUR 2984 (Memo to the Commission dated July 24, 1990)

FOIA exemption covering investigative files). Further, maintaining the confidentiality of the deposition transcript rests with the agency not the witness, and at this time, for the reasons discussed above, the FEC should not "withdraw the veil of secrecy" by releasing a copy of the deposition transcript in its investigatory file. See LaMorte v. Mansfield, 438 F.2d 448, 451 (2d Cir. 1971).

Counsel writes that a copy of Mr. Barden's deposition transcript is necessary "in order to fully represent his interests in this matter," and that "[n]ot allowing a respondent in an enforcement action to quote from his own testimony in his responses to the Commission threatens the fundamental principles of fairness and due process." Attachment 1, p. 1. Were this matter at a stage beyond the reason to believe investigation, counsel's claims would have more force. Under 2 U.S.C. § 437g(a)(2), a reason to believe finding is a prerequisite to a Commission investigation of an "alleged violation," not a finding that a violation has in fact occurred. Commensurate with the reason to believe stage, Mr. Barden has been afforded all procedural protections of the law. See 2 U.S.C. § 437g(a)(2). At this point in the midst of the investigation, Mr. Barden will suffer no prejudice if denied a copy of the investigative deposition transcript whereas releasing a copy can only hinder the Commission's investigation.

In summary, because of the "good cause" exception under the APA, the law enforcement investigative privilege, and the function of investigative findings within the Commission's enforcement

procedure, this Office recommends that the Commission not release a copy of the investigatory deposition transcript of Don Barden at this time.

III. RECOMMENDATIONS

1. Deny Don Barden's request for a copy of the transcript of his investigatory deposition at this time.

2. Approve the appropriate letter.

Lawrence M. Noble
General Counsel

9/24/94
Date

BY: _____
Lois G. Lerner
Associate General Counsel

Attachment
1. Request with attachments

Attorney assigned: Holly J. Baker

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/E. SHARON HUGHES ESH
COMMISSION SECRETARY

DATE: SEPTEMBER 29, 1994

SUBJECT: MUR 3181 - GENERAL COUNSEL's REPORT DATED SEPTEMBER 24, 1994.

The above-captioned document was circulated to the Commission on MONDAY, SEPTEMBER 27, 1994 4:00.

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

Commissioner Aikens	
Commissioner Elliott	xxx
Commissioner McDonald	
Commissioner McGarry	
Commissioner Potter	xxx
Commissioner Thomas	

This matter will be placed on the meeting agenda for TUESDAY, OCTOBER 4, 1994.

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

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3181
Barbara-Rose Collins;	)	
Collins for Congress and Terry Hasse, as treasurer;	)	
Don Barden; Cara Woods;	)	
James Sharp; Anthony Soave	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on October 4, 1994, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions in MUR 3181:

1. Deny Don Barden's request for a copy of the transcript of his investigatory deposition at this time.

2. Direct the Office of General Counsel to write a letter explaining why the Commission is not providing the transcript at this time and when the transcript will be made available, and circulate this letter for Commission approval on a no objection basis.

Commissioners Aikens, McGarry, Potter, and Thomas voted affirmatively for the decision; Commissioner McDonald abstained in the vote; Commissioner Elliott was not present.

Attest:

10-5-94
Date

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

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

October 26, 1994

Lyn Utrecht, Esq.
Oldaker, Ryan & Leonard
Suite 1100
818 Connecticut Avenue, NW
Washington, D.C. 20006

RE: MUR 3181
Don Barden

Dear Ms. Utrecht:

This letter is to inform you that the Commission considered your August 16, 1994 request for a copy of Mr. Barden's deposition transcript, and on October 4, 1994, denied this request. As you may be aware, the Commission's investigative materials, including investigatory depositions, are protected by the law enforcement investigative privilege and the "good cause" exception of the Administrative Procedures Act. The Commission has found good cause not to provide a copy of Mr. Barden's deposition transcript at this stage in the investigation and has determined not to waive its privilege at this time.

In regard to your concern that a copy of the transcript is necessary to formulate your client's response, we note that no response is now due. Should a response be called for in the future, we will arrange with you to have a copy of Mr. Barden's transcript.

As noted in my letter to you of July 25, 1994, Mr. Barden may review his deposition transcript in the offices of the court reporter in Detroit. Please let me know whether he intends to do so. As also noted in that letter, given the geographical distance between Detroit and Washington, D.C., as a courtesy, we will make a copy available for you to read in our Office.

Please call me at (202) 219-3400 to make arrangements.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 22, 1994

MEMO

TO: Robert Costa
Ass't Staff Director

THROUGH: John Surina
Staff Director

FROM: Lois G. Lerner
Associate General Counsel

RE: Assistance from Audit Division in MUR 3181

This Office is at present investigating a matter involving the possible commingling of personal and campaign funds in the form of bank loan proceeds and/or use of campaign funds for a candidate's personal use. Prior to recommending additional findings based on the financial information obtained during discovery, we request the Audit Division's assistance in reviewing that financial information, including bank deposit slips and checks written on the candidate's personal account, to determine the flow and direction of the funds in the account. Please contact Holly Baker, the attorney assigned to this matter, regarding this request.

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

AK006015

February 22, 1995

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: ROBERT J. COSTA
ASSISTANT STAFF DIRECTOR
AUDIT DIVISION

SUBJECT: SUMMARY REVIEW OF DOCUMENTS RELATED TO MUR 3181
COLLINS FOR CONGRESS COMMITTEE

The Office of General Counsel is investigating a matter involving the possible commingling of personal and campaign funds in the form of bank loan proceeds and/or the use of campaign funds for a candidate's personal use. The Office of General Counsel requested the Audit Division's assistance in reviewing the financial information to determine the flow and direction of the funds in the candidate's personal account as well as the Committee account.

It was agreed that the Audit staff's review would not concern the receipt of the initial $75,000 in loans (i.e., whether the loans were made in the ordinary course of business or there were excessive contributions from guarantors), excessive or prohibited contributions, or the source of funds to repay the loans (e.g., receipt of additional loans from credit unions).

In addition, due to a lack of sufficient records, no attempt was made to reconcile the Committee's disclosure reports with its bank activity to determine the accuracy of the reported totals. Nor was any review performed of other reported information to determine compliance with the requirements of the Act and regulations.

RECORDS OBTAINED FROM OGC:

Bank Statements for Collins for Congress (CFC)
Comerica Bank

June 29, 1990 through December 31, 1991
Copies of negotiated checks for amounts $1,000 and greater
Copies of Deposit tickets for deposit amounts $1,000 and greater
Copies of deposited items relative to above deposits

Bank Statements for Barbara Rose Collins (BRC)
Comerica Bank

June 22, 1990 through January 9, 1991
Copies of negotiated checks for amounts $1,000 and greater
Copies of Deposit tickets for deposit amounts $1,000 and greater
Copies of deposited items relative to above deposits

Microfiche copies of disclosure reports for the period 7/1/90 through 12/31/91 including amendments.

Consumer Loan Agreements from First Independence National Bank of Detroit for loans obtained
7/16/90 $50,000
7/16/90 $25,000 (includes the loan application)
11/16/90 $10,000

Miscellaneous copies of above documents.

PROCEDURES

The bank statements were sorted by account name and number and arranged in chronological order.

Copies of negotiated instruments were matched with the appropriate bank statement. A check mark was placed by the amount on the statement if the related documentation was attached.

LOTUS spreadsheets containing the following information were generated. The spreadsheets are located at sub directory: MUR 3181; File Name:wjtl_bnkrecrds.wk3.

Spreadsheet Location	Spreadsheet contents
A	Collins for Congress, Schedule of Bank Activity 6/29/90 - 12/31/91
B	Collins for Congress, Schedule of Deposits (For amounts greater than or equal to $1,000.)
C	Collins for Congress, Check Listing (For checks in amounts greater than or equal to $1,000.)

D Barbara Rose Collins, Schedule of Bank Activity 6/22/90-1/9/91

E Barbara Rose Collins, Check Listing (For checks in amounts greater than or equal to $1,000.)

F Barbara Rose Collins, Schedule of Deposits (For amounts greater than or equal to $1,000.)

On the Schedules of Deposits for CFC and BRC (spreadsheets B and F), the source of the deposits were identified by itemizing each deposit item having an amount greater than or equal to $1,000 and labeling the remainder "contributions," representing contribution checks in amounts less than $1,000 from multiple contributors.

The Check Listings include columns for purpose as recorded on the memo line on the canceled check.

FACTS OBTAINED

Use of Loan Proceeds

The deposit of loans/loan proceeds into the accounts were identified as well as the loan repayments: (See the spreadsheet entitled Collins for Congress, Loans, for a breakdown of loans and loan repayments.)

Barbara-Rose Collins (apparently as an individual, not a candidate) received loans in the amounts of $50,000 and $25,000 from 1st Independence National Bank of Detroit on July 16, 1990. No evidence of collateral is indicated on the Consumer Loan Agreements.

On July 16, 1990, $41,000 (of the $50,000 loan) was deposited into the Committee account and $9,000 was deposited into Ms. Collins' personal account.

On July 17, 1990, $20,000 (of the $25,000 loan) was deposited into the Committee account and $5,000 was deposited into Ms. Collins' personal account.

The funds ($61,000) deposited into the Committee account appear to have been used for general campaign expenditures. The purposes, as recorded on the memo lines of the canceled checks examined, were for expenses such as photos/posters, brochures, billboards, lawn signs, T-shirts, etc. A substantial portion, $44,953, was used for advertising: $39,000 to Coley & Associates, Inc. and $5,950 to Gannett Outdoor Company of Michigan. However, no third party vendor documentation was presented.

The majority of the $14,000 deposited into Ms. Collins personal account was paid to C. M. Putnam1/. A total of $11,800 was paid in 5 installments between August 15 and October 26, 1990. Memo entries recorded on some of the checks describe the purposes of the payments as deposit, downpayment, final payment and Shay Lot? (illegible). Other payments identified from this account during the period 8/15/90 through 12/19/90 include $2,000 to The Forgotten Woman (a women's clothing store), a $1,000 donation to a church and a $15,000 loan to the Committee (discussed below).

Loan Repayments

The loans were repaid by checks drawn on the Committee's account:

#1301 dated 10/23/90, $1,375;
#1353 dated 11/16/90, $50,478.57; and
#1354 dated 11/15/90, $25,218.76

The repayments were funded in major part by three deposits made on 11/16/90 into the CFC account totaling $42,524.45. The deposits consisted of contributions from PACs, individuals, and $34,524 from Barbara-Rose Collins.

The contributions from BRC consisted of a $15,000 loan from BRC's personal account, an additional loan to BRC of $10,000 from 1st Independence National Bank of Detroit and 3 loans to BRC from 2 credit unions totaling $9,524.45. Documentation for the credit union loans was not presented. No evidence of collateral is indicated on the Consumer Loan Agreement for the $10,000 loan from 1st Independence National Bank of Detroit.

Barbara-Rose Collins' Personal Account

The source of the $15,000 loaned to CFC from BRC's personal account consists of transfers of $5,000 from each of 2 other personal accounts of BRC and a cashier's check from an individual (Patricia E. Coley) in the amount of $5,000. The transfers are evidenced by copies of Daily Interest/Business Savings/Public Funds Withdrawal slips (bank debit memos) which document the withdrawal of funds from the indicated accounts (Comerica accounts On each slip the account holder is identified as BRC. Other documentation for the additional personal accounts was not provided.

Regarding the cashier's check, it should be noted that according to the Dunn and Bradstreet database accessed in the FEC library, Patricia E. Coley is the president of Coley & Associates, Inc., the company to which payments were made by CFC

1/ A search of the FEC database of itemized contributions was performed to identify contributions to the Committee from C. M. Putnam. None were identified.

for advertising (as noted above). The cashier's check is annotated with the words "campaign reimbursement".

Loans from Credit Unions

Regarding the credit union loans, one loan in the amount of $4,000 was deposited on 11/16/90 from Detroit Teachers Credit Union. It was repaid from the CFC account in two payments:
Check #1396 dated 1/8/91 for $520, and
Check #1444 dated 4/24/91 for $3,831.56.

Two loans were received from the Detroit Municipal Credit Union: $2,719 on 11/15/90 and $2,805.45 on 11/15/90. The $2,719 loan was repaid by CFC check #1408 in the amount of $2,719. The payment of interest on this loan has not been identified. Documentation for the repayment of the $2,805.45 loan (principal and interest) was not provided. It was noted that Schedules B and C of the Committee's disclosure report for the period 1/1/91 - 6/30/91 itemize a payment to Detroit Municipal Credit Union in the amount of $2,805 and Schedule B itemizes a payment for $214.38. In addition to the itemizations detailed above, $2,719 was itemized on Schedule B as payment to Barbara Rose Collins. Debits for these amounts were not identified on the CFC or BRC bank statements. However, it was noted that CFC check #1398 in the amount of $5,738.83 was charged to the CFC account on 1/14/91. The amounts $2,719, $2,805.45, and $214.38 total $5,738.83. A copy of the check was not provided, so the payee is unknown.

Other Matters Noted

Other transactions of interest were noted during the review of BRC's personal account.

Included among the documents presented for our review were copies of 2 checks payable to Collins for Congress and 2 completed deposit tickets for depositing the checks into the CFC account. The checks, dated 8/20/90 and 8/21/90, are for $9,000 and $5,000 respectively. The checks were never negotiated. The check amounts are the same as the amounts of the loan proceeds deposited into BRC's account on 7/16/90 and 7/17/90.

On 9/24/90 a bank money order in the amount of $9,270 was deposited and $8,000 in cash was returned. The source of the funds used to purchase the money order or its purpose is unknown at this time.2/ Likewise on 12/20/90, $6,000.25 in cash was returned from the deposit of a tax refund in the amount of $6,833.96 and a Collins for Council Committee check in the

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2/ The money order was issued by Kingston State Bank. It should be noted that the signatory, Susan Szcygiel, is listed as AVP (Assistant Vice President) of the bank, according to the 1993 edition of Polk's Bank Directory.

amount of $1,413.29. Records detailing how the cash was expended were not provided.

SUMMARY

In order to determine the extent to which campaign funds were commingled with the candidate's personal funds, additional records must be reviewed.

Bank statements for the 2 additional Comerica accounts from which $10,000 in transfers were made to BRC's account on 11/15/90 must be submitted, including documentation in support of the deposits (i.e., copies of deposit tickets and deposit items) as well as descriptions of the sources of the deposits.

Invoices, account statements or other supporting documentation should be made available for the $5,000 cashiers check from Patricia Coley which was deposited into BRC's personal account on 11/15/90.

Copies of the loan applications and loan agreements for the loans from the Detroit Municipal Credit Union as well as documentation showing the source of the funds used to pay for interest on the 11/15/90 loan for $2,719 and the principal and interest on the 11/15/90 loan for $2,805.45 must be provided. In addition, a copy (front and back) of negotiated check #1398 must be provided.

Finally, questions exist relating to 1)how $14,000.25 in cash returned from deposits to BRC's personal accounts on 9/24/90 and 12/20/90 was expended and 2) the source and purpose of the $9,270 bank money order deposited on 9/24/90.

If there are any questions regarding this matter or if you wish to review audit workpapers, do not hesitate to contact Wanda Thomas or Rick Halter at 219-3720.

ACCOUNT NAME: COLLINS FOR CONGRESS
SCHEDULE OF BANK ACTIVITY 6/29/90 - 12/31/90
COMERICA BANK ACCOUNT

STATEMENT PERIOD	BEG. BAL	RECEIPTS	DISB.	END BAL.
6/29/30 - 7/31/90	14,831.64	109,878.00	80,448.94	44,260.70
7/31/90 - 8/31/90	44,260.70	26,065.00	37,116.88	33,208.82
8/31/90 - 9/30/90	33,208.82	7,707.00	10,716.64	30,199.18
9/30/90 - 10/31/90	30,199.18	20,648.00	12,889.39	37,957.79
10/31/90 - 11/30/90	37,957.79	78,917.45	91,085.50	25,789.74
11/30/90 - 12/31/90	25,789.74	13,455.00	9,773.18	29,471.56
	14,831.64	256,670.45	242,030.53	29,471.56

SCHEDULE OF BANK ACTIVITY 12/31/90 - 12/31/91

STATEMENT PERIOD	BEG. BAL	RECEIPTS	DISB.	END BAL.
12/31/90 - 1/31/91	29,471.56	20,870.00	40,122.69	10,218.87
1/31/91 - 2/28/91	10,218.87	425.00	1,339.85	9,304.02
2/28/91 - 3/31/91	9,304.02	4,047.07	1,495.03	11,856.06
3/29/91 - 4/30/91	11,856.06	13,500.00	6,577.27	18,778.79
4/30/91 - 5/31/91	18,778.79	5,800.00	360.00	24,218.79
5/31/91 - 6/30/91	24,218.79	9,355.00	3,501.82	30,071.97
6/28/91 - 7/31/91	30,071.97	4,480.00	22,431.10	12,120.87
7/31/91 - 8/31 91	12,120.87	310.00	4,187.41	8,243.46
8/31/91 - 9/30/91	8,243.46	3,150.00	2,330.39	9,063.07
9/30/91 - 10/31/91	9,063.07	19,150.00	1,972.59	26,240.48
10/31/91 - 11/30/91	26,240.48	8,950.00	8,170.39	27,020.09
11/30/91 - 12/31/91	27,020.09	750.00	16,728.03	11,042.06
	29,471.56	90,787.07	109,216.57	11,042.06
TOTALS 90 AND 91		347,457.52	351,247.10	

ACCOUNT NAME: COLLINS FOR CONGRESS
DEPOSITS (AMTS GRTR THAN OR EQUAL TO $1,000)
COMERICA BANK ACCOUNT

DATE	AMOUNT	SOURCE
09-Jul-90	1,580.00	CONTRIBUTIONS
13-Jul-90	5,000.00	UAW V CAP
16-Jul-90	41,000.00	LOAN 1ST INDEPENDENCE $50,000-$9,000 TO PERSONAL ACCT
17-Jul-90	20,000.00	LOAN 1ST INDEPENDENCE $25,000-$5,000 TO PERSONAL
25-Jul-90	1,440.00	CONTRIBUTIONS
25-Jul-90	2,025.00	CONTRIBUTIONS
25-Jul-90	5,500.00	NEA PAC $5,000; $500 CONTRIBUTION
27-Jul-90	1,625.00	STARWAY INN $1,000; CONTRIBUTIONS
27-Jul-90	2,800.00	M.J. MOROUN $1,000; CONTRIBUTIONS
27-Jul-90	4,000.00	ASSOCIATED GENERAL CONTRACTORS OF AMERICA PAC $2,500; CONTRIBUTIONS
27-Jul-90	5,375.00	SADIE COHN $1,000; CONTRIBUTIONS
30-Jul-90	1,400.00	CONTRIBUTIONS
30-Jul-90	4,100.00	WALTER WOLPIN $1,000; RJR PAC $2,000; CONTRIBUTIONS
31-Jul-90	1,000.00	CONTRIBUTIONS
31-Jul-90	1,000.00	ROBERT THOMPSON $1,000
31-Jul-90	1,150.00	CONTRIBUTIONS
31-Jul-90	2,500.00	SMAC PAC
03-Aug-90	2,250.00	R.C.LEVY, JR.,$1000; CONTRIBUTIONS-WINKELMAN'S RECEPTION
06-Aug-90	2,100.00	COMERICA BANK PAC $1,000; RONALD R. PANCRATZ $1,000
08-Aug-90	2,550.00	ERIC V. SMITH $1,000; CONTRIBUTIONS
10-Aug-90	5,969.00	LUCILLE & FRANK VALLECORSA, $1,000 EA.; CARMEN AND STEPHEN MARDIGIAN $1,000 EA; CONTRIBUTIONS
23-Aug-90	2,950.00	13TH CONGR. DISTRCT. DEMOCRATIC ORG. PAC $2,800; CONTRIBUTION
23-Aug-90	6,510.00	COPE-AFL-CIO $5,000; MECH CONTRACTORS ASSOC OF AMERICA PAC, INC $1,000
07-Sep-90	1,500.00	CONTRIBUTIONS
24-Sep-90	1,500.00	DETROIT EDISON PAC $1,000; CONTRIBUTION
25-Sep-90	1,000.00	CONTRIBUTIONS
28-Sep-90	1,300.00	CONTRIBUTIONS
02-Oct-90	2,000.00	EMILY'S LIST $1,000; CONTRIBUTIONS
09-Oct-90	7,000.00	NEA PAC $5,000; AT&T PAC $1,000; COMERICA PAC $1,000
22-Oct-90	1,500.00	SEIU COPE FUND PCC $1,000; CONTRIBUTION
23-Oct-90	2,500.00	CITIZENS FOR CARDISS COLLINS $1,000; COMMODITY FUTURES POLITICAL FUND $1,000; FOOD PAC $500

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ACCOUNT NAME: COLLINS FOR CONGRESS
DEPOSITS (AMTS GRTR THAN OR EQUAL TO $1,000)
COMERICA BANK ACCOUNT

DATE	AMOUNT	SOURCE
26-Oct-90	4,300.00	HUMAN RIGHTS FUND $1,000; CONTRIBUTIONS
29-Oct-90	1,800.00	CONTRIBUTIONS
01-Nov-90	1,610.00	JOHN D. RAWCLIFFE $1,000; CONTRIBUTIONS
05-Nov-90	5,000.00	UAW V CAP $5,000
06-Nov-90	3,250.00	CITIZENS FOR WATERS $1,000; CONTRIBUTIONS
08-Nov-90	1,050.00	CONTRIBUTIONS
08-Nov-90	4,100.00	SEAFARERS PAC $2,000;NARFE PAC $2,000, CONTRIBUTION
16-Nov-90	5,000.00	$1,000 EA FROM K SHAPIRO, E. BARSAMIAN, H. BARSAMIAN, R SHAPIRO, N SHAPIRO
16-Nov-90	10,000.00	LOAN PROCEEDS 1ST INDEPENDENCE BANK
16-Nov-90	27,524.45	BARBARA ROSE COLLINS $15,000; DETROIT MUNICIPAL CREDIT UNION $2,719, $2,805.45; DETROIT TEACHERS CREDIT UNION $4,000; SIMPSON FAMILY:C,B.SR.,B.JR. $3,000
20-Nov-90	5,000.00	CITY PAC $1,000; E.HOOVER $1,000; T&J SHARP $2,000; P.SAPUTO $1,000
30-Nov-90	3,105.00	CONTRIBUTIONS
30-Nov-90	3,350.00	CONTRIBUTIONS
30-Nov-90	5,000.00	J.HARTMANN $1,000;F.KELLY $1,000;J.BORTNICK $1,000; M.BERGIEL $1,000; M.LAFRANCE $1,000
10-Dec-90	2,470.00	CONTRIBUTIONS
13-Dec-90	1,000.00	DEALRS ELECTION ACTION COMTE NATL AUTO DLRS ASSOC
13-Dec-90	3,140.00	CONTRIBUTIONS
14-Dec-90	2,100.00	CONTRIBUTIONS
18-Dec-90	1,000.00	WOMEN'S CAMPAIGN FUND
27-Dec-90	1,300.00	CONTRIBUTIONS
07-Jan-91	1,105.00	CONTRIBUTIONS
11-Jan-91	3,850.00	CONTRIBUTIONS
18-Jan-91	1,540.00	CONTRIBUTIONS
18-Jan-91	2,325.00	CONTRIBUTIONS
23-Jan-91	4,675.00	CONTRIBUTIONS
25-Jan-91	2,525.00	ABC ACTIVE BALLOT CLUB $2,500; CONTRIBUTION
21-Mar-91	1,738.00	RJR PAC $1,000; REFUND
28-Mar-91	1,844.07	U.S. TREASURY
09-Apr-91	3,250.00	CARPENTERS' LEGSLTVE IMPROVE. COMTE $3,000; SMAC PAC
16-Apr-91	3,400.00	SIGN/PAC $1,000; CONTRIBUTIONS
16-Apr-91	3,650.00	CONTRIBUTIONS

ACCOUNT NAME: COLLINS FOR CONGRESS
DEPOSITS (AMTS GRTR THAN OR EQUAL TO $1,000)
COMERICA BANK ACCOUNT

DATE	AMOUNT	SOURCE
23-Apr-91	1,200.00	CONTRIBUTIONS
24-Apr-91	1,000.00	REDEPOSIT SIGN PAC
01-May-91	1,900.00	ALPA PAC $1,000; CONTRIBUTIONS
07-May-91	1,200.00	CONTRIBUTIONS
10-May-91	1,200.00	CONTRIBUTIONS
17-Jun-91	2,500.00	DRIVE POLITICAL FUND
28-Jun-91	1,400.00	CONTRIBUTIONS
28-Jun-91	2,365.00	CONTRIBUTIONS
22-Jul-91	1,320.00	CONTRIBUTIONS
10-Sep-91	1,000.00	COMTE ON LTE CARRIERS POL EDUCATION AFL-CIO
16-Sep-91	1,000.00	HUMAN RIGHTS CAMPAIGN FUND PAC
15-Oct-91	3,600.00	CULLEN DUBOSE $2,500; CONTRIBUTIONS
18-Oct-91	2,500.00	R.SHAPIRO $1,000, K.SHAPIRO $1,000; CONTRIBUTIONS
24-Oct-91	1,500.00	CONTRIBUTIONS
30-Oct-91	3,000.00	CONTRIBUTIONS
30-Oct-91	3,500.00	MICHBELLPAC $2,500; CONTRIBUTIONS
30-Oct-91	4,550.00	CONTRIBUTIONS
05-Nov-91	6,700.00	UAW V CAP $4,700;CMTE POL. ACTION AMERICAN POST-AL WORKERS UNION $1,500; CONTRIBUTIONS
07-Nov-91	1,000.00	MCNAMARA BAND
	305,560.52	

ACCOUNT NAME: COLLINS FOR CONGRESS
CHECK LISTING
COMERICA BANK ACCOUNT

CHK #	DATE	PAYEE	AMOUNT	PURPOSE (per memo line on check)
1065	21-Jun-90	MARTY LAVOR	1,910.00	PHOTOS/POSTERS
1084	27-Jun-90	AMERICAN EXPRESS	2,047.16	ACCT 3728-334213-73006
1085	27-Jun-90	AMERICAN SPEEDY PRINTING CENTE	2,000.00	BROCHURES
1087	28-Jun-90	GATEWAY OUTDOOR ADVERTISING	2,452.30	BILLBOARDS - BALANCE
1091	28-Jun-90	SAWICKI & SON	2,511.00	POSTERS
1093	05-Jul-90	U.S. POSTMASTER	1,900.00	ACCT # 171
1095	09-Jul-90	SAWICKI & SON	2,000.00	DEPOSIT: LAWN SIGNS AND POSTERS
1101	07-Aug-90	GANNETT OUTDOOR CO. OF MICHIGA	5,950.00	ADVERTISEMENT SPACE
1103	13-Jul-90	SAWICKI & SON	4,370.00	BALANCE: YARD & WINDOW SIGNS
1105	16-Jul-90	?	27,003.00	??FOR COLEY & ASSOCIATES
1115	19-Jul-90	ST. REGIS HOTEL	2,000.00	7/23/90 KICK OFF RECEPTION
1120	19-Jul-90	SAWICKI & SON	3,000.00	LAWN SIGNS, T-SHIRTS, HATS
1126	24-Jul-90	SAWICKI & SON	2,494.40	POSTERS BALANCE
1127	24-Jul-90	YOUNG'S POLITICAL ACTION COMMI	4,000.00	REFUND PAC OVERPAYMENT
1131	25-Jul-90	SAWICKI & SON	2,771.00	BALANCE DUE/BAGS, HATS, T-SHIRT
1138	27-Jul-90	COLEY & ASSOCIATES, INC.	12,000.00	RADIO ADVERTISEMENT
1139	30-Jul-90	MICHIGAN CHRONICLE	2,226.04	
1162	01-Aug-90	SAWICKI & SON	2,059.20	LAWN SIGNS
1167	02-Aug-90	MOTOR CITY ELECTRONICS	1,226.16	SOUND EQUIPMENT
1177	03-Aug-90	OFFICE HOLDER EXPENSE ACCT #21	1,000.00	DEPOSIT
1178	03-Aug-90	GREGORY SIMPKINS	1,000.00	ELECTION DAY FOOD & REFRESHMENTS
1179	06-Aug-90	COLLINS FOR COUNCIL ACCT:#2102	4,188.00	LOAN REPAYMENT
1183	06-Aug-90	DATA METRIC, INC.	3,000.00	VOTE TRACTING & EXIT POLLING
1185	07-Aug-90	CASH	1,300.00	POLLWATCHERS
1208	09-Aug-90	HELEN WRIGHT	1,258.42	PRINTING
1209	17-Aug-90	ABRAM CHERRY	1,000.00	SERVICES RENDERED
1251	14-Sep-90	? HELEN WRIGHT	3,500.00	
1257	18-Sep-90	THE BLACK SLATE	1,000.00	SLATE PRINTING & DISTRIBUTION
1262	20-Sep-90	BUKU PRODUCTIONS	1,580.00	BAL.DUE"THE COLORED MUSEUM" FNDRSR 9/23/90
1275	02-Oct-90	COMERICA BANK PAC	1,000.00	REFUND ?? CONTRIBUTION
1289	12-Oct-90	POST MASTER GENERAL DETROIT	2,300.00	
1295			1,000.00	PAID 10/22/90 (DOCUMENT NOT PROVIDED)
1301	23-Oct-90	FIRST INDEPENDENCE NAT'L BANK	1,375.00	LOAN #1000420148 (1ST PAYMENT)
1312	26-Nov-90	AMERICAN EXPRESS #3728-334213-	3,372.00	FORGOTTEN WOMEN IMAGE CONSULTATION
1340	05-Nov-90	GREGORY SIMPKINS	2,000.00	ELECTION DAY FOOD
1346	08-Nov-90	AMERICAN EXPRESS (GOLD CARD)	4,957.57	ACCT #3728-334213-73006

ACCOUNT NAME: COLLINS FOR CONGRESS
CHECK LISTING
COMERICA BANK ACCOUNT

CHK #	DATE	PAYEE	AMOUNT	PURPOSE (per memo line on check)
1353	16-Nov-90	FIRST INDEPENDENCE NAT'L BANK	50,478.57	FINAL PAYMENT
1354	15-Nov-90	FIRST INDEPENDENCE NAT'L BANK	25,218.76	FINAL REPAYMENT LOAN 420156
1364	30-Nov-90	HYATT REGENCY HOTEL	2,225.00	DEPOSIT FOR 50 DOUBLE OCC ROOMS
1367	30-Nov-90	OAKWOOD APTS	1,714.00	
1383	18-Dec-90	AMERICAN EXPRESS	2,577.00	ACCT #3728-334213-73006
1397			3,560.67	PAID 1/15/91 (DOCUMENT NOT PROVIDED)
1398			5,738.83	PAID 1/14/91 (DOCUMENT NOT PROVIDED)
1399	01-Jan-91	HYATT REGENCY - WASHINGTON	7,603.42	DETROIT DELEGATION
1405	14-Jan-91	OGDEN ALLIED SERVICES	5,475.60	1/19/91 INAUGURAL PRAYER BREAKFAST DEPOSIT
1408	17-Jan-91	DETROIT MUNICIPAL CREDIT UNION	2,719.00	SHARE ACCOUNT 206624
1415	18-Jan-91	OGDEN ALLIED SERVICES	5,771.35	BALANCE 1/19/91 INAUGURAL PRAYER BREAKFAST
1416	18-Jan-91	CNN PRINTING	1,137.24	INAUGURAL BREAKFAST PROGRAMS
1417	22-Jan-91	AMERICAN EXPRESS	3,662.72	ACCT #3728-334213-73006
1444	24-Apr-91	DETROIT TEACHERS CREDIT UNION	3,831.56	A/C#22668-2-0
1448	25-Apr-91	MARYLOU RICHARDSON	1,000.00	LOAN REPAYMENT
1474	24-Jun-91	AMERICAN EXPRESS	1,196.44	ACCT #3728-334213-73006
1481	16-Jul-91	BARBARA ROSE COLLINS	15,000.00	PARTIAL LOAN REPAYMENT
1482	16-Jul-91	CYNTHIA AND BRUCE SIMPSON	2,000.00	LOAN REPAYMENT IN FULL
1483	16-Jul-91	1st INDEPENDENCE NATIONAL BANK	4,000.00	PARTIAL LOAN REPAYMENT
1498	01-Aug-91	U.S. HOUSE OF REPRESENTATIVES	2,920.50	PRINTING
1501	16-Sep-91	AMERICAN SCHOOL FUNDRAISER	1,290.00	LAPEL PINS
1533	01-Nov-91	FIRST INDEPEDENCE NATIONAL BAN	5,992.76	LOAN PAID IN FULL 00421045
1558	26-Nov-91	CONGRESSWOMAN BARBARA-ROSE COL	15,000.00	CAMPAIGN LOAN REPAYMENT IN FULL
			288,864.67	

ACCOUNT NAME: BARBARA ROSE COLLINS
SCHEDULE OF BANK ACTIVITY 6/22/90 - 1/9/91
COMERICA BANK ACCOUNT

STATEMENT PERIOD	BEG. BAL	RECEIPTS	DISB.	END BAL.
6/22/90 - 7/10/90	551.19	300.00	145.00	706.19
7/10/90 - 8/08/90	706.19	14,000.00	313.62	14,392.57
8/08/90 - 9/11/90	14,392.57	0.00	8,235.26	6,157.31
9/11/90 - 10/09/90	6,157.31	1,270.00	3,911.00	3,516.31
10/09/90 - 11/08/90	3,516.31	1,840.00	4,270.20	1,086.11
11/08/90 - 12/10/90	1,086.11	15,000.00	16,023.00	63.11
12/10/90 - 1/09/91	63.11	2,987.00	2,617.90	432.21
	551.19	35,397.00	35,515.98	432.21

ACCOUNT NAME: BARBARA ROSE COLLINS
CHECK LISTING (AMOUNTS GRTR THAN OR EQUAL TO $1,000)
COMERICA BANK ACCOUNT

CHK #	DATE	PAYEE	AMOUNT	PURPOSE
1384	15-Aug-90	C.M. PUTNAM	3,000.00	DOWNPAYMENT
1391	25-Aug-90	C.M. PUTNAM	2,000.00	DEPOSIT ON C???
1392	06-Sep-90	THE FORGOTTEN WOMAN	2,000.00	
1395	14-Sep-90	C.M. PUTNAM	3,000.00	
1400	05-Oct-90	C.M. PUTNAM	2,000.00	SHAY LOT?
1403	26-Oct-90	C.M. PUTNAM	1,800.00	FINAL PAYMENT
1406	15-Nov-90	COLLINS FOR CONGRESS	15,000.00	LOAN
1412	19-Dec-90	CASS COMMUNITY UNITED METHODIS	1,000.00	DONATION
			29,800.00	

ACCOUNT NAME: BARBARA ROSE COLLINS
DEPOSITS (AMOUNTS GRTR THAN OR EQUAL TO $1,000)
COMERICA BANK ACCOUNT

DATE	AMOUNT	SOURCE OF DEPOSIT
16-Jul-90	9,000.00	PROCEEDS OF $50,000 LOAN ($41,000 DEP TO COMTE ACCT)
17-Jul-90	5,000.00	PROCEEDS OF $25,000 LOAN ($20,000 DEP TO COMTE ACCT)
24-Sep-90	1,270.00	BANK MO $9270 LESS $8,000 CASH
31-Oct-90	1,000.00	PERSONAL CHECK FROM RUBY LEE WILLIAMS
15-Nov-90	5,000.00	CASHIER'S CHECK FROM PATRICIA E. COLEY
		MEMO ON CHECK: CAMPAIGN REIMBURSEMENT
15-Nov-90	10,000.00	APPEARS TO BE WITHDRAWAL OF $5,000 FROM EACH OF
		2 PERSONAL ACCOUNTS*
20-Dec-90	2,247.00	US TAX REFUND 6,833.96, $1,413.29 FROM COLLINS
		FOR COUNCIL COMTE, LESS CASH $6,000.25
	33,517.00	

* Comerica Accounts 0937-62005-2, 0937-60880-0
Documents were not provided for these accounts.

1ST INDEPENDENCE NATIONAL BANK

7/16/90 $50,000

PAYMENTS

CHECK	CHECK DATE	CHECK AMOUNT
1301	23-Oct-90	1,375.00
1353	16-Nov-90	50,478.57
TOTAL PAYMENTS		51,853.57

SOURCE OF FUNDS FOR PAYMENT

1ST INDEPENDENCE LOAN #100421045 $10,000
DETROIT MUNICIPAL CU $5,524.45, DETR. TECHRS CU $4,000
BRC $15,000, SIMPSON FAMILY $3,000, SHAPIRO FAMILY $5,000
CONTRIBUTIONS

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7/16/90 $25,000

PAYMENTS

CHECK	CHECK DATE	CHECK AMOUNT
1354	15-Nov-90	25,218.76

CONTRIBUTIONS. Per reports, a payment of 918.76 was made on 11/15/90. No such amount was identified on the bank statements.

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11/16/90 $10,025

PAYMENTS

CHECK	CHECK DATE	CHECK AMOUNT
1483	16-Jul-91	4,000.00
1533	01-Nov-91	5,992.76
		9,992.76
1395*	08-Jan-91	954.00
1457*	10-Jun-91	477.00
TOTAL PAYMENTS		11,423.76

CONTRIBUTIONS
CONTRIBUTIONS

* Payments identified using reports and bank statements for cleared items of the same amounts as the reported amounts.

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DETROIT TEACHERS CREDIT UNION

16-Nov-90 4,000.00

PAYMENTS

CHECK	CHECK DATE	CHECK AMOUNT
1396*	08-Jan-91	520.00
1444	24-Apr-91	3,831.56
TOTAL PAYMENTS		4,351.56

* Payment identified using reports and bank statements for cleared item of the same amount as the reported amount.

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DETROIT MUNICIPAL CREDIT UNION

11-Nov-90 2,719.00
16-Nov-90 2,805.45

Reported repayments also include $214.38 on 1/10/91 and $2805.45 on 1/10/91. No such amounts were identified as paid on the bank statements.

PAYMENTS

CHECK	CHECK DATE	CHECK AMOUNT
1406	17-Jan-91	2,719.00

AGENDA DOCUMENT NO. X95-39

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT
Apr 28 4 02 PM '95

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) 28 U.S.C. § 2462
) Statute of Limitations
)

GENERAL COUNSEL'S REPORT

SENSITIVE
MAY 16 1995
EXECUTIVE SESSION

I. INTRODUCTION[1]

As the Commission is aware, on February 24, 1995, the U.S. District Court for the District of Columbia decided in Federal Election Commission v. National Republican Senatorial Committee, 1995 WL 83006 (D.D.C. 1995) ("NRSC"), that the statute of limitations set forth at 28 U.S.C. § 2462 ("Section 2462") applied to Commission enforcement suits seeking civil penalties, relying upon the D.C. Circuit's opinion in 3M Co. v. Browner, 17 F.3d 1453 (D.C. Cir. 1994). This Report discusses the statute of limitations generally, describes

enforcement matters potentially affected by the NRSC court's conclusion and makes recommendations for each of the potentially affected matters.[2]

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1. This is a combined General Counsel's Report from the Enforcement and Public Financing, Ethics and Special Projects ("PFESP") areas of the Office of the General Counsel.

In NRSC, Judge Pratt held that the Commission could not seek a civil penalty in conjunction with its civil enforcement action against the defendant for violations of 2 U.S.C. §§ 441a(h) and 434(b) because the 5-year federal catch-all statute of limitations found at 28 U.S.C. § 2462 applied to Commission-initiated enforcement suits seeking civil penalties. The court, however, allowed the Commission's suit to go forward notwithstanding this conclusion, ruling that Section 2462 did not apply to the declaratory and equitable relief also sought by the Commission. Therefore, the court so far has issued no final appealable decision.

On May 17, 1994, in FEC v. Williams, the U.S. District Court for the Central District of California reached the opposite conclusion about the applicability of 28 U.S.C. § 2462 to the Commission's enforcement actions. Mr. Williams' contributions in the name of another took place more than 5 years before the Commission filed its complaint and counsel raised 28 U.S.C. § 2462 as an affirmative defense. However, the court ruled at an oral hearing that the statute of limitations did not apply. Instead, the court awarded the Commission a $10,000 civil penalty against Mr. Williams for violations of 2 U.S.C. § 441f. FEC v. Williams, No. 93-6321 (C.D. Cal. Jan. 31, 1995), appeal docketed, No. 95-55320 (9th Cir. 1995) ("Williams"). Mr. Williams has filed a notice of appeal regarding, inter alia, the district court's

statute of limitations decision. Thus, whether and to what extent the statute of limitations at 28 U.S.C. § 2462 will apply to Commission enforcement cases will be before the 9th Circuit shortly, and could also be the subject of a later appeal before the D.C. Circuit in NRSC.[3]

In light of this conflict between the courts and the pendency of the appeal, this Office believes a decision to close enforcement cases based solely on a conclusion that the 5 year statute of limitations would apply to any potential enforcement suits would be unwarranted. This is especially true since neither 28 U.S.C. § 2462 nor the NRSC decision limits the Commission's authority to complete administrative investigations or seek civil penalties in voluntary conciliation prior to filing suit. Nonetheless, the Office of the General Counsel recognizes that until the stautue of limitations is finally resolved by the courts, respondents are likely to raise it as a defense, making settlement more complicated. Thus, even though the Commission is not bound by the NRSC decision in other cases, the Office of the General Counsel believes the Commission should take this issue into consideration on a case-by-case basis when looking at its active and inactive enforcement cases -- particularly those with older activity -- and, in an exercise of its prosecutorial discretion, attempt to bring the matters most vulnerable to

statute of limitations difficulties to an early administrative disposition.[4]

In order to give the Commission the broadest picture of the possible effect of a statute of limitations on its caseload, this Office has analyzed all enforcement cases where there is FECA-violative activity that will be 5 years old at some point during this year. Section II of this Report gives an overview of principles involved in analyzing the statute of limitations issue, with particular attention to determining when a Commission cause of action might accrue, and when the running of the statute may be tolled by equitable principles. Section III describes how this Office applied these principles to its active and inactive enforcement caseload and the approach used in making its recommendations for Commission action. Section IV includes descriptions of each of the potentially affected enforcement matters, outlines the statute of limitations difficulties this Office foresees for each, and recommends specific Commission action for each potentially affected matter.

II. THE LAW

This section discusses 28 U.S.C. § 2462, the federal catch-all statute of limitations, and issues relating to when the statute begins to run, under what circumstances it may be tolled

and declaratory and equitable relief available to the Commission even if the statute of limitations has run completely.

A. Accrual

Section 2462 requires commencement of a suit for civil penalties within five years from the date when the claim first accrued.[5] Thus, as a threshold matter, in considering the potential effect of the limitations period on a particular case, one must determine the complex issue of when the claim first accrued.

1. General Principles

A cause of action normally accrues when the factual and legal prerequisites for filing suit are in place, i.e., at the precise moment when the violation occurred.[6] However, federal courts have generally applied the discovery rule of accrual, an equitable doctrine under which a claim is considered to have accrued at the time that a potential claimant knew, or through the exercise of reasonable diligence should have known, of the facts underlying the cause of action.[7]

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5. 28 U.S.C. § 2462 provides:

> Except as otherwise provided by Act of Congress, an action, suit or proceeding for the enforcement of any civil fine, penalty, or forfeiture, pecuniary or otherwise, shall not be entertained unless commenced within five years from the date when the claim first accrued . . . .

6. United States v. Lindsay, 346 U.S. 568, 569 (1954).

7. See, e.g., Delaware State College v. Ricks, 449 U.S. 250, 259 (1980) (Court implicitly applied discovery rule to Title VII discrimination suit); United States v. Kubrick, 444 U.S. 111, 122-25 (1979) (court implicitly endorsed discovery rule of accrual, but limited it to discovery of facts underlying a claim,

The substantial harm theory of accrual can be considered analytically as a particular application of the discovery rule. It is usually advanced in personal injury actions involving latent injuries or injuries difficult to detect, especially in cases of "creeping disease" such as asbestosis. The rule rests on the idea that plaintiffs cannot have a tenable claim for the recovery of damages unless and until they have been harmed. Under the substantial harm theory, therefore, damage claims in cases involving latent injuries or illnesses do not accrue until substantial harm matures or, in other words, until the harm becomes apparent.

The Supreme Court has cautioned against "attempting to define for all purposes when a cause of action first accrues. Such words are to be interpreted in light of the general purposes of the statute and of its other provisions, and with due regard to those practical ends which are to be served by any limitation of the time within which an action must be brought."[8] Thus, in determining the time of accrual in cases arising under the FECA,

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(Footnote 7 continued from previous page)
rather than extending the rule to discovery of legal cause of action) see also Oshiver v. Levin, Fishbein, Sedran & Berman, 38 F.3d 1380, 1386 (3d Cir. 1994); Dixon v. Anderson, 928 F.2d 212, 215 (6th Cir. 1991); Cada v. Baxter Healthcare Corp., 920 F.2d 446, 450 (7th Cir. 1990); Corn v. City of Lauderdale Lakes, 904 F.2d 585, 588 (11th Cir. 1990); Alcorn v. Burlington Northern Railroad Co., 878 F.2d 1105, 1108 (8th Cir. 1989); Lavellee v. Listi, 611 F.2d 1129, 1131 (5th Cir. 1980); Cullen v. Margiotta, 811 F.2d 698, 725 (2d Cir. 1987); Cline v. Brusett, 661 F.2d 108, 110 (9th Cir. 1981); Bireline v. Seagondollar, 567 F.2d 260, 263 (4th Cir. 1977).

8. Crown Coat Front Co., Inc. v. United States, 386 U.S. 503, 517 (1967) (quoting Reading Co. v. Koons, 271 U.S. 58, 62 (1926)).

courts will look to the nature and goals of the FECA versus the interests underlying the five-year limitations period.

2. Accrual in the Context of the FECA

While the discovery rule has been applied in a wide range of cases, originating in the tort context and extending to, inter alia, contract, Title VII, and RICO actions, to date, it appears that only the United States District Court for the District of Columbia has held that the Section 2462 statute of limitations is applicable to the FECA. The court also addressed the precise question of when a cause of action accrues under the FECA. Inasmuch as the district court in NRSC relied on the decision of the Court of Appeals for the District of Columbia in 3M Co. v. Browner, 17 F.3d 1453 (D.C. Cir. 1994) ("3M"), the latter case will be summarized first.

3M was an action brought by the Environmental Protection Agency ("EPA") to impose civil penalties against a company for violations of the Toxic Substances Control Act, wherein the EPA argued that in the exercise of due diligence it could not have discovered the violations earlier. In 3M, the defendant misstated and failed to include information on notices required by the EPA. The court acknowledged that the District of Columbia Circuit has adopted the discovery rule, under which, as discussed above, a claim is considered to have accrued at the time that a claimant knew or should have known of the facts underlying the cause of action. However, the 3M court found that the discovery rule had only been applied in limited circumstances -- those involving remedial, civil claims -- and specifically rejected the discovery

rule under the circumstances presented, stating that the rule proposed by the EPA in that case was a "discovery of violation" rule. The court concluded that in civil penalty actions the running of the limitations period of Section 2462 is measured from the date of the violation.[9]

In NRSC, a suit arising from violations of the FECA involving excessive contributions and failure to report such contributions to the FEC, the court repeated the options for defining the time of accrual set forth in 3M, stating that a claim accrues "when the defendant commits his wrong or when substantial harm matures." Then, without pinpointing the exact time of accrual, and without specifically attempting to define accrual in the FECA context, the court held that the FECA claim accrued "considerably before the end of the [FEC's] administrative process." While the district court's accrual finding was imprecise, Judge Pratt's construction of 3M suggests that the discovery rule of accrual may be rejected in FECA claims brought in that Circuit.

On the other hand, the Court of Appeals for the Third Circuit, in considering a citizens' suit brought under the Clean

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9. In 3M, the court cited the Supreme Court's decision in Unexcelled Chemical Corp. v. United States, 345 U.S. 59 (1953), which was a suit for liquidated damages against a government contractor for unlawfully employing child labor. As the 3M decision noted, in that case, the Supreme Court held that "a cause of action is created when there is a breach of duty owed the plaintiff. It is that breach of duty, not its discovery, that normally is controlling." However, the Supreme Court's focus was the question of whether the claim accrued at the time of the violation versus after it had been administratively determined that the contractor was liable. The Court was not concerned specifically with the question of whether the claim accrued at the time of the violation versus when the plaintiff knew or should have known of the facts underlying the claim.

Water Act, which has statutory self-reporting requirements comparable to the FECA, held the Section 2462 statute of limitations applicable and embraced the discovery rule. There, the Third Circuit held that since the defendant was responsible for filing reports under the Act and the public could not reasonably be deemed to have known about any violation until the defendant filed the report, the cause of action did not accrue until the reports listing the violations were filed.[10] A district court in Virginia[11] has also embraced this discovery rule for determining accrual under the Clean Water Act.[12]

B. EQUITABLE TOLLING

There are instances in which a court may determine that equitable considerations require the statute of limitations to be tolled. Such a determination is made on a case-by-case basis and

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10. Public Interest Research Group v. Powell Duffryn Terminals, Inc., 913 F.2d 64, 75 (3d Cir. 1990), cert. denied, 498 U.S. 1109 (1991).

11. United States v. Hobbs, 736 F. Supp. 1406 (E.D. Va. 1990).

12. Various other circuit courts have grappled with the question of when the federal five-year statute of limitations of Section 2462 begins to run, but these cases, which have produced conflicting rulings, have all involved actions to recover civil penalties rather than actions to impose them. Compare United States Dept. of Labor v. Old Ben Coal Co., 676 F.2d 259 (7th Cir. 1982) (in action to recover civil penalty, claim accrues only after administrative proceeding has ended, penalty has been assessed, and violator failed to pay) and United States v. Meyer, 808 F.2d 912 (1st Cir. 1987) (in civil penalty enforcement action limitations period is triggered on date civil penalty is administratively imposed) with United States v. Core Laboratories Inc., 759 F.2d 480 (5th Cir. 1985) (in suit to recover civil penalty limitations period begins to run on date of underlying violation).

is referred to as equitable tolling.[13] Equitable tolling presumes claim accrual and steps in to toll, or stop, the running of the statute of limitations in light of established equitable considerations.[14] The most fundamental rule of equity is that a party should not be permitted to profit from its own wrongdoing.

There are three principal situations in which equitable tolling may be appropriate: (1) where the defendant has actively misled the plaintiff regarding the plaintiff's cause of action; (2) where the plaintiff in some extraordinary way has been prevented from asserting his or her rights; and (3) where the

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13. Some courts have pointed out that, in instances where the defendant has taken active steps to prevent the plaintiff from suing, e.g., in cases involving fraudulent concealment, the tolling of the statute of limitations is more appropriately referred to as equitable estoppel. See Cada v. Baxter Healthcare Corp., 920 F.2d 446, 450-51 (7th Cir. 1990).

14. Courts have held that statutes of repose cannot be extended by federal tolling principles, see Baxter Healthcare, 920 F.2d at 451; First United Methodist Church of Hyattsville v. United States Gypsum Company, 882 F.2d 862 (4th Cir. 1989). While statutes of repose and statutes of limitations have sometimes been referred to interchangeably, a statute of repose is legally distinguishable from a statute of limitations. Whereas a statute of limitations is a procedural device motivated by considerations of fairness to the defendant, a statute of repose is a substantive grant of immunity after a legislatively determined period of time and is based on the economic interest of the public as a whole and a legislative balance of the respective rights of potential plaintiffs and defendants. See First United Methodist Church, supra. To date, this Office's research has revealed no instances in which a court has held that Section 2462 is a statute of repose in the legal sense and, therefore, held tolling principles to be inapplicable. Indeed, in 3M, the court noted the potential applicability of the doctrine of fraudulent concealment to Section 2462. See 3M, 17 F.3d at 1461, n.15.

plaintiff has timely asserted his or her rights mistakenly in the wrong forum.[15]

1. Doctrine of Fraudulent Concealment

The Supreme Court has defined the doctrine of fraudulent concealment as the rule that "where a plaintiff has been injured by fraud and remains in ignorance of it without any fault or want of diligence or care on his part, the bar of the statute does not begin to run until the fraud is discovered, though there be no special circumstances or efforts on the part of the party committing the fraud to conceal it from the knowledge of the other party." Holmberg v. Armbrecht, 327 U.S. 392, 397 (1946). The Court went on to state that this equitable doctrine is read into every federal statute of limitation. Id.

The doctrine, as applied by the circuit courts of appeal, requires the plaintiff to plead[16] and prove three elements:

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15. School District of City of Allentown v. Marshall, 657 F.2d 16, 19-20 (3d Cir. 1981) (quoting Smith v. American President Lines, Ltd., 571 F.2d 102, 109 (2d Cir. 1978)). It should also be noted that statutes of limitations are subject to waiver and may be tolled by agreement of the parties. See Zipes v. Trans World Airlines, Inc., 455 U.S. 385, 393 (1982).

16. Pleading requirements for fraudulent concealment are very strict. Some courts invoke Fed. R. Civ. P. 9(b) and require a plaintiff to meet the pleading requirements for fraud. See Dayco Corp. v. Goodyear Tire & Rubber Co., 523 F.2d 389, 394 (6th Cir. 1975). Other courts, while not specifically invoking Rule 9, still require specificity and particularity in pleading. See Rutledge v. Boston Woven Hose & Rubber Co., 576 F.2d 248, 250 (9th Cir. 1978); Weinberger v. Retail Credit Co., 498 F.2d 552, 555 (4th Cir. 1974).

(1) use of fraudulent means by the defendant;
(2) plaintiff's failure to discover the operative facts that are the basis of his cause of action within the limitations period; and
(3) plaintiff's due diligence until discovery of the facts.

State of Colorado v. Western Paving Construction, 833 F.2d 867, 874 (10th Cir. 1987).

The first prong of the plaintiff's burden under the doctrine - the use of fraudulent means by the defendant - warrants some elaboration. The courts have generally held that to establish this element of the doctrine one of two facts must be shown: 1) that fraud is an inherent part of the violation so that the violation conceals itself; or 2) that the defendant committed an affirmative act of concealment - a trick or contrivance intended to exclude suspicion or prevent inquiry.[17] These approaches to establishing the first element of the doctrine of fraudulent concealment have been referred to, respectively, as the self-concealing theory and the subsequently concealed theory. By contrast, the courts have pointed out that silence, without some fiduciary duty, never satisfies this element.[18]

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17. See Riddell v. Riddell Washington Corp., 866 F.2d 1480, 1491 (D.C. Cir. 1989); State of Colorado v. Western Paving Construction, 833 F.2d at 876-78.

18. See Rutledge v. Boston Woven Hose & Rubber Co., 576 F.2d 248, 250 (9th Cir. 1978); Dayco Corp. v. Firestone Tire & Rubber Co., 386 F. Supp. 546, 549 (N.D. Ohio 1974), aff'd sub. nom., Dayco Corp. v. Goodyear Tire & Rubber Co., 523 F.2d 389 (6th Cir. 1975). Some courts have also held that a denial of an accusation of wrongdoing does not constitute fraudulent concealment. See King & King Enters. v. Champlin Petroleum Co., 657 F.2d 1147, 1155 (10th Cir. 1981), cert. denied, 454 U.S. 1164 (1982); but see Rutledge, supra ("denying wrongdoing may constitute fraudulent concealment where the circumstances make the plaintiff's reliance upon the denial reasonable").

Where the plaintiff establishes all three of the required elements, the doctrine provides the plaintiff with the full statutory limitations period, starting from the date the plaintiff discovers, or with due diligence could have discovered, the facts supporting the plaintiff's cause of action.

2. Inducement Due to Intentional or Unintentional Misrepresentation

In cases where the plaintiff has refrained from commencing suit during the period of limitation because of inducement by the defendant, the Supreme Court has found the statutory period tolled because of the conduct of the defendant. See Glus v. Brooklyn Eastern Terminal, 359 U.S. 231 (1973). Under the facts of Glus, supra, the plaintiff averred that the defendant had fraudulently or unintentionally misstated information upon which the plaintiff relied in withholding suit.

3. Subpoena Enforcement

Several district courts have tolled other statutes of limitations in circumstances where the plaintiff was forced to initiate subpoena enforcement proceedings to uncover facts underlying the cause of action.[19] While research to date has not revealed specific instances in which a court has tolled the Section 2462 statute of limitations because the plaintiff was

19. EEOC v. Gladieux Refinery, Inc., 631 F. Supp. 927, 935-36 (N.D. Ind. 1986) (Court held that the statute of limitations was tolled during the time between issuance of subpoena and enforcement because defendant did not have valid basis for not complying with subpoena); EEOC v. City of Memphis, 581 F. Supp. 179, 182 (W.D. Tenn. 1983) (Court held that the statute of limitations was tolled until documents sought in subpoena were made available to EEOC).

forced to initiate subpoena enforcement proceedings, Section 2462 is sufficiently similar to those statutes which courts have tolled to suggest that the same result would be appropriate. Further, a good argument could be made for equitably tolling Section 2462 in such circumstances because defendants' refusal to comply with the Commission's subpoenas, whether that refusal is reasonable or otherwise, frustrates the Commission's ability to bring the action within the limitations period. Not tolling the statute of limitations in such circumstances while allowing defendants to plead the statute of limitations as an affirmative defense to actions brought by the Commission would allow defendants to profit from refusing to comply with subpoenas, and thus "offer a tempting method of defeating the basic purpose of [the Act]."[20]

4. Continuous Violation Theory

The continuous violation theory is another theory that operates to toll statutes of limitations. In the case of a continuing violation, the violation is not complete for purposes of the statute of limitations as long as the proscribed course of conduct continues, and the statute of limitations does not begin to run until the last day of the continuing offense.[21]

The Supreme Court has cautioned that continuing offenses are not to be too readily found, explaining in the criminal context that "such a result should not be reached unless the

20. See Hodgson v. International Printing Press, 440 F.2d 1113, 1119 (6th Cir. 1973).

21. See Fiswick v. United States, 329 U.S. 211, 216 (1946); United States v. Butler, 792 F.2d 1528, 1532-33 (11th Cir. 1986).

explicit language of the substantive criminal statute compels such a conclusion, or the nature of the crime involved is such that Congress must assuredly have intended that it be treated as a continuing one." Toussie v. United States, 397 U.S. 112, 115 (1970). Thus, the question of whether a violation is a continuing one is largely a matter of statutory interpretation involving the precise statutory definition of the violation.

Courts will generally not find that a violation is continuous absent clear language in the statute.[22]

C. Declaratory Relief and Equitable Remedies

The limitations period set forth in 28 U.S.C. § 2462 applies only to suits for civil penalties. Section 2462, by its own terms, has no bearing on suits in equity.[23] The following is a purely exemplary, non-exhaustive list of various forms of equitable relief that may be available. It should be noted that it is within the discretion of the courts to grant or withhold

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22. Compare Toussie, 397 U.S. 112 (1970) (Court held that failure register for draft was not continuing violation where draft statute contained no language that clearly contemplated continuing offense, and regulation under Act referring to continuing duty to register was insufficient, of itself, to establish continuing offense) with United States v. Cores, 356 U.S. 405 (1958) (statute prohibiting alien crewmen from remaining in United States after permits expired contemplated continuing offense where conduct proscribed is the affirmative act of willfully remaining, and crucial word "remains" permits no connotation other than continuing presence). See also Keystone Insurance Company v. Houghton, 863 F.2d 1125 (3d Cir. 1988) (in RICO action, court held that language of the Act, which makes a pattern of conduct the essence of the crime, "clearly contemplates a prolonged course of conduct."); West v. Philadelphia Electric Co., 45 F.3d 744 (3d Cir. 1995) (Court applied continuing violation theory where cause of action required showing of intentional, pervasive, and regular racial discrimination).

23. See Bobbs, 736 F. Supp. at 1410; NRSC, 1995 WL 83006, at *4.

equitable remedies and courts will exercise that discretion on a case-by-case basis in light of the particular circumstances of each case.

o **Declaratory Judgment** - A declaratory judgment is a court judgment which establishes the rights of parties or expresses the opinion of the court on a question of law without the court necessarily ordering anything to be done. While a declaratory judgment is similar in some respects to an advisory opinion, unlike the latter, a declaratory judgment is rendered in an adversarial proceeding and is legally binding on all the parties involved.

o **Disgorgement** - Disgorgement is aimed at preventing the unjust enrichment of a wrongdoer. The disgorgement remedy takes away "ill-gotten gains," thereby depriving a respondent of wrongfully obtained proceeds and returning the wrongdoer to the position the wrongdoer was in before the proceeds were wrongfully obtained.

o **Injunction** - A prohibitory injunction is a court order that requires a party to refrain from doing or continuing a particular act or activity. Prohibitory injunctions are generally considered preventative measures which guard against future acts rather than affording remedies for past wrongs.

By contrast, a mandatory injunction is a type of injunction that requires some positive action. A mandatory injunction (1) commands the respondent to do a particular thing; (2) prohibits the respondent from refusing (or persisting in refusing) to do or permit some act to which the plaintiff has a legal right; or (3) restrains the respondent from permitting his previous wrongful act to continue to take effect, thus virtually compelling him or her to undo it. A conciliation agreement provision that requires a committee to amend its reports in conformance with the Act is similar in effect to a mandatory injunction, albeit one entered into voluntarily and without court order. In addition, the creative forms of equitable relief listed below are examples of possible mandatory injunctions that the Commission might seek in court

o **Creative Forms of Equitable Relief**

- require defendant(s) to notify the public that the defendant(s) violated the FECA, e.g., bulletin board posting.
- require additional reporting relevant to preventing future violations of the type committed.
- require defendant(s) to put different procedures in place to prevent future violations of the type committed.
- require defendant(s) to take courses to become familiar with the requirements of the FECA.

III. ANALYSIS

This section outlines the underlying legal assumptions and other factors considered by this Office in evaluating and making recommendations for each of the potentially affected cases discussed in Section IV, infra. As a preliminary matter, this Office notes that it has reviewed all of the active and inactive enforcement matters where there appears to have been FECA-violative activity prior to January 1, 1991 that will thus be at least 5 years old by the end of this year. By selecting the cases in this manner, this Office has attempted to bring to the Commission's attention all of the matters where, were the NRSC decision applied, the statute of limitations might run this year.[24]

This Office has assumed for purposes of these recommendations the possibility of a uniform application of the Section 2462 statute of limitations to the FECA in all circuits

This Office has further assumed that it is possible courts will deem claims arising under the FECA to have accrued at the precise moment that the violation occurred.

In setting forth the case summaries, this Office has divided its discussion into three sections.

The third

section analyses matters which this Office recommends that the Commission not pursue.

IV. CASE DISCUSSIONS

This section provides brief descriptions of enforcement matters assigned to the Public Financing, Ethics and Special Projects and Enforcement areas, including the Central Enforcement Docket.

1. Cases this Office Recommends the Commission Pursue

MUR 3181 (Barbara-Rose Collins, et al.)

This case concerns the propriety and nature of two bank loans totaling $75,000 to Barbara-Rose Collins and/or her campaign during the 1990 primary election in Michigan. Four guarantors guaranteed the loans. The Commission found reason to believe that each of the guarantors violated 2 U.S.C. § 441a(a)(1)(A) for making excessive contributions, and that Barbara-Rose Collins, the Collins for Congress Committee, and its treasurer violated 2 U.S.C. § 441a(f) for accepting the excessive contributions and 2 U.S.C. § 434(b) for failing to report the loans and loan guarantees accurately.

This case is important to pursue to resolution. Ms. Collins has won re-election twice since the activities in question and is still actively involved in the political process. The loan guarantors, too, remain politically active.

The primary activities of this case date from July/August 1990. Thus, if 28 U.S.C. § 2462 applies, the Commission might be time-barred from obtaining judicially imposed civil penalities in July 1995 should it opt to litigate this matter.

Should the Commission be barred by the statute of limitations from obtaining civil penalties in court, this case is worth pursuing for purposes of equitable relief. As for Ms. Collins and her Committee, an admonishment, disgorgement of the personal use items obtained with campaign funds, or their monetary equivalent, and an injunction may serve as appropriate remedies. Similarly, injunctive relief against the guarantors might redress their excessive contributions violations. Therefore, for the reasons stated above, this Office recommends that the Commission continue to pursue this matter.

Staff Assigned: Jonathan Bernstein and Holly Baker

3. Cases this Office Recommends the Commission Close

MUR 2984 (Robert Johnson et al.)

This matter involves 1988 corporate fundraising mailings for the 1988 Bush/Quayle campaign and a pattern of contributions made in the name of another, resulting in knowing and willful probable cause findings for violations of 2 U.S.C. §§ 441f, 441b(a), and 441d(a) against the individual and corporate actors.

Of the respondents still open in the matter, Robert G. Johnson and E. Kenneth Twichell were formally referred to the Department of Justice for criminal prosecution; Mr. Johnson pled guilty to felony perjury for lying under oath in a Commission deposition and Mr. Twichell pled guilty to obstructing the Commission's investigation. The corporate respondents, all closely tied to Mr. Johnson, were neither pursued nor prosecuted during the criminal proceeding. As this Office has reported, Mr. Johnson's remaining sentence was stayed based on NRA arguments

No action has taken place since the Supreme Court dismissed the Commission's appeal in NRA, and whether Mr. Johnson will have to serve the balance of his sentence is still unclear.

All of the transactions underlying FECA liability date from 1988, thus posing an obstacle under 28 U.S.C. § 2462 in the event the Commission chose to litigate this matter to obtain civil penalties. The Commission found probable cause in January of 1992, but then referred the matter to the Department of Justice and resumed proceedings in late 1993 after resolution of the criminal proceedings. Prosecutorial discretion strongly counsels against further pursuing the remaining respondents in this matter. The age of the activity as compared to other pending matters, and the desirability of making public the Commission's initiating role in the prosecution of Mr. Johnson argue in favor of closing this matter.

For the reasons outlined above, this Office recommends the Commission take no further action with respect to the remaining respondents in this matter and close the file.

Staff Assigned: Jonathan Bernstein and Colleen Sealander

MUR 3182 (Kentucky Democratic Party, et al.)

This matter, a merger of MURs 3145 and 3182, involves television ads broadcast by the Kentucky Democratic Party during the 1990 general election campaign on behalf of the Democratic Party's Senatorial candidate, Dr. Harvey Sloane. The complaints allege that the ads were prepared by the Sloane campaign's media consultant, paid for by the Kentucky Democratic party's nonfederal account, and financed in part by contributions from the ATLA PAC and from Mary C. Bingham. Mrs. Bingham recently passed away.

Most of the outstanding issues in this matter occurred in the Fall of 1990, slightly less than five years ago. Thus, it does not appear that the Commission would presently be barred from seeking a civil penalty even under the strictest reading of Section 2462. In order for the Commission to obtain a judicially imposed civil penalty in this matter, civil suit must be filed by November of 1995. Yet, even if the Commission were to devote substantial resources to this matter, it is virtually inconceivable that the deadline would be met.

First, in order to proceed, the Commission must review and revote its earlier determinations in this matter to comply with the NRA opinion. Second, this matter is still in the investigatory stage and further investigation appears necesarry. Third, the issues are complex and the two staff attorneys previously assigned to this matter have been transferred to other areas of this agency. Moreover, the allocation regulations at issue in this matter are no longer in effect, having been revised in 1991

Finally, it does not appear that equitable relief would be appropriate here as the only feasible remedy we may obtain is injunctive relief on the misallocation issue: The Sloan Committee has virtually no money for disgorgement and Sloan has never been a candidate in any other federal election. In view of all the foregoing, this Office recommends the Commission take no further action and close this file.

Staff Assigned: Lisa Klein (pending reassignment)

MUR 3228 (Dahlson for Congress, et al.)

This matter was generated by a referral from the Commission's Reports Analysis Division, and involves the subsidization of the campaign by a corporation associated with the candidate (§ 441b(a)) and the misreporting of one of the corporate loans (§ 434(b)). Specifically, the candidate funneled approximately $47,000 in corporate funds to the campaign through his personal checking account, thus concealing the true source of the funds. The candidate/corporate loans took place from May to October 1990. Further, the committee misreported the source of a May 2, 1990 direct contribution from the corporation ($10,000) in its 12-Day Pre-Primary report filed May 21, 1990. Consequently, assuming 28 U.S.C. § 2462 applies, the Commission might be unable to obtain a judicially imposed civil penalty for most of the violations as early as May of this year.

This matter is presently in the investigative stage after an unsuccessful attempt at pre-probable cause conciliation. Most recently, on March 2, 1995, this Office interviewed the campaign's treasurer. The interview established that the treasurer was not involved in the committee's receipt of the funneled corporate contributions and that the misreporting may have resulted from innocent error. Consequently, the available evidence suggests that the candidate Roy Dahlson was the individual chiefly responsible for the violations in this matter.

Additional investigation would be necessary -- including the taking of depositions -- to prove that the § 441b(a) violations by Mr. Dahlson are knowing and willful. This investigation and the subsequent procedural stages leading to litigation would have to be completed in the most expeditious fashion. This Office recommends that the Commission forgo this course. Mr. Dahlson was a one-time candidate who won the primary election but lost the general election with 35% of the vote. Mr. Dahlson is now retired. Accordingly, this matter does not warrant the expenditure of resources necessary for its most expeditious completion and resolution. Therefore, this Office recommends that the Commission take no further action in this matter and close the file.

Staff Assigned: Jonathan Bernstein and Jose Rodriguez

MUR 3787 (Georgia Republican Party)
Public Financing, Ethics and Special Projects

This case involves violations committed during the 1988 election cycle. In particular, an audit of the Georgia Republican Party ("the Party") revealed that the Party accepted $20,350 in excessive contributions from five individuals that were not resolved in a timely manner. Similarly, the Party accepted $13,403 in prohibited contributions that were not resolved in a timely manner. The Party also did not properly document approximately $333,270 in individual contributions. In addition, the Commission found reason to believe that the respondent violated 2 U.S.C. § 441a(f) by paying phone bank employees to conduct get-out-the-vote activities and voter identification on behalf of the Bush-Quayle campaign.

The Party admits that it erred in accepting the prohibited and excessive contributions, but urged the Commission to accept as a mitigating factor the fact that it rid its accounts of the impermissible amounts upon discovery. Similarly, the Party concedes that it failed to keep adequate records for certain contributions, but asserts that a large portion of those receipts were $35 contributions which it did not believe it was required to document. Finally, this Office has concluded that documentation and affidavits furnished by the Party demonstrate that only $26,700 of the more than $300,000 in Party expenditures made for get-out-the-vote and voter identification activities amounted to impermissible contributions by the Party.

Although it may be possible to enjoin similar conduct in future elections, the Party has acknowledged that it violated the Act. Accordingly, assuming that the NRSC decision is followed and judicially-imposed civil penalties are time-barred then in light of the age of this case and the ordering of the Commission's priorities, we recommend that the Commission take no further action in this matter and close the file. If the Commission adopts this recommendation, the notification letter to the Party will contain appropriate admonishment language.

Staff Assigned: Kenneth E. Kellner and Jane Whang

MUR 3973 (Bob Davis)

This matter stems from a House Bank Task Force referral indicating that former Representative Bob Davis used his committee's petty cash to make disbursements in excess of $100. Between 1988 and 1992, the committee reported disbursing $22,708 in petty cash disbursements, $16,567 of which was reported as having been disbursed by Mr. Davis. In May of last year the Commission found reason to believe that Mr. Davis, his committee and its treasurer violated 2 U.S.C. § 432(h)(1), and that his committee and its treasurer additionally violated 2 U.S.C. § 432(h)(2) for failing to maintain a petty cash journal as required. However, because RAD had allowed the committee to terminate some months before, the Commission took no further action with respect to the committee's violations. Thus, only Mr. Davis remains a respondent in the case.

Of the $22,708 in petty cash, all but approximately $9,400 was disbursed prior to 1991. Thus, if 28 U.S.C. § 2462 applies, the Commission might be time-barred from obtaining a judicially imposed civil penalty for a substantial portion of the petty cash.

While our inquiries have confirmed that the committee kept no petty cash journal, that it possesses receipts for only a portion of its cash transactions, and that a small number of the disbursements exceeded $100, it now appears that Mr. Davis' role in the committee's petty cash was de minimus. Affidavits from two members of Mr. Davis' congressional staff and one from his former campaign treasurer state that while Mr. Davis was the payee of many of the checks, and was reported as same, this was to enable the staff to easily cash the checks at the Wright-Patman Federal Credit Union. In fact, the affiants maintain, the majority of the petty cash was disbursed by the campaign and congressional staff and not Mr. Davis.

Given the age of these violations, the fact that Mr. Davis is no longer a candidate for federal office and his apparently limited personal involvement in his committee's petty cash violations, this Office recommends the Commission take no further action in MUR 3973 and close the file.

Staff Assigned: Jonathan Bernstein and Colleen Sealander

MUR 4013 (National Freedom PAC)
Public Financing, Ethics and Special Projects

This matter involves chronic reporting violations and the apparent commingling of Committee funds with the personal funds of the Committee's treasurer, Rick Woodrow. The respondents are the Committee and Mr. Woodrow. The material events occurred in 1990.[31]

This is an inactive, internally generated matter. Assuming that the NRSC decision is followed and judicially-imposed civil penalties are time-barred then in light of the age of the violations at issue, this Office recommends that the Commission take no further action with respect to this matter and close the file.

Staff Assigned: Kenneth E. Kellner and Delanie Dewitt Painter

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31. On July 20, 1994, MUR 3516 was merged with MUR 4013. In MUR 3516, which arose out of a RAD referral, the Commission found reason to believe that National Freedom PAC committed reporting violations.

V. RECOMMENDATIONS

A. Continue to pursue the following active enforcement matters:

MUR 3181

C. Take no further action, close the file and approve the appropriate letters in the following matters:

1) MUR 2984
2) MUR 3182
3) MUR 3228
4) MUR 3787
5) MUR 3973
6) MUR 4013

With regard to MUP 3492:

1) Accept the attached conciliation counteroffer.

2) Close the file.

3) Approve the appropriate letter.

4) Approve the appropriate letters.

4/28/95
Date

Lawrence M. Noble
General Counsel

Staff Assigned

Staff members assigned to each of the potentially affected matters prepared their respective case discussions; the PFESP cases were coordinated by Jim Portnoy; Tracey Ligon drafted the legal section; and Colleen Sealander combined the parts into one document.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 7, 1995

Arlene Woods, Esq.
220 Bagley, Suite 210
Detroit, MI 48226

RE: MUR 3181

Dear Ms. Woods:

As I have explained in my phone conversations with you, the Commission is engaged in a confidential investigation involving, in part, the loans that First Independence National Bank made to then-candidate Barbara-Rose Collins in 1990.

You indicated that your firm had taken, among others, the depositions of Don Barden, Don Davis, and Rev. Morton. On September 28, 1995, when I spoke to you last, you indicated that you would be able to send copies of those depositions within a week. Since the Commission believes that the depositions contain information relevant to its investigation, it would appreciate your sending the copies at your soonest convenience. If you also deposed Ms. Collins as part of your client's case, we would also appreciate a copy of that deposition.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person(s) with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

When you send the copies, please reference the above case number, MUR 3181. If you have questions, I can be reached at (202) 219-3400.

Thank you for your prompt attention to this matter.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

Celebrating the Commission's 20th Anniversary
YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Barbara-Rose Collins)
et al.)

MUR 3181

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SENSITIVE

GENERAL COUNSEL'S REPORT

At this point, this Office's investigation into possible violations of the Act relating to 1990 campaign activity is complete. That activity involves the misreporting of a bank loan, excessive contributions in the form of loan guarantees on the part of four guarantors, and various reporting violations.[1] As noted in the General Counsel's Report dated April 28, 1995, In

[1] This Office has sought copies of depositions sealed by the court during the pendency of another matter involving multiple alleged violations on the part of First Independence National Bank, including but not limited to, the loan to Congresswoman Collins at issue in MUR 3181.

the Matter of 28 U.S.C. § 2462, Statute of Limitations, this matter faces potential statute of limitations problems, although this Office did recommend at that time that the Commission continue to pursue the case if only for equitable relief.

report the matter to the House Ethics Committee so that that Committee may be informed of the 1990 irregularities as it continues its investigation[2]; and take no further action and close the file in MUR 3181 with appropriate admonishment language in the closing letters to the Respondents. The Commission's interests in this matter may, in part, be satisfied by the investigation of the House Ethics Committee

[2] The bulk of the apparent violations of FECA committed on the part of Congresswoman Collins occurred prior to the time that Ms. Collins became a member of the House, and so would not be subject to the House Rules. Nonetheless, the House Ethics Committee's understanding of activities within its purview may benefit from the materials contained in this Office's investigative file.

RECOMMENDATIONS

Report MUR 3181 to the House Committee on Standards of Official Conduct for action that it deems appropriate.

Take no further action against Barbara-Rose Collins; Collins for Congress and Terry Hasse, as treasurer; Anthony Soave, James Sharp; Cara Woods; and Don H. Barden, based on the information in MUR 3181.

Close the file.

Approve the appropriate letters.

Lawrence M. Noble
General Counsel

3/6/96
Date

BY: _____
Lois G. Lerner
Associate General Counsel

Attachment
Press reports

Attorney assigned: Holly J. Baker

resent GOP treatment

By Jamie Stiehm

A year into the Republican revolution, House Democratic staffers claim the fierce partisanship between members on the floor has infected their staffs, at the expense of the legislative process.

A common chorus of complaints, a survey by The Hill shows, was lack of advance notification of hearings, a failure to provide witness lists and a general trend of being shut out of meetings with the majority.

"They don't return phone calls, they give you short notice on hearings, and everything's a secret or surprise," said an administrative assistant to a House Democrat. "They [Republican colleagues] treat us like we're the enemy, like we're not Americans."

Dan Buck, veteran administrative assistant to Rep. Patricia Schroeder (D-Colo.) said, "I don't really mind the incivility. The worst part is that they don't get anything done."

On the House Appropriations Committee, staffers familiar with the conference process say that they left meetings thinking they had "cut a deal" and later found alterations made in print.

Many Democratic staffers say the polarization amounts to a severe climate change on the Hill, where such simple courtesies as returning phone calls across party lines are no longer taken for granted. But some veteran Republican staffers say that they are treating Democrats no worse than Republicans were treated when they were in the minority.

One Republican committee staff director, when asked why many of his Democratic counter-

■ CONTINUED ON PAGE 15

Collins concealed $1500 withdrawal

By Sarah Pekkanen

Rep. Barbara-Rose Collins (D-Mich.) concealed a $1,500 cash withdrawal from her campaign last year by reporting to the Federal Election Commission that she used the money to reimburse a staffer for expenses.

According to documents obtained by The Hill, Collins made out a $1,500 campaign check to "Cash" on March 28, 1995. In the bottom left-hand corner of the check, she wrote "petty cash," apparently signaling that she was putting the money into her campaign petty cash fund.

But the FEC, which does not receive copies of campaign checks, has no record of that transaction. Instead, the third-term Detroit Democrat reported to the FEC that her sole March 28 campaign expense of $1,500 was a payment to Jerry Springs, her district director.

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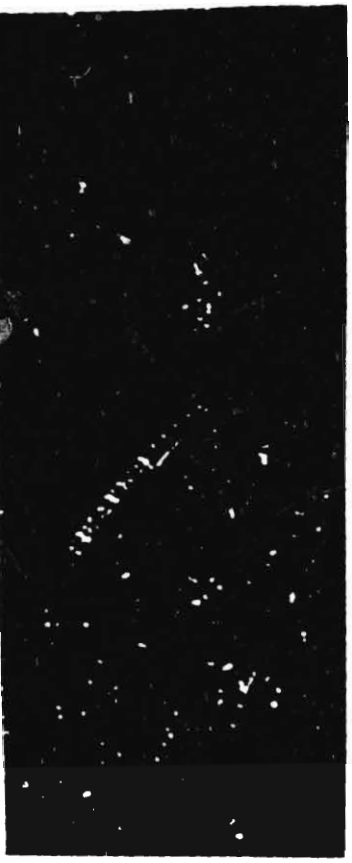


PHOTO COURTESY JAMES FORD

ie) and fiancee
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Page 23

Page 9

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Page 27

Whitewater Committee.

candidates
n races

With GOP presidential hopeful Steve Forbes has again demonstrated that self-financed candidates are a force to be reckoned with in the presidential campaign, many well-heeled Senate and House candidates across the country are relying on personal assets contributions to give their campaigns a head start [illegible] instant [illegible].

"Voters have products and find out someone is Richie Rich, and you know he will be a player," said Larry Sabato, political science professor at the University of

■ CONTINUED ON PAGE 22

A Capitol Hill love story



MAURA BORUCHOW/THE HILL

Breaux aide Vicky Collins and fiance Demetrios Dekazos.

By Sarah Pekkanen

A wave of dizziness gripped Vicky Collins as she worked at her computer in her Hart Building office one Friday morning. The 30-year-old aide to Sen. John Breaux (D-La.) closed her eyes, then slumped over her keyboard, unconscious.

A few minutes later, Demetrios Dekazos ran out of his Dirksen Building office, where he managed the Senate parking facility, toward the Hart Building nurses' station. His fiancee lay on a cot, trembling. Vicky was awake, but her vision was blurred, and she could no longer feel the left side of her face. Demetrios rushed Vicky to her HMO doctor, who diagnosed her with a pinched nerve and sent her home.

But during the weekend, the numbness spread down the

■ CONTINUED ON PAGE 24

ATTACHMENT 1 of 10

P incumbents, the self-fi-ced candidates are just as like-be Democrats

lthough election law limits amount of money individu-PACs and political parties can ate to federal campaigns, the preme Court ruled in 1976 t laws to limit personal cam-gn spending are unconstitu-al. As a result, "the word has ten out that the biggest loop-e in the system is for wealthy didates," Sabato said.

ndeed, candidates in 1986 d or contributed $32 mil-heir House and Senate paigns, according to the ter for Responsive Politics. By 4, that figure had ballooned 108 million, as 38 Senate and House candidates spent at st $100,000 of their own mon-on their races.

This year, 11 Senate candidates six Democrats and five publicans — have already ned or given at least $200,000 their 1996 campaigns, and mingly all of them plan to con-ue giving.

I've said I'll spend whatever it es to get out my message," said Close, the likely cratic nominee against rom Thurmond (R-S.C.), eating words spoken by most se candidates.

se, a real estate company has contributed $422,922 campaign. Jim Nicholson, a lican running against Sen. evin (D-Mich.), loaned his ign $720,000. Sid nald, a Republican vying en. Howard Heflin's (D-California, where media costs are higher. For instance, Democrat Douglas Kahn has loaned his campaign $700,000 in a race for Carlos Moorhead's (R) open seat. And Irwin Savodnik, running for the GOP nomination against Jane Harman (D), has

Baron, Nicholson's campaign spokesman, who noted that the Michigan GOP Senate candidate has raised over $700,000 in addition to the $720,000 he loaned his campaign.

Self-financed candidates also have other advantages. South

sional races. "It could happen more easily in the House because there is much less free media," noted Sabato. "If you have bottomless pockets, you don't have to shift the agenda. You can set it."

Not that these personal contri-

their own money guarantees that a candidate's message will be heard, it's usually not enough to win an election. In 1994, 10 Senate challengers spent at least $1 million of their own money on their campaigns, but only Sen. Bill Frist (R-Tenn.) was elected.

Collins concealed $1500 withdrawal-

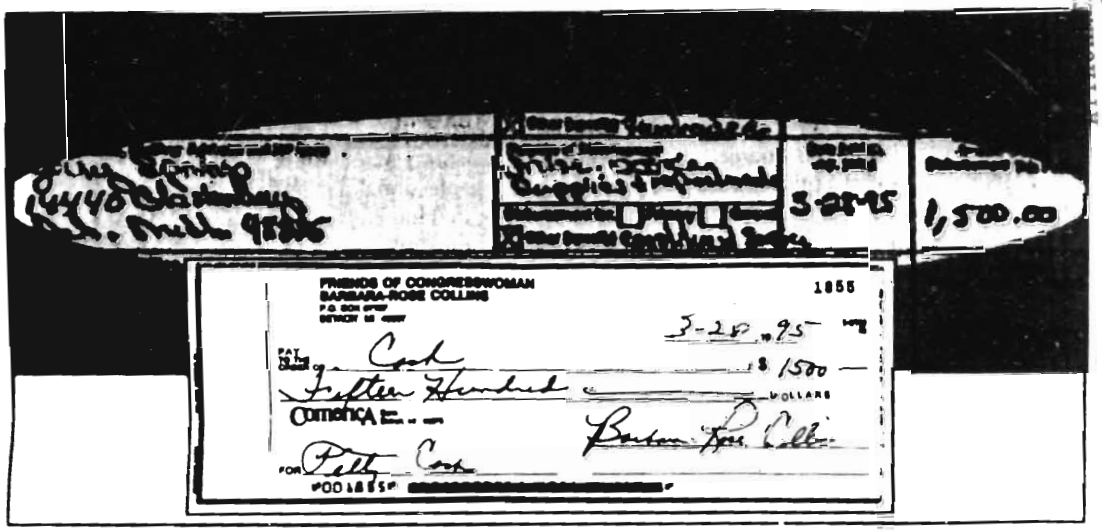
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Even if she had cashed the check and used the money to reimburse Springs for what the FEC report describes as "Misc. office supplies and refreshments," the transaction still constitutes a violation of federal election rules. Members of Congress and candidates are prohibited from using campaign petty cash funds to reimburse individuals for more than $100 per transaction.

"A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $100 to any person per purchase or transaction," according to Section 102.11 of the FEC rules.

Rep. Collins, who is already facing separate investigations by the Justice Department, House ethics committee and FEC, did not return a phone call Tuesday from The Hill. But the latest allegations are certain to fuel the probes into her tangled finances.

"First of all, it looks like she didn't follow the rules in making petty cash expenditures," said Gary Ruskin, director of the Congressional Accountability



FEC reports and campaign check indicate the discrepancies in Rep. Collins' accounts.

Project, a watchdog group. "Second of all, what actually happened to that $1,500, given the conflict between what the FEC record and what the check says?"

A copy of another campaign check obtained by The Hill shows Collins repeated her pattern of writing checks to "Cash," then claiming in FEC filings that the money went to reimburse Springs. On March 28, Collins also cashed a $125 check, which she defined, on the check's memo, as a payment to a disc jockey.

Records Collins filed with the FEC, however, claim the $125 went to Springs as reimbursement for the disc jockey's fee — meaning she again violated the rule prohibiting petty cash payments of more than $100.

In another development, the congresswoman's newly amended FEC reports, which detail expenses her campaign incurred from Jan. 1 to June 30, 1995, list a $266 payment to Harmony House in Farmington, Mich. That check was written on Jan. 2, 1995, for "audio tapes" for her primary campaign, according to Collins' FEC reports.

A store receipt, however, revealed purchases of 15 compact discs.

The Hill

THE NEWSPAPER FOR AND ABOUT THE U.S. CONGRESS

nside every weekly issue of The Hill, you'll get the inside track on Congress. You'll discover the issues that shape the

The Hill ■ Wednesday, February 7, 1996

B. Collins raids campaign coffer to pay costs of her legal defense

By Sarah Pekkanen

Faced with wide-ranging criminal and House ethics investigations, Rep. Barbara-Rose Collins (D-Mich.) nearly cleaned out her campaign treasury to pay for her legal defense, according to reports she has filed with the Federal Election Commission.

Collins loaned herself $37,500 from her campaign on Oct. 30, 1995, leaving her with less than $6,500 cash-in-hand at the end of the year. The embattled third-term Democrat's FEC report also showed that her contributions slowed to a trickle after The Hill reported in August that she over-reported campaign expenses and laundered money through a scholarship fund she controls.

During the second half of 1995, the Detroit congresswoman collected just over $10,000 — nearly two-thirds less than the $27,800 she pulled in during the first half of the year. Her campaign war chest is shrinking at a critical time: As the federal probe into her finances intensifies, Collins is facing primary challengers in her heavily Democratic district for the first time since 1992.

Last Wednesday, Collins notified House Speaker Newt Gingrich (R-Ga.) that two of her top aides and some of her official records have been subpoenaed by a federal grand jury in Michigan.

In accordance with House rules, Collins' "Dear Mr. Speaker" statement was read on the House floor: "This is to formally notify you pursuant to Rule L (50) ... that Meredith Cooper, my chief of staff, Royal Hart, my deputy chief of staff, and the custodian of the records in my Washington office, have all been served with grand jury subpoenas ... issued by the U.S. District Court for the Eastern District of Michigan."

Collins' office did not return several phone calls from The Hill.

FEC records also show that Collins was forced to file two amendments to her campaign reports covering the first half of 1995 after federal analysts raised questions about them. The analysts asked Collins to itemize some $14,000 in American Express bills she paid last year with campaign money.

Of that money, the congresswoman reported that she reimbursed herself $3,000 on Feb. 10, 1995, for "Travel expenses — mtg. with African leaders re: economic development and trade with Detroit." It was not clear if that journey was the same trip Collins took to Ghana, West Africa, in December 1994, for the purpose of being crowned queen of the village of Pepease.

FEC reports also show the congresswoman spent $272 for "refreshments" at the Golden Tulip Hotel in Ghana. A staffer who accompanied Collins to West Africa in December 1994 confirmed that the congresswoman stayed at the Golden Tulip Hotel when she was crowned queen.

Collins also used $7,800 in campaign funds during trips last year to India, China and Greece to purchase assorted art carvings and art objects. She spent another $500 on a floor rug for her Washington congressional office. It is unclear how those expenses might relate to her campaign.

FEC reports also show that Collins used $422 in campaign funds for "Travel expenses and campaign issues mtg." at the Helmsley Hotel in New York on Jan. 27 and nearly $350 for a trip to Miami in March for a speech.



STEVE BARRETT/THE HILL

Rep. Barbara-Rose Collins

Meanwhile, the latest Congressional Quarterly voting analysis shows that Collins had the third-worst voting record in 1995; she missed 25 percent of the votes. Only two lawmakers missed more votes than Collins: Rep. Joseph Moakley (D-Mass.), who underwent a liver transplant, and former Rep. Walter Tucker (D-Calif.), who resigned after being convicted of bribery.

The FBI, Justice Department and House ethics committee are all investigating Collins for various allegations of campaign spending violations, misuse of official staff, and other financial misconduct charges.

ATTACHMENT 1 of 12
Page 4

Many Senators uncommitted

By Jamie Stiehm

President Clinton came to call on Senate Democrats during their Tuesday party lunch yesterday, but their support for his plan to send American peacekeeping troops to Bosnia remained lukewarm at best.

While the president's comments were described as "inspiring," most Democrats were unwilling to commit themselves to the peacekeeping mission, saying more questions remained to be answered at Hill hearings this week.

See editorial, page 24

Meanwhile, some Republicans, including Texas Sens. Phil Gramm and Kay Bailey Hutchison, vigorously criticized the plan and said they would vote against a congressional resolution approving the Pentagon plan to send 20,000 U.S. ground troops to Bosnia as part of a NATO force.

"I tell you, he's [Clinton] good," Sen. Kent Conrad (D-

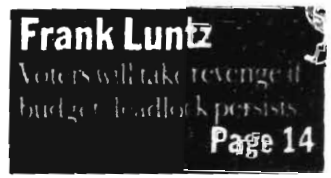
■ CONTINUED ON PAGE 30

has scheduled a Dec. 11 news conference in Salt Lake City to

eliable sources said. M

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★★CAMPAIGN '96





Collins uses funds for home decorating

By Sarah Pekkanen

The FBI has questioned an interior decorator who worked on Rep. Barbara-Rose Collins' private home in Detroit to determine whether the congresswoman used campaign funds to have him redesign her apartment.

Dewayne Porter, a well-known decorator who is currently working on the Detroit mayor's mansion, installed an elaborate mirror in Collins' living room and rearranged furniture throughout the apartment for the congresswoman in 1993. Porter told The Hill that two FBI agents questioned him this month, asking for his records to determine the source of Collins' payments.

The new allegations came as the Justice Department and House ethics committee accelera-

■ CONTINUED ON PAGE 30

Hill aides aspire to lawmaker stat

By Sarah Pekkanen

On Monday, Sen. Conrad Burns (R-Mont.) pressed the flesh at a Washington fund raiser — and went home empty handed.

Earlier this month, Sen. Tom Harkin (D-Iowa) helped set up a slew of meetings with labor PACs, but won't net a dime. And former Rep. Tim Penny (D-Minn.), who isn't running again, spends hours formulating a campaign strategy for the '96 House elections.

These Capitol Hill veterans are working on behalf of a dozen congressional staffers who are campaigning for their own seats in Congress. Their high-powered bosses are now working for them.

The mass exodu. of current members, notably Democrats, has sparked some of the staffer bids (Jose Luis Sanchez, administrative assistant to Texas Democratic Rep. Ron Coleman), while others say constituents they worked with on behalf of their bosses helped put the political bug in their ear by urging them to run (Christian Leinbach, former state d for Pennsylvania Repu Rick Santorum).

And despite the dread ma of Washington insi hurled by opponents, h high-powered politician ing and opening the d PAC contributions mo compensates.

"Any fund raiser he h there, speaking to the and asking people to d said Rep. Joe Moakley (D of his senior aid McGovern, who is target

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The Hill
p. 1 Nov 29, '95

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Background

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McCain. Referring to the pres[illegible] promise to fight fire with fire [illegible] Monday speech, he asked, "How can you fight fire with fire if you don't know where the fire is coming from?"

Foreign Relations, Jesse Helms (R-N.C.) and Strom Thurmond (R-S.C.) have bo[illegible] made their misgivings known, as has Sen. Ted Stevens (R-Alaska), chairman of the

he's exercising great leadership Clinton, Bumpers said, is putting his "prestige and political future on the line" for an unpopular mission

FBI probes new charges on Collins

■ CONTINUED FROM PAGE 1

ated their separate investigations of the Michigan Democrat, who also is accused of falsifying Federal Election Commission reports and laundering money through a scholarship fund she controls.

In an examination of FEC reports, The Hill found the congresswoman used $231.76 in campaign money for "mirror replacement — HDQ" in June of 1993. But ex-staffers who worked for Collins at that time could not recall any mirror breaking in her campaign headquarters.

And the custom-ordered mirror at Collins' apartment broke a few days after it was installed. Collins and Porter agreed to split the cost of the roughly $500 mirror — the same amount and at the same time she claimed the expense on her campaign reports. Collins paid the mirror company directly rather than giving the check to Porter, according to a knowledgeable source.

Collins' office had no comment on this.

Aside from the cost of the mirror, Porter's records did not specify, and he could not remember, whether Collins paid the $600 bill for his other decorating



PHOTO COURTESY STEVE BARRETT

Rep. Barbara-Rose Collins

services by cash or check. Porter said the FBI agents were very interested in "how [Collins] paid for it."

Collins has refused repeated interview requests, and although her spokeswoman has said all of Collins' FEC reports can be substantiated, the congresswoman has yet to explain several major financial discrepancies and other allegations uncovered by The Hill.

• Collins wrote a check for thousands of dollars to one of her staffers last year, evidence obtained by The Hill shows. The check was drawn on a scholarship fund controlled by Collins that is intended to assist low-income students in her Detroit district. The staffer was ordered to cash the check, then hand the money over to Collins, knowledgeable sources said. Collins has also awarded at least one scholarship from the same fund to the son of a former staffer.

• Collins claimed she spent $8,500 in campaign funds on clocks at a New York City store called Delta Fashions in November 1994. But a store receipt obtained by The Hill puts the amount of the sale at $948, and the store owner said he doubted such a large sale existed;

• A former employee said Collins used campaign funds to pay the employee's nearly $1,000 electric bill in October 1994. The congresswoman then asked the employee to pay her back in cash, the ex-staffer said. Although Collins' FEC reports claim the payment to the electric company to "reconnect ... constituents," the congresswoman did not report any repayments of campaign loans and the address is outside of her district;

• Collins paid more than $20,000 in campaign funds to family members during 1994 for work they performed on the campaign, even though she did not face a primary opponent in the Democratic stronghold; and

• Former employee Edith Lee-Payne told The Hill she spent up to 80 percent of her time in the congressional office performing re-election work. Documents obtained by The Hill show that Collins' district staffers were given lists of campaign and personal chores. Collins' spokeswoman denied the charges.

As the Justice Department continues its probe into Collins, the House ethics committee is conducting its own investigation. Last month, two committee staffers flew to Detroit to interview Collins' former employees about allegations of financial misconduct and that she ordered staffers to perform re-election work on the congressional time clock.

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ATTACHMENT 1
Page 5 of 10

Gingrich Tells Fired Historian He Will 'Support' Her Getting Another Hill Job

By Juliet Eilperin

Former House Historian Christina Jeffrey may join the Congressional payroll yet again, according to a letter written by House Speaker Newt Gingrich (R-Ga.) and obtained by Roll Call.

Close to a year after she was hired and then quickly fired as Gingrich's handpicked historian, Jeffrey, along with Anti-Defamation League executive director Abe Foxman, is scheduled to meet with Gingrich in his office Thursday morning. According to a letter Gingrich wrote Nov. 13, they will discuss "the difficult and unfair treatment appointees receive in the political process" in a meeting open to the press.

Gingrich fired Jeffrey, a political science professor at Kennesaw State College, on Jan. 9 after reports surfaced that she criticized a Holocaust curriculum in 1986 for not including the Nazi and Ku Klux Klan point of view. As criticism mounted, the Speaker fired off a letter saying, "I do not feel that it would be prudent nor beneficial for you or your family for the House of Representatives to continue your employment at this time."

Yet that decision, Gingrich wrote this month, would not prevent Jeffrey from working on the Hill in some other capacity.

"I have always believed that your credentials as a history professor would provide an important perspective to the House of Representatives," the letter states. "Therefore, I am prepared to approach Minority Leader Richard[t] Gephardt [D-Mo.] not only to express my opinion that the system has treated you unfairly but also that I intend to support your appointment to an official position at such time when a position becomes available for which your education and personal background will render a valuable service to the House of Representatives."

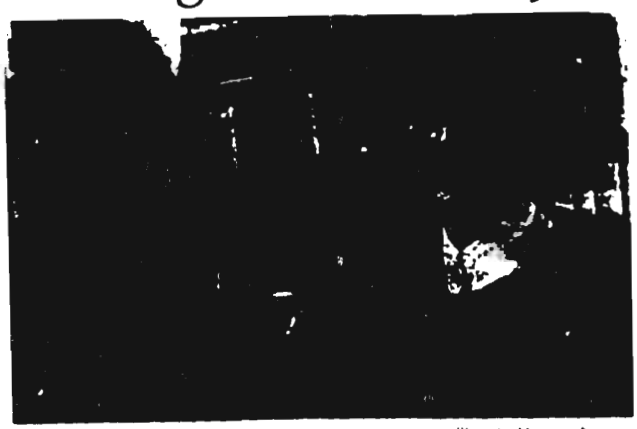


Photo by Maureen Keating

Christina Jeffrey, who was fired by the Speaker on Jan. 9, will meet with him today. "I have always believed that your credentials as a history professor would provide an important perspective to the House of Representatives," Gingrich wrote to her.

Gingrich has not promised Jeffrey a job, spokeswoman Tony Blankley emphasized.

He wants to look to see if something would be appropriate, Blankley said, adding Gingrich has no immediate plans to add Jeffrey to his personal staff.

Though Jeffrey officially left the Hill in January, she has been unrelenting in her crusade to restore her reputation. She made a point of meeting with Jewish groups and publicizing the fact that Foxman does not consider her views anti-Semitic.

Rep. Nita Lowey (D-N.Y.), who criticized Jeffrey's appointment in January, said she was baffled by the letter.

"I'd be interested to know what kind of [job] Gingrich and the speaker [Jeffrey] would support," Lowey said. "When you're in a city with many other competent people out of work looking for jobs, why does he feel this great obligation to employ her?"

Though the letter's tone sounds like a formal settlement, Jeffrey said she has not yet decided whether to file a complaint in the House. She has until Dec. 15 to file a complaint under House rules.

In an interview Tuesday, Jeffrey said she was looking forward to the meeting.

"I'm an academic," she said. "I'm willing to discuss anything having to do with politics or science." She said she did not know what kind of job she might be offered in the House.

FBI Steps Up Probes of Reps. Waldholtz, Collins

By Mary Jacoby

The federal investigation into the finances of Rep. Enid Greene Waldholtz (R-Utah) and her estranged husband has begun to focus more directly on the Congresswoman, with the FBI picking up her campaign and financial disclosure reports last week and interviewing campaign vendors.

An FBI agent obtained copies of Waldholtz's filings at the House Legislative Resource Center on Nov. 21, records show. Sources in Utah and Washington, meanwhile, told Roll Call that other FBI agents on Tuesday met with officials of Wilson Communications in Alexandria, which did media production and buying for Waldholtz's 1994 campaign.

Wilson Communications's Patti Heck in an interview with Roll Call yesterday strongly denied rumors that have been circulating for months that Enid's father, wealthy stockbroker Forrest Greene, circumvented campaign spending limits by paying the firm personally for services. "We took no money from Forrest Greene directly. We couldn't do that ethically and we wouldn't do that," Heck said. The Waldholtz campaign reported paying the firm more than $700,000 in 1994, according to Federal Election Commission reports.

"We have gone over our records ten times and all of our checks and wire transfer receipts are from [the campaign] account at Salt Lake City First Security Bank," Heck said.

She insisted that Forrest Greene never dealt with Wilson Communications. "I've never even talked to the man," Heck added. She would neither confirm nor deny the FBI visit Tuesday, saying only, "When the authorities ask for our records, we will provide them immediately."

In another Congressional investigation, the FBI has also stepped up its separate probe into apparent personal use of campaign funds by Rep. Barbara-Rose Collins (D-Mich.), picking up campaign and financial disclosure records on Nov. 21, the same day the agents retrieved Waldholtz's forms.

The FBI retrieved Collins's forms from 1990 — her first term — to the present. The House ethics committee has also launched an investigation into Collins for questionable spending out of her campaign account and possibly false FEC filings.

On Tuesday, sources said agents met with officials of Wilson Communications Waldholtz's media firm.

Edith Lee Payne, who served as community relations director in Collins's district office, told Roll Call she has been contacted by both the FBI and the House ethics committee about their separate Collins probes. She added, however, that she has not been interviewed by either group.

She has said that she did campaign work for the Congresswoman during office hours.

As for the Waldholtz case, sources have told Roll Call that the FBI has interviewed former Waldholtz campaign workers on Capitol Hill and contacted scores of vendors. Questions about the source of campaign funds are expected to be among them.

The FBI is examining an alleged $75,000 check-kiting scheme involving Waldholtz and directed by Joe Waldholtz and his personal Enid Waldholtz's campaign account, which was managed by her husband as treasurer.

The Justice Department is trying to determine whether some $1.8 million Enid Waldholtz said she loaned her 1994 campaign actually belonged to her. If the money was not Enid's, it would appear to violate federal campaign contribution limits of $2,000 per election from any one individual.

In another development, the Deseret News reported Tuesday that Forrest Greene repurchased a house he had given his daughter as an early inheritance, and the monies may have been the source of $175,000 Enid Greene received during her campaign in 1992.

However, the title to the home was not transferred to Forrest Greene's name until June 30. As some news years later, raising questions about whether the money he paid his daughter was a wash made against the home, which then would have been reported to the FEC as such.

Former campaign workers said they would be surprised if Forrest Greene knowingly violated the law because he was a stickler for details and careful to follow the rules. At the same time, they indicated that he closely monitored the campaign's finances.

For example, Peter Vaccaro, manager of Forrest Greene's unsuccessful 1992 Congressional bid, said Forrest Greene refused to allow the campaign to pay rent through an advance. Vaccaro said recently [illegible] a series of questions about tax liabilities Greene was concerned about paying some [illegible] as an employee of the campaign [illegible] an outside contracting entity, Vaccaro said. As a result, we went back and [illegible] unfortunately and made me an employee of the campaign, he said.

Juliet Eilperin contributed to this report.

Aftershocks

By Timothy J. Burger and Gabriel Kahn

Trading Places. The recent spate of party switches has been received enthusiastically by Republicans. But the story on many House committees is different.

When **Rep. Billy Tauzin** (R-La.) switched parties Democrats were allowed to name two more members (one to replace the vacancy created by the switch, and another to balance the addition of a new Republican to the Commerce Committee panel), making the new ratio 27 to 22. Ditto for Resources, which now has 27 Republicans and 22 Democrats.

But for the chairmen on the committees, the change in the roster means tighter votes. The conservative Democrats who switched had voted with Republicans most of the time anyway, and the new Democrats include more liberals.

And now, with the switch of **Rep. Mike Parker** (R-Miss.) and the impending switch of **Rep. Jimmy Hayes** (D-La.), Republican staffers on Transportation and Infrastructure are worried that they may have the deck stacked against them. Parker wants to keep his seat on the committee as a Republican (though he could be headed for Appropriations sooner or later), and Hayes would also likely stay.

That could mean four more Democratic spots on the committee, making the ratio 35 to 31. A Republican committee source said that if Hayes switches, the committee may lobby House Speaker **Newt Gingrich** (R-Ga.) to expand the entire committee.

On Commerce, a Republican aide was similarly worried about the implications of a switch by **Rep. Ralph Hall** (D-Texas). "I wouldn't mind having Ralph Hall, but we can't handle adding another two Democrats to the committee."

Weekend Update. The weekend of Nov. 18 wasn't just the first time the new Republican-controlled House was in session on a Saturday. It was also the first time **Rep. Jon Christensen** (R-Neb.) didn't make it home to Omaha for the weekend. The momentous event prompted a press release from the freshman's office, noting that Christensen since the start of the 104th Congress had been home 45 consecutive weekends and only stayed in Washington for the House's first weekend session of his tenure. "At least it's a weekend with no Husker game," said the release.

Meeting of the Minds. Christensen, meanwhile, is still waiting for the White House to follow up on its top lobbyist's assurance that Budget Director **Alice Rivlin**'s office would contact Christensen "shortly to arrange a meeting" between her and House GOP freshmen.

The idea's been kicking around for a while. White House lobbyist **Pat Griffin** wrote the Nov. 7 letter in response to an October request from Christensen asking **President Clinton** to meet with the freshmen about the budget-balancing fight.

Griffin responded with the letter saying Clinton would "be unable to meet during this busy period," but telling Christensen that Rivlin "will be contacting you shortly."

"We got that letter from the White House and we haven't heard word one after that," said Christensen press secretary **Chris Hull**.

ATTACHMENT 1
Page 6 of 10

18

Justice calls Collins aides as witnesses

■ CONTINUED FROM PAGE 1

the government decides to prosecute Collins.

The Justice Department is investigating whether Collins over-reported campaign expenditures by thousands of dollars and laundered money through one of the scholarship funds she controls, which is called the Collins Congressional Community Scholarship Committee.

Gary Ruskin, director of the Congressional Accountability Project, said he was also contacted last month by a U.S. attorney from Michigan who was seeking information on Collins.

"It was essentially, 'Ship me everything you know please,'" Ruskin said.

The federal probe is far from complete. Investigators are continuing to compile names of potential witnesses who have worked for the third-term Democrat. That list is extensive. From July 1994 to August 1995, more than 20 employees departed her office — a more than 100 percent turnover during that year alone.

The Detroit and Washington, D.C., offices of the Justice Department are both currently gathering information as part of a preliminary probe. A decision has not yet been made about which branch will spearhead the investigation, according to a knowledgeable source.

The House ethics committee, which is conducting a separate probe of Collins' financial accounts and use of congressional staff, has also questioned former district staffers. Last month, the committee flew two investigators to Detroit to conduct interviews.

The ex-staffers confirmed that they were frequently instructed to deposit campaign checks and compile donor lists. One staffer has a list of duties given to Detroit district employees that includes campaign-related and personal chores they were instructed to perform for the congresswoman.

The former employees have also informed investigators they were told to use stamps and official equipment such as copying machines for re-election mailings.

Rep. Nancy Johnson (R-Conn.), who chairs the ethics panel, would not comment on the House investigation Tuesday. And Collins has not responded to repeated requests from The Hill for an interview.

When asked if the congresswoman had been contacted by the ethics panel or the Justice Department, Collins' spokeswoman Lillian German said, "This is nothing more than innuendo by individuals who don't want Congresswoman Collins to succeed in her efforts to empower the people of Detroit."



MAURA BOROWSKI/THE HILL

The Justice Department is investigating whether Rep. Barbara-Rose Collins over-reported campaign expenditures and laundered money.

Justice calls Collins aides as witnesses

By Sarah Pekkanen

Several of Rep. Barbara-Rose Collins' former staffers were interviewed by the FBI last week and told they are now considered federal witnesses in the Justice Department's wide-ranging probe into the Michigan Democrat's finances and use of official staff.

FBI agents in Detroit questioned at least two of Collins' former district staffers about allegations that they were instructed to perform significant campaign work while on the congressional time clock. The staffers were also asked to provide details about Collins' campaign account and scholarship funds.

As federal witnesses, those staffers would testify at a trial if

■ CONTINUED ON PAGE 47

18

ATTACHMENT 1
Page 7 of 10

HILL BRIEFS

Rep. Dornan expected to quit presidential race

Rep. Bob Dornan (R-Calif.) will drop out of the presidential race just after the New Hampshire primary on Feb. 23, Hill sources said on Tuesday. His campaign could not be reached for comment.

Since the Iowa straw poll last August, Dornan, who came in next to last, has maintained only a 76 percent voting attendance record in the House.

"He has missed some votes due to the presidential race," acknowledged his press secretary, Paul Mero. "It's a trade-off. He was to weigh the greater good against making all of his votes. His way is to influence the national debate. He can do this through his congressional seat and through the presidential race. He doesn't feel like he's shortchanging anybody. He feels like he's giving his district and the American people double their money."

As of June 30, Dornan's presidential campaign had only $5,463.85 on hand, according to the Federal Election Commission. Senate Majority Leader Bob Dole (Kan.), the Republican front-runner, had nearly $6.7 million at the time.

Dornan announced last Wednesday that he would be running both for his congressional seat and the presidency.

Since the straw poll in Ames, Iowa, Dole and Sen. Richard Lugar (R-Ind.) have maintained perfect voting attendance records. Sen. Phil Gramm (R-Texas) has made 89 percent of his votes, and Sen. Arlen Specter (R-Pa.) has made 97 percent of his.

Dornan's campaigning on a shoestring has made it more difficult for him to show up for his votes, Mero said. "The other guys could make it because the senators have larger campaign staffs. They can prepare for these trips and just fly up at a moments' notice," he

House Ethics investigators interview Collins' ex-aides; Justice widens probe

By Sarah Pekkanen

The House Ethics Committee and the Justice Department have broadened their separate probes into allegations of financial irregularities and staff misuse against Rep. Barbara Rose Collins (D-Mich.), according to sources familiar with both investigations.

The ethics committee sent two staff investigators to Detroit on Oct. 6 to interview former aides to the three-term Detroit congresswoman concerning charges that she ordered them to perform re-election work and misused campaign funds.

Meanwhile, the Justice Department expanded its investigation to Washington this week. The FBI is currently preparing lists of former staffers to question, according to one source.

In recent weeks, FBI agents in Detroit have also been examining Collins' financial documents, including campaign finance reports and scholarship funds under her control. Until this week, however, the investigation has been limited to Detroit.

When asked about the congresswoman's reaction to the investigations, Collins' spokeswoman, Lillian German, said, "No comment."

As part of the House probe, committee attorney Charles Willoughby and another staff investigator traveled to Detroit to interview several former Collins staffers. The ex-staffers confirmed allegations that Collins routinely ordered them to perform campaign-related work during office hours, a violation of House rules.

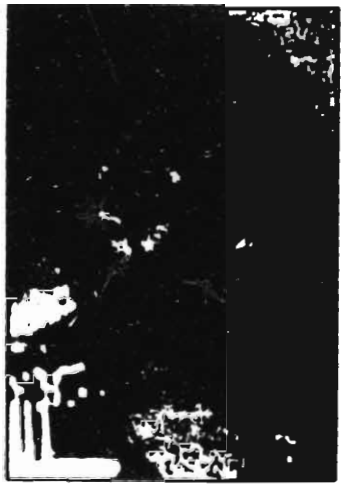
The Hill has obtained documents that former staffers said were distributed to Detroit employees, which detail personal and campaign chores, including preparation of donor lists and handling of campaign checks.

Ted Van Der Meid, staff director for the ethics committee, would not comment on the investigation.

In recent months, The Hill has uncovered a wide array of allegations against Collins, including charges that she pocketed thousands of dollars from a scholarship fund for low-income students in her district, paid more than $20,000 in campaign money to family members, and over-reported campaign expenses by thousands of dollars.

Collins' most recent campaign finance reports, filed with the Federal Election Commission two months late, show that the congresswoman has continued her pattern of reimbursing congressional staffers for significant campaign expenditures.

In September, The Hill reported that Collins wrote campaign checks to congressional employees totaling more than $16,000 in 1994. Her most recent reports show that during the first six months of this year, Collins reimbursed her district director $3,625. Of that money, $2,000 went for office supplies, including coffee, tea, cups, and sugar.



MAURA BORUCHOW/THE HILL

Rep. Barbara Rose Collins wrote campaign check to Hill staffers.

The new FEC records also show that Collins listed a $12,257 tally for campaign money raised during Jan. 1 to June 30, 1995. However, when the individual and PAC contributions Collins received are added, the total actually comes to $13,290. The discrepancy was reported by the Detroit News on Sunday.

Collins' spokeswoman also would not comment on the reimbursements to congressional staffers or the campaign's financial discrepancy.

Watchdog group calls for outside counsel to investigate charges against Rep. Collins

By Sarah Pekkanen

A congressional watchdog group asked the House Ethics Committee Tuesday to appoint an outside counsel to investigate apparent discrepancies in the campaign finances of Rep. Barbara Rose Collins (D-Mich.).

The Congressional Accountability Project, affiliated with Ralph Nader, wrote a letter to Rep. Nancy Johnson (R-Conn.), who chairs the committee, calling for a full investigation of allegations that Collins improperly used campaign funds and ordered taxpayer-funded staffers to perform significant re-election work.

Asked Tuesday if he would support the appointment of an independent counsel, Minority Whip David Bonior (D-Mich.) said, "If the committee takes the case and finds it is credible, I would do so. ... That option is certainly one that could be pursued."

At the same time, a former staffer for Collins told The Hill that Collins loaned her nearly $1,000 from her campaign account last year — then asked for repayment in cash.



MAURA BORUCHOW/THE HILL

Rep. Collins, who allegedly misused company funds.

A former employee in Collins' Detroit office said that in October of 1994, she asked Collins for a salary advance to pay her severely overdue nearly $1,000 electric bill. Instead, Collins wrote a check directly to the electric company from the "Friends of Barbara Rose Collins" campaign account, according to the ex-staffer, who did not want her name used.

Federal Election Commission reports show that Collins listed an Oct. 26, 1994, payment of $1,000 to Detroit Edison to "reconnect ... Ridgemont constituents." The former staffer, who has since moved, confirmed that she was living on Ridgemont Street at the time.

FEC records show that Collins did not report any loans made from her campaign account during that month. Instead, the congresswoman listed the payment as a general election expense, even though the address is outside of her district.

The ex-staffer said Collins initially told her the money would have to be reimbursed directly to the campaign account. Weeks later, the former employee told Collins she could repay $500. "When I got the money to reimburse her, I said, 'Do you want me to write a check to the "Friends" account?'" she recalled.

Collins instructed her to pay in cash instead, she said. The ex-staffer later handed Collins a second installment of nearly $500 in cash, she said.

FEC records for 1994 show Collins did not report any repayment of loans to her campaign committee from Oct. 20 to Dec. 31, 1994.

Although the Detroit Free Press reported that Detroit Edison never received the [illegible] $1,000 payment from Collins's [illegible] and returned it to the tune of an $893 payment, [illegible] said.

[illegible] Collins's campaign [illegible] catch a substantial [illegible]

The Hill [illegible] August that Edith Lee Parks, a former Detroit district staffer, said she spent up to 80 percent of her time doing work for Collins' 1994 re-election campaign while on the congressional payroll.

Also in August, The Hill reported that Collins claimed she spent $8,500 in campaign funds at a New York City store. But a store invoice shows the congresswoman actually paid only $948.

The Justice Department and House Ethics Committee are already probing Collins' use of campaign funds and other financial accounts.

Gingrich slows GOP environmental agenda

ATTACHMENT 1
Page ____ of ____

COLLINS: The House Ethics Cmte has begun to gather information about "apparent improprieties" in Rep. Barbara-Rose Collins' (D-MI) official finances. The DETROIT FREE PRESS reported last week that Collins had violated ethics rules while soliciting donations for her annual "Michigan Bash," a party she plans to throw during the 9/22 meeting of the Congressional Black Caucus meeting. Collins used House stationary to solicit money for the bash, which is "illegal." A 7/17 letter, signed by Collins, asked for $2,000 donations to "cover expenses for the 5th annual Michigan Bash" and instructed potential donors to make checks payable to the "Collins Congressional Community Service Committee" -- a "private fund she refuses to discuss." If Collins controls the community service fund, the letter would be "in violation" of another ethics rule -- forbidding House members from raising money for organizations they control. In addition, the FREE PRESS said Collins violated a third ethics rule, and federal law, by failing to disclose that she was director of two other private funds "that appear to be predecessors to the community service fund." The DoJ is also "looking into a variety of allegations against Collins, who has been dogged by reports that she mistreats her staff, misspent campaign funds and profited personally from one of the private funds under her control." Collins has denied the allegations, blaming "racism in the news media" for her troubles (Montgomery, FREE PRESS, 9/19).

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS
COMMISSION SECRETARY

DATE: MARCH 12, 1996

SUBJECT: MUR 3181 - GENERAL COUNSEL'S REPORT DATED MARCH 6, 1996.

The above-captioned document was circulated to the Commission on Thursday, March 7, 1996 at 11:00 a.m.

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

Commissioner Aikens	
Commissioner Elliott	
Commissioner McDonald	XXX
Commissioner McGarry	
Commissioner Potter	
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda for Tuesday, March 19, 1996.

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

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3181
Barbara-Rose Collins, et al.)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on March 19, 1996, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions in MUR 3181:

Report MUR 3181 to the House Committee on Standards of Official Conduct for action that it deems appropriate.

Take no further action against Barbara-Rose Collins; Collins for Congress and Terry Hasse, as treasurer; Anthony Soave; James Sharp; Cara Woods; and Don H. Barden, based on the information in MUR 3181.

Close the file.

(continued)

Approve the appropriate letters as recommended in the General Counsel's report dated March 6, 1996.

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

Attest:

3/20/96
Date

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

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 9, 1996

Michael A. Nemeroff, Esq.
Sidley & Austin
1722 Eye St., N.W.
Washington, D.C. 20006

RE: MUR 3181
Anthony Soave

Dear Mr. Nemeroff:

Previously, you were notified that the Federal Election Commission found reason to believe that your client had violated 2 U.S.C. § 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on March 19, 1996, to take no further action against Mr. Soave, and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

The Commission reminds your client that a loan guarantee in excess of $1,000 is a violation of the contribution limits established at 2 U.S.C. § 441a(a)(1)(A). Your client should take steps to ensure that this activity does not occur in the future.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 9, 1996

Carol A. Laham, Esq
Wiley, Rein & Fielding
1776 K St., N.W.,
Washington, D.C. 20006

RE: MUR 3181
Cara Woods

Dear Ms. Laham:

Previously, you were notified that the Federal Election Commission found reason to believe that your client had violated 2 U.S.C. § 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on March 19, 1996, to take no further action against Mr. Woods, and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

The Commission reminds your client that a loan guarantee in excess of $1,000 is a violation of the contribution limits established at 2 U.S.C. § 441a(a)(1)(A). Your client should take steps to ensure that this activity does not occur in the future.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 9, 1996

Ronald A. Siegel, Esq
Cohn & Marks
1333 New Hampshire Ave., N.W., Suite 600
Washington, D.C. 20036

RE: MUR 3181
Don Barden

Dear Mr. Siegel

Previously, you were notified that the Federal Election Commission found reason to believe that your client had violated 2 U.S.C. § 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on March 19, 1996, to take no further action against Mr. Barden, and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

The Commission reminds your client that a loan guarantee in excess of $1,000 is a violation of the contribution limits established at 2 U.S.C. § 441a(a)(1)(A). Your client should take steps to ensure that this activity does not occur in the future.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 9, 1996

Robert Bauer, Esq.
Perkins Coie
607 Fourteenth St., N.W., Suite 800
Washington, D.C. 20005-2011

RE: MUR 3181
James A. Sharp, Jr.

Dear Mr. Bauer:

On August 27, 1991, your client was notified that the Federal Election Commission had found reason to believe that Mr. Sharp had violated 2 U.S.C. § 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on March 19, 1996, to take no further action against Mr. Sharp, and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

The Commission reminds your client that a loan guarantee in excess of $1,000 is a violation of the contribution limits established at 2 U.S.C. § 441a(a)(1)(A). Your client should take steps to ensure that this activity does not occur in the future.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 9, 1996

Kenneth A. Gross, Esq
Skadden Arps
1440 New York Ave., N.W.
Washington, D.C. 20005-2111

RE: MUR 3181
Barbara-Rose Collins
Collins for Congress, and
Terry Hasse, as treasurer

Dear Mr. Gross:

Previously, you were notified that the Federal Election Commission found reason to believe that your client, Barbara-Rose Collins, had violated 2 U.S.C. § 441a(f), and that your clients, Collins for Congress and Terry Hasse, as treasurer, had violated 2 U.S.C. §§ 434(b) and 441a(f). After conducting an investigation and considering the circumstances of the matter, the Commission determined on March 19, 1996, to report this matter over to the United States House of Representatives Committee on Standards of Official Conduct for action that they deem appropriate. The Commission then determined to take no further action against your clients in this matter and closed the file.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker

Holly J. Baker
Attorney

YESTERDAY TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

In the Matter of)
)
) MUR 3181
)
)

FEB 21 10 22 AM '95

CONFIDENTIAL

DEPOSITION OF: JAMES A. SHARP, JR.

Tuesday, July 11, 1994

Allan P. LeBlanc F. Albert Teodori
Renaissance Court Reporters Inc.
333 West Fort Street - Suite 1260 - Detroit, MI 48226 (313) 961-9190 - Fax: (313) 961-9202

In the Matter of)
)
) MUR 3181
)
)

CONFIDENTIAL

Deposition of JAMES A. SHARP, JR., taken on behalf of the Federal Election Commission at 823 Federal Building, Detroit, Michigan, commencing at 9:08 AM before Dale E. Rose, Certified Shorthand Reporter. No. 0087.

Allan P. LeBlanc F. Albert Teodori
Renaissance Court Reporters Inc.
333 West Fort Street - Suite 1260 - Detroit, MI 48226 (313) 961-9190 - Fax: (313) 961-9202

APPEARANCES:

FEDERAL ELECTION COMMISSION
999 E. Street, N.W.
Washington, D.C. 20463
(By Jonathan A. Bernstein, Esq.
and Holly J. Baker, Attorney-At-Law),

Appearing on behalf of Federal Election Commission.

PERKINS COIE
607 Fourteenth Street, N.W.
Washington, D.C. 20005-2011
(By Robert Bauer, Esq. and
Judith L. Corley, Attorney-At-Law),

Appearing on behalf of the Deponent.

2443455

Allan P. LeBlanc F. Albert Teodori
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INDEX

	Page
Examination by Mr. Bernstein	5

EXHIBITS

Deposition Exhibit Number	Identification	Page
1	Calendar	44
2	Guaranty	72

Allan P. LeBlanc F. Albert Teodori
Renaissance Court Reporters Inc.
333 West Fort Street - Suite 1260 - Detroit, MI 48226 (313) 961-9190 - Fax: (313) 961-9202

Detroit, Michigan

Tuesday, July 11, 1994

9:08 AM

- - -

MR. BERNSTEIN: This morning we're here pursuant to a subpoena for deposition issued to Mr. James Sharp and this relates to a confidential enforcement investigation matter under review 3181, and my name is Jonathan Bernstein and I'm here for the FEC and Holly Baker is here as well.

Mr. Court Reporter, could you please swear the witness?

J A M E S A . S H A R P , J R.

was thereupon called as a witness herein, and after having been first duly sworn to tell the truth, the whole truth and nothing but the truth, was examined and testified as follows:

EXAMINATION BY MR. BERNSTEIN:

Q. Good morning, Mr. Sharp. Have you been deposed before?

A. Yes.

Q. In what sort of procceding?

A. I'm not sure I understand. What do you mean "proceeding"?

Q. In a litigation case or --

A. Yes, it would have been a litigation case.

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Q. Let me explain to you what it is that we're doing in case it's a little rusty in your experience. I'll be asking you questions and seeking verbal responses which are going to be transcribed by the court reporter and if in any situation you don't understand a question, please ask me to repeat it or to clarify it.

You are under oath, so this is the same as if you were testifying in a court of law.

At this point can you tell me if you're represented by counsel today?

A. Yes, I am.

Q. And would you identify them, please?

A. Yes, Robert Bauer and Ms. Judy Corley.

Q. Could you state your full name, please?

A. James A. Sharp, Jr.

Q. And your date of birth?

A.

Q. And your social security number?

A.

Q. And your home address?

A. 19331 Suffolk Drive, Detroit 48203.

Q. And your home telephone number?

A.

Q. And your work address and telephone number?

A. 3400 East Lafayette Street, Detroit 48207,

Q. And your marital status?
A. Married.
Q. For how long?
A. Twenty-eight years.
Q. Can you tell me what you did to prepare for this deposition?
A. I consulted with counsel.
Q. Anything else?
A. No.
Q. Did you review any documents for example?
A. That was part of the process of consulting with counsel.
Q. What sort of documents did you review?
A. Case documents, the record as it were.
Q. Did you review any documents that your counsel have not previously produced to the Commission?
A. No.

MR. BERNSTEIN: Off the record.

(Discussion off the record.)

Q. Back on the record. I think where we left off you had said that the only documents that you reviewed were documents that your counsel has previously produced to the Commission, is that right?
A. That's right.
Q. And other than counsel, who have you spoken with about this deposition?

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A. My wife.
Q. And what's your wife's name?
A. Tessie.
Q. And anybody else?
A. No, not to my knowledge.
Q. Mr. Sharp, could you please explain your educational background?
A. I'm a graduate of Central Needlestraits (sp.) High School in New York City. I've had some college, but not --
Q. Not a college degree?
A. No.
Q. And have you had military service?
A. Yes.
Q. Can you describe that, please?
A. I was in the United States Marine Corps for 20 years.
Q. And what rank did you achieve?
A. Retired as a first sergeant.
Q. So what sort of discharge was that, a retirement?
A. Retirement, yes.
Q. And how about your employment history?
A. Going how far back?
Q. Well, how about after you left the Marine Corps.
A. Retired from the Marine Corps in 1971. I went to work then for a United States Congressman Don Reigle who represented the Seventh District of Michigan at the time.

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I had met Mr. Riegle in 1966 as a result of having been assigned to Flint as a recruiter.

That recruitment job came after my first tour in Viet Nam as an advisor. Mr. Riegle and I became friends because we shared a mutual concern about the escalation of the war and it was my -- I had a belief at the time that the war needn't have been expanded and so we became rather good friends and stayed in contact with one another.

In 1971 after my third tour in Viet Nam Mr. Riegle asked if I would come and work for him to head up his district office operation in Flint, Michigan and I went there.

Subsequent to that employment which lasted about 13 years, and I should add parenthetically during that time I expanded my base of operations with him because we ran for the Senate in 1976 and won and then I became responsible for the entire state of Michigan's operations, constituent services primarily, but other services as well, satisfying the constituency.

1983 I retired because of an unique querk in federal regulations that would have allowed me to buy back some social security time from the military and be able to keep both my social security and military retirement at age 65, and so I left Riegle to take

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advantage of that window.

Q. That was in 1983?

A. 1983 at the end of that Congress which was in January, probably January 15 or thereabouts, whenever the Congress ended.

And then I sort of decided I would stay home and watch my grandkids grow up and it was -- that didn't last very long.

The incoming speaker of the House of Representatives from the State of Michigan, he asked if I would join his team and direct the -- what is called the House Democratic Research Staff. It's a staff that provides all the services to the legislators.

The legislators in Michigan don't have personal staff beyond a secretary and maybe one person and so all of the substantive issues has to go through a very highly trained central staff.

Q. The legislators are part time?

A. No, legislators are full time.

Q. But don't have full staffs?

A. Right.

Q. Please go on.

A. The central staff for the Democratic Party was about 50, 55 people at the time. They each had their own disciplines, so some of them serve as committee chairs but

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others serve as the caucus at large.

I directed that beginning in January, February of 1983 until I was elected mayor of the City of Flint in November of 1983 and then left staff and took on the full time job of mayor of the city, and served in that capacity until 1987, ran for -- stood for re-election and was not re-elected, and again went off to watch my grandkids grow for a while and that didn't last very long.

Someone invited me for an interview, my former boss who was the speaker of the house suggested that I accept a call from my current boss because he needed someone to do some governmental relations work and he might be interested in doing it.

The long and short of it is I was interested and I accepted the job and my current job began in 1988 in January, actually it was '87 I guess I accepted the job. I didn't -- first day was in January, and I accepted job as vice-president of community and governmental relations for City Management Corporation where I'm currently employed.

Q. Thank you. Let me take you back a little bit just to fill in some information. You were initially a district office manager for Representative Riegle in Flint, is that what you described?

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A. No. The office management internally was a job that was subordinate to mine. I was more his district representative, that is to be his alter ego in the district and when he wasn't there to act in his stead on district matters.

Obviously I couldn't go down to Washington and vote, but in matters in the district I represented him.

Q. What did you do?

A. Generally supervised the operation of the office, ensure that the function of constituent services were being performed at the highest level. I hired people and dismissed people that needed to be.

Spoke on behalf of the -- and this is interchangeable, Senate or House, it's the same, just more territory -- spoke on behalf of the representative or senator whenever he was unable to make a speaking engagement in the state.

Responded to requests from business people, party people, constituents for any number of things, cleaning up social security, immigration, you name it, any problem at the federal level we would be asked to help.

We were also pro-active in particular with the economic development at the time. Our county of

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Genesee was not -- after the oil embargo hit we were not in the best of shape economically. In fact, we really haven't recovered from that and Genesee County and Flint is the center of that, and so lots of pro-active activity took place trying to get the engine started again to get people back to work and the sentor or congressman and I were pretty much the focal point of that kind of activity.

Q. So Representative Riegle who then became Senator Riegle would have been -- stood for re-election in '72 and then every two years until he was elected to the Senate?

A. 1976.

Q. So did you have any involvement in his re-election or the senatorial election campaigns?

A. The activity increased on behalf of staff, but we were not participants, active participants. I didn't drop off staff to go onto the campaign staff or any of that.

Q. That's what I was asking.

A. Right. No, I stayed on staff, but the activity increased for everybody because visibility level goes up during campaigns and people pull out all their hold cases and they want you to resolve those.

Q. Did you work in Washington?

A. For a period of time. At the beginning in 1971 I worked in Washington for maybe two months just to get some sense of what was going on in the legislative process. My

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expertise that I brought to the senator was one of problem solving and that's what I pretty much stayed at in the state.

When he went in -- when we went into the Senate in 1976 I worked in Washington although I was not primarily based there, but I worked there to try to bring some cohesion between new staffs, between the new senate staff which is enlarged quite a bit and the state staff, so I as there quite often, perhaps an average of once a week for a couple of years or so, just to bring some life and some reality to what the district was about, what the state was about.

Q. Did you have any exposure to the campaign fund raising, even if -- obviously not as part of your job, but at the time when that would gear up in the election cycle?

A. When you say exposure to campaign fund raising, I'm not sure what you mean. Of course I know that you have to raise funds for a campaign.

Q. Did you go to fund-raisers?

A. Yes, but I didn't buy tickets. Happily I knew the guy and I could get in for free.

Q. Did you at that time have any familiarity with the broad rules about limits on contributions and that sort of thing?

A. Yes, yes, yes, the broad rules but not -- the broad rules,

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but not much beyond broad rules.

Q. So then we roll forward and it was January, 1988 when you began work at City Management?

A. Yes.

Q. And you had described earlier how that came to be. Can you tell me something about City Management's business and structure and how you fit into that?

A. Sure. The business -- City Management is really a holding company. It's a private company. It's owned principally by one person and in 1988 when I joined it we had just moved into a new headquarters.

There had been a decision that I perhaps represented the first part of on behalf of the company to expand its base. The primary function of City Management is in the waste business from top down.

It's a collection business, it's a disposal business, it's a transportation business, literally all of waste handling and waste management.

Q. When you say "top down", you mean integrated?

A. Integrated company. The decision was made, as I said earlier, and I was perhaps the first part of that to expand and now this company has grown from one and a half landfills to nine and a half landfills and I don't know how many hauling companies that we have anymore, but a number of hauling companies and a number of collection

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companies throughout the state of Michigan primarily, but also in Florida and Alabama.

Q. And these are all -- are these all wholly owned subsidiaries?

A. I'm not positive of the legal relationship, but the name for the most part carries throughout, City Disposal, City Environmental Services, City Waste Services, City Transporation, but how that legally is put together I'm not sure.

Q. And, again, the ownership of the holding company?

A. Primarily Mr. Anthony Soave.

Q. And when you say primarily, who else?

A. There are some ownerships that are -- sharing of ownerships that are primarily, with one exception, primarily management deals. If we purchase a company, often times the previous owner or manager will be offered a share of going forward. It's a minor share, usually two, three, four percent in order to keep them from competing against us out in the marketplace with another company. Usually that's the arrangement, so in that sense I use the word "primarily".

One of our landfills is an absolute 50/50 partnership. That's the one exception.

Other than that.

Q. What's the name of that one?

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A. That's Pine Tree Acres.

Q. And now perhaps onto your duties at City Management.

A. My title is vice-president of community and governmental relations.

In that job I endeavor to interact on behalf of the company with both of those groups of people, community and government. In all instances outside of the actual hauling of waste and other -- I don't know if I've explained that, but any relationship that our company has with the world other than in its primary function of hauling and collecting and transporting of waste, those matters are referred to me for disposition, including public relations, including programmatic co-op's of -- hiring of co-op students for employment, setting up programs with the community.

We own an ice rink and it's one of the things I'm trying to set up with the Detroit School System to allow the children to come here and learn how to skate and I think we've got that job done.

I mean it's providing lunch when a championship football team has to go out of town to play a game and haven't made arrangements for food and we get a request from the school to do that.

It would come to me and literally anything outside of the obvious accounting, legal and

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waste handling comes into my office.

Q. What other sorts of things?

A. Requests from agencies and community based organizations for funding, for support, for contributions.

Requests from churches for disposal boxes, any kind of contributions for picnics, family outings, and what have you.

To the extent that we assist children going to school, to college, I would handle the request for scholarship dollars. Requests for the company to become involved as a business partner or entrepreneur or as an owner in other businesses other than our main line of business.

Loan requests from people or businesses that are suffering and unable to get loans from banks and things.

Q. Would you have occasion to deal with any governmental entites?

A. Oh, yes.

Q. Can you give me some examples?

A. Regulatory area I would probably be the one to interface along with counsel to try and either negotiate a regulation that is unduly harming or holding up our company operations of some sort or another.

At times I've negotiated settlements

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for the privilege of doing business, royalty issues. Negotiated purchases of property and the like both from the government and from the private sector.

Q. What level of governmental entities would you be involved in as far as regulatory?

A. State and county level. DNR here regulates a certain portion of our business, but the county government and each county also represents some oversight and some responsibility for our being able to do business.

Q. How about the City of Detroit?

A. City of Detroit also and the City of Flint and City of Lincoln Park, yes, city government all the way up to state.

Q. So can you give me some examples of what issues you have been involved in at the city level?

A. (No response.)

Q. Were there any projects, for example, that needed zoning variances or any sort of accomodation from the city? Would you be involved in that?

A. Acquisition of some properties that were vacant at the time, vacant lots. We have a facility here in Detroit that had been granted a permit to handle liquid hazardous wastes and there were a number of vacant properties and the routing of trucks to get to that property and we negotiated the purchase of that property some years ago.

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There is still a piece of property that's adjacent to another one of our facilities, a health facility, that I began the initial negotiations to acquire in order to widen our footprint, put in some more parking. That's ongoing, away from me now into legal hands.

I've gotten it generally accepted to be sold. It's adjacent to the fire department that doesn't want to cut the grass anyway.

Q. Have you done any actual lobbying at the state legislative level?

A. I'm the registered lobbyist for the company and at times I've lobbied, yes, that's a function.

Q. And how about campaign contributions, is that something that is encompassed in your job as well?

A. Campaign as well as for elected officials and those who aspire to be as well as the corporate contributions to the causes.

Q. As far as the campaign contributions to elected officials, how would that come to be?

A. Could be a number of ways. I personally make contributions to candidates. I have always done that because I have made my living that way as a result of that effort for a long time, and so I support it, even though I'm not on that end of it any longer.

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We have two PAC's that are associated with our organization, one federal and one state, a committee, and I don't really chair the committee although I'm on it, probably have as much to say about its direction as anyone.

We also have the same corporate -- the same people on that committee also make judgments on corporate contributions and any kind of contribution, but the initial requests for either and all of those items come to me and my staff and we throw out or pass on for judgment the things that should go forward.

Q. How do you decide that?

A. I don't know. One day it's with the winds. We search for merit obviously and we search for -- in the case of corporate contributions the significance of the organization, what they're trying to accomplish.

All causes are good. You just have to choose the one that makes more -- that's more appropriate for our company.

We are engaged heavily in the environmental issues and so when there are requests from organizations that are involved in environmental issues, we are more likely to be a part of that, more than likely to contribute to that.

Q. So you were saying if you would get a solicitation and

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pass on it and let's say you assume it had merit, what would happen then?

A. It would go to a committee, committee would decide whether to make the contribution as requested or whether to adjust it or whether to make it at all.

Q. But were you -- are you the funnel for all the requests of that type?

A. I'm the beginning point, right.

Q. Do you report directly to Mr. Soave?

A. Yes.

Q. And can you describe your working relationship with him?

A. I'm not sure what you would -- what you're asking.

Q. Do you work very closely with him? Do you work very distantly with him?

A. Mr. Soave's style is to be available to everyone, truck drivers on up to executive vice-presidents, and we all enjoy that kind of a close open relationship.

Q. Do you see him every day?

A. My office is right outside of his office.

Q. Fair enough.

A. But that doesn't answer your question. The days -- he's not in every day and I'm out on the road quite a bit on matters and so the answer is no, I don't see him every day, but our proximity in the building, one office is next to another.

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Q. And do you consult with Mr. Soave at all on the contribution activities that you've been describing?
A. Not unless it's something unusual. The committee handles -- without Mr. Soave's intervention, the committee handles that activity.
Q. Does Mr. Soave make his own contributions, individual contributions?
A. Yes, he does.
Q. Are you involved in that at all?
A. Sometimes and sometimes not.
Q. Give me an example of how you would be involved in it?
A. If he would ask, if he would ask my recommendation I would give him my recommendation. We happen to be of different parties. He's the Republican Party and I'm Democratic Party, so when there's occasion for him to ask me about a personal contribution, I advise him, but --
Q. You're on separate tracks?
A. We're kind of on separate tracks, yes.
Q. Now, you explained that you're not an officer of the PAC but that you have obviously a lot of sway as to what contributions are made.
A. I obviously what?
Q. I think what you were explaining was that you have a lot of sway as far as what contributions are made by the process that you've described of essentially being the

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doorway through which all these requests come, is that fair?

A. I receive every request, both for political contributions and corporate contributions, I and my staff initially, and we then make a judgment as to which requests should go forward to the committee.

Beyond that, I have no, in your words, sway with the committee.

Q. Let me ask the question a different way. Of the contributions that you send forward to the committee, what portion of those does the committee in fact make?

A. I'm embarrassed to say not 50 percent probably. We meet every other Monday, let me give you an example, and last Monday I probably sent some 20 requests forward and I think two were approved, and that's not unusual.

Q. Would there have been enough money for the 20 requests?

A. It probably would have been. I'm just giving you an example of what you asked and how much influence I have by virtue of being the keeper of the door.

That doesn't mean that everything that gets through me will get approved.

Q. Who is on the committee?

A. I think there are nine people, nine officers, nine people.

Do you want names or what do you

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want?

Q. Is this a rotating group or a static group?

A. It's a static group.

Q. In that case could you give us the names?

A. Peter Saputo, Mike Piesko, Timothy McCarthy, Yale Levin, Ed Hoover, Kathleen McCann.

What is that total?

MS. CORLEY: Seven.

A. That's it.

MR. BERNSTEIN: Off the record.

(A recess was taken.)

Q. Back on the record after about a ten minute recess or so.

Mr. Sharp, going back for a minute, can you please tell us the name of the person who is the speaker of the House that you worked with in your earlier position and the one who had recommended that you pursue the position with City Management?

A. Gary Owen and also for the record if I may go back as well and define, better define, my use of the phrase "corporate giving".

Q. Yes, certainly.

A. Corporate giving is charitable giving in every instance as opposed to political contributions. Corporations are not allowed in this state to make political contributions, so wherever I've used the phrase "corporate giving", it's to

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a charitable or community-based organization.

Q. I see, thank you. What type of contributions then does the non-federal PAC or committee make?

A. State and local elections.

Q. Is it centered in any one of those or is it primarily at the state level?

A. No, state and local.

Q. You had explained solicitations would come in and that you would review them with your staff.

In the ordinary course would you actually initiate proposals for the PAC to make a contribution without a solicitation?

A. That could happen if a candidate had contacted me and wanted to have a contribution made to that campaign and they were not having an event associated with it.

Just straight out request for a contribution, then I would take that request into the committee.

Q. Is that the sort of unusual situation that you might consult with Mr. Soave about?

A. No.

Q. So what would classify as an unusual situation that you would bring to Mr. Soave?

A. You may have a situation in a primary where there are two candidates that are both known to the corporation or known

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to me or known to Mr. Soave and to choose one of the two or both of the two would need to be known by Mr. Soave, in some instances decided by Mr. Soave.

Q. So you forward a contribution to the committee and the committee composed of seven people including you would make a decision and then what would happen?

MR. BAUER: Can I just clarify? You say forward the contribution. Do you mean --

Q. A request for a contribution.

A. Then if it were denied it would be -- a letter would be written back sometimes and sometimes not, depends on what shape the request took, whether we would respond by mail or just simply throw it in the circular file.

If it were approved, it would be written up on another form and a request for a check to be cut would be made and it would be then forwarded to the committee either by delivering it and attending an event or by mail.

Q. What sort of form is that?

A. Just purely internal check request.

Q. And who has the authority to fill out such a form?

A. Filling out such a form is accomplished by administrative personnel.

Q. Who has the authority to cause the check request to go forward?

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A. Any two of those persons that are on that committee can initial the form and it will go forward and a check will result.

Q. And who has signature authority on the PAC's account?

A. I'm not sure who all.

Q. Do all the committee members sign the PAC's checks?

A. I'm not certain who has authority to sign PAC checks. I have authority to sign PAC checks. I know the treasurer has authority to sign a PAC check and one other person to add there, Richard Manczak, he has authority to sign.

Q. Committee of eight.

Q. And --

MR. BAUER: Can I interject? I believe that Mr. Sharp has produced eight names, but that is not to say, and maybe this still needs to be clarified, are there nine and there is still a name that you haven't given --

THE WITNESS: I thought there were nine on the committee, I said that initially, and then I'm trying to recapture the names and I've only recaptured eight, so there might be another name.

Q. There may yet be another name. Is Mr. Soave made aware of the contribution decisions of the committee?

A. Minutes are kept of the committee's activities and they're shared with each other and with Mr. Soave.

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Q. And what sort of substance is included in those minutes?
A. Precisely what occurred.
Q. And are the minutes circulated to Mr. Soave before the contribution is issued?
A. No, not necessarily. I think the timing on when the minutes get published and distributed and disseminated is a function of clerical priorities and is not tied to the execution of the check.
Q. Because I think, to follow it up, you had said earlier that Mr. Soave is not routinely consulted about these issues?
A. Right.
Q. In what circumstances would individual officers make contributions to a certain candidate as well as contributions being made by the PAC?

How would that arise?

A. My own case, it's when I'm asked by candidates and I feel good enough about the candidate to make a contribution, I just go ahead and do it.

It's not a corporate decision, it's not a committee decision, it's an individual decision.

Q. Do other members of the committee make individual decisions like that?
A. You would have to ask them, but --
Q. Are you aware that they make contributions to the same

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committees -- same candidates as the committee --

A. No, I'm not aware of that. I'm aware that they make contributions to political candidates.

Q. Mr. Sharp, let me move to your acquaintanceship with Representative Barbara Rose-Collins if I may.

I believe you know her?

A. Yes, I do.

Q. And how long have you known her?

A. Somewhere back in the mid to early 1970's I met Barbara.

Q. And how did you come to know her?

A. I can not fix that point in time.

Q. Well, under what circumstances did you come to know her?

A. That's another point in time I can't fix. We are -- she and I are both relatively high visibility involved community people who do -- and participate in lots of events and meetings and efforts and I'm sure through one of those meetings or events or caucuses or whatever we met.

I don't have a mark in time for that except mid to early 1970's, early 1970's, mid 1970's.

Q. Well, do you have a recollection that Representative Collins has held a number of different public offices through the years?

A. When I met her she was in the state legislature.

Q. And did you help her with any of her campaigns?

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A. State legislature and --

Q. Well, starting from that point.

A. I don't think so. When you say "help", what do you mean?

Q. Did you have any involvement of any kind?

A. No.

Q. I'm trying to perhaps get a better idea of --

A. Let's mark the point in time. When you say, "Did you help her?" are you talking about state race, City Council race or the congressional race?

I've made contributions, financial contributions, to her federal race, congressional race. I'm not sure if I made a contribution to her city race.

I don't believe I made any financial contributions to her state-wide race.

Q. More what I was trying to get to was what interactions you would have had with her and whether those interactions involved campaign activity and if not, what sort of activity?

A. Outside of the financial contributions I've just suggested?

Q. Yes.

A. I may have gone to a victory party for her. I can't recall participating in any other way in a campaign other than having made a contribution to her financial or going to that victory party, two victory parties.

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Q. Well, at the point when Ms. Collins was in the state legislature how often did you see her?

A. At that time I was based in Flint. I probably would have seen her, I don't know, maybe three or four times a year at various side-wide meetings of black elected officials and black officials.

Q. And how about at the point at which you assumed your new duties at City Management?

A. How about that. How about --

Q. How often did you see Representative Collins from that point?

A. More frequently than three times a year, but not exceptionally frequent. I would average twice a month and these would not be pointed meetings. More often than not they would be chance meetings at functions or other types of public or semi-public gatherings.

Q. Did you --

A. Fund-raisers, dinners, community-based meetings, those sorts of things, but not necessarily pointed meetings between she and I.

Q. Did you consider her a close friend?

A. Yes.

Q. And rolling forward, did you have any involvement at all in her 1988 congressional primary campaign?

A. I can't remember. '88, I can't remember. Is that the year

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she was ultimately elected?

Q. No, that was the year she lost in the primary to Mr. Crockett.

A. I can't remember. Again, I should say parenthetically that I've supported her over the years and without specific memory I assume that I would have supported her again in 1988.

Q. Well, why don't we move forward to 1990. That indeed was the year in which she was elected.

A. Yes.

Q. And please tell me what involvement you had in that campaign?

A. To the best of my recollection I made a $1,000 contribution to her in the primary, personal funds.

Q. Was there anything else?

A. The case in point I guess is the involvement.

Q. Well, did you have any either advisory or fund-raising or other duties?

A. Duties, no -- I'm sorry, yes.

Q. Activities?

A. Duties, yes. After her election she asked that I -- and I consulted with her after her election on matters of staffing and the like. Having been principal person for another legislator for as many years as I was, she called on me for some consulting on staffing.

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Q. Well, did Representative Collins have a Finance Committee for her 1990 primary campaign?

A. Yes, that's very loose. I may have been on that Finance Committee by name as I might be on a lot of other committees by name, but not doing any work.

As I recall I may have been on her Finance Committee.

Q. Well, how many times did the Finance Committee meet?

A. That's the problem. I don't think I met with them at all, I don't know.

Q. Do you have a calendar or some other means to --

A. I have a calendar. I could try to do that if you like.

Q. Who else was on the loosely coined Finance Committee?

A. I don't know, I don't recall.

Q. No other names?

A. (Shakes head from side to side.)

MR. BAUER: You started to answer and he needs an answer to that question.

So the answer is no?

A. No.

MR. BAUER: I want to make sure because the court reporter was looking inquisitively in your direction.

Q. What did the Finance Committee do?

A. I think I've answered that before. I don't even know who

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they were or when they met.

Q. Let me back up a little bit then. How do you think you came to be included on the list, if you think you were included on the list?

A. It's the practice of politicians who are running for office to acquire as many names of people that have a reputation or standing in the community as they can to demonstrate a broad base of support.

I happen to be one of those persons who enjoys a wide base of positive support as a result of involvements either in the Marine Corps back here creating Toys for Tots or solving problems for Senator Riegle or solving problems for Congressman Riegle or working within the Black Caucus to achieve goals in the caucus and as a result of that involvement over some, oh, 20 years or so, I've accumulated happily a rather generous base of people who value my opinion and by virtue of my name being associated with something, those who know me would associate my values with that person who is using my name.

It is the practice of people that are running for office or that are in office to acquire as many of these types of names as they can.

Whether you work actively or not on behalf, I can show you there are many honorary chairpersons of committees that don't even know where the

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committees are or what they do.

The name does not associate -- does not translate to work invested as much as it does elicits, tells other people you've associated yourself with the person and applied your values and your judgments to that candidate.

Q. Did Ms. Collins ask you if she could use your name?

A. I'm sure she did at some point or someone else may have. It need not have been her, someone else associated with her campaign.

Q. And did the PAC contribute to Ms. Collins' primary campaign?

A. I don't know. I'd have to go back and check the records of the PAC.

Q. Let me rather than actually, Mr. Sharp, showing you one of our computer indexes, let me tell you just to perhaps help refresh your memory at least according to public records the City PAC disclosed making two contributions during the primary period, one of them being $1,225 contribution in May and then another $400 contribution on June 8.

Does that refresh your memory at all?

A. No, but I accept what you say.

Q. I mean about the circumstances under which those contributions came to be made.

A. No, no, it doesn't. It's an odd amount of money.

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Q. Is there anything that could help refresh your memory about that?

A. When you say "refresh my memory", you mean the circumstances under which the contributions were made?

Q. Yes.

A. No.

Q. Could you consult the committee's minutes perhaps?

A. I could try and do that, yes. It's a while ago. If it were from City PAC it would have been a report produced as a result of the contributions, so I can consult the report.

Q. Did you give Ms. Collins advice from time to time in the course of her 1990 primary campaign?

A. I'm not sure, I'm not sure. I know after the campaign I gave her advice for staffing and other matters associated with her office to be.

During the campaign, I'm not sure.

Q. There's nothing that stands out in your memory about the early stages of that primary campaign?

A. No, not really.

Q. Well, do you recall whether Ms. Collins was leading in the polls during the 1990 primary, whether she was frontrunner?

A. I don't even know who her opponent was. I was trying to pull that out of my memory. No, I don't.

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Q. What I'd like to do is to give you some names and perhaps you could tell us if the names are familiar to you and if so, in what capacity.

Annette Rainwater?

A. She is a community activist. I believe she was on the staff or is on the staff of City Councilman Clyde Cleveland.

Q. And did she have any involvement in Ms. Collins' 1990 campaign?

A. I don't know. You would have to ask Ms. Collins.

Q. Cara Curry?

A. I know her to be the wife of a doctor in town, medical doctor.

Q. How about Nate Shapiro?

A. I know him to be the president of an engineering company and a very good friend of mine.

Q. Well, did he have any involvement in Ms. Collins' campaign?

A. Nate involves himself in most campaigns, but he would have to answer that himself, but as I know Nate, Nate involves himself in the political process.

Q. I'm trying to actually go just from your memory about what his involvement was.

A. I'm not sure of my own involvement, much less pass judgment on someone else, so I would defer that to Mr.

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Shapiro.

Q. How about Frank Kelly?

A. Frank Kelly is the operator/owner of a limousine company I believe and there's another Frank Kelly that is the attorney general for the state. I know both of them.

Q. And Cara Woods?

A. Cara Woods is a contractor, underground contractor who did work, subcontracted work for City Management, perhaps M & M, one of our subsidiary companies, M & M Contracting which was wholly owned by City Management.

Q. And Don Barden?

A. Don Barden I know as the owner and operator of the cable television network here, television system here.

Q. And Eddie Robinson?

A. I know Eddie Robinson. I'm not quite sure what he does.

Q. So when I asked you about what involvement, if any, you had with Ms. Collins' 1990 campaign you mentioned you contributed $1,000.

Perhaps you could tell me now about your involvement in the bank loans, in the loan guaranties on which the Commission made its reason to believe findings in this matter.

A. Sure. Where do you want me to start?

Q. At the beginning.

A. Beginning was it became known to me that Barbara

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Rose-Collins wanted to -- needed signatories or guarantors on a personal loan that she was to take out, about to take out, needed to take out or wanted to take out from First Independence Bank here in Detroit.

How I became aware of that, who asked me about that, I'm not certain. I believe it was Barbara Rose herself. What were the circumstances, I'm not sure, whether it was in a phone booth or in a meeting, dinner or breakfast, I'm not sure, but it became known to me through her that she needed co-signers on a loan.

I passed that information on to Mr. Soave who at some point in time did sign for that loan, personal loan.

Subsequent to his signing and in hindsight I thought that it was not appropriate for him as the CEO of a major company in the city of Detroit to stand for a personal loan on behalf of someone who is not a part of our company and in fact was of the other party from which he is more frequently identified, and so I caused my signature to be -- I caused the guaranty of her personal loan to be transferred to my signature, I requested that, and I don't know who of at the bank, but whoever it was agreed that as long as I would put -- come down and had the proper wherewithall to substantiate or support the guaranty.

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In fact I didn't and they told me I had to have two signatures and I then sought out Mr. Cara Woods and asked if he would, along with me, sign to a guaranty of a personal loan for Barbara Rose-Collins for the amount of $25,000 I believe it was and he agreed to that.

Paperwork was accomplished, I signed, he signed and that was the last of my involvement with the bank and with --

Q. Well, perhaps at this point just to make it easier what we've prepared is just a calendar for the months of June through, I guess, November.

I'll ask the court reporter to mark that as an exhibit and that way we can have something in front of us to help us tie down the time frame a bit better.

(Deposition Exhibit No. 1, was marked for identification.)

Q. This calendar begins June, 1990 and why don't we just roll it forward to July. Let me try to go at it this way.

If we go forward one more month to August, it was August 7, 1990 that was the primary and I guess my question is, how far in advance of the primary was it when Ms. Collins to your best recollection approached you about wanting to get this loan?

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A. I don't have an idea as so how far in advance that was. I'm familiar with the dates of the loans as a result of having reviewed documents in this process, but I have no idea when I was approached about this, no idea.

Q. You don't have any memory about whether there was a close proximity to the primary or a great distance to the primary, nothing at all?

A. Nothing.

Q. You said that Ms. Collins had wanted a personal loan. Can you tell me what you mean by that?

A. Personal loan, I mean by that it is not a campaign contribution, it is not a home mortgage, it is not a home repair loan, it is not a car loan, it is not a vacation loan, it's a personal loan to do with what you personally choose to do with it, it was without condition.

Q. Well, when Ms. Collins approached you and wanted a personal loan, did she not discuss what the purpose of the loan was?

A. Not to my knowledge, not to my knowledge. If I can recollect, not that I can recollect.

Q. I'm trying to envision, and I realize that what I'm trying to do is to refresh your memory as best I can after some time has gone by, but I'm trying to envision a situation where you would be approached to help in a matter such as this without any explanation at all about what the point

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of the enterprise was.

A. I've briefly described to you somewhat the background in which I have lived and brought to this situation of City Management. Maybe I should go back and detail that a little more.

For a number of years I was in the helping business, problem solving, helping people to establish businesses, to meet with the right people that I had -- I have been fortunate enough to meet with and could bring people together to solve problems of all manners as I described, getting food for a football team on the last day when they were going up to Flint to play a game was not exaggerating.

I get requests for all sorts of people and I think I've set myself up for that over my lifetime, I'm happy about that.

Making a remark the other day about how many children of people that I know have come to live with us because they're going to school in Detroit or they're having internships at some companies here in Detroit and the parents feel comfortable sending their children to Detroit to live with us because they know we will take care of them. That's been my whole purpose all my life has been helping people.

My first tour in Viet Nam was as an

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advisor, but my second tour was what they call the Walt Disney of the East. I was the guy that tried to work the villages and try to win the hearts and minds of the Vietnamese people, so I was often out on patrols alone to go into communities to try and help people. That's what my life has been about.

Not unusual. I didn't think it unusual at all for someone to come to me and say, "I need to make a personal loan, I'd like you to help me find some co-signers or you yourself co-sign," not unusual.

Q. Was it your impression that she had personal debts to retire, is that what you're saying?

A. No. What I'm saying is that when people bring me a problem, not just her, but others, I don't question.

If I've known the person to have substance and to have some values that I share, when the team coach called to find a place to feed the kids up in Flint, I didn't ask why, you just do it because it's a valid request and you do it.

I have no doubts but that the loan would have been paid and I would not have to put a penny out of my pocket to repay that loan.

Q. Let me try just to move on from here because I think I'm perhaps a bit confused about the extent to which you don't remember and the extent to which the subject was not

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explained. Let me ask it this way.

Your testimony is that Barbara Rose-Collins did not offer you any explanation of what the purpose of this loan was other than it being called a personal loan, is that right?

A. She may have offered some. I don't recall what it was. It wasn't the operative issue for me. The operative issue for me was she needed a personal loan.

Q. So she might very well have said, "I need a personal loan to fund my campaign in the upcoming primary"?

A. No, she would not have.

Q. Why not?

A. All things are possible. If the mind can conveive it, it's possible. I'm suggesting to you if that were the operative word, I would have remembered that. I'm a person that's involved in campaigns. I know somewhat the workings of the campaign.

We would have been able to do otherwise I guess other than to make her a loan for a campaign. That was not a subject at all that would have been raised.

Q. So looking at the calendar, if we now know from some of the loan documents that the loans were in fact disbursed on the 16th of July as is indicated on the calendar here, and I think you had said that you were aware of this, not

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necessarily at the time, but at least now in the context of the proceeding.

How far in advance of when you now know the loans was disbursed was it that Ms. Collins first approached you?

A. I don't know. I don't have the vaguest idea whether it was in July, whether it was in June, I don't have the vaguest idea, nor do I have a means of recalling that.

Q. Do you think it was within a month or could it have been more than a month before?

A. I don't have the vaguest idea, nor do I have the means of recalling it.

Q. Well, did this interaction that you had with Ms. Collins take place over the telephone or in person?

A. I don't know. My testimony earlier was I don't know whether it took place over the telephone, in a telephone booth, in a meeting, at a dinner, I don't have the vaguest idea.

I'm sorry, I just don't.

Q. So after she made this request of you what did you do then?

A. I shared the request with Mr. Soave.

Q. And why did you do that?

A. Because it is unusual that I be asked. Actually I think she probably asked me to share that with him because that

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is probably how the conversation could have went, would you or Mr. Soave do this, and so I shared that with him and he said yes, he would do that.

Q. What was the substance of your conversation with Mr. Soave?

A. It was incredibly brief I must tell you. This is just passing on the word to him and I don't remember it word for word either and I'm just passing on the word to him that he would want either of us to do that.

Q. Was Mr. Soave like minded with you about never inquiring about the purpose of these sorts of things?

A. I don't know if he was like minded with me or whether he made any inquiries outside, but to me he made no inquiries other than -- he made no inquiries of me.

Whether he made other inquiries. He asked my opinion whether I thought he should do that and I said yes.

I later changed that opinion.

Q. So in some sort of meeting or telephone conversation Ms. Collins approached you about this. You then had a short discussion with Mr. Soave.

What other meetings or discussions did you have with anybody at the time about this transaction?

A. Talked with Mr. Cara Woods at the time that I was trying to get a co-signer with me to take the loan or the

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guaranty.

Q. Before that did you have any dealings with anybody at the First Independence National Bank?

A. Yes. Again, I'm not certain who it was, but I called the bank to be able to do this, for me to take the guaranty, and I don't know who it was that I spoke with there.

At that time the person that I remember most, what would have perhaps been the loan officer, Ms. Mains as I understand from going through the records, and she guided me through the process of --

Q. Do you know Don Davis?

A. Yes, Don Davis is the -- I'm not sure if he's the chairman of the bank or president of the bank. I think he's chairman of the board. He may even own the bank.

Q. Well, did you have any interaction or discussion with him about this transaction?

MR. BAUER: Can I clarify for the record which transaction are you referring to, the original arrangement by Mr. Soave?

MR. BERNSTEIN: The original relationship. Well, at this point I think what Mr. Sharp has described is a bit of a time line where you had the original arrangement and then he had gone forward to describe Mr. Woods' involvement and what I was trying to back him up to was he had earlier said that he approached

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the bank about substituting his name and that's what I'm trying to probe now.

MR. BAUER: The only reason I'm pausing is I think there is a little bit of, at least confusion in my mind. The question that I think started out on two or three questions ago was the question of whether there were other questions around the original request Representative Collins made, other discussions with other people about that original loan.

MR. BERNSTEIN: No, I appreciate you clarifying that because I will get back to that, but at this point --

Q. Please tell me if you remember having any discussions, meetings or any other sort with Don Davis in connection with you wanting to substitute your name for that of Mr. Soave?

A. He may have been the person that I contacted at the bank who referred me to Ms. Mains, may have.

It's not out of the realm of possibilities.

Q. Well, did you fill out any forms that you submitted to the bank --

A. Yes.

Q. -- in connection with trying to substitute your name?

A. Yes.

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Q. What sort of forms?

A. I don't know. The bank probably has them all. Whatever application forms that were appropriate at the time would be filled out.

My interaction with the bank was with Ms. Mains. That's where I was referred.

Q. And are you familiar with Lester Robinson?

A. Yes, yes.

Q. In what capacity?

A. Lester Robinson at one point in time had been the president of that bank. We was a deputy county executive both prior to and subsequent to his very short stint at the bank.

Q. Did you have any discussion or meeting or any other sort with him in connection with you trying to substitute your name in place of Mr. Soave?

A. I don't think so. I don't think Lester was at the bank at that time, I don't know.

Q. Is there anybody else that you might have contacted besides Don Davis? Was there anybody else that might have been on that receiving end by which you came to deal with Arlene Mains?

A. Whoever the president would have been at that time. If it were Lester or not, I'm not sure.

Q. Are you familiar with Lawrence Jones?

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A. He was a former president also. Probably it was he that was the president at the time.

Q. What I'd like to do now is go back again to the initial guaranty that you caused Mr. Soave to execute and I just wanted to be clear that we've exhausted your recollection about meetings or discussions in connection with that transaction?

A. You have.

Q. In the course of that transaction before you made efforts to substitute your name did you have any discussions with any bank officials?

A. Not to my recollection.

Q. Any meetings?

A. Again, not to my recollection. There was a meeting -- I'm really fuzzy on this, it's too long for me.

MR. BAUER: Can we take -- can we pause for one second off the record?

MR. BERNSTEIN: Off the record.

(A recess was taken.)

MR. BERNSTEIN: Back on the record. Read back the last question and answer, please.

(The record was read.)

A. There was a meeting that took place that I'm not -- again, I'm still fuzzy where it took place or when it took place. Absolutely can not recall when it took place with

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any degree of accuracy at all.

1990 is about as close as I can get. That at which Barbara Rose was in attendance and I was in attendance, Mr. Soave was in attendance and other people were in attendance, the names of which I don't know who all they were, where she asked that she be helped by any and all in signing a guaranty for this personal loan.

Q. Well, when you say you have no idea when, was it before the primary?

A. It was before the loan was issued.

Q. Therefore before the primary, fair enough. And how many people were at this meeting, approximately?

A. I can't speculate even on that. I can't even give you an approximate. There was more than two and less than ten, my guess.

Q. Well, did this group of people have anything in common, any reason to all be together?

A. The problem I'm having is in remembering who the group was, much less if they had anything in common. I don't recall who they were, I really don't recall who they were.

Q. Well, what else do you remember about this meeting?

A. What I remember is that Barbara Rose had asked that she be assisted in obtaining a personal loan by any and all of those in the room helping to sign, by signing a guaranty

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or co-signing.

Q. Was this the approach that you were describing earlier?

A. No, this is not the approach that I described earlier.

Q. So did this come before that approach or after?

A. After that approach.

Q. So after she first spoke to you requesting your help you were then attending a meeting of more than two and less than ten people where she made this request again?

A. Yes.

Q. In the same form, same substance?

A. Yes.

Q. And what happened after that?

A. Mr. Soave, not at that time but subsequent to that, agreed to do it and the paperwork was sent to him to be completed and sent back to the bank, the transaction was completed.

Q. So did Mr. Soave's attendance at this meeting come after you had approached him --

A. Yes.

Q. -- about this subject?

A. Yes.

Q. Is that why he attended the meeting?

A. Yes.

Q. Was the prospect of securing guarantors for this loan, was that the sole purpose of the meeting?

A. To my recollection, yes.

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Q. Did Ms. Collins invite you to this meeting?
A. Where the call came from to --
A. Yes.
A. I'm not sure whether it was she personally or a staff person. I'm not certain how we learned of the meeting, to come to the meeting.
Q. Well, could you consult your personal calendar to see if that --
A. I will do that, right.
Q. Did the meeting take place in the City Management office space?
A. I'm sure it did not, but I'm not certain where it did take place.
Q. Did you have to travel a long way to get to this meeting or a short way?
A. You give me credit for a lot more memory.
Q. I'm trying to prod your memory.
A. It was in the city of Detroit is as close as I'm going to come. It may have been in our campaign offices, it may have been in her house, it may have been at the bank or in the park.

I really don't remember where it was.

Q. And back to who attended.
A. Myself and Mr. Soave and others.

(Witness confers with counsel.)

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MR. BAUER: Can we go off the record?

MR. BERNSTEIN: Yes. Off the record.

(Discussion off the record.)

Q. Back on the record. We took a break and, Mr. Sharp, you had a chance to consult with counsel and do you want to clarify or add to what we were talking about which was who attended the meeting?

A. Right. Myself and Mr. Soave is all I know that I can attest to. Who the others were in the room, I can not remember, can not.

Q. Well, did you know the people and you can not remember, is that what your testimony is?

A. No. My testimony is I can not remember who else was in the room other than Barbara Rose-Collins and myself and Mr. Soave.

Q. Were there strangers in the room, people that you didn't know?

A. The likelihood of strangers being in the room is very very minimal. I know an awful lot of people and that's not very high.

I just don't remember who else was in the room.

Q. Is it possible that this was a meeting of the Finance Committee of Barbara Rose-Collins' congressional campaign?

A. I don't know who constitutes that committee, but I doubt

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it. Why would they --

Q. Well, I think you've testified that your memory is that the only purpose of this meeting was for Ms. Collins to ask for the assistance -- for guarantors for these loans, so I'm just trying to understand who she would have gotten together to ask this question of?

A. Her memory might be better than mine on this. Mine is not -- it just isn't there. Again, I apologize. Both time and the occasion so far back, I apologize.

Q. If Ms. Collins had made the request of you and you had made the request of Mr. Soave, and at some later time hopefully some light can be shed on it if you consult your calendar, there was a meeting at which the request was made to a broader audience.

Had Mr. Soave already decided to participate?

A. My recollection is that he had not, that he was half way there and he attended the meeting out of respect, but the decision to go forward was made after that and at my recommendation.

It was after that.

Q. So had you made a recommendation that he participate before that as well?

A. No. Participate in signing, no. I made the request known to him. We attended a meeting to better understand what it

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was that we were being asked.

After having better understood what we were being asked I made the recommendation to go forward with it.

Q. What was the better understanding that resulted from the meeting?

A. Hearing it from the candidate and hearing it from Barbara Rose's mouth that she needed personal monies and she needed people to sign the guaranties for that personal loan, her mouth to his ears, my ear if you want.

Q. Exactly what explanation did she offer to this group of between two and ten people about what the purpose of this transaction was?

A. I don't know that the purpose was ever described. If it were, I don't recall what it was described as beyond being a personal loan.

Q. And is it possible that the purpose was described as a personal loan to her so that she could fund campaign expenses that were upcoming?

A. The purpose of the loan beyond being described as a personal loan is not in my recollection. I don't recall that it was ever a description beyond it being a personal loan.

Q. What I'm trying to get to is you earlier said that you didn't think she had offered an explanation that linked it

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to the campaign before because you would have remembered it, so I'm trying to ask the same question now?

A. If she had linked it to the campaign, I would have gone through another process by which to respond to her request. It would not have been to talk to Mr. Soave about signing for a loan. It would have been to go about trying to raise campaign money for her from whatever sources we could raise it, from a PAC or whatever.

Q. So this meeting -- you're not ruling out the prospect that the purpose of the loan was discussed, you just can't remember?

I'm trying to --

A. Beyond it being a personal loan, that's all that was discussed and that's what was signed to and as I understand the paperwork, that's what was issued was a personal loan.

Q. So in this group of two to ten people no one asked why Ms. Collins wanted this personal loan, what the money was going to be used for?

A. If they did, they asked it of her. I have no recollection of any exchange of questions. Very, very minimal recollection of the meeting as it is, much less specific words. Sixty-five percent of my recollection that it's a personal loan is because that's what the documents were substantiated it was in fact a personal loan.

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Q. Well, did you know at the time what Ms. Collins had told the bank as far as how the money was going to be used?

A. No. What I was about to say is the bank's documents speak for what I guess she told them.

MR. BAUER: Could you clarify that so there's no question?

A. No, I have no idea what she told the bank that the loan was to be used for beyond personal. The documents that emanated from the bank I would believe reflect the transaction and the purpose of the transaction as personal.

Q. Are you referring just to the fact it was an installment loan, a consumer loan?

Is that what you're referring to?

A. I don't know what category they put it in except it was a personal loan.

Q. So what happened after that meeting?

A. The documents were sent to Mr. Soave and were completed and sent back to the bank.

Q. What documents?

A. The documents that represented the guaranty of the personal loan.

Q. The guaranty itself, a form guaranty?

A. I can't give you the form name or description or number, but whatever forms the bank would have required to have

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been executed for the purpose of guaranteeing a loan was sent to Mr. Soave, were executed and were sent back.

Q. Did you sign anything in connection with Mr. Soave's guaranty?

A. I understand through researching the documents that I did witness his signature on the guaranty.

Q. Well, please tell us what you can remember about that?

A. Very little. I'm afraid, Mr. Bernstein, that in the course of one's life and of doing business I can not recall things that have taken place four years ago that I've had no reason at the time to mark in history.

It wasn't the birth of a child or an anniversary of a wedding or something, so I apologize for that.

Q. You had explained that your job at City Management was to involve Mr. Soave in all manner of community activities?

A. No, no. In fact it's the opposite if you will.

Q. Oh, how so?

A. I carry out the involvement in all manners of community activities to let him have a peaceful life. I'm the person that represents the company in as many places as the company needs to be represented, not involve Mr. Soave.

My job is to, in fact, minimize his involvement in the community activities, but to do it in

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his name and in the compa.y's name, have it done.

Q. Well, perhaps then give me other examples in which Mr. Soave would have either loaned or guaranteed personal loans of this sort?

A. This sort being a personal loan to an individual?

Q. Yes.

A. I can't answer that. Mr. Soave would have to answer that. I don't have any idea how many people that he would, if any, guarantee loans for.

Q. Can you remember any is what I'm asking?

A. No, I can't remember any.

Q. Do you think there were any?

A. I won't speculate on that. If it's important enough to know, it's important enough to ask the person who can properly answer that. I don't know.

Q. The reason I'm asking you is that I've got the strong impression from your testimony that you were very much the funnel through which these sort of requests flowed.

A. No. I am the funnel, as you put it, for campaign requests, campaign contribution requests for -- charitable requests from community-based organizations and other organizations that have a need to solicit monies.

I'm not the funnel for all of Mr. Soave's -- inquiries into Mr. Soave's ability or willingness to sign for personal loans, which is in part

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the reason why I changed the decision that I first recommended to Mr. Soave that he do this.

In part the reason I changed that decision later on and put myself on there was to not set a precedence in this area.

Q. Well, when Ms. Collins initially made this request of you was she requesting that you guarantee a loan or was she requesting you to ask Mr. Soave to guarantee a loan?

A. She didn't care. It was either one of us.

Q. So Mr. Soave signed the guaranty and you witnessed it and what happened then?

A. Papers were transmitted back to the bank, presumably a check was issued. I don't know that for a fact.

I don't know what happened after that until I sometime later, I don't know how much later, decided to rethink the recommendation that I made and cause my own guaranty to be put in its stead at that time as I described to you earlier.

Q. Well, I gather from your testimony that the correspondence that Mr. Soave was having to finalize his guaranty was with the bank primarily rather than with Ms. Collins?

A. Primarily, yes, papers and forms that the bank required of its guarantors.

Q. Well, did you have occasion or did Mr. Soave to let Ms. Collins know that in fact Mr. Soave had guaranteed the

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loan?

A. I'm not sure how that was transmitted, but obviously it was transmitted because she got a check. The bank transmitted that word to her or whether I did or whether he did, I'm not sure, I don't recall.

Q. Well, was there some follow-up for Ms. Collins to know which of the two to ten people actually at the meeting had actually come through to guarantee the loan?

A. If there were follow-up, Ms. Collins would know that. I don't know that there was follow-up.

I know what we did.

Q. But she was aware -- as best you remember she was aware that at least Mr. Soave had formally guaranteed this loan to her, is that right?

A. I really can't say that. I don't know what took place after the bank got the papers back from Mr. Soave, whether they informed her. I really can't answer that.

Q. Well, let me go at it this way. What Ms. Collins had asked of you and Mr. Soave was for a formal guaranty of this loan that she wanted, is that right?

A. Yes.

Q. So this was not a situation where there was no binding guaranty, but rather simply writing a letter or that sort of thing?

A. Repeat that. This was not --

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Q. Well, banks may on occasion want to have an informal word from good customers about the credit worthiness of someone and I'm trying to probe whether that's what was involved here or --

A. It was, and again I think I'm speaking third hand, but it was forms, it was not a letter of recommendation or of credit worthiness or character reference or any of that sort of thing. It was forms.

Q. At the time that Mr. Soave's guaranty arose, Mr. Sharp, were you aware that individuals could not guarantee campaign loans in excess of $1,000?

A. No, I was not aware of that, no.

Q. So then it would not have mattered if the purpose was a campaign purpose or non-campaign purpose as far as whether you would suggest that Mr. Soave participate in this, is that right?

A. Well, if --

MR. BAUER: Hold on a second. I'm not sure I understand the question. Would not have mattered in what sense?

The testimony here was he understood this to be a personal loan. Are you asking him to speculate about what his reaction would have been to a request which was not made?

Q. I think what I was trying to get at was that earlier you

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had testified that in her initial approach if she had suggested this was for a campaign purpose you would have remembered that, and I think that is because you said it would have been treated as a campaign transaction?

A. Right.

Q. And that's why I was trying to follow up the next question, which is whether your understanding at the time is there would have been no restraint on being able to do it that way too?

MR. BAUER: Perhaps we could have the court reporter repeat back his answer. His answer at the time made no reference to potentially assemblying loans, but if it would have been processd as a campaign request that he would have gone about trying to assist her in raising the money that she required.

That is the answer that the --

A. Or make any contribution from a PAC or from other sources.

Q. Yes, I have to confess that -- let me try to ask this from a slightly different angle.

At the time were you aware of any barrier to Mr. Soave signing a guaranty for a $25,000 loan to a federal campaign?

At that time were you aware of any barrier to that?

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MR. BAUER: Could you ask the question without the names, Jonathan? I'd like him to answer the question as it was actually being put to him which is not a request to Mr. Soave by anyone to guarantee a campaign loan, but whether or not he in fact knew that the law somehow restricted an individual in the amount of a guaranty.

MR. BERNSTEIN: I'm willing to start with that question.

A. Would you restate it then, please?

MR. BERNSTEIN: Please read back Bob's question.

(The record was read.)

MR. BERNSTEIN: Back on the record.

Q. Let me ask a broader question first, Mr. Sharp. At the time of this transaction were you aware of any barrier to an individual guaranteeing a loan to a campaign of $25,000?

A. No, I was not, nor was there a request for a loan to a campaign.

Q. I understand that's your testimony and I'm trying to explore the parameters and trying to explore what your understanding was at the time.

So after Mr. Soave guaranteed the loan and you recall that somehow the guaranty was transmitted

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back to the bank, then what was the next you heard about the transaction or the next discussion or the next meeting or anything else?

A. The next that I recall, the next step that I had to take or took was to reverse my recommendation to Mr. Soave and take steps to guarantee the loan myself.

MR. BERNSTEIN: I'm going to ask the court reporter to mark another exhibit.

(Deposition Exhibit No. 2, was marked for identification.)

Q. And what is marked as Exhibit 2, Mr. Sharp, is a copy of the loan guaranty that you signed that's dated August 10 and I wonder if you would take a look at it.

Have you had to chance to look at it?

A. To look at it, but not thoroughly read it. Yes, I've had a chance to look at it.

Q. Is that a copy of the guaranty that you signed?

A. It's my signature on this guaranty.

Q. Now, the date at the top of the guaranty is August 10 and if we look at Exhibit 1 which is the monthly calendar and the August calendar we had the guaranty that was signed the 10th which is a Friday following the 7th of August which was actually the primary date.

So I guess the proximity in time to the primary date leads me to the question what it was that

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actually prompted you to have the revelation that you had about putting your name instead of Mr. Soave's?

A. Oh, I don't know that there was anything resembling a revelation at all. I think it was -- nor was it related to time, distance, primaries or anything else.

I think it was just a decision that I came about and acted upon without regard to any particular point in time.

Q. Well, had there been any discussion of the loan that caused you to reassess that?

A. The reassessment was solely on my part and it was based on the precedence setting nature of a chief executive officer of a company signing a guaranty for a person to get a loan that was not a member of that company and further the political precedence of Mr. Soave's leanings as a republican and a member of the Republican Party in any way associating himself with a democrat.

Q. Well, even if it had nothing to do with the campaign then?

A. Even if it had nothing to do with the campaign.

Q. Well, I guess I'm looking at in the July calendar the loans were disbursed on the 16th of July and at some point the week of the 6th of August culminating in the guaranty on the 10th you decided to go at this another way and I'm just trying to figure out what caused it.

Three weeks went by and then what

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happened?

A. I'm telling you what caused it, just that I rethought that decision and thought it was not the proper thing for him to do as a chief executive officer of a company, that it was more in line with my relationship with the person who needed the loan.

You're right, the 16th is on this document as well.

Q. You're referring to Exhibit 2?

A. Note dated, yes.

Q. So your attempt to substitute your name for Mr. Soave's was not caused by any discussions you had with anyone?

A. No, it was my decision to do that.

Q. I understand it was your decision, but I asked a different question which is, it did not arise out of any discussion with anyone?

A. Did not arise from any discussion with anyone. I made it known to Mr. Soave that that is what I was going to do and this was in passing that I was going to do this and he probably won't even remember that because it was not of consequence.

Q. Once you decided to try to substitute your name for that of Mr. Soave's, you testified that you advised Mr. Soave about that?

A. (Nods head).

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Q. And then what did you do?
A. Contacted the bank to begin the process of becoming the guarantor for $25,000. Who at the bank I contacted I'm not sure.

You are jogging my memory somewhat. It could have been Don Davis, could have been Larry Jones, but in any case it was referred to by whichever person it was. I was referred to Arlene Mains.

Q. And what happened then?
A. And then we began the process of completing the forms and signing for the loan, that document.
Q. Well, you said you had initially wanted to substitute your name for the entire amount of the $25,000 loan?
A. Yes.
Q. But that was not accepted by the bank?
A. Was not accepted by Ms. Mains. She said I had to get someone else in addition to myself to sign for the $25,000. My signature was not good enough for $25,000.
Q. Did she give a reason?
A. Not that I can recall.
Q. Well, did this come after you had filled out some sort of financial --
A. Financial statement, probably so, yes. I'm sure it came after I filled out a financial statement.
Q. And you're confident that was relayed to you by Ms. Mains

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rather than one of the other people that we talked about?

A. Yes.

Q. And then what did you do?

A. I sought another person to co-sign with me if you will on the guaranty.

Q. How did you go about that?

A. How do you mean that?

Q. Well, how did you decide who to approach?

A. I'm not certain how I decided who to approach, but I approached Mr. Cara Woods and asked him if he would do that. I had known Mr. Woods and his company was one that did some work for us on occasion and I knew Mr. Cara Woods and asked him.

Q. Did his company have subcontracts with City Management at this time?

A. It wouldn't have been with City Management, it would have been with M & M, a subsidiary of ours, but I'm not sure if he had them at the time, probably did.

Q. Is that the reason you approached him, because he had had a close business relationship?

A. He had means and if I didn't have means enough to qualify t do that on my own, at least I knew Mr. Woods did.

Q. When did you approach him?

A. I don't know. Date and time, I don't know.

Q. Well, before I get to that, did you approach anybody else?

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A. No, not to my knowledge.
Q. Only Mr. Woods?
A. I believe that was -- yes, I believe that's true. I don't believe I approached anyone else.
Q. And so how did you approach Mr. Woods?
A. Face to face, verbally asked him if he would consent to co-sign with me on a personal loan to Barbara Rose-Collins that had already been made, but that I wanted to replace my name instead of Mr. Soave's name.
Q. And where did that meeting take place?
A. On the job site actually. I went out to -- a couple of blocks from the office.
Q. The job site where Mr. Woods was working?
A. Yes.
Q. And what was the substance of your conversation with him?
A. Just as I described to you, would he be willing to do that and his response was yes. Actually --
Q. Please go on.
A. Actually we talked more about other things than that. I posed the question, he responded yes and we began talking about other matters, so it was not --
A. So he understood that you wanted to -- you and he wanted- -- strike that.

Did you tell him that the goal of this was to take Mr. Soave's name off of the loan?

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A. Yes.
Q. Had Mr. Woods known that before you told him?
A. Known what?
Q. Known that Mr. Soave had guaranteed this loan?
A. I don't think so, no.
Q. Well, what I'm trying to get at, was it news to him or not news to him when you made this proposal?

Was it news to him that Mr. Soave had guaranteed this loan?

A. He didn't react one way or the other to the explanation and the request that I gave him except to say yes. Whether it was news to him, he didn't indicate so.

Whether it wasn't news to him or whether he cared about it, he just answered my question which was yes.

Q. Did you have an impression about whether Mr. Woods had known that Mr. Soave had guaranteed the loan?
A. I don't think he knew that the loan was guaranteed by Mr. Soave.
Q. What did you tell Mr. Woods?
A. I don't think he knew that a loan was in existence, much less what bank, who signed, what day.
Q. What did you tell Mr. Woods was the purpose of the loan?
A. I can't accurately recall whether I told him what the purpose of the loan was, rather than what the amount of

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the loan was and would he co-sign and I think that was about the extent of the conversation.

Q. Did he ask what the purpose of the loan was?

A. He said yes to my request and that's all. We began discussing other matters.

Q. So it was clear to him and to you that this discussion was taking place after the loan had already been made, is that right?

A. Yes.

Q. And there was no discussion in the interaction you and he had about how the money had been spent?

A. No.

Q. Did Mr. Woods ask you any questions about it?

A. No, he answered my request by saying yes and he may have added on, "Send me the papers." He may have, and then we discussed other matters.

Q. Well, had you and Mr. Woods engaged in any transaction similar to this in the past?

A. No, but it's difficult to describe the working of the community people. What we're talking about today is not -- is incredibly important today, but four years ago when it occurred, was not.

It's not an unusual request for me to ask of other people lots of things as I try to carry out my duties and make marriages of folks who have a need and

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who have a capacity, not unusual for me to do at all. That's it. I mean there's no reason for any long lengthy discussions about matters. You either agree or you don't agree and if you have questions, you ask questions.

In this case he didn't have any questions to ask and he agreed.

Q. What involvement to your knowledge did Mr. Woods have in Ms. Collins' congressional campaign?

A. I don't have any idea, probably none.

Q. No idea?

A. Nor did I ask him to have any involvement in her congressional campaign.

Q. Well, was Mr. Woods one of the attendees at the meeting for two to ten people at which earlier Ms. Collins had asked for guarantors?

A. No.

Q. You're certain --

A. I'm certain when I approached him it was a new subject to him, so he would not have been.

Q. So what happened after that discussion?

A. I informed the bank of my ability to get a co-signer with me and who it was and papers were then sent for him and I both to execute.

I guess he had to catch up to where I

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was with the financial statements.

Q. So he, like you, submitted financial statements to the back?

A. Whatever he did he did independently, he didn't do it through me, so whatever he submitted, he submitted directly to the bank.

I can't attest to what that was or wasn't.

Q. But you think he did? I was just following up your --

A. It culminated in the same documents that I have.

Q. But you don't know what he did if anything?

A. No.

Q. Now, turning to Exhibit 2, we discussed the document has a date of August 10 which was a Friday after the primary.

On the last page of the exhibit you signed it, Mr. Sharp, as the guarantor and it looks like it's witnessed by Arlene Mains, so where did you sign this guaranty?

A. In Mrs. Mains' office in the basement of the bank.

Q. So you came to the bank to sign the guaranty rather than the forms being sent to your office?

A. Yes.

Q. And was anybody else there?

A. Other employees.

Q. Was anybody else there with you when you signed the

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guaranty besides Mrs. Mains?

A. Other than bank employees?

Q. Right.

A. No.

Q. Mr. Woods didn't sign his guaranty at the same time as you?

A. No.

Q. You said that you submitted financial statements to the bank and that's when you got the news that you couldn't guarantee the whole $25,000.

Was there anything else that you did to satisfy the bank?

A. Meaning?

Q. Did you pledge anything or give any other security, collateral?

A. Yes, collateral of $10,000 CD I bought from the bank.

Q. And where did that money come from?

A. My own personal funds.

Q. From what sources if you can tell me, from what accounts?

A. I can't tell you from what accounts. It could been checking, it could have been one of two savings.

Ultimately I guess it would have to come from checking because that's where I would have written the check.

Q. Well, did you have to liquidate any investments?

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A. No, I have the financial wherewithal to write a check.
Q. The $10,000, not the $25,000.

MR. BAUER: Off to record. He's like that sometimes. I said off the record.

I should ask you first, I'm sorry, I apologize.

Q. So after you signed the loan guaranty, then what happened?
A. I left the bank and that's the last I heard of anything about the loan until I got notification from the FEC that there had been a violation, that Barbara Rose-Collins in the letter stated she had turned herself in as having violated a FEC ruling, an FEC rule.
Q. Did you discuss it with Ms. Collins at that time?
A. Actually I discussed it with Ms. Collins when she received notice and prior to her -- prior to her sort of turning herself in.

That's when I had a discussion with Ms. Collins, not at any other time.

Q. Not before that?
A. Not before that at all.
Q. And what was the substance of that discussion?
A. As I remember it, it was her informing me that she had gotten an inquiry of some sort from the FEC regarding her report that she had filed, never went into the specifics of what the problem was.

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I suggested to her then that she should seek counsel and that was about the end of the conversation.

Subsequent to that was when I received notice that I was a part of that infraction of FEC rules, sometime after that, I'm not even sure. I don't have --

Q. Well, can you relaborate more in the discussion that you had with her about her side of the discussion?

A. No. I can only paraphrase. I can not remember the exactness of this. The substance if I paraphrase this discussion was that she had as a result of her report that she turned in had somehow or another violated one of the FEC's rules and that it was in connection with the bank loan.

This was a very short conversation. My recommendation to her was that she seek counsel.

Q. Was there anything else discussed?

A. No.

Q. Have you ever talked with Don Barden about these loan transactions?

A. In that same time frame because of the notification that FEC gave to Barbara, in that same time frame, yes, again prior to my own notification of being a part of that violation, yes.

The substance of those conversations

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were, as best I recall, that it occurred, Barbara Rose has gotten an inquiry or has violated some rule.

Again, this is a paraphrased conversation. It's not something that I thought I had any involvement with or was going to be needing to know any more about or talk any more about in detail.

Q. Was that before or after you had the discussion with Ms. Collins?

A. I'm not sure. It had to be after because it was she who informed me that she had gotten the notice from the FEC, so it had to have been after.

Q. Did you call Mr. Barden?

A. I'm not sure if I called or if was a pointed meeting for the purpose of that discussion. It may have been in the community in passing.

MR. BERNSTEIN: Off to record.

(A luncheon recess was taken.)

Q. Back on the record. We're back after a lunch recess.

Mr. Sharp, when we left off I had begun asking you about your communications with Ms. Collins and with Don Barden and you had described discussions that you had had after the election where from what you said I guess there was not much substance to the discussions other than you advising both of them to retain counsel?

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A. No, not both of them to retain counsel. At the time that I had conversations with -- after the election -- with Congresswoman Collins the only infraction or only notice to my knowledge that had been given by FEC to someone who potentially broke a rule was to Barbara Rose, and she called me about that.

When she told me that she had received this interrogatory from FEC I suggested to her that she seek counsel.

Again, not to point to a moment in time, but somewhere after that conversation with Barbara Rose and prior to having received notice myself of an infraction of an FEC rule there was a time, I don't know if there was a pointed discussion or how, that Don Barden and I would have encountered one another somewhere, and in that encounter I relayed to him what I knew of Barbara Rose having been notified of her potentially violating an FEC rule.

There was no ensuing conversation, certainly was not a recommendation from me to Barden that he should seek counsel.

Q. Thank you. So was this the first word that Mr. Barden had of other problem related to this loan?

A. I'm not sure. I don't know. I couldn't answer that for him. He may have known it before.

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He would have to answer that.

Q. You don't have any memory about --

A. How he accepted -- I don't even know how we got into the conversation. There was no --

Q. And I think what I had started down the path of was to ask you about with Mr. Barden who you had said earlier you knew as a communication executive in Detroit, prior to that discussion you described after the election to please elaborate on any and all discussions or communications of any kind that you had with him relating to the loans to Barbara Rose-Collins?

A. Prior to that encounter?

Q. Yes.

MR. BAUER: Prior to which encounter, excuse me?

A. The encounter inbetween the time Barbara Rose-Collins was notified and shared that information with me?

Q. I'm largely trying to distinguish between after the election, the general election in November, and before the election.

So what you've described as the conversation you had with Mr. Barden was after the election?

A. After the election, yes, and after Barbara Rose-Collins had been notified.

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Q. Right. My question is before the election.
A. Before the election I can't recall any conversation related to this issue after having signed the documents in Mrs. Mains' office to execute my guaranty.
Q. Well, did you know that Mr. Barden had also guaranteed a loan?
A. Yes, and how I knew that I'm not sure about that.
Q. Can you try to remember?
A. He didn't guarantee the loan that I guaranteed. My understanding there's two different loans. Where the understanding comes from, I don't recall, but there's two different loans as I understand.

Myself and Mr. Woods are signatures to one loan -- I know where it came from, something from the FEC came out assessing liability and it was clear that Mr. Barden had made a loan or guaranteed a loan of an amount I don't even remember, but on his own and then separately Mr. Woods and I guaranteed a loan of a lesser amount, I know that much.

Q. Right, and I guess where I'm trying to go is before that, all of what you're describing was after the election.

Before the election did you know that Mr. Barden had also guaranteed a loan?
A. I said yes to that, but I'm not sure when or how I knew that.

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Q. Well, was it close in time to when the loan was actually made or -- was it close to time to when the loan was actually made?

A. Yes, I would think so, it would be close in time -- July.

Q. This is referring to Exhibit 1, the July calendar?

A. July 16 date, somewhere close in time to that, I guess I knew that. How I came to know it, I'm not sure.

Q. Could you think about that for a minute to see if anything comes back to you?

For example, you described a meeting of from two to ten people where Representative Collins had asked for guarantors of a loan to her.

Was Mr. Barden one of the attendees along with you and Mr. Soave?

A. I don't actually recall who, other than the people that I've named, myself, Mr. Soave and Barbara Rose were in that room, I don't recall that.

Could he have been is speculation. It would have been inappropriate for him to be.

Q. Mentioning his name doesn't help you remember?

A. No, I'm afraid not. This is incredibly uncomfortable for me. I'm a person who has had a considerable amount of public life, very high visibility.

I don't know how you go from a kid in the Bronx to doing some of the things that I've been

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privileged to do and I'm very happy about that kind of a life, but it's been one where I've tried to protect to the best of my ability my integrity, my name, my persona in the public arena.

I've always -- you ask ten people on the street that know Jim Sharp and they will either smile or give you a good remark back.

If you play a word association game, that's what you get. I work very hard at trying to protect that, it's been all my life.

When I have to say to you over and over, "I don't remember," please understand that I kind of feel like I'm putting my reputation on the line by having to say that. It's very uncomfortable for me.

Q. And what I'm trying to do to the best of my ability is to try to give you cues that will bring your memory back.

Much of the cues that you are most graciously extending to me are cues that are related to a relationship of a body of people, both body politic in terms of people who are in this community and who do things in the community.

We see each other constantly in various venues and among that some business is conducted in that rolling sort of a way where it doesn't appear on your calendar that you spoke to Don Barden today about

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thus and so.

You may have caught him on the 10th hole at the golf course that we both belong to or I may have seen him in the shower at the DAC that we both belong to, or I may have seen Mr. Shapiro out at a fund-raiser at a dinner that we both go to.

Much of the activity that you're asking me to recall in specificity occurs in those kinds of venues and surroundings and I just can not -- I'm trying, believe me I'm trying, but I don't know how to do any better than what I'm doing.

Q. That's one of the reasons why one of the things I'm trying to do is get a feeling for how usual or unusual some of this activity was in the hopes that perhaps that might bring some of your memories back.

Why don't we go on with some other points following up in our earlier discussion. You had said that you would have approached Mr. Cara Woods to participate and that he had agreed and that once he had agreed your understanding was that the bank was going to, quote, send him the paperwork?

A. Somehow the linkage was going to be made between the bank, at least I stepped out of it after that point, and negotiations or whatever had to happen happened.

Q. Right, so did you see Mr. Woods sign his guaranty?

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A. No.
Q. Do you know that Mr. Woods actually signed a guaranty?
A. I believe I've seen his piece of paper that you've shown me, I believe I've seen that.

Did I actually know that he had signed it at that point in time, no. I assume that he did because that's what the bank required of me. That was the person that I presented to them and completed the transaction.

Q. Okay, let's now go back to the description that you had given about Mr. Soave and how he came to sign the initial guaranty and my first question is, you had explained that after this meeting of from two to ten people Mr. Soave had agreed to guarantee the loan and this was the guaranty which he signed and you witnessed and you recall doing that I guess?
A. No. I recall by way of looking at the document, knowing it's my signature and that it's Mr. Soave's signature. The moment and point in time, the place --
Q. Well, did you sign this agreement in Mr. Soave's office? Do you have a memory about that?
A. I think it was in Mr. Soave's office because the paperwork was being executed in our office and sent back to the bank.

MR. BAUER: Can we introduce that as an exhibit, introduce the Soave signed guaranty witnessed

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by Mr. Sharp?

We have it as Exhibit 2, Mr. Sharp's guaranty, but the one I take it that you're questioning him about now is the guarantee signed by Mr. Soave which Mr. Sharp witnessed, am I correct?

MR. BERNSTEIN: I am and at this point it seems highly unlikely that introducing it as an exhibit will aid our inquiry very much at all, but I appreciate your suggestion.

Q. When you first raised the issue with Mr. Soave about him guaranteeing a loan to Barbara Rose-Collins, was this the first interaction that you had had with Mr. Soave about Barbara Rose-Collins in this period of time?

A. Regarding her campaign, her need for dollars or what?

Q. Regarding anything relating to Barbara Rose-Collins during that period of time.

A. That's incredibly broad. I must have had some --

Q. Let me try to narrow it down. Did you at any time in the spring of 1990 in April, May, June, July leading up to the August primary, did you at any time arrange a meeting, a lunch, a meeting, a conversation of any kind other than the large group meeting you had described between Mr. Soave and Ms. Collins?

A. Not that I can recall, no.

MS. CORLEY: Can we clarify that Mr.

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Sharp did not arrange the group meeting?

A. I didn't arrange that either, attended but not --

Q. So --

A. Not that I can recall and the meeting was arranged by me with Ms. Collins -- with -- between Ms. Collins and Mr. Soave.

Q. Do you know if Mr. Soave had lunch with Ms. Collins in June of 1990?

A. It's not unusual for him to have done so. I don't know that he did, but it would not have been unusual.

Q. Did he see her often then?

A. Often begs definition also, but he saw her on occasion.

Q. And did he have lunch with her on occasion as well?

A. Yes, yes.

Q. And let me actually go on a little bit to be sure I understand that. He had lunch with her occasionally, saw her occasionally and you were describing the decision that you had made that you were uncomfortable having Mr. Soave be the guarantor on the loan and as a result you went to some significant efforts to change that, and one explanation you had offered is that this was a dangerous precedent to be setting and I wonder if we could go back to that so that I could understand.

A. Chief executive officer of a major company to do that. We are asked about contributions I think a lot, charitable

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probably more than others, but a lot, and I just didn't think it was the right precedence to be set by a chief executive officer of a company to engage in -- this is in hindsight -- engage in co-signing of a loan for someone outside the company and outside of his family.

That's the only request that I had ever had for that to occur, through me.

Q. I hadn't understood that earlier, so I'm glad that you brought it out. So it was unusual and it caused you to worry that it perhaps would --

A. I did mention earlier that it was unusual, that request.

Q. Right. My memory was I had tried to ask you if it was something that he had ever done before and you had said I should ask him and as to your knowledge?

A. Through me, this was the one and only time that this has ever occurred. Whether or not he had been asked directly by other people, his family members or other people outside of the company for loans, I don't have any idea, nor would he have any idea for example of who all I've co-signed for for loans in my lifetime.

You just don't know that, but through me that was the first and only time.

Q. And what I'd like to turn to for a few minutes has to do with the time when the loans were paid off.

Well, did there come a time that your

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guarantee was released?

A. I'm sure that it was. What's clearest in my mind because it's important to me, a CD was returned or released so that money -- whether these papers were returned, I don't recall.

Incidentally, if you are, as I think you are, reading body language, I'm under medication that causes me to perspire a lot.

Q. Thank you for clarifying that which would not have been apparent from the printed record. We don't have a video camera here.

What I wanted to ask was that you had earlier testified that you contributed $1,000 to Barbara Rose-Collins' campaign?

A. Yes.

Q. And --

A. Personally.

Q. Personally, and the public record shows that took place in late November and if we -- of 1990?

A. '90?

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Q. Yes, and if we turn to November on the calendar --
A. Are you sure it was '90 or '89?
Q. No, it was 1990, it was a contribution after the election presumably to retire a campaign debt.
A. Boy, that's not my recollection at all.
Q. Please tell me what your recollection is?
A. My recollection is it was early in the primary campaign. Date, I don't know. I could go back and obviously find that out.
Q. Let me try to clarify this because I do think according to the public record a City PAC indeed had earlier made a contribution to Barbara Rose-Collins' campaign and that may well be what you're referring to.
A. Maybe that's what I'm remembering.
Q. I hope that your consultation of the minutes of the committee may be able to shed further light on that.
Q. If that's what the public record states, obviously I will have to abide by what's in it.
Q. Let's move forward to November when the public record shows that you contributed $1,000 and on the same date the City PAC also made another contribution and what I wanted to ask was --
A. How much was that contribution by City PAC?
Q. It was $1,000.
A. From me or --

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Q. From City PAC as well as from you. What I wanted to ask was if you could tell us that this apparently related to some sort of fund-raising event and, you know, if you could remember some of the circumstances of the fund-raising?

A. Before you focused in on it I was under the impression I had made a contribution earlier than that, so I'm at a loss.

If that's when those contributions were made, then I guess it would have to have been in conjunction with some fund-raiser or something, I don't know.

Do the records state it was a fund-raiser?

A. No, I'm trying to actually -- I'm trying to plumb your memory of --

MR. BAUER: He's asking -- I was going to ask you the same question. You said apparently in connection with a fund-raising event in your question, so he's picking up on the suggestion in your question.

Q. Let me broaden the possible inferences because that's really what I wanted to pursue.

On the same date there are other contributions from executives of City Management and that's what caused me to think there was some sort of

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joint effort that resulted in those contributions coming on or about the same time, and I wanted to ask you to explain how that came to be.

A. Probably was a fund-raiser. If you have City PAC and myself and others on the same day, then it probably was a fund-raiser.

I'd have to go through, as you have, and look at the records to see how they describe it. I don't know whether they report fund-raisers and the dollars from the fund-raiser or just the dollars from the date.

Q. Well, did you solicit -- in this period of time did you solicit contributions from other City Management executives?

A. I could have, yes.

Q. And why would you do that?

A. Probably because it was a fund-raiser.

Q. And was that something that you did on occasion?

A. I do on occasions, yes.

Q. So who would you solicit in those situations?

A. You know, there's not a lot of variances. It's probably eight or nine or ten people or so that I would solicit.

I would solicit those that could afford to make a contribution.

Q. Well, did you solicit the other members of the committee?

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A. I could have done that, yes, could have gone outside or stayed within.

Typically the members of the committee are those who could afford to make a contribution.

Q. Mr. Sharp, at this point we're going to adjourn the deposition and we appreciate you coming here today.

We're not going to close the deposition in the event that we should need to speak again to reopen it, but before that happens we will be in contact with your attorneys.

You are entitled to a witness fee for appearing today and also a mileage charge for the great distance that you've traveled to come here and upon being given that information, we will put a check in the mail to you.

Are you also aware that you have the opportunity to review and sign this deposition?

A. Yes.

Q. And the court reporter can make it available at his office for you to do so should you decide to.

A. Yes.

MS. CORLEY: We would also like to see a copy if that's possible.

MR. BERNSTEIN: Well, I think that we would probably be able to make one available in our

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offices, not for reproduction, but for you to review so that you won't have to travel back here to do so.

MR. BAUER: That's fine.

MR. BERNSTEIN: Off the record.

(Discussion off the record.)

MR. BERNSTEIN: Bob, you and I have just spoken about the fact that there are a couple of lines of clarifying questioning that you were ready to offer and I had suggested that as an alternative because I'm not at all certain that this is the right forum for that, that you will later submit these points with affidavits as appropriate and that those will be treated as good faith submissions to try to complete the record rather than as any attempt to change the witness' testimony.

MR. BAUER: I would like to add that I'm prepared to offer those affidavits and additional materials both at your request because you do believe this isn't the appropriate forum to pursue this and whatever I will cover then I am prepared right now to cover.

MR. BERNSTEIN: I understand.

MR. BAUER: And we have that understanding.

MS. BAKER: So you've mentioned, Mr. Sharp, several times that you would consult certain

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documents and would provide those to us.

These include the minutes of the meetings from the PAC Committee in regard to the 1990 contributions to Barbara Rose-Collins.

THE WITNESS: That's the November 19 contribution?

MS. BAKER: There were several, one in May, one in June.

THE WITNESS: Can I have the amounts, please?

MS. BAKER: May of 1990 it was $1,225. In June it was $400 and on November 19th or 20th, $1,000 from City PAC.

You've also said that you would consult your personal calendar for meetings relating to the Barbara Rose-Collins loan transaction and you also indicated that you would look at your personal calendar for any of the so-called Finance Committee meetings that you may have attended.

THE WITNESS: What was the first one?

MS. BAKER: The meetings relating to Barbara Rose-Collins' loan transactions, if you had attended any meetings, lunches or any of the contacts you've had with respect to your calendar.

THE WITNESS: Are we looking for one

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meeting or looking for more than one?

MS. BAKER: Whatever there was. let me, just for the record, give you an example of my calendar lest you think I keep copious notes and records in here. I just noted myself for today, I don't know what you do, if you introduce this or whatever.

These are the two most important days in my life as it relates to this issue, and both of these dates are listed as "block out".

MS. BAKER: Let the record reflect that we are looking at a computer printout of Mr. Sharp's calendar for July 11 and following through to July 31.

MS. CORLEY: Of what year?

MS. BAKER: 1994.

THE WITNESS: And this very deposition is not shown. It's shown as block out day. It's not an attempt to be coy or be evasive, but for record keeping purposes.

I can't guarantee you that everything is going to be as clear as you might think it would be.

MR. BERNSTEIN: Having said that, off the record.

(Deposition concluded at 1:34 PM.)

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James A. Sharp, Jr

- - -

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CERTIFICATE OF NOTARY PUBLIC - COURT REPORTER

I do certify that the witness whose attached deposition was taken before me in the above-entitled matter was by me first sworn to testify the truth; that the testimony contained herein was by me reduced to writing in the presence of the witness by means of stenography, and afterwards transcribed utilizing computer-assisted transcription. The deposition is a true and complete transcript of the testimony given by the witness.

I do further certify that I am not connected by blood or marriage with any of the parties, their attorneys or agents, and that I am not an employee of either of them, nor interested, directly or indirectly, in the matter of controversy.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at Detroit, Michigan, County of Wayne, this 19th day of July, 1994.

Dale E. Rose, CSR-0087
Notary Public
Wayne County, Michigan
My commission expires: 5-13-97

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In the Matter of)
)
) MUR 3181
)
)

CONFIDENTIAL

DEPOSITION OF: ANTHONY L. SOAVE

Wednesday, July 12, 1994

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In the Matter of)
)
) MUR 3181
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Deposition of ANTHONY L. SOAVE, taken on behalf of the Federal Election Commission at 823 Federal Building, Detroit, Michigan, commencing at 1:48 PM before Dale E. Rose, Certified Shorthand Reporter. No. 0087.

2504340364

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APPEARANCES:

FEDERAL ELECTION COMMISSION
999 E. Street, N.W.
Washington, D.C. 20463
(By Jonathan A. Bernstein, Esq.
and Holly J. Baker, Attorney-At-Law),

Appearing on behalf of Federal Election Commission.

SIDLEY & AUSTIN
1711 I Street, N.W.
Washington, D.C. 20006
(By Thomas C. Greene Esq.),

Appearing on behalf of the Deponent.

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INDEX

	Page
Examination by Ms. Baker	5

EXHIBITS

Deposition Exhibit Number	Identification	Page
1	Affidavit	30
2	Guaranty	33
3	Page from diary, 6-26-90	39
4	Calendar	46

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Detroit, Michigan

Wednesday, July 13, 1994

1:48 PM

- - -

ANTHONY L. SOAVE

was thereupon called as a witness herein, and after having been first duly sworn to tell the truth, the whole truth and nothing but the truth, was examined and testified as follows:

EXAMINATION BY MS. BAKER:

Q. This is a deposition being held pursuant to 2USC 437g for the Federal Election Commission.

The investigation and its inquiry into the investigation is confidential until the Commission closes its case.

The deposition today is concerning Matter Under Review 3181 and I'm Holly Baker and with me is Jonathan Bernstein representing the Federal Election Commission today.

The court reporter will be taking down everything we say and you must answer in words rather than in gestures.

A. Yes.

Q. You are under oath as though you were in court. If you don't understand anything, will you tell me?

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A. Yes.
Q. If you need a break, will you tell me?
A. Yes, I will.
Q. If you remember during the course of the deposition that one of your previous answers is incomplete or you have additional information, please tell me and we can go back to that.
A. Okay.
Q. Are you represented by counsel today?
A. Yes.
Q. State his name, please?
A. Tom Greene.
Q. Could you state your full name, please?
A. Anthony Soave.
Q. And your address?
A. 423 Lakeshore Road, Grosse Pointe Farms, Michigan.
Q. Your phone number?
A. Home?
Q. Yes.
A.
Q. Social security number?
A. I don't know it.
Q. Is there any way you can find it out?
A. I'd have to call my office. I get asked that all the time and I never remember it.

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Q. Date of birth?
A.
Q. Your martial status?
A. Married.
Q. For how long have you been married to your current wife?

Q. Were you in the military?
A. No.
Q. What is just business address and phone number, please?
A. 3400 East Lafayette and the phone number is
Q. And starting from high school what education have you had?
A. High school and two years of college. I didn't finish college.
Q. Where did you go?
A. I went to U of D.
Q. University of Detroit?
A. Yes.
Q. What course of study did you pursue there?

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A. General business. I didn't do very well.
Q. Have you consulted anyone about this deposition?
A. My attorney.
Q. Other than your attorney?
A. No.
Q. Have you consulted any documents prior to this deposition?
A. Consulted documents? We went over some. I tried to find some information for this statement that we made.
MR. GREENE: Interrogatory Answers.
Q. You're referring to the Answers to the Commission's orders?
A. Yes.
Q. Have you consulted anything else prior to this deposition in preparation for this deposition?
A. No, except with my attorney.
Q. Have you submitted all documents that you've consulted to the FEC?
A. I think I've given whatever I had.
Q. What's your current occupation?
A. I'm a business executive.
Q. What corporation?
A. City Management Corporation.
Q. Are you considered the CEO?
A. Yes.
Q. Are you the owner?

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A. Yes, owner and CEO.
Q. Are you the sole owner?
A. Yes.
Q. What kind of business is City Management?
A. City Management is in the waste business and some other businesses, general contracting and so on.
We have several companies in many businesses.
Q. When you say waste management, what do you mean by that?
A. In landfills and in garbage collection and general contracting businesses. We put in sewers and we bid on general contracting jobs.
Q. Heavy construction?
A. Heavy construction, yes.
Q. Road construction?
A. Not roads, I do not do roads.
Q. What do you do?
A. Utility, sewers, remedial work, cleaning up sites.
Q. Hazardous waste sites?
A. I do hazardous waste sites, yeah.
Q. How large a corporation is this?
A. In terms of what?
Q. Let's so it in terms of dollars. Is that how you would like to measure your size?
A. All the businesses do about 200 to 300 million dollars a

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year.

Q. In waste management?

A. Waste management, about 200 million.

Q. In terms of the waste management field in Michigan where would your corporation rank?

A. I believe we're the largest privately owned, I believe. I don't have any facts to substantiate that, but we believe we are.

Q. Is the headquarters here in Detroit?

A. Yes.

Q. And where do you do most of your business?

A. In Michigan.

Q. In there any one part of Michigan?

A. Southeastern Michigan.

Q. Are you in any other states?

A. Yes.

Q. Which states?

A. Florida, we're doing something in Alabama, and I believe that's it as far as waste.

Q. How many subsidiary businesses do you have under the umbrella of City Management?

A. I don't know off hand, I really don't.

Q. More than two?

A. Yes.

Q. More than --

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A. Less than 100. More than ten. I really don't know. I'd have to get that information for you.

There's many little companies that we have like there's an equipment company, there's this, so, you know.

Q. Do you have a variety of vice-presidents to operate these various subsidiaries?

A. Yes.

Q. How many vice-presidents do you have?

MR. GREENE: Ms. Baker, what does this got to do with the subject matter of this proceeding, how many vice-presidents he has?

This is totally irrelevant. It's interesting, but it's of no interest to the Federal Election Commission with respect to this matter.

We're here to answer questions about the subject matter of this investigation. We're not here to answer questions generally about the number of companies he's got or vice-presidents.

Unless you can explain the relevance to me of that line of questions, I'm going to tell him not to answer and we'll move on.

I don't want to be uncooperative. It can't possibly have anything to do with what -- I think I understand what we're here about, I think I do, the matter

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of a particular complaint and styled matter of the Commission.

The number of vice-presidents is silly.

MR. BERNSTEIN: Mr. Greene, we're probably not much more than five minutes into the deposition and I think probably we will proceed a lot quicker if you'll let Ms. Baker continue, and in all seriousness we understand your point and if a point comes after we've spent more than the modest amount of time that we've spent, please speak up again, okay?

MR. GREENE: You can be assured that I will speak up again.

MR. BERNSTEIN: Fair enough.

MR. GREENE: And you can answer this question on how many vice-presidents you have, Mr. Soave. Tell Ms. Baker how many vice-presidents you have and we'll see how far we can indulge this.

A. I don't know, I'd have to check.

Q. More than 30?

MR. GREENE: All the companies now?

A. You see it gets complicated.

Q. How about at City Management headquarters on Lafayette street.

A. There's not more than 30, no.

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Q. More than ten?

MR. GREENE: If you know.

MS. BAKER: Let's assume if he knows he will tell.

A. About ten maybe. It's more than six, I know that. I don't know if it's ten or 12 or nine, something like that.

Q. Is James Sharp one of your vice-presidents?

A. Yes.

Q. He's the vice-president of what?

A. Governmental relations and community relations.

Q. What does that job entail?

A. Working with the communities and working with the public officials.

Q. What does it mean to work with them?

A. Communicating some of our viewpoints or as far as community, doing things in the community and public officials, either attending functions that they have or contacting them when we think we need some help for one thing or another or if we want to give our viewpoint on something.

Q. Can you give me a couple of examples, please?

A. Examples of what, attending a function?

Q. Start there.

A. Like he goes to a fund-raiser when they have a fund-raiser.

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Q. Does he represent the corporation at that fund-raiser?
A. Does he represent the corporation? Yes.
Q. When you say fund-raiser you mean charitable fund-raiser?
A. Charitable and political.
Q. Where is Jim Sharp's office located in relationship to yours?
A. He's a couple of office doors away from me.
Q. How frequently do you see Jim Sharp when you're both in town?
A. I see Jim Sharp often. What do you mean by often? I would -- there could be a day or two where I do not see him and then I'll see him every day for two or three weeks.
Q. Have you ever held elected office?
A. No, nor would I like to by the way.
Q. How did Jim Sharp come to work for you?
A. I asked him.
Q. Personally?
A. Yes. I think someone introduced me to him and I knew he was -- he just lost an election so I asked him if he would think about going into the private sector working and he thought about it and accepted the job.
Q. When was that?
A. I don't remember the year. The year he lost the election, whatever year that was.

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Q. What election had he lost?

A. The mayor of Flint. He was the mayor of Flint and then he ran for a second term and was defeated.

Q. Is that in the 1970's?

A. No, I think it was in the 80's. It was in the 80's, it was not in the 70's.

Q. Was that a newly created position?

A. It was not something that was not being done, but I don't know if I specifically had one person doing it. I may have been doing some of it and I may have asked other people to do some of it, so it was nothing new to the company. Whether we had somebody specifically doing just that, I don't know, but it was shared by other people before then.

Q. When did you first meet Jim Sharp?

A. Just about that time.

Q. The time of when he lost the election?

A. No, I met Jim Sharp -- I don't know if he remembers, but I did a job in Flint when he was the mayor and there was a groundbreaking ceremony and I was present and I think he cut the ribbon or something and that was the first time I ever met him and then I didn't see him after that until after he lost the election.

Q. Did someone recommend him to you?

A. Somebody -- I don't remember how that happened. I don't

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recall how I contacted him. I don't know if I just called him and asked him or someone, I don't remember.

Q. Let's go back to his duties for City Management. Can you give me a greater sense of what he does in City Management?

A. What does he do? Like I don't know how to explain what he does. He works with the community and he works with officials here in the city, the local officials.

He works with community groups. We have many community groups that we work with.

Since we're in a business where there is a lot of controversy a lot of times, he will be out there talking to groups of people. He works with a high school next door to us. He spends a lot of time over there working with the students or co-op programs.

He works with public officials, contacting them in various -- at various times talking to them or they will call him, and he stays busy.

Q. Is he a lobbyist for City Management?

A. I don't know if officially he's a lobbyist. I think he's a registered lobbyist.

Q. In the capacity as a registered lobbyist where does he conduct his business on behalf of City Management?

A. Where?

Q. Uh-huh, yes.

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A. Wherever he's at.
Q. Local level?
A. I don't understand.
Q. City of Detroit?
A. Wherever he's at. I don't have two or three levels.
Q. State level?
A. Yes.
Q. Turn now to the extent of your own political activity or activity in the political process.

You stated that you haven't held elective office?

A. No.
Q. Is there any other way in which you have participated in political activities?
A. Such as? I don't know what you mean by that. I don't know what participating means.

I've been to fund-raisers and I've bought tickets to events. If that's participating, then that's --

Q. Attending a fund-raiser definitely is.
A. Okay.
Q. Do you contribute money to campaigns and causes?
A. Yes, I do.
Q. At the local level?
A. All levels.

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Q. That means state and federal?
A. Everything.
Q. What level of activity would you describe yourself as being, minimal contribution, middle contribution?
A. Large contributor.
Q. Are you aware that there are limits on financial contributions at the federal level for candidates and for politcial action committees and party committees?
A. I'm aware there are limits. I don't know what they are, but I'm aware of it.
Q. If you had a question what the limits were, who would you ask?

MR. GREENE: You're talking about today, he had a question today?

MS. BAKER: Yes.

A. I probably would ask Jim Sharp.
Q. Did you rely on Jim Sharp in 1990 for your understanding of contribution limits?
A. I don't remember it coming up, so you'll have to ask that question a little differently. I don't quite understand the question.
Q. Does Jim Sharp advise you on your political contributions?
A. Yes.
Q. What kind of advice does he give to you so that you can make your decisions?

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A. He would make recommendations. What's the kind of advice?

He would come in and say, "I think maybe this would be a good idea," or -- that's normally what he would do.

Q. What constitutes a good idea for a contribution from you?

A. You have ask Jim if he comes in with an idea. He tells me it's a good idea. You have to ask him what a good idea is.

I think about it and I tell him yes or no. Sometimes there's some decisions he makes on his own, you know.

Q. For the corporation?

A. Sure.

Q. Would that be a financial obligation of the corporation?

A. Financial obligation meaning purchasing a $200 ticket you mean or something like that?

Q. Political fund-raiser?

A. Yes, sure.

Q. Let's trace the development of that. If a solicitation came in for a fund-raiser to Jim Sharp, what would happen after that solicitation came in to him?

A. I assume, you know, depending on the size. Right now we have a committee.

At that time we did not have a

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committee, so right now we would go through a committee that we have.

Q. Who is on that committee?

A. I don't know exactly. I can't give you the names, I don't know.

Q. Is Jim Sharp on that committee?

A. Yes.

Q. Are you on that committee?

A. No.

Q. Does this committee have a name?

A. I don't know. It may have an internal name, you know.

Q. Does that committee make only political decisions?

A. In the meeting when they're doing the political things, yes.

They have other jobs besides that.

Q. What committee makes decisions on the school-related issues and the charitable issues you've mentioned?

A. I don't know. That's a complicated question. I could bump into someone from the school next door since we're close and they will ask me something. I can make an on-the-spot decision like they will ask me something and I will say, "Oh, okay."

Otherwise, if it's something that comes through the system, it will go to the committee, so things are fluid around our place. This is not like the

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government. I don't know what the government does, but things around my place, things happen and I have trusted people and things will happen.

So that's why when you ask me questions sometimes I have to try to think exactly like in all cases it may not have been exactly the way I tell you because like if I bump into someone and they ask me something and I say yes, then I made a decision, and it didn't go through the committee.

Q. So you can do it on your own?

A. But most of the time I try to do things in a business-like manner, but sometimes it doesn't always happen that way.

Q. Let's say you bump into somebody at the school and somebody wants some money for X.

A. Yes.

Q. And you say, "Good idea, you get your $200 for X."

How does the check get cut?

A. Oh, like several different ways. I may come in and tell my secretary to write -- see that this check gets made out or if it's a large amount I may not answer when I bump into someone.

I try to do things in an intelligent manner like if someone will ask me for like a larger amount, I might say, "Well, let me think about it."

If it's something small, I might come

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in and tell them or I'll tell Jim. If he's there, I'll say something to Jim because he deals with them most of the time.

It would probably be, unless it's real small I would go to Jim because I know Jim deals with them, so we have a good flow over there.

Otherwise if I'm doing things without him knowing, large things, it wouldn't be very good.

Q. What constitutes a large thing?

A. I don't know. Certain days, a larger amount. What's a large amount? It probably depends on how I feel.

Sometimes $500 would be a large amount, sometimes it's not, so that's something that's loosey-goosey too.

Q. Is there a fixed budget for your committee to work with?

A. There is now.

Q. When was the budget fixed?

A. Well, it's not really a fixed budget, I have to take that back. They're trying to work on a fixed budget.

It's so hard to get our arms around a fixed budget.

Q. How many requests for funds would you say come in?

A. You have to ask Jim that. A lot of them I don't see.

Q. How many requests do you personally get for your corporation?

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A. I get many. Neighbors and phone calls. I get -- like how many? Ask me a number.

Q. Lots?

A. Lots? What's a lot? I mean many.

Q. Too many to count?

A. Well, I could probably count them if you could remember them. I just can't remember. It's a constant thing. I get asked for charitable contributions all the time, many many times.

Q. How do you decide which ones to give money to?

A. Depending on the way I feel, it's just that simple.

Q. Are there any consistent feelings that you've had over the years and hence your contributions have been consistent?

A. I've been -- well, yes.

Q. What are those consistent contributions?

A. I will have to look them up, but I think I've been soft towards children, children's things. I've been trying to be very helpful to younger kids. That's one area that I have tried to help, and I've been consistently helpful to the school next door because they're our neighbor and there's young kids there. I have generally -- school kids I have been consistently trying to be helpful to them.

Q. Who keeps track of it all?

A. I have a bookkeeping system.

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MS. BAKER: Off the record.

(Discussion off the record.)

Q. Back on the record. We were talking about the areas, generally areas that you like to support and you've mentioned the young kids and the school next door.

Continuing with that, and how decisions get made about what among those activities to support, you've detailed that you can initiate them yourself?

A. Uh-huh.

Q. That Jim Sharp might bring something to you and discuss it with you?

A. Uh-huh.

Q. That Jim Sharp would simply do something on his own without your involvement?

A. Uh-huh.

Q. And then there's the committee, is that correct?

A. What point in time are you talking about? I told you at that -- there was a certain point in time when there was not a committee.

The committee was like three of us would be in a hall or two of us in a hall and that would be the committee, Jim and I.

There were times when that happened. Right now there is a committee.

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Q. When was the formal committee formed?
A. I don't know, but I'd say within the last year.
Q. In 1988 was there a committee?
A. No, there was not a formal committee.
Q. In 1990 was there any kind of formal committee?
A. No.
Q. So in 1990 would the committee, quote committee, be you and Jim Sharp in the hallway or you and another executive in the hallway?
A. Uh-huh, yes.
Q. Who has signature authority on the company's checks for making the contributions that the company has decided to make?
A. I can't answer that. I'd have to check.
Q. Do you have signature authority?
A. I know I can sign, I can sign all checks.
Q. Can Jim Sharp sign checks?
A. Not a loan. I'm sure he can sign, but I don't even know which accounts he can sign on. I'd have to check and see that.
Q. How many accounts are there?
A. I don't know that either. This is a big business. Some accounts I'm on -- I'm on all accounts, that's the one thing I know, I can sign checks.

There are certain departments where

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other people can sign and some people can and some people can't sign other places.

I believe it's a sort of check and balance thing.

Q. Could you get that information and what accounts Jim Sharp has signature authority?

A. Uh-huh.

Q. Does City Management have any political action committees?

A. Yes.

Q. What's the name?

A. City PAC.

Q. Who are the officers of City PAC?

A. I don't know. Do you want me to find that out too?

MR. GREENE: If you don't know the answer, just tell her you don't know the answer.

A. I don't know.

Q. Are you an officer of City PAC?

A. I'm not sure.

Q. Could you find that out?

A. I know I'm a contributor. I don't know if I'm an officer.

Q. Do you have signature authority for City PAC checks?

A. I'm not sure. I think it was on and they changed it one time so I would be off, so I'm not sure at this time.

Q. Let's focus on the political contributions and dealing with the charitable contributions. Jim Sharp you

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mentioned also gives you advice on political matters.

What sorts of political matters does he advise you on?

A. I don't understand that.

Q. Does he suggest to you which candidates to support?

A. He could.

Q. Has he in the past ever suggested that you support certain candidates?

A. Yes.

Q. Which candidates has he suggested that you support?

A. That would like be a whole list from time to time. I couldn't answer that.

Things change from year to year and from month to month, and I don't know how to answer that without getting some sort of records out or something.

It would be self-explanatory. I would assume and then that wouldn't be self-explanatory because I don't know if he suggested every one of those either, so that would be very difficult for me to answer that.

Q. Do you rely on Jim Sharp for your own personal political contributions, rely on his advice?

A. I rely on his advice for very much. He's a very trusted employee.

Q. Do you always take Jim Sharp's advice on which candidates to support?

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A. You say always. That's another one it's hard to say. I don't know. I'm sure I disagreed with him at one time or another, you know, but I don't know if ultimately I wound up going his way.

We've had discussions. I don't recall sometime if I said absolutely flat no, I don't remember that.

Q. Have you been a financial supporter of Barbara Rose-Collins and her state campaign when she was a Michigan state rep?

A. I'd have to look at my records to see that.

Q. Were you a financial supporter of her when she ran for Detroit City Council?

A. I'd have to check, but I believe so.

Q. Have you been a financial supporter of her in her U.S. congressional races, let's start with 1988?

A. I have to check, but I believe so. The records will tell me that.

MR. GREENE: If you don't know --

A. I don't know. These are things that I can't remember, you know what I mean. We do many many things and I don't remember, but we have records.

Q. How long have you known Barbara Rose-Collins?

A. Like a long time, so I don't remember the first year I met her, maybe at least ten years.

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Q. Fair to say 1980's?
A. '80, yes, sure.
Q. How do you know her?
A. She's a public figure.
Q. Do you know her personally as a social friend?
A. Well, I don't know how to answer that. As a social friend, I don't know how to answer that.

Be a little more specific.

Q. What kinds of interactions do you have with Barbara Rose-Collins?
A. I see her at events, we will have -- we've had -- I think we've had lunch and dinner together. That's about it.

I see her at different events. Most of the time that's the way we will see each other.

Q. Turning to the frequency of your contacts with Barbara Rose-Collins, in an average month about how many times would you see her?
A. Not very often. Like months will go by without me seeing her. I saw her more often when she was a councilperson.
Q. What kind of settings would your meetings be during the period she was on the City Council?
A. Her office, for lunch.
Q. How would you describe your relationship to her?
A. I don't understand. How would I describe my relationship?

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Q. Family friend?
A. No, she's not a family friend.
Q. Close personal friend?
A. I wouldn't say a close personal friend. I would say a friend and --
Q. Business acquaintance?
A. No. What do you mean business? She's never been in business that I know of, so how would she be a business acquaintance?

I don't understand that question.

Q. Just trying to distinguish whether it was a close personal relationship that you have or it's one that you meet in the events in the community?
A. I don't think it's a close personal relationship. I think it's a personal relationship. I know her. I've known her a long time, so I guess that's personal, and political, she's a public figure, so --
Q. During Barbara Rose-Collins' 1990 race for Congress did you have any role in her campaign?
A. No.

MS. BAKER: I like to have marked a three-page document as an exhibit.

(Deposition Exhibit No. 1, was marked for identification.)

Q. This document purports be a copy of the sworn affidavit of

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Mr. Soave in response to the Commission's order to submit written answers, it's three pages.

Mr. Soave, I direct your attention to the first page on the first paragraph of the answer to Question 1 in which you state that your role may have been honorary.

A. If it was on there, it was, yes.

Q. Do you know that you were listed on any of Barbara Rose-Collins' documents?

A. No, I don't know.

Q. What makes you think that you might have been listed on Barbara Rose-Collins' documents?

A. Because politicians do things like that.

Q. Did Barbara Rose-Collins ask you if she could use your name in her campaign?

A. I don't recall.

Q. Did Jim Sharp ask you if Barbara Rose-Collins could use your name in her campaign?

A. I wouldn't recall that. I can't recall that, I don't know.

Q. He may have?

A. He could have, sure.

Q. Is that the kind of topic Jim Sharp would bring to you?

A. Sure.

Q. Did you attend any meetings with Barbara Rose-Collins

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about the financing of her campaign?

A. I can't recall.

Q. You guaranteed a loan to Barbara Rose-Collins in 1990?

A. Yes.

Q. Whose idea was it for you to be the loan guarantor for Barbara Rose-Collins' loan in 1990?

A. I don't know whose idea it was. Jim brought it to me.

Q. What did he tell you?

A. I don't recall the words, you know, just -- I don't recall the conversation.

Q. Do you remember the gist of the conversation?

A. No, I don't.

Q. What role did Jim Sharp play in Barbara Rose-Collins' 1990 congressional campaign?

A. You'd have to ask him, I don't know.

Q. Let me have you run through from beginning to end the history of this loan guaranty from the time Jim Sharp brought it to you until the time you were released from that note.

Please begin. Jim Sharp brought it to you?

A. Uh-huh.

MR. GREENE: Tell her what you remember.

A. And I did it and after that, Jim suggested that I be

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released and someone else -- that he was going to go on it and that's it.

Q. Let me try to fill in a few steps in between the main outline that you've just given.

When did Jim Sharp bring this idea to you?

A. I don't know. You're talking about dates?

Q. Dates.

A. I don't know. You have a record of that. I don't remember the date.

Q. June?

THE WITNESS: Did we answer that in here?

MR. GREENE: Take a look.

A. July 16, so about that time. I don't know how much earlier than that, maybe a day or two, I don't recall.

Q. Did you have to sign any forms to guarantee the loan?

A. Yes.

Q. Which forms did you have to sign?

A. There was a guaranty I think that I signed from the bank.

MS. BAKER: I'd like to have this marked as an exhibit.

(Deposition Exhibit No. 2, was marked for identification.)

Q. I've just have marked as Exhibit 2 what purports to be a

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copy of the five-page loan guaranty signed by Anthony Soave.

Would you take a look at that?

A. Okay.

Q. Have you seen this document before?

A. I signed it.

Q. That's your signature?

A. Yes.

Q. And the date is July 16, 1990?

A. Yes.

Q. What did you understand your obligations were under this loan guaranty?

A. That I was guaranteeing that she would pay it back.

Q. What does that mean in your mind, to guarantee that Barbara Rose-Collins would pay it back?

A. That means I was going to have to get after her if she didn't pay it.

Q. What else did you understand to be your liabilities in signing this loan guaranty?

A. That I was responsible for it if she didn't pay it.

Q. Have you ever guaranteed a loan for someone other than a family member before guaranteeing this loan to Barbara Rose-Collins?

A. Yes.

Q. Whose loans have you --

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A. I can't tell you. I can't get a list for you if you need it. I'm very benevolent.

Q. In making loan guaranties to people other than to your family members, what kind of information do you seek prior to signing it?

A. What information? General information about the person, how well I know him, how long I've known him, what I think of them.

Q. Does the purpose of the loan make any difference to you?

A. Sometimes.

Q. Did it make any difference in the Barbara Rose-Collins loan guaranty?

A. Can you ask that question again?

Q. Did Jim Sharp tell you why Barbara Rose-Collins needed this loan guaranty from you?

A. Jim asked me if I would guarantee a personal loan for her and that's what he asked me.

Q. Take me through the thought process. Jim Sharp comes in?

A. Yes.

Q. Straight out says Barbara Rose-Collins wants you to guarantee a loan.

MR. GREENE: Wait a minute. He's already told you, counsel, he doesn't remember everything that was said. He don't remember the conversation verbatim, okay.

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So I object to your positing some hypothetical conversation because he can't confirm whether some hypothetical conversation took place.

He doesn't remember the conversation that he had with Jim Sharp.

Q. Mr. Soave, let's go through your thought process on responding --

MR. GREENE: Let's see if he can remember what his thought process was four years ago. I think that's the foundation. Can he remember what he thought at the time.

If he can't remember what he thought at the time, then we don't need to dillydally over this.

I think the record should be clear he has a very limited memory and also I think it should be reasonably clear that the full extent of that limited memory is set forth in the Answers to the Interrogatories.

MS. BAKER: If you would like to be sworn, I will take testimony from you.

MR. GREENE: Well, that's not the way it works. The way it works is I'm entitled to put on the record my objections and that's what I'm doing.

MS. BAKER: Your objection is noted on the record.

Q. When Jim Sharp told you it was a personal loan as you've

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just testified, did you ask him what the nature of the personal loan was?

A. What the nature of the personal loan was? I don't understand that.

Q. What did you understand as personal loan, what's the phrase "personal loan" mean to you in the context of the the Barbara Rose-Collins loan guaranty in 1990?

A. She wanted to borrow $25,000 personally. They would not give it to her without someone guaranteeing it. That's what I know about that.

Q. How did you come to know?

A. Jim told me.

Q. You do remember that Jim Sharp told you it was for a personal loan and that someone would not give her a loan on her own without a loan guaranty?

A. I don't know if that's the way exactly it went. I know he wouldn't be asking me for a guaranty if she could get it on her own.

I assumed that, you know what I mean. They wouldn't ask me if she could get it.

Q. Did you make any inquiries into the purpose of this loan?

A. No.

Q. Were you asked to supply to the bank any personal financial statements?

A. For this loan?

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Q. Yes.
A. No, I think they had my financial information.
Q. Why do you say that?
A. Because I think we've done business with that bank before.
Q. When you say "that bank", you're referring --
A. First Independence.
Q. National Bank?
A. Is that -- yes.
Q. When you say "we've done business" --
A. Our company I think had a business relationship with them.
Q. Do you know any members of the board of directors of the bank?
A. I know Don Davis, I think he's the president I believe.
Q. How well do you know him?
A. Not very well.
Q. In what capacity do you know him?
A. Business.
Q. Where did you sign this document, what location?
A. I don't recall that.
Q. Who from the bank dealt with the paperwork?
A. I think Jim Sharp brought this to me and I signed it. I don't think I dealt with anyone.
Q. Did you go to the bank?
A. I do not recall. I can't recall that.
Q. At any time did you discuss this loan guaranty with

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Barbara Rose-Collins?

A. I don't believe so. If I did, I don't recall.

MR. BERNSTEIN: Mark this.

(Deposition Exhibit No. 3, was marked for identification.)

Q. I've had marked as Exhibit 3 a copy of what purports to be a page from a June, 1990, Tuesday the 26th daily record of events as submitted by Mr. Soave in his response to the Commission's subpoena.

Ask you to look at that?

A. Did you ask me a question?

Q. Have you had a chance to look at it?

A. Yes.

Q. What is this document from?

A. This is a page out of the diary my secretary kept.

Q. Who is your secretary or who was your secretary at the time?

A. I think I was between secretaries. I really don't know. I can get that information.

Q. Since you've -- between the time that you responded to the Commission's request for written answers and today have you had a chance to rethink whether you actually had lunch with Barbara Rose-Collins on the date that this calendar sheet indicated you had intended to do?

A. No, I don't recall if I did or not. That's four years

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ago, I really can't recall.

Q. In the course of the year how many times approximately would you have lunch with Barbara Rose-Collins?

A. I don't know. These are not big events. She could be three times in a week if she called me and asked me. Was she a councilperson at that time? Was she running? I believe she was -- yes, so --

Q. She was running.

A. Was she a councilperson? She was still a councilperson.

Q. She was running for Congress?

A. But she was a councilperson at that time, so if she called me I just don't recall. That's something I don't remember from memory, things like this.

Q. Would she have called you?

A. Could be either way.

Q. When you would eat at Joe Muer's would you pay by credit card?

A. Both, cash or credit cards.

Q. Would you have a credit card record of that lunch?

A. I don't know. If you ask me something like that, how would I know? I would have to look and see.

Q. Do you have something you could consult?

A. I have my records. I'll go look and see.

MR. GREENE: Do you keep credit card records that far back?

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THE WITNESS: I don't keep them. I have 2,000 employees. I don't know if they have them. If they have them, they're there.

If there is a record of it, I'll try to find it.

Q. I appreciate that.

A. Sure.

Q. Are you basically indicating it wouldn't be unusual for your calendar book to have lunch appointments with Barbara Rose-Collins in it?

A. Would you repeat that, please?

Q. It had a double negative phrased in the negative so I can see why you would like it rephrased.

Is it unusual to see a lunch date with Barbara Rose-Collins in your calendar book?

A. Is it unusual? I don't think so, no. It's a strange question. I look back at calendars and I see people's names, I go through days and I have appointments with people.

Nothing surprises me.

Q. Is it the case then that you frequently you have lunch with people, city people, business people and so on?

A. Is it the case that I have frequently -- in a course of a year, I have meetings with people, city officials, yes.

MR. BERNSTEIN: Off the record.

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(Discussion off the record.)

Q. Back on the record. Mr. Soave, turning your attention once against to the calendar page, clarify a few points, whose handwriting is this?

A. I don't know.

Q. Not yours?

A. No, it's not mine.

Q. Whoever was -- is it fair to say that whoever was secretary at that time would have written this for you?

A. I don't know how to answer that. I just told you it's not mine. Somebody wrote it down, I really don't know.

Q. Who keeps your daily calendar?

A. Whoever is outside my office. I switch secretaries a few times, so I don't know exactly who it was.

I guess we could try to find out who was working there.

MR. GREENE: Don't volunteer all these things.

A. I don't know whose handwriting that is.

Q. Describe for me if you will where your personal appointment book or your appointment book is kept?

A. Where is it kept? It's on someone's desk I guess. It's not in my office, if that's what you're asking me.

Q. Who's the someone?

A. I just got through telling you I don't know who that was.

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Q. Not by name, by category?

A. Whoever is outside my office that day. It was 1990, I don't remember.

Q. Is that person who sits outside your office and keeps the calendar book known by the title as some title like personal secretary to CEO?

A. I think you're going somewhere where we shouldn't be going. I do not know who wrote this. We'll try to find out for you. I don't know if the person outside my office wrote this or maybe my secretary didn't write this.

If you want me to try to find out who did, we will. I don't know who wrote that, I really don't.

Q. Do other people have access to this calendar book?

A. Yes, sure.

Q. And people could commit you to certain engagements and write you down?

A. Sure, somebody -- sure, yes.

Q. Is this kind of calendar book, would that be the only place that meetings would be written down committing your time during the day?

A. It may also be on a little card she would give me or he, whoever was there, give me a daily thing sometimes.

I would carry something on a piece of paper.

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Q. If you had attended any meetings with Barbara Rose-Collins or her representatives on her campaign discussing any kind of campaign financing would it be reflected in a calendar book like this?

A. Not always, no. I would do things on my own without being in a calendar.

Q. Would you have a copy of your personal calendar other than this appointment book for 1990?

A. No. I think that's the only thing we have. I wouldn't have anything that I carried around with me. I wouldn't have that on record.

MS. BAKER: Do you have the original of this page?

MR. GREENE: I think it exists. We don't have it hear.

MS. BAKER: You sent us a copy and it's not very legible and we would appreciate having the original of this page which we will then return to you.

Q. Let me turn your attention to the time you were released from your obligation on the guaranty.

Explain to me how you came to be off as guarantor for the loan to Barbara Rose-Collins?

A. I came to be off by Jim signing which told me he thought it would be better, so I said fine.

Q. Why would it be better?

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A. He just thought generally it would be better for me because I was known more as a republican. He just thought it might serve us better.
Q. How so?
A. I don't know, ask him, he thought so.
Q. Did you ask him why he thought it would be bad for you to be associated with --
A. He didn't think it would be bad.
Q. Why it would be better for you to come off the loan?
A. No, but it sounded reasonable to me.
Q. Have you made contributions to democrats previously?
A. Yes. This wasn't a contribution.
Q. What was it?
A. It was a loan guaranty.
Q. Did you know what Barbara Rose-Collins had in mind for how to spend the loan proceeds?
A. No.
Q. Did you ask?
A. No.
Q. What process did you go through to be taken off as loan guarantor?
A. I don't think I went through a process, I don't recall. I don't think I went through a process.
Q. Did the bank --
A. Jim took care of it. I don't think I had to do anything.

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Q. Did you fill out any forms?

A. I don't believe so. I don't remember if I did. To get off is one thing. I think they sent me my guaranty back after they had someone replace it. I don't think I had to go through anything.

You have to sign something when you guarantee. When you're released, they give you your guaranty back, so I don't recall going through anything.

Q. Do you recall the date you were released?

A. No.

MR. BERNSTEIN: Mark this.

(Deposition Exhibit No. 4, was marked for identification.)

Q. I have just had marked as Exhibit 4 four pages of a calendar from 1990 for the months of June, July, August and November.

I'll show you that on June noted possible lunch that you may have had with Barbara Rose-Collins on the 26th of June.

Turning to July of 1990 I have an annotation that you signed the guarantee on July 16.

Turning to August, 1990 we have the primary election marked as August 7, and then the following week on August 14 a note that you were released from that loan guarantee.

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Does looking at this calendar refresh your memory of the sequence of events?

A. No, none whatsoever. This is a very insignificant thing in my life. I don't remember. For you to be asking me things about four years ago, this was not the highlight of that year or anything for me, so I don't remember any of this to tell you the truth.

Q. You mentioned that you had guaranteed loans for people other than family members.

Among those people for whom you served as loan guarantor were there any politicians?

A. I don't believe so.

Q. Since this time have you guaranteed any loans for politicians?

A. I don't believe so. I'll look and I'll let you know.

MR. GREENE: Stop doing that, stop volunteering. If you don't know, you don't know. If you know, you know.

Just tell her you don't know.

A. Well, I don't know.

Q. Did Barbara Rose-Collins ask you to guarantee a loan for her?

A. No.

Q. At any time after the primary election and your release from the loan guaranty did you talk to Barbara

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Rose-Collins about your guaranteeing the loan?

A. Would you ask me that question again, please?

Q. After the time you were released as loan guarantor did you ever talk to Barbara Rose-Collins about your having served as a loan guarantor for her?

A. Not that I recall.

Q. When did you first learn that there was a potential problem with the loan made to Barbara Rose-Collins?

A. I think it was a couple of years ago or when Jim said something to me, mentioned something to me.

Q. What did he say?

A. I don't recall. I just remember he said something about it. Once again, I've never thought this was of very much interest to me, so I didn't pay any attention to most of this.

That's why I don't remember. I sign a lot of papers and I do a lot of things and I just -- I don't recall. They're not highlights. It has to be a big thing for me to remember because a lot of things go across my desk and through my life, so unless it's significant, four years old is a long time for me.

Q. Is $25,000 a significant amount of money?

A. I mean -- I don't want to make light of $25,000, but those are the kind of numbers that I deal with and it's not -- it does not stand out in my mind, no. $25,000 out of 300

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million or 200 million is not -- you know, in a year's time, and I'm not making light of $25,000, but --

Q. Well, of the $25,000 was this your personal guaranty or the guarany of City Management?

A. I think it was my personal. I think that says Anthony Soave.

Q. So when you say 300 million dollars a year, are you referring to your personal assets or your company's assets?

A. My company is me. You asked me earlier if I was the owner. That's all me.

Q. Is it an S corp?

A. It's an S corp.

Q. So in fact your corporation is incorporated?

A. My corporation is incorporated?

Q. Yes.

A. We have S corps.

Q. Yes. It's in corporate form?

A. Yes.

Q. Your personal liability is not the same as corporate liability under the S corp form, correct?

A. My personal, you're right.

Q. So in fact you're not your corporation, is that correct?

MR. GREENE: That was a figure of speech. Let's not argue with him. Don't even answer it.

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A. I own all the stock in all the companies. I don't know.

MR. GREENE: Don't answer it, that's just argument.

Q. Is $25,000 a large amount, a significant amount?

MR. GREENE: Asked and answered, counsel. He's answered that question.

Q. The answer is --

MR. GREENE: Go on to the next question.

Q. I didn't hear your answer?

A. I said I answered it.

Q. And the answer is yes?

MR. GREENE: Whatever it is, it is. The answer stands.

Next question, please.

Q. So your testimony is that $25,000 is a significant amount though you're used to operating in large amounts of money, but that a loan guaranty of $25,000 for which you're personally liable was not a significant moment?

MR. GREENE: That mischaracterizes his testimony. This is argument. You're now arguing with him, you're not asking for factual information and he's testified as to his views about $25,000.

Let's move off this and get to the facts of the case, whatever they are. This is just

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argument.

Q. What was your reaction to being notified by the Federal Election Commission that you had potential liability in a case involving this loan transaction?

MR. GREENE: Let me just state an objection. What relevance is his reaction? I mean his reaction to being notified is absolutely irrelevant as to whether there is a violation here or whether anybody thinks there is a violation or whether any violation will ever be adjudicated to be a violation.

His reaction is completely irrelevant. This is senseless. This is not advancing the factual inquiry one bit.

Q. When Jim Sharp told you there may be a problem with the Barbara Rose-Collins loans, what did you do if anything?

A. What did I do?

Q. Yes.

A. I don't think I did anything. I don't think I did anything. I continued to do what I was doing.

Q. In November of 1990 were you asked by anyone to make contributions to Barbara Rose-Collins to help repay loans?

A. I don't think so, I don't recall. To help repay loans? Make contributions to help repay loans? No.

Was that the question?

Q. Yes.

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A. No.
Q. Did you make contributions for any other reason?
A. I don't know. I'd have the check records for that.
Q. I'm going to ask you -- I'm going to cite several names and I'd like you to tell me if you know these people and if you do, in what capacity you know them.

Don Barden?

A. Yes.
Q. In what capacity do you know him?
A. He owns a cable TV -- I know him as a man in town.
Q. Did Don Barden ever ask you anything about being a loan guarantor to Barbara Rose-Collins?
A. No.
Q. Cara Woods?
A. Yes.
Q. How do you know him, in what capacity?
A. Through business.
Q. Does he do business with your corporation?
A. He did.
Q. In what capacity did he do business?
A. He was a contractor.
Q. Would he then be like a subcontractor?
A. He's a subcontractor sometimes and general contractor sometimes.
Q. Is he a friend of yours?

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A. Business associate.
Q. How frequently would you see Cara Woods in the course of a year?
A. Give me a number and I'll tell you. I don't know how often I would see him. Whenever it warranted.

I haven't seen him in a long time now. If he would be doing some business with us I could see him three times in a month.

Q. When you were released from your obligation as loan guarantor did Jim Sharp tell you who was going to take your place?
A. I don't remember. I know Jim was going to.
Q. Do you know if anybody else was?
A. I don't recall him mentioning it.
Q. Lawrence Jones?
A. I don't know who Lawrence Jones is. I don't think I even know Lawrence.
Q. Lester Robinson?
A. I know Lester Robinson, but I don't know anything about -- you know.
Q. Who is he?
A. He was someone here in town. I think he was a city official or something. I know him not well.
Q. Arlene Mains?
A. I don't know who that is.

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Q. Martha Thomas?
A. I don't think I know her.
Q. How long of a relationship, business relationship, did you have with Cara Woods' company?
A. Three, four years maybe.
Q. What years were those?
A. Late 80's I believe, early 90's.
Q. Are you currently doing any business with him?
A. I don't believe so.
Q. In terms of dollars, what size projects did Cara Woods work with your corporation?
A. Hundreds of thousands of dollars, subcontracts.
Q. Can you give me an example of the kind of project he might be involved in?
A. He was a sewer contractor and he did some road work I believe, but I think primarily underground contractor.
Q. Would a contract or subcontract with your corporation be considered a big contract for someone like Woodlove Corporation to get?
A. Some of the jobs I believe might be considered a big contract. Some of them are small.
Q. Why don't you do business with him now?
A. I don't know. I have to ask our people. I don't do this personally by the way. I have people that deal with Cara, so they take bids. Sometimes the bids are good, sometimes

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they're not.

Q. I'm sorry that I frustrate you, but at one point you tell me you're sort of a hands-on kind of guy, you know everything, and on the other hand you have other people delegating tasks, and that's why I'm asking.

A. You're hands on to a certain point, but I don't know, some things that are -- I wouldn't know why he wouldn't be doing business with us on a certain job. I don't get that hands on, that's really -- I need a lot of hands.

Q. Fair enough. Do you know if Cara Woods was a friend of Jim Sharp?

A. You have to ask Jim Sharp that.

Q. Do you know if Jim Sharp had a relationship with Don Barden?

A. You'd have to ask Jim Sharp that. I know he knew him. How well the relationship is, I wouldn't know.

Q. Do you know whether Don Davis and Jim Sharp knew each other?

A. I'm sure they knew each other.

Q. How do you know?

A. Because I saw Don Davis and Jim Sharp was with me, so the three of us talked.

Q. When the three of you were together that was a business contact or social contact?

A. It could have been either, I don't recall. Social, it was

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either at an event or it was business. I didn't socialize that much with -- I don't remember socializing to tell you the truth with Don Davis.

Q. When you were released from your obligation on the loan guaranty and the bank sent you back this paper that you have submitted as the loan guaranty did you release any other communications from the bank?

A. I don't recall any. I don't know. Once again, like this is not something I remember and I didn't care much about it and whatever happened, it's not something that I can recall.

When I got released, it was just another thing on a desk. I passed it along.

MS. BAKER: Off the record.

(Discussion off the record.)

MR. BERNSTEIN: What I thought we would do since we're close to closing is perhaps just run through the list of things that Mr. Soave has said he couldn't respond to directly here, but would be able to actually find the information out and it looks like one would be the names of the committee members of the PAC committee, and another would be what accounts Jim Sharp has signature authority on.

Let's see, oh, what contributions you have made historically to Barbara Rose-Collins in her

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earlier positions.

MR. GREENE: That's assuming that these records like this are still available.

MR. BERNSTEIN: I understand that and that's all we're asking for.

MR. GREENE: How far back?

MR. BERNSTEIN: When she was in the State House and in the City Council.

And your social security number.

A. Okay.

MR. GREENE: The original of the diary page.

MR. BERNSTEIN: Right, and about the diary, counsel, you may have already made this sort of inquiry, but what we would like is for an additional inquiry of the diary through June and July for any record if there is one of any meeting that Mr. Soave might have attended.

I understand there may well not have been --

MR. GREENE: We've been all through that already. That's the only thing that has any relevance to Barbara Rose-Collins period or her campaign.

MR. BERNSTEIN: Okay. Also a list of loans guaranteed to individuals. What year do you want

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that to start with?

MR. GREENE: Wait a minute. He may have volunteered that, but I don't know that I'm --

THE WITNESS: Hold it.

MR. GREENE: Go ahead. He wants to know if we can go off the record.

MR. BERNSTEIN: Off the record.

(Discussion off the record.)

MR. BERNSTEIN: Back on the record. What we were discussing was a list of the loans that you had guaranteed.

MS. BAKER: Let's do 1980 to 1992.

MR. BERNSTEIN: Yes. For the period 1980 to 1992 and what we would be interested in is the categories that those loans would fall into and, counsel, was there something you wanted to say?

MR. GREENE: I object to that. I don't think we're going to reach any agreement so you may have to do something. I think that's not only is it invasive, I think it is basic privacy.

I don't think it's relevant to anything whatsoever. He's already answered that to the best of his recollection, and you correct me, Tony, that he doesn't recall guaranteeing the loan or a loan to a politician other than Barbara Rose-Collins, was that

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correct?

Was that your recollection?

THE WITNESS: Yes.

MR. GREENE: All right, so I mean you can take the measure of whether you think that's usual or not unusual, but as to his guaranteeing of loans of others, I think that invades their privacy and I don't think it's relevant to this inquiry and I think certainly to ask him to search through 12 years of records is extraordinarily burdensome and we're not going to do it unless some court orders us to do it.

MR. BERNSTEIN: Mr. Greene, as I explained off the record, but it's important that Mr. Soave understand it, and we can well understand why this is sensitive information to you and privacy act considerations frequently come into play when the Commission closes an investigative file.

As I explained, this matter is completely confidential until it's closed.

At the point that it would be closed, it is well within the purview of counsel's rights to point out information that he thinks fall within it and we make actually our own independent assessment as well even without an inquiry about materials that we think if we conclude have no relevance are sufficiently confidential

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that they should not be made public.

What I would suggest, and let me just explain, that you responded to a question of Ms. Baker that you did guarantee other loans to non-family members and our position is it's well within the scope of inquiry to pursue that.

But understanding, counsel, your objection to an expanded time frame, we would certainly be willing to have you peruse only 1988 through 1992 and to provide us, and again this is only loans that you personally guaranteed to non-family members, and that's what we would be interested in.

To follow up the separate point, my notes of your response to the question of whether you had either before or after guaranteed any loan to a public figure or a politician was that you couldn't remember and that you could check on that, so that's something that we would include within the inquiry that you're making as far as between 1988 and 1992 of any loans that you guaranteed to non-family members.

What we would be interested in would obviously be the date and the amount, the identification of the person and the category that it fell into, is it subject to that sort of description.

MR. GREENE: Inasmuch as your mandate

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is to consider violations of the federal election campaign laws or circumstances pertaining thereto, of what relevance would be the fact that he guaranteed a loan to a business associate or whomever, if it doesn't involve a political contribution?

What conceivably could be the relevance?

MR. BERNSTEIN: Well, actually in trying to respond to that, if there's instances that the nature of the person that you guaranteed this loan to is subject to a category that would be easily understandable to us like an employee or something like that, I think it would be -- we would be amenable to you providing the information in that form rather than providing everybody's name.

I don't think it's profitable for us to get into any more extended argument about the relevance of it because I don't pretend that we're going to come to an agreement on this and this to us is well within the scope of the Commission's investigation.

What I would suggest, Mr. Greene, is if you want to consult with your client afterward and we don't need to absolutely bring this issue to a head at this point and just to let us know what your position will be.

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MR. GREENE: We'll let you know.

MR. BERNSTEIN: If we move on, we've already talked about the original of the diary page.

Then also who your secretary was at the time of June and July of 1990, and your credit card records, assuming they still exist, about whether you paid for lunch at the restaurant that is indicated on that calendar page, and I believe that's it.

So, counsel, do I gather of these materials at this point the only one that you foresee a potential problem with is the one that we've already discussed?

MR. GREENE: I think so.

MR. BERNSTEIN: Okay.

MS. BAKER: You do have a chance to read and review the transcript of the deposition and you can do that at the court reporter's office here in town and apparently you already know where that is, and you are entitled to a witness fee and mileage to get here and as soon as we get that information from you we will send you a check on that.

What we're going to do is not conclude the deposition, but adjourn it so that if there are any more questions, follow-up discussions, we can then -

MR. GREENE: You can take that

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position. I'm taking the position that you asked -- we're here to answer questions. You ask whatever questions you want and when you're done asking questions, the deposition is over.

I don't think you -- you don't have any unilateral power to adjourn depositions.

MR. BERNSTEIN: Mr. Greene, you will be the first to know if we have a need to talk to your client again under oath and at that time we can discuss whether you require a new subpoena or not, so I understand your position.

MR. GREENE: You may not be able to get a new subpoena.

MR. BERNSTEIN: I understand your position.

MR. GREENE: If you did, maybe I would get it quashed, who knows.

MS. BAKER: Off the record. Take a five minute break, please.

(A recess was taken.)

MR. BERNSTEIN: I appeciate your position, Mr. Greene, and as I explained you'll be the first to know if we have a need to talk to your client again and assuming you're willing, we can cross that bridge when we come to it.

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Thank you very much. Off the record.

(Deposition concluded at 3:58 PM.)

Anthony L. Soave

- - -

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CERTIFICATE OF NOTARY PUBLIC - COURT REPORTER

I do certify that the witness whose attached deposition was taken before me in the above-entitled matter was by me first sworn to testify the truth; that the testimony contained herein was by me reduced to writing in the presence of the witness by means of stenography, and afterwards transcribed utilizing computer-assisted transcription. The deposition is a true and complete transcript of the testimony given by the witness.

I do further certify that I am not connected by blood or marriage with any of the parties, their attorneys or agents, and that I am not an employee of either of them, nor interested, directly or indirectly, in the matter of controversy.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at Detroit, Michigan, County of Wayne, this 19th day of July, 1994.

Dale E. Rose, CSR-0087
Notary Public
Wayne County, Michigan
My commission expires: 5-13-97

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In the Matter of)
)
) MUR 3181
)
)

C O N F I D E N T I A L

DEPOSITION OF DON H. BARDEN

Thursday, July 14, 1994

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In the Matter of)
)
) MUR 3181
)
)

C O N F I D E N T I A L

Deposition of DON H. BARDEN, taken on behalf of the Federal Election Commission, at 817 Federal Building, 231 Lafayette Boulevard, Detroit, Michigan, commencing at 9:16 a.m., Thursday, July 14, 1994, before Muriel E. Charbonneau, Certified Shorthand Reporter, No. 0097.

APPEARANCES:

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I N D E X

WITNESS:	PAGE
DON H. BARDEN	
Examination by Ms. Holly Baker	5

E X H I B I T S

FEC BARDEN DEPOSITION EXHIBIT NO.	IDENTIFICATION	PAGE
1	1990 Calendar.	14
2	Loan Guaranty - 7-13-90.	22

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Detroit, Michigan

Thursday, July 14, 1994

9:16 a.m.

- - -

D O N H . B A R D E N ,

was thereupon called as a witness herein, and after having been first duly sworn to tell the truth, the whole truth and nothing but the truth, was examined and testified as follows:

EXAMINATION BY MS. BAKER:

Q. Mr. Barden, this Deposition is being taken pursuant to 2USC 437G. And I am Holly Baker and this is Jonathan Bernstein. We represent the Federal Election Commission in its investigation of what has been designated as Matter Under Review 3181. The court reporter will be taking down everything we say and she can only take down words. And so we have to say yes and no and not nod.

A. Yes.

Q. You are under oath the same way you would be in a court. If you don't hear me or you don't understand a question, will you let me know?

A. Yes.

Q. If you need a break, would you let me know?

A. Absolutely.

Q. If, during the course of the deposition, you realize that

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one [redacted] your answers was incomple[redacted] would you please tell me?

A. Yes.

Q. And you can go back to whatever topic you realize needs further investigation.

A. Okay.

Q. Are you represented by counsel today?

A. Yes, I am.

Q. What are their names?

A. Ron Siegel and Lyn -- how do you pronounce it?

MS. UTRECHT: Utrecht.

A. Utrecht.

Q. Would you state your full name, please?

A. Don H. Barden.

Q. Your home address?

A. 18240 Fairway Drive, Detroit. Michigan 48226.

Q. What is your phone number?

A.

Q. What is your business address?

A. 243 West Congress, Detroit, Michigan 48226.

Q. What is the name of that business?

A. Barden Companies.

Q. What is your date of birth?

A.

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Q. Soc[redacted] security number?

A.

Q. Are you married?

A. Yes.

Q. What is your wife's name?

A. Bella Marshall Barden.

Q. How long have you been married?

A. Six years.

Q. And what is your occupation?

A. I'm a business executive.

Q. What company?

A. Barden Companies.

Q. What does Barden Companies do?

A. Principally in the cable television business.

Q. How long have you been in that business?

A. Approximately 14 years.

Q. In preparation for this deposition, who have you talked to or had contact with?

A. Just my attorneys.

Q. Have you reviewed any documents in preparation for this deposition?

A. Just my statement and affidavit and letters of communication between the Commission and myself.

Q. Have the documents that you consulted been submitted to the Commission?

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A. Yes.
Q. Have you ever held elected office?
A. Yes.
Q. What office?
A. City Councilman.
Q. What city?
A. In Lorain, Ohio.
Q. And what was that position?
A. Part Time City Councilman.
Q. Year?
A. I think, it was a long time ago, between either '70 to '74. Two two-year terms starting in either '70 or '71. I don't recall precisely.
Q. Any other office?
A. Public office, no, I don't think I have. Elected offices was the question?
Q. Yes.
A. No.
Q. In terms of your involvement in the political process, are you active in any way? Do you participate in any way in any local politics, local campaign activity?
A. Not very much.
Q. What?
A. Basically, just support as it relates to lending my name or endorsing people. I have not been actively involved

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in campaigning in probably more than 20 years, since I was a councilman.

Q. In terms of local, are you active in Detroit area local politics?

A. I guess you could say I'm active in a sense that I have endorsed various candidates or lent my name to various supporting committees. But not physically active, because most of my efforts are related to my business and civic functions.

Q. Do you contribute financially to local campaigns?

A. Yes, yes.

Q. On the state level, what kind of political activities do you do?

A. Pretty much the same kind of activity.

Q. And on the federal level?

A. Pretty much the same.

Q. Have you supported Barbara-Rose Collins in her Detroit activities as an elected official?

A. Yes.

Q. And in what ways have you supported her?

A. Endorsement, lending my name, and served when she ran for Congress as an Honorary, if you will, Finance Chair.

Q. Going back to the congressional race for a moment, focusing on the time when Barbara-Rose Collins was on the City Council of Detroit, did you participate in any way

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in h[illegible] campaigns for City Counci[illegible]oman?

A. Not actively involved in any of the Council campaigns. Only supportive of the entire Council, most of the Council, I will say, through what I call contributions and that sort of thing. But nothing active.

Q. When Barbara-Rose Collins was a representative, a Michigan rep, how did you support her?

A. I don't know that I did. I don't know that I knew her then. When was she a rep? I knew that she was a rep, but what were the years?

Q. Let me ask you this question, when did you first meet Barbara-Rose Collins?

A. In the early 80's. I didn't move to Detroit until 1983.

Q. After 1983, you met her?

A. Sometime after that, yes. I would say in that range. I'm not absolutely certain.

Q. What were the circumstances of meeting her?

A. I was bidding on a cable franchise in 1982 and it was necessary for me to meet all elected officials in the city because I had to make a presentation to all of the people on the Council, administration, to let them know of my expertise and experience in the cable television industry.

Q. After first meeting her, how did you get to the point where you became a supporter of Barbara-Rose Collins in

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her City Council role?

A. Well, probably because she exemplified a genuine interest in helping poor people and disadvantaged people and homeless and that. I assisted in trying to raise funds for that. She recognized a lot of community people for community work and that's consistent with my history and background in Ohio.

Previously, I worked on the War On Poverty Program in the 60's and 70's and served as chairman in a volunteer capacity for approximately 10 years, have fought, combated crime in -- oh, and have worked on voter registration drives to get minorities and disadvantaged people involved in the process.

Q. What kind of fundraising activities did you perform for Barbara-Rose Collins in her role as City Councilwoman?

A. Just bought tickets to fundraisers.

Q. Did you host any fundraisers?

A. I don't recall when she was a Council person, although I may have. But I don't recall precisely. I haven't hosted a lot of fundraisers. I did host one when she was running for Congress.

Q. Can you find out in consulting of your records, can you find out if you hosted any fundraisers for her when she was a Councilwoman?

A. I don't know what records I would have that would reflect

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that. There's nothing to consul. I mean I just -- I can sit here and think.

Q. Bank records. Did you write a check to cover the costs of the fundraiser?

A. No. If there were any costs, if I had any, they would have come out of the campaign.

Q. Let's turn now to the federal campaigns of Barbara-Rose Collins. Did you participate in any way in Barbara-Rose Collins' 1988 Congressional race?

A. In terms of -- I am sure I supported her. The extent of my participation, I'm not sure. I may have served in some figurehead capacity as chairman of one of her committees. Probably either Campaign Co-chair or Finance Committee or something like that. My name, I think, was used in conjunction with that campaign because I did support her.

Q. What does it mean to have your name be on the Finance Committee or Co-chair?

A. It means a lot in Detroit because I have a very good reputation and people admire the work that I've done in the community. I have a total commitment to the community civically and otherwise. So it's very valuable to have my name associated with your campaign. And I don't do that unless I genuinely believe in the people who are running for public office.

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Q. Who asked you to use your name?
A. She did.
Q. Personally?
A. Yes.
Q. Face to face?
A. Yes.
Q. What was required of you?
A. Nothing special. Just to help her get elected.
Q. In what ways?
A. Use of my name, to help with fundraising.
Q. What does helping fundraising entail?
A. What year are you speaking of, please?
Q. During 1988.
A. '88. I don't think I was that actively involved in fundraising for her at that time. It was more contributions.
Q. Would you solicit funds from other people for her campaign in the role as some kind of fundraiser?
A. I don't think I did that in '88.
Q. Let's turn to 1990. What activity did you have or what roles did you play in Barbara-Rose Collins' Congressional campaign?
A. Mostly a figurehead. I think I participated in one or two meetings with respect to her Finance Committee, people that she selected. And I received no funds nor

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disbursed funds for the campaign. I was not actively involved. I don't think I ever even went to the headquarters for -- of her campaign. I did host a fundraiser at my home for her.

Q. Let's go back. When was the fundraiser at your home?

A. I don't recall the precise date. But it was summertime and it was an outdoor party and it rained and all those people tracked up my house. I remember that.

(Discussion off the record.)

Q. Preprimary?

A. It would have to be if it was summer. I don't know because primaries in Michigan are in August. Generals are in November. But I would say it was June, July, August time frame.

MS. BAKER: Let's have this marked as an exhibit, if you would. Let's go off the record.

(Discussion off the record.)

(FEC Barden Deposition Exhibit No. 1 was marked for identification.)

MS. BAKER: Back on the record.

Q. What we have here marked as Exhibit 1 is several, four sheets of paper purporting to be a calendar of 1990 with June, July, August and November listed. And we have the annotations. One is the Primary Election here is August 7th. And when we go back to July, we have the July 4th

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holiday put in here. And here we have June. So with this calendar in front of you, does that help you place your fundraiser more concretely in time?

A. No, it doesn't.

Q. We're left with a summer day rain?

A. Yes, that's correct.

Q. Can you pinpoint it as before July 4th or after July 4th?

A. No. But I really don't know. Maybe someone else would know. Barbara Rose or someone. And I'm not even absolutely certain that it was June, July, August. I just know that it was supposed to be an outside event. That was four years ago and I can't recall precisely every month of 1990.

Q. Was it catered?

A. I don't think so. It was kind of a cocktail reception.

Q. Would you have any records showing expenses for the fundraiser?

A. No.

Q. Other than Barbara-Rose Collins, is there anyone else who might know that fundraiser's date?

A. I don't know.

Q. You mentioned that in 1990, you were on the Finance Committee for Barbara-Rose Collins' campaign. Who else was on that committee?

A. Actually, I don't remember precisely who was on that

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committee because it was just a figurehead type committee. Most of the functions of the committee was done by her campaign folks, her volunteers. So I -- you know, it was not a working committee that I was involved in.

Q. If you can't remember precisely, can you remember imprecisely who was on the Finance Committee with you?

A. No. I answered it and I just don't remember. If someone could refresh my memory, I maybe could say, oh, maybe, yeah. But it doesn't stand out in my memory as to -- because it was inactive.

Q. Do you have any documents you could consult that would refresh your memory?

A. No, I don't.

Q. Do you have an appointment book listing meetings?

A. No, because it was -- I know the proper word to use. But it was just a list of names, a figurehead-type committee. And any records that were kept or minutes or anything of that nature would have been done, if they were done, by Barbara-Rose Collins' campaign staff of volunteers.

Q. Did you keep any notes or minutes of any of the meetings you attended?

A. No.

Q. When did you attend meetings?

A. I can't recall precisely, but sometime prior to the 1990

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primary.

Q. What was discussed at those meetings?

A. I don't recall precisely. But generally, various plans for fundraisers, that kind of subject.

Q. Did the committee have decisionmaking power?

A. Not really.

Q. What did it do?

A. Just offered ideas and suggestions on how to raise money for the campaign.

Q. What ideas did it come up with for raising money for Barbara-Rose Collins in 1990?

A. I don't recall anything specific other than in general terms. I think the only thing I can actually remember is I volunteered to host a fundraiser.

Q. Was that at the meeting that was prior to the Primary that you are recalling?

A. Yes.

Q. At these meetings, approximately how many people would attend?

A. I only recall one or two meetings. And I don't know how many people were in attendance, but it wasn't a lot.

Q. Two?

A. I can't speculate on what it was. A lot.

Q. 30 people in attendance?

A. I don't recall.

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Q. Prio[illegible]range, fewer than 10?
A. A range, I would say, between five and 10.
Q. Were you aware of other people like yourself who may have been honorary or figurehead members attending those meetings?
A. Well, I said I don't recall precisely. But if you would name some names. I mean I just -- mental recall, I don't recall who was on the committee. I could speculate, but I would rather be factual about what I'm saying.
Q. Were these people known to you?
A. Some of them may have been depending on who they were and are.
Q. I was trying to help prod your memory in some way to see if they were either known to you or you were in a room full of strangers?
A. No, they weren't strangers. But I had only been in town a few years in 1990, so I know people better now than I did then. You're asking me about a mindset of 1990.
Q. Where were these meetings held?
A. I don't remember that either.
Q. In your offices?
A. It's possible.
Q. Who would call them?
A. Probably Staff of Barbara-Rose Collins would be my guess.
Q. If a staff member from the campaign had called your

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offi[redacted] to ask if you could atten[redacted] meeting, would your secretary or someone in your office have placed that on your calendar or appointment book?

A. No.

Q. Would the staff have contacted you directly?

A. It's possible.

Q. Would Barbara-Rose Collins contact you directly?

A. It's possible.

Q. Would Barbara-Rose Collins attend these meetings?

A. I don't recall. There was only one or two meetings and I don't recall if she was there or not.

Q. Did Jim Sharp attend these meetings?

A. Yes, I think he was at one or two meetings.

Q. Did Anthony Soave attend these meetings?

A. Not that I recall.

Q. Did Cara Woods attend the meetings?

A. Not that I recall.

Q. Did the Finance Committee have any regular meetings?

A. No. Only one or two that I know about.

Q. What was the purpose of the Finance Committee?

A. Figureheads.

Q. Would your names be listed on posters, letterhead, campaign materials?

A. Yes. In terms of the campaign stationery for 50 or 60 names. I mean as much as you could put on the left hand

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colu[redacted] and the right hand column[redacted] too.

Q. And your name appeared?

A. My name appeared on that stationery.

Q. And how did you allow Barbara-Rose Collins to use your name other than being placed on the stationery?

A. She listed me on the stationery as the Finance Chairman I think was the title.

Q. What was your understanding that listing you as Finance Chairman would accomplish for Barbara-Rose Collins?

A. Name recognition, integrity.

Q. In a financial sense?

A. A character sense and in a broad sense. I have an excellent reputation in this community.

Q. And what inference was a potential donor to make seeing your name as Finance Committee Chairman?

A. I can't speculate on what someone would think. But I think it would be a credible impression.

Q. Did you ask that you be listed as the Finance Chair?

A. No, I did not ask.

Q. Did someone ask you specifically?

A. Ms. Collins asked me if I would be Finance Chair or Financial Chairman, Finance Committee Chairman or something. I don't know exactly the title, but.

Q. Did you ask her what would be involved in being the Finance Chairman?

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A. I don't recall. But I do remember saying that I can't be actively involved in the campaign. I will not have the time because of my requirements of my business and other civic involvement to be involved on a day to day basis. So it was more a figurehead type position. And I was never asked nor did I desire to either receive funds or disburse funds or file reports. That was not my responsibility.

Q. Did she propose specifically that you be the Finance Chair?

A. I believe so.

Q. Did she give you a choice of possible chairmanships?

A. I don't recall.

Q. When did she ask you to be the finance chair?

A. I don't recall specifically.

Q. Was it in the spring?

A. I don't recall.

Q. Was it hot outside?

A. I don't recall.

Q. Before the Primary?

A. I don't recall. But it would have to be before the Primary.

Q. Would there be anything in documents, memoranda, that would help you recall when you first became associated with the Finance Committee?

A. No.
Q. Besides acting as the Finance Chairman, did you help Barbara-Rose Collins and support Barbara-Rose Collins' campaign in any other way?
A. No, not that -- no, not that I can recall.
Q. In 1990, you did sign a Guaranty for a loan for Barbara-Rose Collins; is that correct?
A. I signed a Guaranty of a personal loan to her.

MS. BAKER: Can you mark this as Exhibit 2?

(FEC Barden Deposition Exhibit No. 2 was marked for identification.)

Q. What has been marked as Exhibit 2 purports to be a copy of a Loan Guaranty dated July 13th, 1990, and it's five pages long and it's signed by Don H. Barden, and ask you to you take a few minutes to look at this document.

(Document reviewed by the witness.)

MR. SIEGEL: Do you want him to read the whole thing?

Q. Do you recognize this document?
A. Yes, I do.
Q. Is that your signature on page five?
A. Yes, it is.
Q. In reference to this Loan Guaranty, let's focus on its genesis and its history, if you will. How did the idea

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for yo[redacted] being a loan guarantor ar[redacted]?

A. Ms. Collins asked me if I would guarantee a loan and I said yes.

Q. What was the context of her asking you?

A. She needed a personal loan.

Q. Did she call you on the phone?

A. I'm not sure if it was on the phone or in person.

Q. Was it a one-to-one, one-on-one meeting?

A. Yes.

Q. Was anyone else there?

A. No, not to my knowledge.

Q. When was that meeting?

MR. SIEGEL: Excuse me. You kind of like turned this into a meeting.

MS. BAKER: I'm sorry.

A. I didn't say it was a meeting. That wasn't my answer.

MR. SIEGEL: I know. But she keeps on saying what was the meeting.

Q. You had one-on-one contact with Barbara-Rose Collins?

A. Yes. So the question is when was the contact.

Q. When was the contact?

A. I would say approximately a month prior to mid-July.

Q. Sometime in mid-June?

A. I would say approximately, yes.

Q. Looking at what has been marked as Exhibit 1, the

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calend sheets beginning June, 19 can you pinpoint when that contact with Barbara-Rose Collins took place?

A. No, I said I can't pinpoint. But I can say approximately the middle of that month of June, 1990.

Q. What did she say to you?

A. I don't recall precisely.

Q. Do you recall generally the gist of the conversation?

A. Except for her need, she was unable to get a loan and she needed a guarantor for a personal loan.

Q. Did she tell you that she had tried to get a loan?

A. I'm not sure.

Q. What did she tell you the loan was for?

A. For her personal use and that she may lend some of it to her campaign.

Q. Did she indicate what she needed it for in terms of her personal use?

A. No.

Q. Did you ask?

A. No.

Q. In terms of lending some for the campaign did you make inquiries about what the fund would be used for?

A. I inquired as to if this would be okay, because I wanted to make sure that it was okay.

Q. Were you aware in 1990 at the time of that contact with Barbara-Rose Collins that the Federal Election Act places

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limits to the amount an individual can contribute to a Congressional candidate?

A. Yes.

Q. Were you aware at that time that a loan constituted a contribution?

A. Absolutely not.

Q. Were you aware at that time that a Loan Guaranty constituted a contribution?

A. Absolutely not.

Q. Did you ask Barbara-Rose Collins at that time whether your Loan Guaranty would constitute a contribution to her campaign?

A. Yes, in a sense. Because I said, "I know there are limits to contributions", and which in my view is a thousand dollars. So I wanted to make sure of that. And I also was under the impression that if you are the candidate yourself, there is no limit. That was my knowledge of the law. So if a person contributed money personally, there was no limit. And that was the gist of my question, because she was contributing the money or lending the money, a portion of it, some of it to her Campaign Committee.

Q. What assurances did she give you that you would be within limits if you guaranteed?

A. She gave me her words and her assurance that she had

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checked this out.

Q. Did she indicate the person or source of her information?

A. No, she didn't.

Q. Did you inquire?

A. No, I didn't.

Q. What amount did she ask you to guarantee?

A. I don't recall precisely, but I know that she wanted to borrow $75,000.00. She asked at that time if I would guarantee a portion of it. And I don't know if I volunteered $50,000.00 or if she suggested it. But that's what it ended up being.

Q. Did you talk to anybody else about being a guarantor for $50,000.00?

A. No, I didn't.

Q. Do you know who the other guarantors were for the requested $75,000.00 loan?

A. Not factually. When I went to the bank to sign, I did see Mr. Sharp there along with Ms. Collins. So I didn't see him execute anything because I was in and out in a very short period of time. And -- but since I knew she wanted to borrow $75,000.00, my assumption was that Sharp was going to guarantee the balance.

Q. Let's step back and take you to that meeting at the bank that you attended and fill in some of the details from the time Barbara-Rose Collins asked you to guarantee and

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then you agreed and then you got the signed. So let's go back and do it step by step.

Barbara-Rose Collins contacted you. You agreed to guarantee 50,000. Then what happened?

A. Then like a day or two or sometime, I got a phone call to come by the bank to sign the note. And I went to the bank and walked in to the President's Office and Larry Jones, the President, and Barbara-Rose Collins and Mr. Sharp were there. And I walked in and because I was very busy that day and inquired as to what the rate was and the payment terms and I was told that information.

Q. By Mr. Jones?

A. Yes. And exchanged pleasantries and left.

MS. UTRECHT: Can we clarify something? When you said a day or two, you mean a day or two before you went into the bank? Not a day or two after you had your first conversation with her?

A. Yes, that's correct.

MS. UTRECHT: Okay.

A. Yes.

MS. BAKER: Now I'm unclear. I'm sorry.

Q. You had your first conversation.

A. First conversation was about a month before.

Q. Yes.

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A. Asking about my willingness to do this, which I said yes. The actual call to come and sign was a couple of days prior to the signing.

Q. Did Barbara-Rose Collins call you?

A. Yes.

Q. Personally?

A. Yes.

Q. Can you, if we look at the calendar, Exhibit 1, can you pinpoint, approximate the time you went, we have it annotated that you signed on the 13th. That was Friday the 13th.

A. Yes, that's why it's --

(Discussion off the record.)

Q. The holiday is the previous Wednesday.

A. Yes.

Q. And on the 13th.

MS. UTRECHT: I don't believe he has testified yet as to what day he went in. I mean you have that on your calendar.

Q. The document, precisely. The Guaranty that you signed is dated July 13th, 1990. Is that the day you signed it?

A. I don't know precisely, but I would say it was either the 13th or the 16th. 13th is a Friday and the 16th is the following Monday.

Q. Why do you say it was either the 13th or the 16th?

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A. Because subsequent to signing it, I received, I mean, a copy of the document. And it's obvious that there are two different dates.

Q. And?

A. And I did sign it because I acknowledged my signature. So I had to be there one of those two days.

Q. You're not certain whether it was the 13th or the 16th?

A. Not absolutely.

MS. BAKER: I will just place an asterisk on the 16th of July to indicate that Mr. Barden may have signed on the 16th rather than on the 13th that the document has stated.

Q. Given that the signing was either the 16th or the 13th, can you locate approximately when Barbara-Rose Collins called you and asked you to come down and sign the forms?

A. I would say the week of the 9th. Sometime between the 9th of July and the 12th of July would be my estimate.

Q. Prior to signing this document, Exhibit 2, did you fill out any forms for the bank's use as part of being a loan guarantor?

A. If I did, I would have done it the day that I was there.

Q. Were you asked to fill out a Personal Financial Statement?

A. I either delivered one when I got there or they already had one on file. But they did ask for it. I mean I did

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provide it.

Q. Who at the bank asked you to provide that?

A. Mr. Jones I believe.

Q. Mr. Jones is?

A. He was president of First Independence.

Q. When you went to the bank to sign the document, you testified that Ms. Collins was there, Larry Jones was there and Jim Sharp was there?

A. That's correct.

Q. Was anyone else in the room?

A. No, not that I can recall.

Q. Where in the bank did you sign the document?

A. I don't know if it was in Mr. Jones' office or in the Loan Department, which is in the basement. I don't recall exactly. It may have been in the basement in the Loan Department.

Q. Were there any documents visible to you on the table other than the Guaranty you were to sign?

A. No.

Q. The Loan Guaranty, Exhibit 2, is witnessed by the two people whose signatures are written here, Arlene Mains and Martha Thomas. At what point did they witness your signature on this document?

A. Well, that probably -- when I signed it in the basement, because I know Arlene Mains and I do recall her actually

doing [redacted] paperwork.

Q. Would she have been the person who asked you for your Personal Financial Statement?

A. It's possible.

Q. You say that she handled the paperwork. What does the paperwork include other than the Loan Guaranty that you signed?

A. That's it. This is the paperwork.

Q. Take me through the meeting once again. You walk in. There are people in a room. Are they sitting down?

A. I don't recall if they were seated or standing. But they were in the room. I walked in and said, "hello, I'm in a hurry".

Q. Who was in charge of the session?

A. There was no session to my knowledge. I was only there a few minutes. I said "hello" to people. And I said, "okay. What is the rate? What is the repayment time frame? And it's a personal loan. Where do I sign so I can get out of here? I'm in a hurry".

Q. Did anybody explain to you the nature of the loan?

A. Yes. Not an explanation. I knew what the loan was. It was a personal loan that I was guaranteeing for Barbara-Rose Collins.

Q. Whom did you ask about the interest rate?

A. Mr. Jones.

Q. What time of day did this transaction occur at the bank?
A. I don't recall precisely. But there is no need of me guessing because I don't recall.
Q. First thing in the morning approximately?
A. I would say either just before lunch or right after lunch. Right in that area.
Q. Lunchtimeish.
A. Before or after. Or to put it a better way, during the normal course of business hours, nine to five.
Q. Did Mr. Sharp see you sign the Loan Guaranty?
A. I don't know.
Q. Was he in the room when you signed the Loan Guaranty?
A. I don't know because I don't know if I signed it down in the Loan Department or in that room. I don't remember. That was four years ago.
Q. Let me try to understand. There's a room with Jim Sharp, Barbara-Rose Collins, Larry Jones and you in it. What transpired when those people were together in the room?
A. "Hello. I'm in a hurry. Let's get to the bottom of this. I'm here to guarantee the loan. How are you doing"?

"Fine. And you"?

"Fine. Mr. Jones, what is the rate? Okay. What's the pay back period? Okay. Where are the papers"?

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Maybe that's when he called Arlene in with the papers and I either signed them there or I went downstairs and signed them in her department. That's it.

Q. Who suggested that Barbara-Rose Collins get a loan at First Independence National Bank?

A. I don't know.

Q. Have you ever held any positions at First Independence National Bank?

A. Yes.

Q. What positions have you held there?

A. I was a Director.

Q. What years were you a Director?

A. I don't recall precisely. I think I left there in either fall of '91 or the fall of '92. But I was there for four or five years would be my estimation.

Q. In general, what role does the Board of Directors play in approving loans at First Independence National Bank?

A. Just loans of certain size. I think over a half a million dollars.

Q. Does the board approve personal loans?

A. I don't think so unless they're over half a million dollars.

Q. From your experience as being on the Board of Directors, would it be routine to have the board approve a $25,000.00 loan?

A. That would not be routine.
Q. Would it be routine to have the board approve a $50,000.00 loan?
A. That would not be routine.
Q. Would it be routine for the Board of Directors to approve loans to a politician?
A. Say that question again? Would it be what?
Q. Would it be routine for the Board of Directors to be involved in approval for a loan for a political candidate?
A. No, it would not be routine.
Q. Does the board become involved in unusual circumstances for loans less than half a million dollars?
A. No, not to my knowledge.
Q. Who has loan approval for personal loans, consumer loans less than half a million dollars at FINB, First Independence National Bank.
A. During the time I was there?
Q. During the time you were there, yes.
A. I would -- certain officers.
Q. Can you name them?
A. I don't know the individuals. It would be titles. I would say from probably the chairman and the president, if I recall, had a certain limit which I think was a $500,000.00 limit that they could approve. And then

there was another limit, of which I don't recall the precise amount, of what the executive vice presidents could approve without board approval. And all the way down to branch managers at a certain level that they could approve.

Q. How large a loan could someone like Arlene Mains approve?

A. I don't recall.

Q. Do you have any way of remembering, recalling or getting the information about the levels of loans and loan approvals that you have just sketched out?

A. No.

Q. There is no memorandum from the bank listing the hierarchy in their approval that was given to you?

A. No. Oh, I'm sorry. Was given to me?

Q. Yes. Given the structure and the loan?

A. While I was serving at the bank, we had a book in front of us at the board meetings but you're not permitted to take your bank book out. It was all private, confidential information. So I don't have any thoughts.

Q. What role did the Board of Directors play in approving Barbara-Rose Collins' loan for $50,000.00, which you've guaranteed?

A. None to my knowledge.

Q. Did you have any role in approving the $50,000.00 loan?

A. Nothing other than my guaranty.

Q. As a director on the board of the bank, did you play any role in approving any other loans to Barbara-Rose Collins?

A. No.

Q. After you signed the document at the bank, what was your next involvement with the Loan Guaranty?

A. Nothing.

Q. Were you eventually released from your obligation of the Loan Guaranty?

A. Yes. Well, next I heard after the signing that there was this article in the paper.

Q. Which article in the paper?

A. That Ms. Collins had filed a Complaint against herself with the Federal Election Commission. And I hit the ceiling. I was absolutely outraged, infuriated, if you will, and stressed about the whole situation because I was under the impression that what she had done with respect to this was perfectly permitted. And in fact even, if you will, I cursed her out.

Q. How so? How so? What do you mean by you cursed her out?

A. Cursed out means in this context that I said, "why the hell did you tell me this was okay"?

And she said she thought it was okay and she told me that.

Q. Did you call her on the phone?

A. Yes.
Q. Is that how you had your contact with her?
A. Yes.
Q. Did you have any one-on-one contact with her to express your displeasure?
A. You mean person to person?
Q. Yes.
A. I don't know if I did it by telephone or person to person. But I communicated my frustration and disgust.
Q. What response did you get?
A. That she was very apologetic and said she was under the impression and she was told that it was okay for her to lend her personal funds to the campaign.
Q. And what was your reaction or response?
A. I said, "I relied on you and you didn't really check this out thoroughly enough".
Q. And then what?
A. That was it and she was apologetic and that was about the end of it.
Q. Have you had any contacts with Barbara-Rose Collins or her representatives subsequent to that contact you have just described about the Loan Guaranty and possible violation involved?
A. Contacts in what context?
Q. Have you phoned her?

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A. About?

Q. Talked to her about being a respondent in the FEC investigation?

A. No, I haven't discussed this matter. I mean I see her in the normal course. This is a confidential type thing. And once my lawyer learned of this, he said, "you're not supposed to discuss this". And I haven't with anyone because I'm very particular about my affairs. So though I have seen Barbara Rose and talked to her on several occasions since 1990, I've not discussed this matter, if that is your question.

Q. Have you discussed being involved in an FEC investigation with anyone other than counsel and Barbara-Rose Collins?

A. No, it's a confidential matter. I have not discussed this subject matter.

Q. You have testified that Jim Sharp was at the bank when you went to the bank to discuss her Loan Guaranty and to sign some papers and indicated that you have assumed other people were involved and that Jim Sharp was involved in some way because he was present. When you discovered that there were problems with your Loan Guaranty?

A. There was problems with my Loan Guaranty?

Q. With the Loan Guaranty to Barbara-Rose Collins and after the newspaper article came out.

A. I see.
Q. Did you know that Jim Sharp also was involved?
A. Not really. I don't think I knew of Sharp being involved until I saw the Complaint, you know, the FEC.
Q. Do you know Jim Sharp?
A. Casually.
Q. How frequently do you see Jim Sharp?
A. Casually on a run in basis. But he is not a social friend or acquaintance or business associate or anything of that nature. Just as I would see probably half the business community of Detroit.
Q. What kind of events?
A. Civic events. I'm active in a lot of civic affairs. Chamber of Commerce, New Detroit, Michigan Cancer Foundation. A lot of those kind of events.
Q. Is Jim Sharp also involved in any of those?
A. Some of those functions. Yes, I see him at some of those functions.
Q. Was Jim Sharp involved in Barbara-Rose Collins' campaign?
A. I don't know to what extent, if any, he was involved, but I know that he was trying to help her.
Q. Did he approach you at any time for support for Barbara-Rose Collins?
A. Not that I recall.
Q. Did you at any time ask Jim Sharp if he also was in a

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position similar to yours in respect to the FEC and the loan guaranties to Barbara-Rose Collins?

A. I'm sorry. I didn't understand that question.

Q. Have you ever discussed with Jim Sharp his position as a loan guarantor for Barbara-Rose Collins?

A. After I found out he was involved, I never discussed the matter but I just vented my frustration in passing.

Q. When was that?

A. Oh, I don't -- probably this has been going on since 1991 or something or whatever. But I would say maybe two or three times since that time in the normal course of travel. Whenever this little baby surfaces, big baby surfaces as far as I'm concerned.

Q. What would the gist of venting your frustration be?

A. "I can't believe this".

Q. And his response?

A. Like yeah, I know type response.

Q. And would he commiserate with you?

A. No, that was it.

Q. Did you vent your frustrations with anyone else?

A. No. My lawyer.

MS. UTRECHT: Well, I think he has already testified that he did with Barbara-Rose Collins.

Q. I'm sorry. Other than Barbara-Rose Collins?

MS. BAKER: Could we go off the

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record?

(Discussion off the record.)

(A recess was taken.)

MS. BAKER: Back on the record. We're back on the record after a short break.

Q. Mr. Barden, we've gone over a broad general history of your Loan Guaranty and how it came to be. And now I would like to go back and fill in some of the details in this history. You mentioned several events in the unfolding of the Loan Guaranty transaction, and I would like to see if we can put them in relationship to one another. What happened first, what happened second, third, fourth and so on.

Will you look at the calendar that is marked Exhibit 1 with the June, July and August months in it. We know that you had attended a meeting at the bank on either the 13th or the 16th of July. That's when you signed your Loan Guaranty?

A. Yes.

Q. One of those two days. So let's see if we can place in relationship to the signing of the Loan Guaranty your fundraiser for Barbara-Rose Collins. Was the fundraiser before or after?

A. I don't know.

Q. Let's turn our attention to June, 1990. You have

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indicat[redacted] that Barbara-Rose Collin[redacted]ontacted you about guaranteeing a loan for her in about mid-July?

A. Mid-June.

Q. I'm sorry. Mid-June.

A. Yes.

Q. Had you been involved with her campaign prior to that time?

A. I would guess. I think so.

Q. You have indicated that there were Finance Committee meetings. Approximately how many meetings?

A. One or two. I said in the neighborhood of one or two. I don't recall precisely. But I don't think that there were more than that that I was involved in.

Q. Assume there was one meeting for the time being. Was that meeting before or after Barbara-Rose Collins asked you to guarantee the loan for her?

A. I don't remember if it was before or after.

Q. Would anything help you remember?

A. Not that I can think of. I don't know. I just don't know. I just don't remember.

Q. Did you keep an appointment book in 1990?

A. No. I mean yes and no. Yes.

Q. What's the yes part of your answer?

A. Yes. But I -- you know, something like that. And in fact, my lawyer asked me that and I looked it up and

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there was nothing in there relating to this.
Q. Do you have a calendar book for 1990, an appointment book?
A. Yes.
Q. Do you have pages for the months for June, July and August?
A. Yes.
Q. Could you make those available, please?
MS. UTRECHT: Well, he has already said that he looked at it and there wasn't anything related to this transaction.
A. Yes. That's what I said and that's what I did.
Q. What kinds of information would be put on your calendar book?
A. Possibly my business meetings, my scheduled appointments inside and outside the office. I notice that I had like a series of interviews for like it was a secretary, a series of entries like for people who I was interviewing for a secretarial position that I had open.
Q. When was that?
A. Why?
Q. When was that?
A. In 1990.
Q. June?
A. In June yes.

Q. July?
A. In June.
Q. In July, had you already hired a secretary?
A. I don't recall when I hired.
Q. Is that something you could find out?
A. Yeah, I could call my secretary and ask her when she was hired. I could call her right now if you would like.
Q. Who is the keeper of the appointment book?
A. I am.
Q. Are you the only one to make entries in the calendar appointment book?
A. No.
Q. Who else has access to it?
A. Occasionally, my secretary does.
Q. If you were called to a meeting at the bank, is that the kind of entry that would be on your appointment book?
A. No, I don't think so.
Q. You've indicated that the day you went to sign the loan at the bank, you were very, very busy. If you looked at your calendar book, could you pinpoint whether it was the 13th or the 16th?
A. I already did that and I couldn't.
Q. The meetings that you attended of the Finance Committee, assuming there were two not one, were they close together or far apart?

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A. Well, I would have to -- if I knew that, then I would know that there were two. So since I don't know if there were one or two, I can't say if they were close or far because I don't remember how many there were.

Q. What makes you say that there was more than one?

A. Because I don't remember precisely. And there is a possibility there was more than one. I know factually, there was at least one, but there may have been another one. So that's why I said maybe one or two. One, yeah. Two, I'm not positive. So that's why I said one or two.

Q. I'm trying to help you remember.

A. I appreciate that.

Q. So indulge me for a moment. Was that the Finance Committee meetings that you did attend early in the campaign, late in the campaign?

A. I don't recall precisely. I do know that it was before the Primary.

Q. So that would place it in June.

A. I don't know.

Q. And July or?

A. I don't know. Before the Primary. I would say the year before the Primary. Somewhere in that time. I just don't know. Somewhere prior to election.

Q. When Barbara-Rose Collins asked you to guarantee a loan, what did she tell you guaranteeing a loan meant?

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A. I'm not sure that she told me what guaranteeing a loan meant.

Q. What did she ask you to do?

A. She asked me to guarantee a loan, a personal loan for her.

Q. At any time did you discuss with her what it meant to guarantee a loan?

A. Not that I recall.

Q. What did you understand that she was asking you to do?

A. She was asking me to guarantee a loan, a personal loan.

Q. I'm sorry.

A. Go ahead.

Q. I don't want to interrupt you.

A. I've guaranteed personal loans before. I've guaranteed a loan for a young man who was about to lose his home a very similar transaction. Walked in and signed my name. He was one of my best suppliers to my business and he had had some difficult times. So I personally guaranteed a personal loan for him.

And I also have guaranteed loans for my brother-in-law who went into business and I'm still paying for it. But so, it's not unusual. That was not the only time in my life that I've done that.

Q. Had you guaranteed loans for people prior to the time of guaranteeing Barbara Rose Collins' loan?

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A. I don't know precisely when. The other loan I mentioned I guaranteed for the young man about to lose his home, that happened this year, in '94. When I guaranteed the loan to my brother-in-law, I don't recall exactly when that was. But I would guess that it was -- may have been prior to this or right after that or something like that. I would have to -- I think that's about it relative to what I've guaranteed.

Q. Is there a way to find out the dates for those guaranties?

A. The dates for which guaranties.

Q. Not the Barbara-Rose Collins ones. The other guaranties of loans you've done in 1994. But you remember the brother-in-law loan date. Do you have any documentation indicating that time period?

A. Yeah, I could probably find that out.

Q. Would you?

A. Yes.

Q. Thank you. Have you ever made a loan to a public figure or a politician?

A. No.

Q. Have you made a loan guaranty to a public figure or a politician?

A. None other than Barbara-Rose Collins.

Q. Coming back to what you understood was being asked of you

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in guaranteeing a loan, focus on the word guaranty and let's not the use the word guaranty. But explain to me, if you will, what you thought was required of you or what your liability would be?

A. When you guaranty the loan, the loan was not paid back, I may have been liable for the amount of the guaranty that I signed.

Q. You indicate may have been as a kind of contingency. You understand that you only may have been liable?

A. Yeah. If the loan was not repaid, then I knew that I was subject to conditions of a guarantor. And when you guarantee a loan, that is, you pay it.

Q. And that you would be responsible for the outstanding amount up to $50,000.00 plus interest?

A. Yes, that's correct.

Q. Did Barbara-Rose Collins indicate to you that that is what she expected you to do?

A. What?

Q. To obligate yourself financially for a $50,000.00 loan plus interest?

A. She just asked if I would guarantee that and I said yes.

Q. Did she use the word guarantee?

A. Yes.

Q. Did Barbara-Rose Collins indicate anything else that she expected to do in guaranteeing this loan?

A. No.
Q. Did she call you to sign the papers at the bank?
A. I believe so.
Q. Was she aware that you had to sign papers?
A. I believe so because she called and asked me to come in and sign, so.
Q. So she specifically requested your presence at the bank for signing some papers?
A. I believe so.
Q. Were you asked at the bank to verbally vouch for Barbara-Rose Collins' creditworthiness or ability to pay?
A. Not that I can recall.
Q. Were you asked to give a character reference?
A. Not that I can recall.
Q. Was signing the Loan Guaranty the way that you guaranteed her loan?
A. I don't quite understand the question.
Q. Was signing the Loan Guaranty the act, the only act that constituted guaranteeing Barbara-Rose Collins loan?
A. To my knowledge.

MS. BAKER: Off the record.

(Discussion off the record.)

(A recess was taken.)

MS. BAKER: Back on the record.

After a break, we have had a discussion in which we

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discussed the time line of the events that Mr. Barden has mentioned in his previous testimony and he has agreed to look at his calendar today, his personal calendar, and to see if the calendar reveals any meetings with Barbara-Rose Collins, including lunches and dinners, meetings with the Finance Committee and his home fundraiser and any meetings at the bank related to the Loan Guaranty transaction.

MS. UTRECHT: Now let me just clarify on the record that he will do that today. I mean if there is something on there that arguably falls within this but he doesn't recall whether he actually had that meeting or what it was, then we may not be able to tell you that precisely today or tomorrow and he may and to try to remember what it was. What would you prefer him to say, he can't remember whether he did it or not?

MR. BERNSTEIN: Well, I think for starters what we would like is for you to deliver to us before the end of the day today copies of anything that falls within that category and we can deal then with the question afterwards about what Mr. Barden's memory is about whether, what it was and whether he attended it; or is that satisfactory?

MR. SIEGEL: We just tell you?

MR. BERNSTEIN: Oh, no. I am

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referring to copies.

MS. UTRECHT: You want copies?

MR. BERNSTEIN: Yes.

MS. UTRECHT: Okay. Then we would give you a redacted calendar then. I mean we would eliminate the entries that don't have to do with these specific things.

MR. BERNSTEIN: I think that's acceptable and, obviously, that's something we can take under advisement. If we had any question about that, that's something we could raise.

MS. UTRECHT: Then my next question though is if you've got additional questions about that, does that mean that you're going to have to do that by deposition again or is that something that we can address through an affidavit from Mr. Barden?

MR. BERNSTEIN: I think we can't really tell at this time.

Q. Let me turn your attention back to the time of prior to the Primary and the campaign, the Barbara-Rose Collins Campaign. Were you aware in the June, July period of the financial needs of Barbara-Rose Collins' Campaign Committee?

A. I'm not sure of campaign needs.

Q. Was that kind of topic discussed at the Finance Committee

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meetings?

A. Not that I recall any specific topic other than holding fundraisers.

Q. Was the topic of loan guaranties ever discussed at the Finance Committee meetings that you attended?

A. No, not to my knowledge.

Q. Do you know Coley and Associates, C-o-l-e-y, here in Detroit?

A. I've heard of that name.

Q. Do you know whether they did any work for Barbara-Rose Collins campaign in 1990?

A. I don't know.

Q. Were media needs mentioned in the Finance Committee meetings?

A. Not to my knowledge.

Q. You have indicated that you supported Barbara-Rose Collins in 1990 and in 1988 in her congressional races?

A. Yes.

Q. Do you have any documents that indicate that you made a financial contribution to her congressional races?

A. No, not that I can recall.

Q. Did you write a check?

A. Perhaps.

Q. Would you have copies of your checks?

A. I don't know that I would have them back that far.

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Q. Could you ask the bank to supply a copy?

MS. UTRECHT: If you don't even have a date for a check like that, it's not easy for a bank to do a microfilm search for copies of the checks.

MS. BAKER: Actually, the bank can run an account and get a whole account.

MS. UTRECHT: That's expensive to do.

Q. Do you have a check register?

A. No.

Q. That's the part of the checking book where you write down the check number and the date and the amount as opposed to the copies of the checks.

A. No, I don't keep those registers. I know what a register is and I don't keep track of it because I don't write many personal checks.

Q. It is your testimony though that you made a contribution to Barbara-Rose Collins in 1988?

A. I said I may have or probably did, but I'm not certain. I don't remember back that far.

Q. 1990?

A. I know I did in 1990.

Q. Actually, the public record does not show that you made a contribution to Barbara-Rose Collins in 1990, the public records maintained at the Federal Election Commission. And so, if you had documentation for that contribution.

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A. If I [redacted]w a contribution in 1990?

Q. That's correct.

A. I don't understand how the Federal Register Records work. And I mean I don't -- but I can look to see to verify if that is correct.

Q. Do you recall the amount?

A. No. I guess my thought is why wouldn't I make a contribution? If I was inadvertently overlooked, I'm happy.

Q. Have you supported Barbara-Rose Collins after 1990?

A. Yes.

Q. When?

A. In '92.

Q. How much did you contribute?

A. I don't recall the exact amount. Probably a thousand dollars would be my estimation.

Q. Have you made a contribution in 1994, Barbara-Rose Collins?

A. I am sure I was asked. I don't know if I did or didn't. If I did, it was probably a thousand dollars, if I did. I am sure I was asked. I don't know if I have done it yet or not.

Q. Let me just catch up a couple of loose ends here. What is your educational background?

A. I went to Inkster High School in Inkster, Michigan and

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one year of college at Central State. Inkster High School, Inkster, Michigan, a graduate. One year of college Central State University in Ohio. I had to drop out. Did not have money. I'm from a large family of 15, including mom and dad. And I have two honorary doctorate degrees from Marygrove College and Lewis Business College. Basically, because of contributions I've made civically and otherwise, including service on boards, providing shelter for battered women, providing assistance for distressed young males and females, et cetera.

Q. Did you serve in the military?

A. No.

Q. You are entitled to a witness fee for having appeared today along with mileage. And when we receive word of how many miles you traveled, we will send a check to you for the government's modest sum.

A. I would like to just say one thing about this. The mileage and that is not important to me, so I don't mind waiving it. But I want to say that, if you will permit me to say, that this is very significant to me because of my reputation.

Q. The Commission has appreciated your cooperation in the past and certainly appreciates your appearance today and the documents that you have indicated that you will

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check. The Commission continues appreciate any help that you give.

A. I'm fully willing to do that and -- but my character and my reputation is dear to me. I am a role model for a lot of young people.

(Discussion off the record.)

MS. BAKER: Back on the record. We're back on the record after a short break and we're finishing up. And Mr. Barden had been making comment about how important this matter was to him because of the importance of his reputation. And to finish up --

A. And I don't want a blemish on my record for a lot of reasons, including a lot of young people look up to me, tens of thousands. And this is not a good example.

Q. The final matter would be to simply place on the record the request of getting the documents that have been mentioned in the course of the deposition.

MR. BERNSTEIN: Yeah, there were only two items that we mentioned on and off the record.

MS. UTRECHT: Right.

MR. BERNSTEIN: One was the date of the loan guaranty to your brother-in-law that you mentioned. And that's all we need is the date that it took place. And the other was review of your records about whether in fact you made in 1990 a contribution to

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Barb[redacted]-Rose Collins. And the l[redacted] is the one that you already left out on the record that we can wrap up today, which is just a review of the calendar.

MS. UTRECHT: We will look at the calendar this afternoon. And where are you all going to be this afternoon?

MR. BERNSTEIN: We can actually, once we go off the record, we can tell you.

MS. UTRECHT: All right.

MS. BAKER: We will adjourn the deposition.

(Discussion off the record.)

MS. BAKER: Back on the record.

Q. Mr. Barden, you are permitted to read and sign a transcript of this deposition and it will be at the offices of Renaissance Transcription Services. This card is here. So you will be able to read and sign and make changes in the deposition transcript itself. Will you do that?

A. Pardon me?

Q. Will you be reading it?

A. Yes.

MS. UTRECHT: Are they going to notify you when it's ready or can they just call one of us directly or how do you want to handle that?

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MR. BERNSTEIN: Yes, they can contact you directly so that Mr. Barden can visit. Why don't you have them call Ms. Utrecht when it's ready.

(Deposition adjourned at 11:00 a.m.)

- - -

DON H. BARDEN

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CERTIFICATE OF NOTARY PUBLIC COURT REPORTER

I do certify that the witness whose attached deposition was taken before me in the above-entitled matter was by me first sworn to testify the truth; that the testimony contained herein was by me reduced to writing in the presence of the witness by means of stenography, and afterwards aided by computer transcription. The deposition is a true and complete transcript of the testimony given by the witness.

I do further certify that I am not connected by blood or marriage with any of the parties, their attorneys or agents, and that I am not an employee of either of them, nor interested, directly or indirectly, in the matter of controversy.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at Detroit, Michigan, County of Wayne, State of Michigan, this 31st day of July, 1994.

Muriel E. Charbonneau

Muriel E. Charbonneau, CSR-0097
Notary Public
Wayne County, Michigan
My Commission expires: 10/9/96

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In the Matter of)
)
) MUR 3181
)
)

C O N F I D E N T I A L

DEPOSITION OF MARTHA THOMAS

Thursday, July 14, 1994

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C O N F I D E N T I A L

Deposition of MARTHA THOMAS, taken on behalf of the Federal Election Commission, at 817 Federal Building, 231 Lafayette Boulevard, Detroit, Michigan, commencing at 2:35 p.m., Thursday, July 14, 1994, before Muriel E. Charbonneau, Certified Shorthand Reporter, No. 0097.

APPEARANCES:

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Appearing on behalf of the FEC.

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INDEX

WITNESS:		PAGE
MARTHA THOMAS		
Examination by Ms. Baker		4

EXHIBITS

FEC THOMAS DEPOSITION EXHIBIT NO.	IDENTIFICATION	PAGE
1	Notice to Witness, Subpoena Letter from Baker to Van Wyke.	7
2	Letter to Woods from Thomas - 12-3-90.	22
3	Letter to Sharp from Thomas - 12-3-90.	24
4	Loan Guaranty - 7-13-90.	25
5	Letter to Barden from Thomas - 12-3-90.	30
6	Loan Presentation - 7-16-90.	32
7	Consumer Loan Department - Loan Documentation Checklist.	35
8	Notice to Cosigner.	38
9	Memo to Mains - 3-25-91.	41
10	Consumer Loan Application.	50

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Detroit, Michigan

Thursday, July 14, 1994

2:35 p.m.

- - -

M A R T H A T H O M A S ,

was thereupon called as a witness herein, and after having been first duly sworn to tell the truth, the whole truth and nothing but the truth, was examined and testified as follows:

EXAMINATION BY MS. BAKER:

Q. This is a Deposition being taken pursuant to 2USC 437G for the Federal Election Commission in an investigation that has been titled Matter Under Review 3181.

I am Holly Baker and with me is Jonathan Bernstein. We represent the Commission in its investigation in the deposition today. The court reporter will be taking down everything we say. And in order for her to be able to get a record of what goes on today, we have to speak in words and answer in words. So will you be able to answer questions verbally?

A. Yes.

Q. You are under oath in the same way that you would be under oath in a court. If you don't hear or you understand one of my questions, will you let me know?

A. Yes.

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Q. If for a[redacted]reason you need a break, [redacted]l you please let me know?

A. Yes.

Q. At any time if you come to realize that one of your answers is incomplete, please let me know and we can go back and fill in any information that you want to add.

A. Okay.

Q. Are you represented by counsel today?

A. Yes.

Q. And who is your counsel?

A. Jerry Van Wyke.

(Discussion off the record.)

Q. What is your full name?

A. Martha Thomas.

Q. And do you have a middle initial?

A. L.

Q. And your address?

A. 1488 A, as in apple, Robert Bradley Drive?

Q. Phone number?

A. I'm sorry. That's my work number.

Q. I'm sorry. On your address, what city?

A. Detroit.

Q. And your social security number?

A.

Q. Date of birth?

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A.

Q. Are you married?

A. Divorced.

Q. What was your former husband's name?

A. Charles Thomas.

Q. When did you divorce him?

A. About three years ago. I don't remember the exact date.

Q. 1991?

A. Yeah, June 20th or something like that.

Q. Your business address?

A. 7020 West Seven Mile, First Independence Bank, Detroit 48221.

Q. Phone number there?

A.

Q. And your education?

A. High school, Certificate from Lewis Business College.

MS. BAKER: I would like to have these pages marked as an exhibit. First page is the Notice to Witness, Right to Financial Privacy Act, two page, a Subpoena from the Federal Election Commission to the First Independence National Bank. There's a two page letter from Holly Baker to First Independence National Bank indicating compliance with the Right to Financial Privacy Act.

(FEC Thomas Deposition Exhibit No.

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1 was marked for identification.)

(Discussion off the record.)

Q. Ms. Thomas, I would ask you to look at what we have marked as Exhibit 1.

(Document reviewed by the witness.)

A. Okay.

Q. Do you understand the limits on the testimony today?

A. Yes.

Q. What is your current occupation?

A. Banker, Branch Manager.

Q. How long have you held that position?

A. About 15 years.

Q. What are the duties of a branch manager?

A. To make sure that the branch office is operated efficiently and profitable.

Q. How do you do that?

A. Providing A-1 service to our staff -- I'm sorry -- to our customers, providing service to our customers, being able to fulfill all of their banking needs. We're open certain hours in order for them to come in and to be able to handle whatever type of transaction they might have.

Q. Do you supervise other bank's personnel?

A. I have approximately about eight employees that are under my supervision.

Q. Who is your supervisor?

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A. John Boudreau.
Q. How do you spell his last name?
A. B-o-u-d-r-e-a-u.
Q. And what is his title?
A. I think it's Executive.
MR. VAN WYKE: Senior Vice President.
A. Senior Vice President, Branch Administration.
Q. Let's go back to what it means to be a branch manager. What kind of issues do you handle during the course of a day at the bank?
A. Well, opening up new accounts, dealing with any problems that a customer might have, and managing the branch staff. The accounts could be savings, checking, loan applications, Mastercard, mortgage applications. Anything that the customer needs in the financial area.
Q. What is involved with opening a loan, taking out a loan at your bank?
A. There's an application that has to be completed by a customer. The customer fills the application out. We in turn fax the application down to the main office where it's processed.
Q. In 1990, were you a branch manager?
A. No. In 1990, I was a Consumer Loan Officer.
Q. In what office?
A. Working at the main office.

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Q. And where is the main office located?
A. It's located at 44 Michigan Avenue.
Q. In Detroit?
A. Yes.
Q. When did you first start working at First Independence National Bank?
A. The day that it opened in 1970.
Q. What was the date in 1970?
A. I believe it was May 14th.
Q. And what position did you hold?
A. I was a teller.
Q. How long were you a teller?
A. Oh, gosh. I would say a couple of years. I can't recall the exact time frame.
Q. And then what position did you hold?
A. I moved from teller to vault teller to head teller.
Q. Hold on here. Vault teller, head teller?
A. Yeah, assistant manager, branch manager. I worked in the Operations Department. It was called Customer Service at that time, I believe. I worked in the Consumer Loan Department. I worked as a collector in the Loan Department. I worked as branch administrator. I went back to the Loan Department. And after, I moved from the Loan Department back into the branch. That was last year.

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Q. So [redacted] 1993, you went back to th[redacted]ranch?
A. Yes.
Q. And in this list of your responsibilities, and your appointment to your job responsibilities in 1990?
A. Consumer loan officer.
Q. The first time or the second time?
A. Second time in 1990.
Q. After you were a branch administrator?
A. 1993.
Q. It was after you were a branch administrator?
A. I was moved to the Loan Department.
Q. At headquarters?
A. Yes.
Q. And then to the Livernois Branch in 1993?
A. Seven Mile Office, yeah.
Q. And where you are currently the branch manager?
A. Um-hum.
Q. Have you consulted anyone about this deposition today other than counsel?
A. I was just informed yesterday that I was to come down and talk to someone. I didn't really realize it was a deposition. So the answer would be no.
Q. Did you consult any documents in preparation for the deposition today?
A. On my way today, I came to the Main Office and just

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flipped through the loan file because it wasn't ringing a bell with me. I just looked at the loan file as a refresher.

Q. Have you ever worked on any political campaigns?

A. No.

Q. Have you ever worked on any campaign involving Barbara-Rose Collins?

A. No.

Q. Have you made political contributions?

A. No.

Q. Do you know Barbara-Rose Collins?

A. Only from seeing her on TV and she's been at my church and various functions off and on.

Q. What church is that?

A. St. James Baptist Church.

Q. Where is that located?

A. It's on Van Dyke and Doyle in Detroit.

Q. Is that the church that Barbara-Rose Collins attends?

A. No. At election time, different people come to different churches in the City of Detroit and speak. She has made appearances at the church, you know, during this time.

Q. Have you ever met her personally?

A. No.

Q. What I would like you to do now, I want you to take your time doing it, no detail is too small, is take me through

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a l[illegible] application process as i[illegible]appened in 1990 when you were working in the headquarters as in the Consumer Loan Division, and indicate sort of step one from the time a customer comes in to the time a bank issues a check. We will take it there and then we will finish up the process later. But will you take me through in your own words the steps that a person goes through to get a loan in the 1990 period?

A. Okay. The first step would be for the customer to fill out an application. The next step would be the bank would have a credit report pulled on the individuals.

Q. What does that customer application form ask?

A. Basic information. Name, address, age, social security number, date of birth, salary, personal references, and it requests any outstanding credit account numbers, dollar amounts owed and approximately the monthly payments.

Q. And what level of bank staff would handle a customer application form?

A. Applications could be taken in the branch office. Anyone in the branch, as far as the branch manager, assistant manager, a customer service rep, could take an application from a customer.

Q. Branch manager?

A. And CSR, customer service rep.

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Q. Then what happens?
A. After the credit report?
Q. Yes.
A. Okay. Once a credit report is pulled, the credit report is reviewed to determine how the individual has paid their bills in the past.
Q. Which person would do the reviewing of the credit report?
A. '90. Things have changed. In '90, the application would be filled out at the branch. The application would then be forwarded downtown. At that point, I think it was myself and another lady Arlene Mains that will pull the credit report. And I'm sorry, there was also a clerk, Angela Pruitt. She would pull credit reports for us, also.
Q. Can you spell Pruitt?
A. P-r-u-i-t-t.
Q. Do you know where she lives or works?
A. She works at the main office at 44 Michigan Avenue.
Q. And Arlene Mains?
A. I'm not sure. Is it Graymar (sp)? I'm not sure of the name of the business she works at. It's in the Stroh's Place. She's not with the bank any longer.
Q. The applications come into the downtown office and will be funneled to Arlene Mains, Angela Pruitt or yourself?
A. To pull the credit report correct.

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Q. Aft[redacted]the credit report came in[redacted]hat would happen?
A. A decision was made as to whether or not the person was qualified. We would -- a debt to income ratio would be worked out on the applicant.
Q. Who would make that determination?
A. We have a form sheet that we use for that to come up with the ratio?
Q. That would be Arlene Mains?
A. It was Arlene or myself. And if I am not mistaken, I can't remember, I can't think for sure, it could have been the branch managers, also. At one point, we were pulling the credit report, sending the credit report and the application back to the branch. The branch manager had lending authority at one point. I'm not sure when it was taken away. But at one point, the branch managers were also able to approve loans.
Q. Did you have lending authority?
A. At one point, we all did. Everyone did with the exception of Angela Pruitt. And when I say everyone, I mean the branch managers, Arlene and myself. And it was only up to a certain dollar amount.
Q. Do you recall what that was?
A. It was under $10,000.00.
Q. If the loan request was reviewed and there was an acceptable debt to income ratio, the loan was over

$10,000.00, what would happen with the application?

A. It would go to the head of the department.

Q. What would be the title of that?

A. I can't remember what the title was. Vice President over loans. I can't remember his title. I'm trying to remember who it was.

Q. In 1990, who was that?

A. I believe it was Clinton Maddock that was over the Loan Department.

Q. Could you spell his last name, please?

A. M-a-d-d-o-c-k.

Q. Does he still work for the bank?

A. No.

Q. Do you know where he is?

A. Uh-uh.

Q. Is there anyway you could find out what his title was?

A. I am sure it's in the bank records. He was the Vice President. I remember that.

Q. Would you find that out for me?

(Discussion off the record.)

MR. VAN WYKE: He was a Vice President, but he was called Senior Loan Officer.

Q. And after that point, what would happen with an over $10,000.00 loan?

A. Well, someone, whoever had the authority would approve

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it. And usually, there was an approval sheet that was signed and the loan document would be made up for the customer to sign to close the loan.

Q. And who would make up an approval sheet?

A. The person approving the loan would sign off on it.

Q. And who has authority at that over $10,000.00 level to approve loans?

A. It would have been the head of the department and the bank president, I suppose.

Q. Do you know whether there were limits of the loan authority of the president?

A. There were limits, but I'm not sure what they were.

Q. There were limits on the loan authority of the senior loan officer?

A. Yes.

Q. What kind of loans would be referred to the board for approval?

A. A commercial loan or a loan over a certain dollar amount over an individual's lending authority. Say, for instance, Mr. Maddock, if it was over his lending authority, it could be referred to the board.

Q. Did the president and the senior loan officer have the same lending authority?

A. I don't believe so.

Q. Did the president have more or less?

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A. Mor

Q. Would the chain run from loan officer to president to board?

A. Loan officer, department head, president, board.

(Discussion off the record.)

A. There was also a Credit Committee that would come into play if the department head in between a loan officer, I think, and the department -- I'm not really sure. It's either in between the loan officer and the department head or the department head and the president and the Credit Committee, which consisted of loan officers. And there were like the commercial lenders and the consumer loan officers would meet weekly and review loans for approval that were over an individual's approval authority.

Q. What kind of decisionmaking process did you go through to decide whether someone was creditworthy?

A. Their financial statements were reviewed. Their credit history that's outstanding, amount of loan requested and how it would impact the debts that they presently had outstanding now to see if they would come to a certain ratio guideline.

Q. In 1990, who was on the Loan Committee by name?

A. If I am not mistaken, Clinton Maddock was over the department for a period of time here. I think Greg

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Lam[redacted]t might have been. Arlen[redacted]ains, Ron Krause. There were probably a couple of other commercial lenders, but I can't remember their names at the moment.

Q. Were you on the committee?

A. Yeah.

Q. Is there anything you could look at to find out who was on the committee in 1990?

A. There were minutes that were kept and I am sure that they would have the participants in the meetings.

(Discussion off the record.)

Q. How would a meeting proceed with the loan officers?

A. Basically, it would be a loan that was being presented that a package had been prepared for it with financial statements on the individual, a letter rather than application. It's usually a letter request with the loan amount. The loan request was for the use of the proceeds, how the funds would be paid back and a review of the financial status of that person.

Q. Who would prepare that?

A. The loan officer presenting the package for review.

Q. And would that person be the one who took the original application?

A. Nine times out of 10, it would be. I mean there might have been occasions where someone else you know would have passed it on to another officer.

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Q. Did this Loan Committee fall below the presidential level, the president's level of loan authority? I'm sorry. I don't know how this fits into the hierarchy of decisionmaking.

A. Okay. The president -- I'm sorry -- the president would sit in on the committee meetings also and vote also, actually.

Q. And how would the votes run of the decisionmaking?

A. Well, he would go around the table and ask the individuals how they were voting.

Q. How would you base your decisions?

A. On the information that had been given out, the financial statement of the person had been discussed, the manner in which they had paid their bills in the past, the purpose, use of the funds pay back schedule.

Q. How many people did it take to get a loan passed, the Loan Committee?

A. Well, everyone would vote on it. The majority normally ruled. But sometimes the president would, you know, could override a decision if he didn't quite agree. He might ask you to bring back some additional information since everyone was thinking along the same lines and he could see something in the presentation where additional information could be needed. And he would ask that the package be tabled until additional information was

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brought back, and it would be brought back at the next meeting so it could be voted on again. He was there like an expert for the rest of us because his knowledge was, you know, so much wider than all of ours put together.

Q. Did the president approve loans on his own?

A. Yes, he had lending authority, you know, up to a certain amount, so he could.

Q. So then the committee would be involved in circumstances where the loan authority had been exceeded by that particular loan officer. Any other circumstances?

A. Where the committee would be involved?

Q. Yes.

A. Not that I can think of. No, normally it was a presentation from one of the loan officers.

Q. In 1990, did you have duties that were any different from Arlene Mains?

A. We did a lot of the same tasks, but her lending authority was higher than mine. She was more or less my supervisor. She was working in the department when I was brought in. So I actually worked under her.

Q. What was her loan authority?

A. I can't remember offhand what it was.

A. What was yours again?

A. We couldn't exceed 10,000. I'm not really sure if it was that high. I would have to check. We had secured and

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unsecured authority.

Q. What was your unsecured authority?

A. I think it might have been like 5,000, and secured could have been 10.

Q. And Arlene Mains' unsecured authority?

A. I'm not sure of hers. Her's was higher than mine. But I'm not sure of the exact dollar amount.

Q. In what ways did Arlene Mains supervise you?

A. She had worked in the lending area for a number of years prior to my coming to the department. So she had more experience, had more knowledge with the law. You know, things of that nature. If I had difficulty making a decision, I could take a loan to her for review and she could point things out to me, strengths or weaknesses of the particular credit.

Q. Did you have to submit your loan applications to her for review?

A. No.

Q. Did she have direct review of any of your work?

A. I think -- well, probably when I first went into the department, I am sure she did. When I came out of the branches and moved into the lending area, I am sure she reviewed it then. I just can't remember for sure.

MS. BAKER: Let's go off the record.

(Discussion off the record.)

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MS. BAKER: [redacted]k on the record.

Q. I would like to turn your attention now to the 1990 period and the Barbara-Rose Collins loan and your involvement with that.

A. Okay.

Q. What was your involvement in the Barbara-Rose Collins loan?

A. Nothing. I really can't even remember Barbara-Rose Collins coming in. I mean I know we had a loan on the book. And when I was flipping through the file today, I saw a couple of letters where I had released some collateral, I think, that we had been holding in lieu of her loan. And I sent the individuals a letter, and that's all I can remember on it to be honest, you know. I didn't see her when she came in or anything. It would just have to be the Loan Department, I guess.

(FEC Thomas Deposition Exhibit No. 2 was marked for identification.)

(Discussion off the record.)

Q. Marked as Exhibit 2, a copy of what purports to be a letter from Martha Thomas, Vice President, to Cara Woods returning the original of a Guaranty you signed for Barbara-Rose Collins. Would you please look at that document?

(Document reviewed by the witness.)

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A. Okay.
Q. Is that your signature?
A. Yes.
Q. Do you recall the circumstances leading to that letter?
A. I can just vaguely remember someone calling me and asking me to do this.
Q. Who would that person be?
A. I'm not sure. I'm not sure if it was Arlene Mains or someone from the president's office. Those would be the only two people that would be able to direct me to do something like this.
Q. When you say someone from the president's office, who would that be?
A. It could have possibly have been like an administrative assistant. The president has an administrative assistant. I'm not really sure who it was, but it would have to have come from someone on a supervisory level that was above me.
Q. Do you know who the president's administrative assistant was at that time, 1990?
A. It might have been Elizabeth Moses. It might have been Elizabeth Moses.
Q. Does she still work at the bank?
A. Yes. It could have been. I don't really recall.
Q. Do you know anything about the substance of the Woods

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Guaranty of Barbara-Rose Collins

A. No, I don't.

Q. Do you know Cara Woods?

A. No.

MS. BAKER: Can we have this marked as an exhibit?

(FEC Thomas Deposition Exhibit No. 3 was marked for identification.)

(Discussion off the record.)

Q. What has been marked as Exhibit 3 purports to be a copy of a letter from Martha Thomas at First Independence National Bank to James A. Sharp, Junior in regards to return of the Loan Guaranty signed for Barbara-Rose Collins and requesting him to contact Martha Thomas to make arrangements for return of his Certificate of Deposit which was security for the guaranty. Would you please look at that document?

(Document reviewed by the witness.)

A. Okay.

Q. Is that your signature?

A. Yes.

Q. Did you write that letter?

A. Yes. My signature is on it, so I'm sure.

Q. What do you know about the circumstances of preparing that letter?

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A. Again it would have to have been directive from someone.

Q. Do you know Mr. Sharp?

A. No, I don't.

Q. Do you have any knowledge about the substance of the guaranty, Loan Guaranty?

A. No, I don't.

Q. Do you know anything about the collateral that secured Mr. Sharp's Loan Guaranty?

A. No, other than it's stating on here that it was a Certificate of Deposit. That's the only thing that I would know about it.

Q. Did Mr. Sharp ever contact you about return of this Certificate of Deposit?

A. Not that I can recall. It's been four years. I don't really remember. I really don't remember any details on this.

MS. BAKER: Would you mark this exhibit, please?

(FEC Thomas Deposition Exhibit No. 4 was marked for identification.)

(Discussion off the record.)

Q. What has been marked as Exhibit 4 purports to be a copy of a Loan Guaranty at the top dated July 13th, 1990. The guarantor is Mr. Don H. Barden. It's five pages long and

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there's the signatures of Don H[illegible]rden, as Guarantor, and witnessed by Arlene D. Mains and Martha B. Thomas. I will ask you to look at that.

(Document reviewed by the witness.)

A. Okay.

Q. Are you the Martha B. Thomas?

A. Yes.

Q. What is the B?

A. Boyd. I was married before and I used to use Boyd-Thomas.

Q. Have you been known by any other name?

A. No.

Q. So Martha B. Thomas is your signature?

A. Right.

Q. What has been marked Exhibit 4 has a date typed in at the top, July 13th, 1990. What does this date represent?

A. I imagine it would have been the date it was typed up, the document was typed up.

Q. Would it be the date that it was signed?

A. No. It would not have -- well, there's two different dates on here.

Q. Right.

A. The only thing I could think of, it would have been the date the document was typed up.

Q. On the first page of the document, there's the printed

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t[illegible] Loan Agreement, dated, a[illegible] then the typed in date is July 16th, 1990. What would this July 16th, 1990 date represent?

A. Probably the date that the loan closed, that he would have signed it.

Q. Right above the Agreement Date, there's another printed date with typed in July 16th, 1990. What date would that represent?

A. The same date. The date that he actually signed it. I'm not really familiar with this type of document because I basically worked in the consumer lending area and our note for our loan is different. This is something that a commercial lender would have pulled off, would have printed up. So I'm not really familiar with the document.

Q. Have you ever handled a loan guarantor situation?

A. Not -- yes, I have. But the form that I use in consumer lending is totally different from this one. It's all the person borrowing the money and the guarantors sign on the same document. It's totally different than this one here.

Q. Was that particular form used in 1990?

A. It would not have been used for the loans that I was used to dealing with. It would have been used for a different type of loan. It's not a regular document that -- it's a

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re[illegible]ar consumer document as f[illegible]as I'm used to dealing with.

Q. Looking at this to clarify, looking at the date on July 13th, 1990, the best you can understand by this is the date that it was typed?

A. That's the only thing that I can imagine.

MR. VAN WYKE: Are you imagining or are you --

A. I don't know for sure. Let me rephrase that. I do not know for sure. Okay?

Q. Do you know Don Barden?

A. He was a director at the bank, yes.

Q. How did you come to sign this document?

A. It was probably put in front of me. And since I know his signature, I would have signed it.

Q. Did you attend a meeting and watch him sign it?

A. No.

Q. Did you sign it in front of anybody else?

A. Did I sign it?

Q. Yes.

A. I would have signed it at the same period of time that Arlene Mains did.

Q. Had you signed any documents like this prior to this time?

A. This particular document?

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Q. Yes, this kind of Loan Guaranty document.
A. I can't -- I don't remember. I don't know for sure. I could have and, then again, I could not have. I don't know for sure.
Q. Was it usual practice for you to be a witness for documents like this in the bank?
A. I have witnessed other documents in the bank, yes. In my area, I deal with mortgages, also. So I witness signatures on mortgages, mortgage notes and things like that.
Q. What is the bank's usual practice for having bank employees witness documents?
A. Normally when we witness a signature, it's right there when the customer signs on it. But I don't remember with this particular one if that is what happened, you know, if I was there. I don't think so, because I was very seldom in the presence of Board of Directors when they were handling financial business. You know, I didn't have access to them.
Q. Who told you to sign this?
A. I don't remember.
Q. If Don Barden had signed this in your presence, would you remember that?
A. I believe so.
Q. Did you ever sign any other documents as a witness to Don

Barden's signature?

A. No, not that I can recall. But Mr. Barden had accounts at the bank, so I have seen his signature, you know, at times before.

Q. Do you have any knowledge of the substance of Mr. Barden's Loan Guaranty to Barbara-Rose Collins?

A. No, I don't.

Q. Mentioned in Document No. 4?

A. No.

MS. BAKER: This is an exhibit, please.

(FEC Thomas Deposition Exhibit No. 5 was marked for identification.)

(Discussion off the record.)

Q. What has been marked as Exhibit 5 purports to be a copy of a letter from Martha L. Thomas from First Independence National Bank addressed to Don H. Barden in regard to return of the original of the Loan Guaranty that he had signed in reference to a loan to Barbara-Rose Collins. Would you look at that document, please?

(Document reviewed by the witness.)

A. Okay.

Q. Is that your signature?

A. Yes.

Q. What were the circumstances of your writing that letter

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dated December 3rd, 1990 to Mr. Garden?

A. It would have been a directive again from someone.

Q. Is it part of your duties as a regular matter to write release letters?

A. I signed them. I did at that point. I would sign them.

Q. Were you the release person?

A. No, Angela Pruitt was the typist. She would pull the notes item. We would get a report that would show that a loan had been paid off. And she would in return pull the documents. And if there was collateral to be released, type up the letter. And if I was there, you know, or someone else, whoever was there, she would put their name on it and we would release it after reviewing the report.

Q. Who else had the duty or responsibility to sign off on releases?

A. Arlene Mains and the department head.

Q. Which in 1990 would be?

A. I think it was Clinton Maddock, the name I gave you earlier.

Q. Was there a Loan Committee meeting in regard to consumer loan for Barbara-Rose Collins in 1990?

A. I really don't remember.

MS. BAKER: Mark this as an exhibit please.

(FEC Thomas Deposition Exhibit No.

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6 was marked for identification.)

(Discussion off the record.)

Q. What has been marked as Exhibit 6 is two page document that purports to be a copy of a Loan Presentation referencing Barbara-Rose Collins. Would you please look at that document?

A. Okay.

(Document reviewed by the witness.)

A. Okay.

Q. Have you ever seen this document before this deposition?

A. I can't recall seeing it.

Q. At the bottom of this document is a typed-in date, July 16th, 1990. When would a document like this Loan Presentation have been dated that way, typed in?

A. This looks like a presentation that would have gone not to the Credit Committee but to the board members. And they have to vote on it. And I don't know if this is -- I don't know for sure. This might represent the date that they were polled. If the date that it was approved.

Q. Have you ever prepared a Loan Presentation for the board?

A. Very few. They are normally prepared by the commercial lenders and presented by the commercial lenders rather than consumer lenders.

Q. Why is that?

A. The dollar amount. Mine are small. And the loans that I

had could be approved by the department heads because they were usually within his authority.

Q. And his authority once again was how much?

A. I'm not really sure. I would have to check at the bank to see.

Q. Can you do that?

A. I'm going to be gone for two weeks. I guess.

MR. VAN WYKE: I can get that information for you.

MS. BAKER: Thank you.

Q. Looking at this document, there's a notation TLC on the first page. Do you know what those initials stand for?

A. Total Loan Commitment.

Q. In a Loan Presentation like this to the board, what other documentation would be attached?

A. I'm not normally present at the loan presentations for the board members. That is handled in the board meeting monthly and I did not attend those.

Q. Was the board meeting monthly?

A. Well, whenever the board would meet for loan review.

Q. Do they have a regular schedule of those meetings?

A. Well, I know they meet once a month. I would imagine loans are reviewed at that time if there are any, you know, up for presentation.

Q. Is it a fixed date?

A. I'm not sure. I think it is. I think it is. I couldn't give you the date, but they normally meet once a month.

Q. Do you know who prepares the calendar for the board meetings?

A. I would imagine it would be -- let me rephrase it. Probably someone in the executive office.

Q. And who would that be?

MR. VAN WYKE: Do you know who it is?

A. I'm not sure who it is.

MR. VAN WYKE: Are you talking now or back in --

A. Oh, back then? Okay.

Q. In 1990.

A. Probably Elizabeth Moses.

MR. VAN WYKE: If you don't know.

A. Okay. I don't know.

MR. VAN WYKE: You've got to make that clear.

Q. Do you know approximately when the board meetings would take place? At the beginnings of the month, ends of months, middles of months or random?

A. All I can recall is that they were normally held on a Monday. I'm not sure what time, what period of the month.

Q. Was it daytime?

A. A. Normally before the bank opened.
Q. And where were they held?
A. At the 44 Michigan Avenue Main Headquarters.
Q. Is there a special room there?
A. There's a board room.
Q. Are you familiar with how the Board of Directors are polled? And what is this polling process referred to in this document?
A. I'm not really sure how this works. I don't know if this was at a meeting where they were there physically or it was over the phone. I don't really know.
Q. Are board members polled over the phone if they can't attend?
A. They have been, yes.
Q. How are they made familiar with the loan under discussion?
A. I'm not really sure how, you know, they receive the information. I couldn't tell you. I've never really had to be involved in it.

MS. BAKER: We will mark this as an exhibit.

(FEC Thomas Deposition Exhibit No. 7 was marked for identification.)

(Discussion off the record.)

Q. What has been marked as Exhibit 7 is a copy which

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pu[illegible]rts to be a Consumer Loan Department Loan Documentation Checklist referencing Barbara-Rose Collins, two loans with Account Nos. in the amount of $25,000.00 and in the amount of $50,000.00, Loan Date 7-16, 1990. Could you look at this document. Please?

A. Okay.

(Document reviewed by the witness.)

Q. Is your signature on the bottom of this document?

A. Yes.

Q. Do you recognize this document?

A. Yes, this is a cover sheet for loans that are processed. The persons booking the loan would normally write this sheet up and someone would review it to make sure that the documents that are checked off are actually in the file.

Q. Where it says Loan Booked By, there is a person's signature there. Do you recognize that name?

A. Yes, that's Sonya Medina.

Q. What was her title?

A. I can't recall. She worked in the position of like a loan clerk. She would book loans and pull credit reports and things of that nature, book loans. At this point she must have been the person that actually booked the loan that actually put it into the system.

Q. What does booking a loan mean?
A. Inputting it into the computer so that it shows up.
Q. At what stage in the loan application process would a loan be booked?
A. After it has been approved and all of the documents have been signed by the customer. Everything is together, the package is complete, and it would go to the person who was going to book it and put it into the system.
Q. At what point would the bank issue checks?
A. Checks would be issued at the point that the note is signed by the customer and all the documents are there for the closing.
Q. So would this occur after the check disbursement?
A. Yes.

(Discussion off the record.)

Q. I will ask you to explain what 2D means, a Co-signer Notice Completed?
A. On the regular consumer loans, there is a separate form when there is a co-signer involved in a loan that the co-signer would have to sign separate from the actual note. So it's a separate form. It's used for consumer loans.

MS. BAKER: I will introduce this document as an exhibit.

(FEC Thomas Deposition Exhibit No.

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8 was marked for identification.)

(Discussion off the record.)

Q. What has been marked as Exhibit 8 purports to be a copy titled Notice to Co-signer from First Independence National Bank in regards to a loan to Barbara-Rose Collins and it's signed by Anthony Soave dated July 16th, 1990 and I would ask you to look at that.

A. Okay.

(Document reviewed by the witness.)

Q. Could you describe what this document is?

A. It's a document that's telling the individuals that they're co-signing on a loan and to make sure that they understand that if the individual does not pay the loan back, that they are responsible for it.

Q. Is this Notice to Co-signer what 2D on Exhibit 7 refers to as Co-signer Notice Completed?

A. Yes.

Q. On this Notice to Co-signer, Exhibit 8, do you recognize this handwriting on the notation on the side?

(Document reviewed by the witness.)

A. No. No, I don't.

Q. You have explained that there are like two tracks of loans in the bank and I would like to explore those two tracks a bit more at this point. One track has been the consumer loan track and the other is the commercial loan

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tra[redacted] And you have indicated [redacted]t your consumer loan would have included in the packet of a consumer loan a Notice to Co-signer, such as Exhibit 8, a cover sheet such as Exhibit 7, indicating the Loan Documentation Checklist. But in a consumer loan when there is a co-signer, there has not been a Guaranty document such as Exhibit 4; is that correct?

A. A consumer loan note at the bottom has a spot where a co-signer can sign on. So it's on the same document on the note itself. The borrower and the co-signer signs on the note. It's a one party form.

Q. In your experience as a consumer loan officer, has a co-signer as a category of person been used interchangeably with a category, loan guarantor?

A. Say it one more time.

Q. I will say it better.

A. Okay.

Q. Is a loan guarantor the same thing as a co-signer?

A. I would think so, yes. You're both taking responsibility for the loan. If the loan is not paid, you're either going to have to pay it yourself or if you put up collateral, then that collateral can be disbursed to pay the loan off.

Q. Would a consumer loan in 1990 ever have a Loan Guaranty document such as Exhibit 4 --

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A. Well again -- okay.
Q. As part of the loan?
A. The loans that I dealt with were basically up to $10,000.00. So I imagine -- well, I don't know for sure. But evidently, a different type of guaranty was used for amounts over $10,000.00. The one that I'm used to seeing is the one where the borrower and the guarantor or co-signer sign on the same document. But again, that's only up to $10,000.00.
Q. In Barbara-Rose Collins' case, the loan we're talking about in 1990, the loan proceeds are disbursed in two checks, one for 50,000 and one for $25,000.00. Do you know why the proceeds were disbursed in two checks?
A. I have no idea. I was not privy to the disbursement of the loan. I wasn't involved in it. I have no idea.
Q. In a consumer loan at your level of loan activity in 1990, how many co-signers could be on a consumer loan?
A. I'm trying to picture it. I think you could have at least two. I'm trying to picture the document in my mind. And I think there is space for two co-signers to sign it if you need to have two.
Q. Could there be more?
A. Well, I've never had to deal with one, you know, so I couldn't tell you one way or the other.

MS. BAKER: I will introduce this.

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(FEC Thom[redacted] Deposition Exhibit No. 9 was marked for identification.)

(Discussion off the record.)

Q. What has been marked as Exhibit 9 purports to be a copy of a Memo addressed to Arlene Mains in regards to Barbara-Rose Collins with a phone message from Jim Sharp attached and a handwritten note, "Martha, did you keep a copy of the guaranty? Letter S" and ask you to look at this?

A. It's her initial.

(Document reviewed by the witness.)

A. Okay.

Q. Have you seen this document before?

A. I imagine I have since my name is on it. I don't recall.

Q. Do you know who the letter S refers to?

A. That's an A. That's Arlene Mains.

Q. Oh, I'm sorry. The substance of the inquiry is did you keep a copy of Jim Sharp's Guaranty. Were you expected to keep copies of Jim Sharp's Guaranty?

A. We normally had copies of all documents that were signed in the loan file. I mean that's common practice.

Q. Where were the loan files kept?

A. We have a file cabinet.

Q. Centrally located?

A. Yes.

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Q. Who has access to the file?
A. At that point, basically anyone in the Loan Department did at that particular point.
Q. So why would you be asked if you kept a copy of it?
A. I have no idea. I don't know.
Q. Did you keep copies in your personal file?
A. No, a copy would have been kept in the -- the files. The files are like in manila folders. And they're kept in alphabetical order in the file drawer. So any document would have been kept in the file.
Q. After the loan is closed, what happens to the file?
A. Normally, the person that has inputted into the system that has booked it would file it and would place it in the file cabinet.
Q. And after a loan has been paid off and is no longer an active loan?
A. We have a closed file and the loan would be pulled and filed in the closed file. And if there were any documents to be released, letters to be sent, like I did with that one, that would have no more points and then it would be filed in the closed file.
Q. Who would have that job?
A. Back then, it would have been handled by the person that did that sheet, the sheet that I signed off on saying all the documents were there. Normally, it would have been

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handled by that person. It would have been at that point Sonya Medina.

Q. Referring to Exhibit 7?

A. Yes.

Q. Consumer Loan Department Checklist?

A. The loan clerk or whatever. I don't know what her title was back then.

Q. Is that person a clerical staff?

A. Yes.

Q. Does Sonya Medina still work for the bank?

A. No.

Q. Do you know where she is?

A. She's in Florida the last time I heard.

Q. Do you know Anthony Soave?

A. No.

Q. Have you ever met Anthony Soave?

A. I have no idea who he is.

Q. Do you know who Gerald Harrington is?

A. Yes.

Q. Who is he?

A. He is a former bank employee, former interim president, former vice president. He worked at the bank for about 15 years.

Q. Did he work at the bank in 1996?

A. I believe so. I'm not sure when he left.

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Q. Was [redacted] on the Loan Committee, t[redacted] Credit Committee that you described, in 1990?

A. He could have been if he was there. He could have been. I can't recall what Jerry's position was if he was still there in '90. '90 or '91. I'm not sure.

Q. Do you know what circumstances led to his leaving the bank?

A. I think he and a couple of other people were let go when we had a change in administration.

Q. And was that an amicable parting?

A. I don't think so. I don't think so.

Q. Was it an acrimonious parting?

A. It wasn't good.

Q. In what way was it not good?

A. He was a -- well, Mr. Harrington had been with the bank for a number of years and I guess he had no indication that, you know, he possibly would be let go. And he was very unhappy about it.

Q. Was he fired?

A. I'm not sure what the terms were that were used because I did not have access to that part of the meeting or anything like that. But I think so.

Q. Did other employees discuss Mr. Harrington's departure from the bank?

A. Everyone discussed it because it was unexpected.

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Q. And [redacted] departing, Mr. Harrington publicly made a variety of allegations against the bank. Are you aware of --

A. It was in the paper.

Q. What allegations were you aware that he made?

A. He said a number of things that -- he talked about loans. He talked about money laundering. That's basically what I can remember on it, the loans and money laundering, that we were laundering money.

Q. And his allegations about loans, what was he alleging?

A. I can't remember offhand. That's been like two or three years ago that, you know, that that statement was in the paper.

Q. Were you in the Loan Department at the time the allegations were made?

A. If they were made right after he left, then I would have been, yes.

Q. One of the public allegations, you're aware that the allegation was that there was an irregularity in the Barbara-Rose Collins loan at the bank?

A. Was I aware of it?

Q. Yes.

A. Yeah, I know he -- it was in the paper, you know. When the article came out, he had mentioned names.

Q. Did you detect any irregularities in the Barbara-Rose Collins loan transaction?

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A. No, because with this loan, I was not there when it was made. I handled documents after, you know, after everything had been signed and I was told to release the collateral after the loan had been paid off. But other than that, I didn't -- I was not aware of what was going on with it. I didn't -- I was not part of those meetings when it got to the level of the board making decisions on loans. I was not included in those meetings, so I have no knowledge of it.

Q. Did employees --

MR. VAN WYKE: Excuse me. May I ask a question? Prior to this deposition, you told me that the bank is not a target or an object of your investigation. But the line of questioning makes me want to ask on the record whether that is the case.

MS. BAKER: At this point, the bank is not a target. The bank is a witness. If information arises in the course of our investigation that would change that status, you will be apprised immediately that that is now contemplated. I cannot guarantee you 100 percent that that status will not change.

MR. VAN WYKE: Okay. Thank you.

Q. When Mr. Harrington was making his allegation? He made his allegations about irregularities in the Barbara-Rose Collins loan transaction, did employees discuss those

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all[illegible]tions in your presence?

A. I don't think so. I think if employees discussed anything, it was that Mr. Harrington was let go. I mean, you know, no one was forewarned or had any idea that this was going to happen. I think the main thing was that it was like a shock with the employees that he was let go after he had been with the bank for such a long period of time.

Q. How was the news greeted when Mr. Harrington alleged a variety of irregularities against the bank?

A. I don't know. I'm not really sure how the majority of the employees reacted. If I remember correctly, a statement came out like on a weekend in the paper. So I'm sure there were probably some individuals that talked about it the following week, but I can't remember any comments or anything like that. And that's about it.

MS. BAKER: Off the record. Let's take a five minute break.

(Discussion off the record.)

(A recess was taken.)

MS. BAKER: Back on the record. We're back on the record after a short break.

Q. Before the break, we were following up the line between consumer loans and commercial loans at the bank and I would like to go back to that. What distinguishes a

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consumer loan from a commercial loan?
A. Normally the dollar amount.
Q. And what is that dollar amount?
A. Mine have been below -- $10,000.00 and less. But they could -- well, let me see. Let me clarify that for you. I think anything above 25,000 would be presented at the commercial loan in a different format than what the consumer loan would be presented at.

Consumer loans, there's an application that's used. For a commercial loan over $25,000.00 or more, they want more detail than you would put on a regular consumer loan application. I think that would be the difference. And the manner in which it's presented.

Q. In your experience, has a loan started out as a consumer loan and turned into a commercial loan before it was approved?
A. Started out as a consumer and turned into a commercial? Not unless -- not unless the dollar amount, you know, request has been for an increase. That's the only reason I would say it would change.
Q. At that point that a consumer loan hits the dollar amount turning it into a commercial loan, would a consumer fill out a new application for a commercial loan?
A. There's not really an application for a commercial loan.

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But there is one for a consumer loan. Most of the time a commercial loan might be in the form of a letter, a request, and it's handled by a commercial loan officer. So the format is different from a consumer distinct from a commercial.

Q. How would that letter request be formatted and what information would it contain?

A. A request for the dollar amount, use of the proceeds, process of pay back and then there's different documentation. If it was a business that's involved, a different type of financial information that the loan officer would get from the business versus what they would get from a consumer.

On a consumer, it's just a regular application. You're listing your outstanding debts, Montgomery Ward's, Hudson's, whatever the account number and how much you owe.

On a business or if you are requesting a larger dollar amount, they might want a Personal Financial Statement. That's one of the documents they might want. Copies of tax returns, anything where they can get more information on you, more in depth information.

Q. Is $25,000.00 the maximum consumer loan that First Independence National Bank issues?

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A. I can't say offhand. I'm not sure what the maximum would be because we do car loans. So you could have a car loan that's over 25,000 but would still be considered a consumer loan. But it would be looked at in a different format. It depends on, you know, the particular loan request.

Q. Does a consumer loan ask for the purpose of funds?

A. All of our applications, all of our consumer loan applications have a line on the very top, Purpose.

Q. Does the purpose influence the decision whether to call the loan a consumer loan or a commercial loan?

A. I guess it could. I guess if you were stating that you needed it for cash flow or something like for your business, it would be considered more of a commercial loan than it is a consumer loan. It could be.

MS. BAKER: Mark that as an exhibit, please.

(FEC Thomas Deposition Exhibit No. 10 was marked for identification.)

(Discussion off the record.)

Q. What has been marked as Exhibit 10 purports to be a copy of a Loan Application, a consumer loan, by Barbara-Rose Collins in the amount of $25,000.00 dated 7-9, '90 and the notation Hand Delivered. Would you look at this document please?

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(Document reviewed by the witness.)

A. Okay.

Q. What document, what is this form?

A. It's an Application for a Consumer Loan.

Q. As a consumer loan officer, what information would you require on a loan application?

A. It should be completely filled out, purpose for the use of funds at the top of the application. Credit, if there is any outstanding credit, it should be shown down at the bottom.

Q. In your estimation, is this application complete?

A. No.

Q. At the top of this document is a signature. Do you recognize that signature? I am referring to Exhibit 10.

A. That's Arlene Mains.

Q. The presence of the signature Arlene Mains at the top of this document, what significance does that have?

A. She accepted it.

Q. Does that mean that Arlene Mains was the person who would shepherd this particular consumer loan through the process?

A. No, it means that the application was turned into her.

Q. From this document, can you tell who at the bank moved this loan application through the bank process?

A. No, I just see the signature of Arlene Mains where she

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accepted it and the date that it came in.

Q. Is there anyway to tell on an application of this type who the loan officer is for a particular case?

A. Normally, when we take an application, the branch is at the top and the individual that's giving the application to the person or that's accepting the application would sign on it so that when it comes back, it will be passed on to them.

Q. Were you involved in processing this loan application for $25,000.00 as evidenced on Exhibit 10?

A. No, not that I remember. I don't remember anything on this one.

Q. Do you remember -- I didn't hear you.

A. No. I said until I saw those letters and things, I didn't even remember this.

Q. When you say the letters and things?

A. The letters that I had signed off to release the collateral. That was after.

Q. In preparation for the deposition?

A. Yeah, when I went to the bank today. And I just glanced at the file before I came down here, because I've been -- I've been gone for a long time from the Loan Department. So things, you know.

Q. Did you work on processing any loans for Barbara-Rose Collins?

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A. Not that I can remember, no.

Q. We're at our conclusion today. And do you know that you are allowed to read and sign the transcript of the deposition. Are you aware of that?

A. No.

Q. Will you read and sign the transcript of the deposition today?

A. Do I have to do it now?

MR. VAN WYKE: No.

A. Okay. I don't have a problem.

MR. VAN WYKE: This means that after it's prepared, you get to read it to make sure that the answers that you have made, the deposition was transcribed correctly as you remember it having occurred. And if you think corrections need to be made, you would note those corrections to Ms. Baker or her assistants. And if it is correct, you sign it and say that's what I said.

A. Okay.

Q. That transcript will be made available to you at the offices of the court reporter. And the court reporter has given a card to Mr. Van Wyke.

You are entitled to a witness fee and to mileage for your appearance today. And as soon as I have that information from you, the Commission will send

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you check.

A. Okay.

MS. BAKER: And that's the conclusion for today. Off the record.

MR. VAN WYKE: Thank you.

(Deposition concluded at 4:34 p.m.)

- - -

MARTHA THOMAS

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CERTIFICATE OF NOTARY PUBLIC COURT REPORTER

I do certify that the witness whose attached deposition was taken before me in the above-entitled matter was by me first sworn to testify the truth; that the testimony contained herein was by me reduced to writing in the presence of the witness by means of stenography, and afterwards aided by computer transcription. The deposition is a true and complete transcript of the testimony given by the witness.

I do further certify that I am not connected by blood or marriage with any of the parties, their attorneys or agents, and that I am not an employee of either of them, nor interested, directly or indirectly, in the matter of controversy.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at Detroit, Michigan, County of Wayne, State of Michigan, this 21st day of July, 1994.

Muriel E. Charbonneau

Muriel E. Charbonneau, CSR-0097
Notary Public
Wayne County, Michigan
My Commission expires: 10/9/96

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In the Matter of)
)
) MUR 3181
)
)

C O N F I D E N T I A L

DEPOSITION OF DONALD DAVIS

Friday, July 15, 1994

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In the Matter of)
)
) MUR 3181
)
)

C O N F I D E N T I A L

Deposition of DONALD DAVIS, taken on behalf of the Federal Election Commission, at 817 Federal Building, 231 Lafayette Boulevard, Detroit, Michigan, commencing at 9:20 a.m., Friday, July 15, 1994, before Muriel E. Charbonneau, Certified Shorthand Reporter, No. 0097.

APPEARANCES:

HOLLY BAKER
Attorney
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Appearing on behalf of the FEC.

JONATHAN A. BERNSTEIN
Assistant General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Appearing on behalf of the FEC.

GERALD VAN WYKE, ESQ.
2681 Covington Place
Birmingham, Michigan 48301

Appearing on behalf of Mr. Davis.

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I N D E X

WITNESS:		PAGE
DONALD DAVIS		
Examination by Ms. Baker		4

E X H I B I T S

FEC DAVIS DEPOSITION EXHIBIT NO.	IDENTIFICATION	PAGE
1	Right to Financial Privacy Act.	5
2	Loan Presentation.	48

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Detroit, Michigan

Friday, July 15, 1994

9:20 a.m.

- - -

D O N A L D D A V I S ,

was thereupon called as a witness herein, and after having been first duly sworn to tell the truth, the whole truth and nothing but the truth, was examined and testified as follows:

EXAMINATION BY MS. BAKER:

Q. This is a Deposition being conducted pursuant to 2USC 437G for the Federal Election Commission which has been designated as Matter Under Review 3181. All information about this matter is confidential until the case is closed. It might not be revealed to anyone.

I am Holly Baker and with me is Jonathan Bernstein and we represent the Federal Election Commission in this matter. The court reporter will be taking down everything we say and she needs to hear us verbally. So nods of the head will not suffice.

A. Okay.

Q. You are under oath the same way you would be in a court. If you don't hear anything I say or you don't understand any of my questions, will you let me know?

A. Sure.

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Q. If you need a break, will you let me know?
A. Sure. I need one right now.
Q. Can you hold on a second?
A. Um-hum.
Q. If, during the course of the deposition, you come to understand that your answers are incomplete in any way or you remember additional information, let me know and we can go back to those matters. Are you represented by counsel today?
A. Yes.
Q. Who is your counsel?
A. Jerry Van Wyke.

MS. BAKER: Off the record.

(Discussion off the record.)

(A recess was taken.)

MS. BAKER: Back on the record. We are back on the record after a short break. I would like to introduce this as an exhibit.

(FEC Davis Deposition Exhibit No. 1 was marked for identification.)

(Discussion off the record.)

Q. What has been marked as Exhibit 1 is a compilation, five pages, dealing with the Right to Financial Privacy Act, the Subpoena that was sent to First Independence National Bank and the Compliance with the Right to Privacy Act on

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the part of the Federal Election Commission. I would ask you to look at that Exhibit 1.

A. Um-hum.

Q. Do you understand the limits of the questioning and answers that you are to give today?

A. I hope so. I think I do.

Q. Would you state your full name?

A. Donald Davis.

Q. Do you have a middle initial?

A. No.

Q. Your home address?

A. 25365 Denison Road.

Q. City?

A. Franklin, Michigan.

Q. Phone number?

A.

Q. Business address?

A. 44 Michigan Avenue, Detroit, Michigan.

Q. Phone number?

A.

Q. Social security number?

A.

Q. Date of birth?

A.

Q. Are you married?

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A. Sin[redacted].
Q. Have you ever been married?
A. No.
Q. What is your educational background starting from high school?
A. Four years of college.
Q. Where did you attend?
A. Wayne State and I.U., Indiana University.
Q. And do you have a degree?
A. No.
Q. What course of study did you pursue?
A. I pursued music and psychology.
Q. In connection with the deposition today, have you had any contact with anyone other than your counsel?
A. Not in connection with this deposition, no.
Q. Have you consulted any documents in preparation for this deposition?
A. Yes.
Q. Which documents have you consulted?
A. Had a review of our loan file.
Q. Have all the documents that you have consulted in preparation for today been turned over to the Federal Election Commission?
A. I don't know what documents the Federal Election Commission has.

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MR. VAN WYK: For the record Mr. Davis reviewed the same file from which the records which were delivered to your office came and he spent about 10 minutes before he came over here this morning reviewing that file.

Q. What is your occupation?

A. Bank Chairman.

Q. How long have you been the Bank Chairman?

A. 12 years, since 1980.

Q. And what bank are you chairman of?

A. First Independence National Bank.

Q. Where is the headquarters?

A. 44 Michigan Avenue.

Q. Detroit?

A. Detroit.

Q. Do you pursue any other business?

A. Yes.

Q. What?

A. I have a studio business, recording studio business. And I do development, land development.

Q. What is the recording company's name?

A. United Sound.

Q. Where is it located?

A. 5840 Second Boulevard, Detroit, Michigan.

Q. And the land development, does that go under a business

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name.

A. No. Various business names depending on what partnerships are involved.

Q. How much of your time do you spend on your land development business?

A. How much in what way?

Q. You have listed three occupations, chairman of the bank recording studio and land development. Of those three occupations, what percentage of your time do you spend on each?

A. Percentage. I'm sorry. Probably out of a 16 hour work day, maybe 20 percent in real estate, 15 maybe. 30 in banking.

Q. That leaves us with?

A. Time to play.

Q. Does that mean that 50 percent of your time is spent in a working day with your recording company?

A. Not 50. I would say another 20 percent.

Q. As Chairman of the bank, what are your duties?

A. Well, my duties would comprise, they would be certainly chairing the board meetings and various committee meetings, marketing, raising capital. When I say marketing, I mean business development. And those would be primarily the main areas.

Q. How often does the board meet?

A. Generally once a month.
Q. When during the month?
A. Once a month.
Q. Any particular time during the month?
A. Usually the third Monday.
Q. And what time of day?
A. 7:30 in the morning.
Q. How are board members notified of a meeting?
A. Well, it's a standard calendar agenda.
Q. If there is a meeting of the board not on the standard calendar, how are board members notified?
A. That would be highly unlikely.
Q. In the course of a year, how many times has the board met while you have been chairman other than on its third, regular third Monday of the month meeting?
A. I don't know how many, but very infrequently.
Q. Do you give a range of more than twice a year?
A. I couldn't say that because, you know, there's a span of time of 12 years and there may be one year where we may meet once or twice a year and one where we don't meet any. So I couldn't really give you an accurate description of that. But very infrequently.

MR. VAN WYKE: To clarify, I might just add that, but there are holidays which often happens on Mondays, legal holidays. Then board meetings may

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occ[redacted]on the following week or [redacted]ething like that. So that would give some indication of a change in schedule.

Q. In the circumstance of a legal holiday falling on a third Monday, is it usual procedure to shift the meeting to the fourth Monday or the next Monday?

A. It's not a procedure. I mean it would be, I guess, a polling of whatever is convenient. Either the Monday before or the Monday after.

Q. How does the polling take place?

A. At the previous board meeting.

Q. If the Board of Directors is polled, what does polling mean in your banking context?

A. Well, it means generally what it means in any context. It's arriving at a consensus of which Monday in this particular case would be better than another Monday.

Q. Is that done face to face?

A. Not necessarily. I mean it's not a procedure -- I remember and recall instances where we've done it at a prior board meeting and it could be done by -- telephonically.

Q. And if it were to be done telephonically, who would make the call?

A. Usually the board secretary.

Q. Does the board secretary position change from year to year?

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A. You mean does the person change

Q. Yes.

A. I'm sorry. We have had the same board secretary, I think, for a number of years now.

Q. Who was the board secretary in 1990?

A. I believe it was Elizabeth Moses.

Q. Does Elizabeth Moses attend the board meetings?

A. Sometimes and sometimes not.

Q. What would be the occasions she would attend?

A. She would attend when she was needed, I would suppose. But as a rule now, she does not attend ordinarily.

Q. In 1990, did she attend board meetings?

A. Probably so. I would think so.

Q. You have indicated she would attend if needed. What would necessitate her presence? What would those needs be?

A. For instance, now we may have occasion to meet, have a special meeting with one of the regulatory bodies. And we may or may not have her come in and take notes. But ordinarily, she doesn't. But maybe she would.

Q. Who takes notes when Elizabeth Moses isn't there?

A. Usually Jerry Van Wyke.

Q. And if Jerry Van Wyke is not in attendance?

A. Maybe Elizabeth Moses.

Q. It would be either Jerry Van Wyke or Elizabeth Moses?

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A. Yes. But I can't recall when that situation was present. But yeah, that would be -- she would be a likely substitute.

Q. Who is the keeper of the minutes?

A. The keeper of the minutes? What is that?

Q. Where are the minutes kept?

A. I hope in the file somewhere in the bank. I have never seen it.

Q. Well, does Elizabeth Moses keep a notebook with --

A. She would know where it would be kept, yes.

Q. Have you ever held elected office?

A. No.

Q. Do you know Barbara-Rose Collins?

A. Yes.

Q. When did you meet her?

A. I really don't know when. But she has been a part of the political fabric here in town since, I guess, I've been involved. Ever since I can remember really.

Q. How long have you been in town?

A. For the second time around, since 1976.

Q. Is that when you met her approximately?

A. No. I don't really know when I met Barbara-Rose Collins.

Q. Approximately 70's, 80's?

A. I would say it would have had to have been in the 80's.

Q. At the time you met her, what position did she hold?

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A. She was a Councilwoman for the City of Detroit.
Q. And in what kind of context have you had meetings, relationships, conversations with Barbara-Rose Collins?
A. Not many. Bumping into her on occasion.
Q. At what kind of event or occasion?
A. Well maybe some sort of social event or something, I would run into her.
Q. When you say social event, do you mean like a party in someone's home or a dinner in someone's home?
A. It could be like the mayor's parties or some celebration for the mayor. Then the used to be mayor. Or some church event. It could be anything. She is all over the place and so was I.
Q. What you have described is more of a sort of a personal social relationship. Would it be more accurate to call it a civic events type relationship?
A. I never tried to call it anything. But that's what it was, I mean what it amounted to, yes.
Q. Do you consider her a close personal friend?
A. About as close as you.
Q. And when did I meet you?
A. You met me today.
Q. How long have you known me?
A. Probably today.
Q. You have known Barbara-Rose Collins considerably longer

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that you have been acquainted with me; right?

A. Frankly, it has nothing to do with it. If I met you 10 times, I would probably know you just as well as I know Barbara-Rose Collins. I mean I don't think the length of time has anything to do with it. I mean I saw her when I saw her like I see you when I see you.

Q. Are you involved in political activities?

A. Such as? Clarify, please.

Q. Do you contribute to political campaigns?

A. Yes.

Q. On the local level?

A. Yes.

Q. State level?

A. Yes.

Q. Federal level?

A. Yes.

Q. Do you participate in political campaigning?

A. No.

Q. Do you host fundraisers?

A. No.

Q. Do you host Meet and Greet the Candidates in your home?

A. No.

Q. Are you aware of limits on contributions to federal candidates imposed by the Federal Campaign Finance Law?

A. I'm not aware of them. But I am sure I will never meet

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they reach the limits.

Q. Do you know what the limit on a contribution to a congressional candidate is?

A. No.

Q. Have you contributed to Barbara-Rose Collins campaigns throughout her political career starting with her state campaigns?

A. I believe so.

Q. Do you have any records of your contributions to her state campaigns?

A. I hope.

Q. Could you provide us with those documents?

A. To the extent that I have them, I would be more than happy to.

Q. Did you make any political contributions to Barbara-Rose Collins in her City Council races?

A. I would think so.

Q. Do you have some documentation?

A. If I do, I will. I would. Now that's 10 years ago maybe, eight years ago. It's a long time.

Q. You would look? If you would look, I would appreciate it.

A. I would be glad to.

Q. And have you made contributions to her federal, Barbara-Rose Collins' federal campaign in 1988?

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A. I don't think so.
Q. Did you make contributions to her congressional race in 1990?
A. I don't think so, but I'll check.
Q. If public records shows that you did make a contribution to Barbara-Rose Collins campaign in 1990 and that was a thousand dollars, would that be in accord with your recollection?
A. That could be correct. Like I said, I didn't recollect that either.
Q. Have you made contributions to Barbara-Rose Collins' 1992 congressional reelection?
A. I don't think so.
Q. Did you make any for her 1994 reelection campaign?
A. I don't think so, but I'll check. See, you got me in 1990 because I didn't remember that. But I'll check.
Q. Turning your attention to Barbara-Rose Collins' 1990 campaign for Congress, were you involved in any way in her campaign for Congress in 1990?
A. No.
Q. Were you in contact with any of her campaign workers in 1990?
A. As far as?
Q. In any way.
A. Who were they?

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Q. Do you know any people who to your knowledge were members of her campaign staff?
A. I'm asking who were they and I'll tell you if I was in contact with them.
Q. Did you attend any meetings with any people where finances of Barbara-Rose Collins' campaign were discussed?
A. Yes.
Q. When were those meetings?
A. I don't know when. But there was one meeting where -- the nightclub is in the business downtown.
MR. VAN WYKE: Roostertail?
A. Downtown.
MR. VAN WYKE: The Chop House?
A. London Chop House. I attended a meeting there once.
Q. And approximately when was that?
A. I don't know when it was. No, I don't know exactly.
Q. Summertime?
A. I don't know.
Q. Who was at that meeting?
A. At that meeting was myself, Barbara Rose. And there were about four or five no shows and I don't know who they were. But that's who I remember was there.
Q. What was the purpose of this meeting?
A. Well, she was asking me at that meeting to -- if I would

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become her campaign chairman.

Q. And what was your answer?

A. No.

Q. Why didn't you want to be campaign chairman?

A. Well, frankly, it's -- for my part, it's not a good business decision simply because we have -- probably, probably at any one time various accounts of all the election officials may be parked at the bank. So to be a good guy to everybody is the best shoes that I can put on.

So if I take sides with a Barbara-Rose Collins or anybody else, Stabenow or anybody else, it doesn't, first of all, put the bank in a good light. And secondly, it doesn't put the official position, I mean because people would look at me as being the bank as the chairman. And so if I am aligning myself with Barbara Rose and aligning myself with somebody else, then they would look at me as the bank is doing that. And so it doesn't bode well for good bank business or good bank perception.

Q. Did you convey that sentiment to her?

A. Yes.

Q. Did she ask you to be on her committee or campaign in any other way?

A. No.

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Q. Did[redacted]e ask you for financial s[redacted]ort?
A. Yes.
Q. Did you provide it?
A. I told her I would make a contribution and that's probably what I did with the contribution that you just cited a little while ago.
Q. You have indicated that you were there with Barbara Rose and other people were also present?
A. No, I didn't. I said other people didn't show.
Q. Who were you expecting?
A. I don't know because she was then just trying to put her campaign together. And we sat down and we met and there were people coming in and out, and I stayed all of 15 or 20 minutes after I learned what she wanted me to do.
Q. Who called you?
A. I think she did.
Q. In the 15 to 20 minutes you were there, did you eat?
A. I may have.
Q. Were there places set at a table?
A. No.
Q. How was the table set?
A. I don't know how the table was set and I don't even know if I ate, you know.
Q. What did she --
A. That was four or five years ago, whatever it was.

Q. I realize it was a while ago and my questions are designed to help you recall the meeting. What time of day was that meeting?

A. Probably around 5:30, I think.

Q. Did Barbara-Rose Collins tell you what the purpose of wanting to meet you was?

A. Um-hum.

Q. What did she say?

A. She asked me to be her campaign chairman, finance chairman.

Q. She asked you to be the finance chairman?

A. Um-hum.

Q. In the initial setting up of the meeting, were you aware why you were expected to attend or what was expected of you when you attended?

A. Not really, because, actually, the -- all the bumping ins that Barbara and I had, she had always expressed that she wanted me to be her finance person or be a part of her campaign. And this was sort of like the end all meetings to those various bump ins or whatnot.

Q. When you went to the meeting, did you expect Barbara-Rose Collins to ask you to be part of her campaign?

A. Yes.

Q. Before you went, did you have a sense of what your answer would be?

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A. Sur[redacted] And I thought it was app[redacted]riate to tell her face to face, sit down and say can't do that.

Q. Did you suggest anyone else to be a finance chair in your stead?

A. I don't -- I don't think so.

Q. Did she ask your advice for anyone else to be the finance chair?

A. No, I don't think she did.

Q. At any time did she ask your advice of people to be on her campaign?

A. No.

Q. Did you volunteer any people to be on her campaign?

A. No.

Q. Subsequent to your meeting at the London Chop House, did you have any other contacts with Barbara-Rose Collins about your being with her campaign?

A. I don't think so. I think that issue was sufficiently clarified.

Q. Do you have an appointment book or calendar book?

A. From 1990?

Q. Yes.

A. I don't think so.

Q. Could you check?

A. I could.

Q. Thank you. If you would check to see if there's a time

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you say that in the beginning of the campaign, been perhaps May or June, if you could look in your calendar in those months and see if you have anything related to Barbara-Rose Collins to help pinpoint that date, that would be helpful?

A. Um-hum.

Q. I am going to give you a list of names and I would like you to tell me whether you know these people and in what capacity you know them. Cara Curry?

A. The wife of Dr. Curry, who was my physician.

Q. And in what how well do you know Cara Curry?

A. As well as I know you.

Q. Nate Shapero?

A. And I don't mean to be facetious. I don't know her well other than to see her.

Q. You are acquainted with her; is that what you mean?

A. Acquainted, yes.

Q. Nate Shapero?

A. Nate Shapero, Nate has an engineering company.

Q. In this area?

A. In Detroit. And he's another bump arounder. We bump into each other. We bump into each other, basically.

Q. Don Barden?

A. Yes. He's the owner of Barden Cable. He's a board member.

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Q. How long have you known him?
A. I think I met Don sometime in early '80. Something like that.
Q. Do you have contacts with him? Do you have contacts with him now?
A. No.
Q. Do you know him well?
A. I have contacts only when I am bumping around. We're on a board together, the Renaissance Board. But other than that formality, no. And I do see him at different activities because we're all traveling the same waterholes.
Q. Tony Soave?
A. Tony Soave, he owns Waste Management, I believe.
MR. VAN WYKE: That's not the right name. City Management.
A. City Management. I'm sorry.
Q. And how do you know him?
A. Bumping around.
Q. Is he a personal friend?
A. No.
Q. Does he do business with the bank?
A. We've tried to get his company to do business with the bank, and I think at one time or another we might have been successful. And whether he still has an account

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their or not, I don't know. But we're not their banker, if that's what you're asking me.

Q. Tony Carver?

A. Now that's one I don't know.

Q. Frank Kelly?

A. Frank Kelly, bump arounder, meaning from one activity to another, I will run into him.

Q. And what does he do?

A. I don't know all what he does, but I would say he's probably a very enterprising person. I believe he has some medical clinics or a medical clinic. And I believe that he's got a shuttle service from the airport to Metro Detroit and probably numerous other things.

Q. Carol Woods?

A. Carol Woods, that's one I don't believe I know.

Q. Jim Sharp?

A. Jim Sharp, bump arounder. He works for Tony Soave. He used to be the Mayor of Flint. See him on occasion from, you know, in and out of various activities.

Q. Eddie Robinson?

A. Eddie Robinson, that doesn't ring a bell.

Q. Annette Rainwater?

A. Annette Rainwater, that rings a bell. Annette is -- I probably met her sometime in the early 80's. Over the last 12 years, I've probably seen her six times, eight

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tim[redacted].

Q. What does she do?

A. I don't really know quite what she does, but I believe that she does something at City Council working for one of the council persons. That's only a belief. I don't know quite what she does.

Q. When you describe your relationship to these people as bump arounders, could you just flush out the area of the bump around?

A. Yeah. Again those would be the various kinds of activities that go on in the Detroit business world. And it would range from everything from mayor functions, which would be, I think, more actively Coleman Young days because he was the mayor that had affairs every four or five times a year, including birthday parties and so forth and so on. And so it was always a place where you would see all the or many of the active people that's in and around Detroit, business people.

It would also mean that at the various church functions, again you might run into one or all of them. Also, these are just basically people that you might see at almost any event that had any kind of popularity. We all go there to meet people and see people, I mean, that we don't see ordinarily.

Q. Of the people that you have described as bump arounders

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in this sort of civic business world of Detroit, is this a familiar group of people that travels from this function to function? They'll pretty much know each other?

A. You know, I can't say that they all know each other or whatever, but this is just my description of it, you know. Certainly, if somebody wanted to know somebody, they would be at some of these gatherings.

Q. Is that how some of this business takes place, at gatherings such as you have described?

A. Some of what business?

Q. Business of learning who is in other businesses you might be interested, in getting to know people that might be helpful to you down the line in business?

A. I guess for everybody, it's a different kind of experience, you know. But it is certainly one that you know, where lots of people gather and you can meet lots of people and you see people you want to see and people you don't want to see. All of them are there.

Q. Fair enough. Have you at any time discussed Barbara-Rose Collins campaign finances with any of the people I have just named?

A. No.

(Discussion off the record.)

MS. BAKER: Off the record. We will

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take a five minute break.

(A recess was taken.)

MS. BAKER: Back on the record. We are back on the record after a short break.

Q. Mr. Davis, I would like to take you back again to the London Chop House meeting. You indicated that you were there with Barbara-Rose Collins and there were four or five no shows.

A. I don't know how many, but there were people that were coming that never got there.

Q. How did you know to expect other people?

A. How did I know?

Q. Yes.

A. Well, because she told me. I mean how she told me or when she told me, I mean I knew that there would be other people there. But I knew also that what she wanted me to do and what I needed to impart to her, which is really the very reason I went there. I mean I certainly had no problems supporting her, but I knew I could not be that finance chairman that she wanted.

My main reason for being there was just to get that part straightened out on a face to face basis.

Q. Were any of her aides or campaign staff assistants at that meeting?

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A. I don't know.

Q. While you were there, was it strictly you and Barbara-Rose Collins?

A. When I was there, it was myself and Barbara? There might have been somebody that came in as I was leaving. Or somebody that was -- you know, but essentially, I recall just talking to her and she was telling me what she wanted to do and what she wanted me to do. And so I was trying to just really set the record straight as to what I would do.

Q. Did she give you a specific time to show up?

A. It must have been. And I keep thinking it was around 5:30, because I know that day it seems like it was in the evening and I walked over there. And the London Chop House is down in the basement and that's one reason I remember that. Had it not been in the basement, I wouldn't have been able to tell you this much about it. But just walking down in the basement was an unusual experience, because I wasn't a frequenter of that establishment.

Q. Was the meeting in a private dining room of that Chop House?

A. No.

Q. Other tables visible?

A. The place was almost practically empty. But yeah, there

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were tables everywhere. And you asked me about the table settings. Yeah, it was set for dinner I do recall.

Q. Did you sit down with the expectation of having dinner?

A. I don't really remember that. But I think I sat down more with the expectation of getting out of there. Not for any other reason except that I just needed to or wanted to be someplace else. And where that was, I don't know.

Q. In your mind was this a dinner with Barbara-Rose Collins at the Chop House?

A. I don't remember. It was a meeting.

Q. You mentioned that the public record had shown that you did give a contribution to Barbara-Rose Collins?

A. Right.

Q. That contribution was reported by Barbara-Rose Collins Campaign Committee on June 8th. What were the circumstances of your giving a financial contribution?

A. Well, just on a personal basis. From time to time I probably would have made a contribution to almost any incumbent candidate. And in terms of familiarity, she was probably more familiar to me than whoever else was running or it could be that I gave whoever else was running something, too. I mean that happens as well. But I can't be anymore specific than that.

Q. Were you asked at the meeting at the Chop House for a

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financial contribution?

A. I don't know if I was asked there or elsewhere. But yes, I was asked for a contribution. Yeah.

Q. Was your financial contribution made in proximity to the meeting with Barbara-Rose Collins at the Chop House?

A. I don't remember. When you say proximity?

Q. Before or after?

A. Oh, okay. Probably, and this is just a stab at recollection, probably a long time afterwards. Probably. And that's just going by my usual slow to put the money on the table.

Q. Did Barbara-Rose Collins or her campaign make a verbal solicitation for funds?

A. Would you restate that?

Q. What kinds of solicitations did you get from Barbara-Rose Collins for funds?

A. I don't know. I think probably in the vein of can you make a contribution? Would you help me in my campaign? Can you make a contribution? I would think it would be something like that.

Q. But Barbara-Rose Collins herself would have made a personal appeal to you for funds?

A. Oh, yes.

Q. As opposed to sending you a letter in the mail saying please contribute?

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A. She made them both. But I do not recall personal inquiries.
Q. Did you attend any fundraisers for Barbara-Rose Collins in 1990?
A. I don't recall.
Q. Would there be anyway for you to refresh your recollection on that point?
A. No. Because actually, you know, at any one time you've got some 12, 15 candidates running and they've all got campaign raising funds here and campaign raising funds there and they're all selling tickets. And add the mayor on to that and there's just no way that I could even begin to tell you where I was and whose campaign I was involved with in terms of going to a buying tickets or chicken dinners or whatever else it might have been.
Q. Is it fair to say that you are asked frequently to attend fundraising functions?
A. Too frequently would be fair.
Q. And at the times you are asked to attend, how many times do you attend?
A. Probably more at that time.
Q. 1990?
A. Well, I was thinking 19 -- in the 80's, early 80's. And I said, you know, and I would say from the 80's on, it just tapered down to right now you would have to drag me to one. You would have to handcuff me and drag me and

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foo[illegible]e. But nevertheless, I h[illegible] no fewer inquiries. I just don't have the time to participate.

Q. In 1990, what level was your participation in the fundraising activities of candidates?

A. I could say just as little as possible, because it's always been, I would say, since -- probably since 1984, '85 or '86, you know. Maybe it was a plateau I reached I mean. And after that time, it was spare me. Don't call me. Just get out of here with those campaigns and, you know, you stay as far away from me as possible. Because these candidates can worry you to death for contributions.

Q. And contributions, financially?

A. When I say with letters and when you give once, I mean your name goes on a list of -- 40 other people has got your name and you can expect another 40 letters. And you know, I mean it's statewide. Any kind of thing you can think of. So political contributions, I mean it's like junk mail. You know, I mean it comes all the time.

Q. How did you decide to contribute to the candidates or causes that you in fact do contribute to?

A. How do I decide?

Q. Yes.

A. That's an interesting question. Sometimes I wonder myself how did I decide to make that contribution or how

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did decide to do that. And I don't always know.

Q. What kinds of factors do you take into account?

A. If I really look at how I feel about it, I don't take very many of these because I made a lot of contributions I wish I hadn't made. Not that hers is one of those. But there are other ones that I look back and say why did I make that contribution? What was I thinking about? This is a matter of pressure when they can corner you and when you're weak enough to do it. That's all it takes.

Q. Was your contribution to Barbara-Rose Collins in 1990 a pressured contribution?

A. I think I probably would say that I would be favorably disposed towards Barbara. And there would be a few other candidates I would be more favorably disposed to just because you like them. You know, you like this one more than you like the other one. And you don't like this one. It's not because of anything else. Just personal human -- human kinds of decisions.

Q. Let me turn your attention now to the bank and banking activities. And I would like to start with some general questions on bank procedures, generally. What positions at the bank have you held during your association with the bank?

A. I believe at the very onset, I was -- and I think I'm describing this correctly -- at the very onset, I was

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part of a Presidential Committee. And that consisted of three people, which would have been myself, Carl Gregory and someone else I forgot. Wardell Croft.

Q. Wardell Croft?

MR. VAN WYKE: C-r-o-f-t.

A. Yeah. That's when I first came to the bank. And then I think after election time, I was made Chairman.

Q. What did the Presidential Committee do?

A. The Presidential Committee was charged with just getting the bank and helping the bank work out of its problems in the absence of a president.

Q. What year was that?

A. Probably '80.

MR. VAN WYKE: I would like to just clarify the record. At the time that Mr. Davis first came into the bank, there still was a President, William Bailey. And he was and he probably would have been a part of that committee along with you.

A. Yeah.

MR. VAN WYKE: Bill Bailey?

A. He was removed.

MR. VAN WYKE: Yeah, but that came later

A. Well, the committee came, I think, after he was removed. After he was removed.

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MR. VAN WYK: Okay.

Q. After the removal of William Bailey, the committee functioned as the president of the bank?

A. I believe so.

Q. At what point did you become the chairman of the bank, chairman of the board, chairman of what?

A. That's what I would like to know. Chairman of the Bank and Chairman of the Board. That probably was, I believe, maybe '81.

Q. Do you own shares in First Independence?

A. Yes.

Q. Do you own a controlling interest in the bank?

A. Yes.

Q. What year did you gain controlling interest?

A. 1930.

Q. Having been made chairman of the bank in 1981, have you held any other positions in the bank?

A. I don't think so.

Q. Have you held positions in the corporation, in any other corporation associated with the bank?

A. Well, the holding company of the bank, yes, which is First Independence Corporation.

Q. What position do you hold?

A. Chairman.

Q. Since when?

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A. Well, since the holding company formulation. It was --

MR. VAN WYKE: '86.

A. '86.

Q. Any other positions that you hold in any other corporations associated with the bank?

A. I don't think so.

Q. Is that a no?

A. I don't think so. You know, I didn't remember that one, so I don't think so.

Q. Are there other corporations associated with the bank other than the holding corporation?

A. No.

Q. I would like you to describe for me how the Board of Directors is involved in the loan approval process. And I will have you do it in 1990 and then you can describe how things were different before or after. Let's start with 1990. Tell me how the Board of Directors is involved in the loan approval process.

A. Well, first of all, they're involved initially from a policy point of view. And from that point of view, the board is supposed to along with management approve a policy that the bank is supposed to operate under. And within that policy, loan approvals may come to the board and they may not come to the board.

Q. In 1990, did the board have a policy that involved them

in loan approvals?

A. Yeah. It's just as I stated, Holly. It all depended on what the loan was or whatever. The board may have not been involved in an approval and it may have.

Q. What kind of loans would the board be involved in?

A. I would say that, in general, loans over a certain amount of dollars, which I can't remember what our rule was, what our limit was at that particular time. And I really don't recall what the specific limits were for the officers. But loans that would exceed those limits at the bank the board would be involved in.

Q. Can you get that information?

A. Sure.

Q. That would be the loan limits of the various officers and other loan officials in the bank. Are there any other kinds of loans the board would consider?

A. That would come to the board's attention.

Q. Besides those exceeding certain -- the loan approval limits of officials?

A. Loans that would involve officers in the bank, yes.

Q. Would it include loans that involved directors of the bank?

A. Yes.

Q. Would it involve loans in which directors of the bank were guarantors?

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A. Yes, I would think so. It shou

Q. In the case of a loan involving a bank director or officer in 1990, what would be the procedure of processing a loan?

A. Probably one of two things. It would either go before the Executive Committee or it would go before the board.

Q. Who was on the Executive Committee?

A. Oh, in 1990?

Q. Yes.

A. Do you want to help me restore that? I don't remember.

MR. VAN WYKE: Actually, I think you can do it with the document, that loan document that you have with the list of names on it as the Executive Committee.

Q. Could you tell me by title who was on the Executive Committee?

A. By title?

Q. Certain loan officers? Is it a president? Who would be on an Executive Committee?

(Discussion off the record.)

A. Yes. It is the Board Committee, yes.

Q. So the Executive Committee is a Committee of the Board of Directors?

A. Yes.

Q. So the Executive Committee would consist of only people

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on Board of Directors?

A. Yes.

Q. Is the Board of Directors larger than the Executive Committee?

A. Yes.

Q. So it would be, the loan would go before the whole board or a committee of the board?

A. The Executive Committee.

Q. How were people, how were directors placed on the Executive Committee? Are they elected, appointed, rotated? Do you have a specific term?

A. They are for the most part, I think, appointed or they volunteer or -- but it's a, you know, it's also a time factor, you know. Everybody doesn't have time to do board duties and Executive Committee duties. So it's a combination of those two things, I would say.

Q. How big is the whole board?

A. In 1990?

Q. Yes.

A. I think maybe I will take a stab. 12 members, 13. Ballpark.

MR. VAN WYKE: 12.

Q. On an Executive Committee, how many people?

A. Maybe five or six.

Q. How often would the Executive Committee of the board

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meetings.

A. As -- maybe seven to nine times a year.

Q. Do they have regular meetings?

A. No.

Q. How are meeting times set?

A. They would probably have been set maybe from a board meeting. The members would be polled or maybe just the board secretary would poll them to find out the availabilities.

Q. What would occasion a meeting of the Executive Committee?

A. Well, anything from loan approvals, policy to compliance issues to -- anything that -- decisions that would require board action but not necessarily need the whole board to react to.

Q. How many affirmative votes of the Executive Committee does one need to have course of action?

A. A majority.

Q. And how many on the whole board?

A. A majority.

Q. What matters are taken from category of matters taken from the Executive Committee and presented to the full board?

A. Usually, actions that are acted upon. Reports of compliance issues. I think those would be the main ones.

Q. Are any loan approvals placed before the full board for

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action?

A. Sometimes, sure.

Q. What kinds of loans would be placed before the full board?

A. Well, loans over a certain amount. As I indicated to you, directors loans and maybe -- and but keeping in mind the Executive Committee may do the same thing, take some of the same actions.

Q. What is the limit on the authority for the Executive Committee to take action?

A. Any limits within law. And the law is is that, you know, there are certain areas that require the entire board. I mean if you are talking about making decisions on -- let me put it this way. There are probably two or three areas, and I can't tell you what they are, that would lawfully require and maybe more than that, that would lawfully require the entire board action. And they usually, I think, would pertain to compliance issues, compliance issues, regulatory compliance issues.

Q. Sure.

A. And it would also pertain to changing of bylaws.

Q. Okay.

A. You would need a two-thirds majority.

Q. Does the Executive Committee of the board keep minutes?

A. I would say for the most part, yes.

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Q. Who was the keeper of the minut

A. In 1990?

Q. Yes.

A. I don't remember. Who was that?

MR. VAN WYKE: The keeper or the taker?

Q. Do you have minutes of the meetings from the Executive Committee in 1990?

A. I would hope so. I mean I don't know the answer to that.

Q. What distinguishes the loans that the Executive Committee of the board approves or handles and those that the whole board is involved in?

A. I think mostly they are probably timing issues.

Q. In what way?

A. Well, in a sense that sometimes the -- for whatever reasons, loans are held up longer than we would like for them to be in terms of documentation in getting the loans disapproved or approved. And then sometimes there might be a situation where we have two months a year that we don't -- the full board does not meet. And so if loans fall within those months of August or December and they need to be dealt with, we will use the Executive Committee to deal with those.

Q. Anything else besides timing to distinguish the loan authority?

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A. The loan?

Q. The loan. Action on the loan approval or disapproval?

A. Those are the two things that come to my mind.

Q. Timing was one?

A. Yes.

Q. And what was the other?

A. It was timing again; right? Between August and December when the board doesn't meet.

Q. Oh, I'm sorry. Availability?

A. Um-hum.

Q. What documentation does an Executive Committee member or a Board of Directors member see when dealing with a loan application?

A. First of all, we never see the application usually. I wish we did now that you mention it. But we deal with usually what we call the loan writeup. And that would have information who the borrower is, the amount. Usually, what the loan is for. And usually, if we are all physically there and that written documentation is there, nine times out of 10.

And sometimes we will give approvals based upon information and not have those documents there. It could be a loan renewal, for example, if we are familiar with the customer. And the expiration date was end of July. And now the customer has got to wait

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unt[redacted] September to get any appr[redacted]l. So there are extenuating circumstances that you may not see that documentation. But usually, it's there.

Q. Who puts the package together for you?

A. The loan officer.

(Discussion off the record.)

Q. In 1990, the bank made a loan to Barbara-Rose Collins in the total amount of $75,000.00. It was disbursed in two checks, one for 50,000 and one for 25,000. I want to turn your attention to the Barbara-Rose Collins loan transaction. When was the bank first approached about making a loan to Barbara-Rose Collins?

A. When?

Q. Yes, in the 1990 transaction.

A. I don't know. I don't know. Because ordinarily, they, you know, loans are usually -- they come through the process, you know. And when we see them, it's when it's processed. If you are asking me as a board member or we don't -- in ordinary circumstances it's -- someone doesn't usually come up to a board member and say can I approach you with a loan.

Q. Did Barbara-Rose Collins approach you with a prospect of taking out a loan at FINB?

A. She may have. She may have. And like other candidates they do that all the time sometimes. And we just send

the[redacted]o whomever they need to t[redacted] to.

Q. By title, who would that person be?

A. Well, it depends on the person. Because what happens is, you know, if you have someone that's like an Al Taubman, you wouldn't send them to the loan officer. You would send them to the president of the bank only because that's who the people would want to deal with. Or some known figure or somebody that was of substantial means in the business community, they would not ordinarily go to the loan officer, although we would put them with our president and the president then would probably assign that to a loan officer and make sure that that goes through, would get information to the customer.

Q. How was the Barbara-Rose Collins loan transaction handled?

A. I don't know. The part that I remember in the conversations that I remember about it, it was largely handled by our president.

Q. And who was that?

A. Larry Jones, was that the President?

Q. Is he still with the bank?

A. No. Larry is not with the bank. He's been gone for a couple of years now, two and a half years or so.

Q. Do you know where he is now?

A. I think he left going to Michigan National. Whether he's

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sti[redacted]there or not, I don't kno[redacted]

Q. Is that a bank?

A. Yes, Michigan National is a bank.

Q. When did you first learn of Barbara-Rose Collins' loan application at the bank?

A. I don't know when I learned of her application. I've heard and knew that she was trying to get a loan probably sometime maybe before her application or after. I mean I don't have any recollection of the time sequence of it.

Q. Did your information come from people at the bank?

A. Yes, it came from people at the bank.

Q. Why would someone mention a Barbara-Rose Collins loan to you?

A. Well, like I said before, you know, Holly, Barbara may have mentioned it to me and I may have referred it to Mr. Jones. And I might have heard about it from time to time after that.

Q. And as a general matter, do you make inquiries about how loan application processes are happening?

A. Do I make inquiries?

Q. Yes.

A. Sure. From time to time.

Q. So that would not be unusual to discuss loan application stages?

A. At that time, at this particular time, it would have been

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most unusual about, you know, talking about loan applications. Today, it is not unusual. I talk about them daily.

Q. I understand your procedures have changed from the 1990 situation. In 1990, were people operating more independently than they do today in the bank?

A. People?

Q. The bank employees and the loan officers, were they handling things more independently than they do today?

A. I wouldn't say that they were handling them -- that they handled them more independently. I just think that they still handle them independently. But from time to time, we just check closer to make sure that the processes are processing.

Q. Did the Executive Committee of the board meet to consider Barbara-Rose Collins' loan application?

A. No. You know, I don't really know. I really don't know whether we ever met to consider that or not.

MS. BAKER: I would like to have that marked, please.

(FEC Davis Deposition Exhibit No. 2 was marked for identification.)

(Discussion off the record.)

Q. What has been marked as Exhibit 2 purports to be a copy of a two page document titled Loan Presentation in

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reference to Barbara-Rose Collins. And I would ask you to look at that document?

A. Yes.

Q. Have you seen this document before?

A. Yes.

Q. When have you seen it?

A. I saw it this morning.

Q. Had you seen it prior to this morning?

A. I may have seen it once before.

Q. When would that be?

A. That was with a Gerald Harrington Deposition.

Q. And when was that?

A. Oh, May of 1992.

Q. Is this document that has been marked Exhibit 2 typical of what you call loan writeups that board members see?

A. Yeah, it's typical of what board members see and it's also typical of what board members don't see. It's a typical writeup. And this happens for every loan or it should happen for every loan.

Q. Does it differ in any way from the typical loan writeup?

A. Yes, it does.

Q. How so?

A. Because this is not only a writeup, this is a writeup that has been submitted and it looks like it's been submitted to a polling. So usually when we see this, we

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do[illegible], of course, don't see th[illegible]olling that's on here.
Q. When would a polling be put on such a presentation?
A. Well, this looks to me, Holly, like this was put on, someone seems to have called around to see, to solicit the Executive Board, it looks like, as to how they would vote on this particular loan. And it doesn't look like this was a meeting. It looks like it was a telephone call.
Q. Your name is listed on this document as a board member, Board of Directors Action: Executive Board Poll, your name and the next word is yes?
A. Yes.
Q. Did you approve a loan for Barbara-Rose Collins in the amount of $75,000.00?
A. I would think so. I voted yes.
Q. Did you see any documentation prior to that?
A. Again I would have to say probably not simply because this was called in. It looks like it was called in. But usually when it's called in, there's some sort of summary as to what the loan is about or whatever and we cast our votes accordingly.
Q. Who would prepare the summary?
A. Who would prepare the summary.
Q. That would be given over the phone?
A. Oh, usually the president and it could be the senior loan

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officer as well.
Q. In a telephonic poll of the board, who would make the call?
A. Either the president or the senior lending officer.
Q. In reference to this polling, who made the call?
A. I don't know. But I would think that the president made this call. And like I said, just looking at this, I can't tell who would have made it or if the same person made it to all the people. I can't tell that either.
Q. On the bottom of the first page of Exhibit 2, there's a date typed in of July 16th, 1990. What date does this date refer?
A. I have no idea.
Q. Would you have any documents indicating when you were polled on this loan?
A. I don't see why I would.
Q. Do you keep any record of how you vote on individual loan applications?
A. Do I keep any record?
Q. Yes.
A. No.
Q. Does the Executive Committee keep anything other than this kind of Loan Presentation of the summary polling?
A. I really don't know if they do. I really don't see why they would, if they did. But, you know, this seems to me

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like record enough.
Q. Would a date like this occur on a document to indicate the polling took place, the final result of the polling or the date the Loan Presentation itself was made?
A. Holly, I really don't know.
Q. Is there anyone who might know, anyone who does know in the office?
A. Well, I don't know. First of all, usually, I never see this document in this form. I see it before this is there. See what I'm trying to say?
Q. It references the board action?
A. Yeah, I meant this is something I never see. This is after the fact. But this type of document is presented at a meeting that we would be looking at or seeking approval for a customer. How this date gets here or what is this date, when did it get there or how it got there, I mean I don't think any director would know that.
Q. Who could I ask?
A. I don't know. You could ask anybody. But I don't know if you are going to get an answer.
Q. Who could I ask who most likely could give me an answer?
A. Holly, you're asking me -- I don't know. Is that -- well, I'm asking you questions. You're asking me questions.
Q. Who would have prepared the Loan Presentation document as

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is?

A. I would think that this document would have come from the Loan Department.

Q. When you say Loan Department --

A. Yeah.

Q. Who would that be?

A. Whoever or whatever loan officer that was working on this with the president or whatever, that would be the officer that would prepare this. And maybe the president himself prepared it. I don't know. When I see this, I never know who prepared it unless I'm looking at the person that's presenting it. But back to this date, you know, if I could shed any light on it, I could tell you that nobody would know what that is except the person who put it on there.

Q. And you have no knowledge of who in the bank would have put that on there?

A. Absolutely not. I hope somebody from the Loan Department did. I would hope.

Q. How would the information about the board's action find it's way on to a Loan Presentation document?

A. How would it?

Q. Yes, as in Exhibit 2.

A. I just suppose, you know, not being the one that put it on there, that this document was presented as it is

pre[redacted]ted for all loans. This [redacted]a writeup.

Q. Yes.

A. And that it seems that in the absence of having a face to face meeting, these members were polled. That's what this looks like to me right here. Once these members are polled and the votes are taken, then that person who did the polling, whether it's the loan officer or whether it's the president or whoever or the persons who did the polling, it could have been more than one, would have fed that information to someone who put it on this document. But who did, who does that, I don't know. I couldn't tell you today who does it, who would do this, less more than 1990.

Q. On the second page of Exhibit 2, there is a reference in the third paragraph to the record of Don Barden. Was Don Barden also a customer of the bank?

(Document reviewed by the witness.)

A. When you say customer, what do you mean?

Q. Did Don Barden have accounts at FINB?

A. Now I don't -- I don't think he did. I don't believe that he had accounts at the bank. It's not to say that he didn't, but I don't think he did.

Q. Do directors have financial information on record at the bank about their own personal assets and liabilities?

A. Usually, if there is a loan involved, that would

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definitely be there. In cases where there aren't, it probably wouldn't be there.

Q. And this Barbara-Rose Collins loan transaction, did Don Barden submit personal financial information to the bank in connection with his loan guaranty?

A. I don't know. I would think that he did.

Q. Who would have access at the bank to Mr. Barden's personal financial statement?

A. Who would have access?

Q. Yes.

A. Probably as a director, we would probably keep it in the Director's File.

Q. And where would the Director's File be located?

A. We keep that up on the executive floor.

Q. Who has access to that file?

A. Elizabeth Moses would know where those were.

Q. Any access would come through Elizabeth Moses?

A. Um-hum.

Q. And she has sole authority to release documentation from that file?

A. I don't know if she has authority.

Q. Who has authority to allow access to that file?

A. I don't know. You would have to --

(Discussion off the record.)

Q. Can you find out?

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MR. VAN WYKE: Authority for those files would merely be with the president. Probably the president. Elizabeth couldn't act on her own in order to release information on those files.

A. Right.

MR. VAN WYKE: She wouldn't know where it is.

A. We haven't had a request for it. But yeah, we could find out.

Q. Are there any other files of certain categories of bank customers kept apart from the average loan?

A. I don't think so.

Q. Do you know so?

A. Look. You have already recalled four or five things I would have said absolutely not to. But I don't really think so.

Q. Are there any important large, financially large customer's records that would be kept separate from your average car loan customer?

A. I don't think so.

Q. Could you doublecheck?

A. We could.

MR. VAN WYKE: You're saying other than directors?

MS. BAKER: Yes.

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Q. Are there any other special categories of financial records kept apart from your average Jill or Joe home mortgage?

A. I know a couple offhand, but they are participation loans where NBD won't share the files of their prime customers.

MR. VAN WYKE: Well, we don't even have those statements. The bank does not have them.

A. Okay.

Q. After the board acts on a loan request, what is the next stage of the process?

A. Well, after the board acts, it could be one of two things. It could be declined. Obviously, the loan officer would let that customer know. And if it's approved, I would think that the loan officer would go about getting the necessary documentations for the final closing.

Q. So the paperwork moves on to the loan officer for completion?

A. Oh, yes.

Q. How long?

A. It never moves away from the loan officer so we say.

Q. How long a time period exists between loan approval at the board level and check disbursement at the loan officer level?

A. I am sure it varies. But I would hate to think -- if

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there were no complications involved, it should be pretty immediate.

Q. The same day?

A. It could be. But if there were complications involved, many loans are closed subject to or pending certain information. Well, there may be an appraisal that's missing or something like that.

Q. If all information --

A. Is there?

Q. Is there, would a check disbursement --

A. Go the same day?

Q. Yes.

A. Very possible.

Q. Would it be unusual for the transaction to reach the customer on the same day?

A. I would say absolutely not. I mean I have closings all the time all over the city. And the day I close, there's a check there and I'm on my way. I think it's just normal banking procedure as far as I can tell. Not unusual.

Q. Did Barbara-Rose Collins attend any meetings at the bank about this Loan Application?

A. She may have. Probably did if she's the client.

Q. Given category of person she is, how would her loan application have been handled?

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A. Well, I would like to think that we handle everybody's loan application with great salesmanship and care and all of those kinds of things. And I hope that she got the good treatment as well. But we try to have a very cordial relationship with our customers.

Q. My question was perfectly ambiguous. Let me give you a more precise question. And you have given an answer to that question. But let me give you a better question. Is Barbara-Rose Collins the type of person who would be directed to the president of the bank rather than to the loan officer?

A. I would think so.

Q. The bank disbursed the loan to Barbara-Rose Collins in two checks, one for 50,000 and one for 25,000?

A. Yes.

Q. Why?

A. I have no idea. That's not a board decision.

Q. Has the board ever seen this kind of loan come through, a total amount of 75,000 disbursed in two checks?

A. It could be disbursed in 10. I mean the number of checks has nothing to do with it. It's just the loan amount. I mean not that I have anything to say about it one way or the other. But that's not a board decision.

Q. Who decides how to divide it up?

A. Well, that's between usually the customer and the loan

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officer or, you know, that kind of arrangement.

Q. Is there any reason the bank would require $75,000.00 consumer loan to be divided as a $50,000.00 check and a $25,000.00 check?

A. That the bank would require?

Q. Yes.

A. I don't think it's required.

Q. Well, there are circumstances that the bank would indicate that it would be desirable to have a bank loan divided up into multiple segments?

A. Holly, that level of detail is -- would not be a board matter at all. I mean I just have to tell you that because you're asking me to give you questions that I don't have any detail about.

Q. Who would know that level of detail?

A. That would probably be the president or the loan officer, whoever is dealing with the client. But whether there's two checks, three checks, four checks, I mean the checks, there will be as many as they need. I've closed loans with six checks. Owed some over here to the auditor, owed some over here to the tax people, and some over here to somebody else. So they gave me six checks. So I don't see anything unusual about that.

Q. How does the Credit Committee at the bank in 1990 operate in relationship to the Board of Directors and the loan

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approval authority?

A. I don't know what you mean.

Q. I'm not calling it by the correct term. Is there a committee above that lower level loan officers and the president that meets and makes decisions on those?

MR. VAN WYKE: She's talking about the Senior Loan Committee, the Staff Lending Committee and what role it plays in this whole thing.

A. Well, the way it goes is I mean actually, you know, even at that time, I have loan approval. I could very easily make a loan without the committee. The president has loan approval. He can make a loan without the committee.

MR. VAN WYKE: That committee?

A. That committee. Loans up to certain amounts. And probably this one, you know, if I had elected to, I could probably have done it. So if you say what authority do they have, I mean they have a lot of authority in the realm of their authority.

But I mean in terms of just the actual lending limits for officers in the bank, there could be times when they could make a loan independent of the committee. As long as it's approved and it's within loan policy, we hope, we have to entrust those people to do that.

Q. What kind of loans would come to the Staff Lending

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Committee for action?

A. Almost all kinds. I would say that, and I've got to talk a little out of school because I really don't know all the loans that would come to them or the kinds of loan or the parameters that they use, so I really better not answer that.

Q. Is there a way to find out?

A. Sure, for 1990.

Q. Did the Barbara-Rose Collins 75,000 loan transaction go through the Staff Lending Committee?

A. It seems that it did.

Q. What makes you say that?

A. Because it seems that with a writeup like that, that seems to be more of a committee type of input. And I don't know.

Q. When you say a writeup like that, are you referring to --

A. Yes.

Q. The Loan Presentation, Exhibit 2?

A. Yes. Could have gone through the committee.

Q. If the Staff Committee, Lending Committee disapproves a loan, is that the end of the story?

A. Well, it all depends on what they disapprove it for.

Q. Does the Staff Lending Committee have to give reasons for the denial?

A. As a matter of law, we have to give all our customers a

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reason for denial.

Q. And who reviews the decision of the Staff Lending Committee?

A. Usually the president. Or in those cases where a loan is denied because of insufficient documentation or because of other reasons that can be corrected or because of knowledge and circumstances that needed to be disseminated or understood, those loans could be denied and then turn back around and be passed.

Q. To whom would they then be placed before?

A. When?

Q. To continue out the scenario that you just directed, that Staff Lending Committee may have denied a loan application. The president reviews those decisions. Who then decides whether to keep the loan in the process?

A. Maybe the president. Maybe, you know, depending on what the situation or the circumstance is. You know, if somebody is denied a loan and, you know, the next day their rich uncle dies and they've got what they -- an inheritance and they can provide the collateral or something, then that would be a different circumstance.

Q. Does the president have discretion to pass on for loan approval loans that the Staff Lending Committee has denied?

A. Does he have the discretion to pass?

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Q. To overrule a Staff Lending Committee's decision?
A. Well, you know, I hate to say this. This is an indictment against our procedures. But there have been cases where they have been passed on and they have been overridden.
Q. And would the president --
A. No, it's not the usual thing that we like to see.
Q. If the president has discretion to do that, would the president take action on his or her own or would the president then pass the loan up for the board's approval or rejection?
A. Depending on what the loan is or who it is or what it's about.
Q. If Barbara-Rose Collins' loan transaction went through the Staff Lending Committee, as suggested in Exhibit 2 looks like it may have, is that the kind of loan that would have been presented to the board for its action?
A. You know, I don't know because I don't know why, just on the face of this why it would have gone through the committee and not passed. So I mean if you say specifically did this go through the committee, first of all, I don't know if it did. And if it didn't go through the committee, did the president -- or if it did go through to the committee and it was turned down, did the president then keep it alive, I don't know that either.

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But this loan here, it looks sufficient enough to have gone through the committee. And I don't know if it didn't.

Q. If a loan applicant was directed to the president instead of the loan officer to begin with, would that direct contact with the president short circuit the process of moving a loan through the Staff Lending Committee?

A. Well, I hope not as a matter of everyday happenings that that would happen. But, you know, it's human frailties and it very possibly could.

Q. Let me ask this another way. Do all loans move through a basic standard channel from the loan officer up to Staff Lending Committee President? Would that be the chain along it would move through?

A. Not all the time.

Q. Barring human frailty, would the standard process be for loans to funnel up that way?

A. Well, when I say not all the time, what I mean is that, you see, from the earlier times in the bank when everybody was relying on a strong president, there could have been easily times that he would have made approval of loans without the committee getting involved, and we accepted that because that was within his loan authority and he was pretty good at it.

Then, you know, as time passed on,

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pro[illegible]ly that informal procedur[illegible]robably was still there to some extent, but the more formal procedure of the Loan Committee was beginning to take root and be stronger and have a more stronger influence in a way. So you've really got a time lag on what is going on. So when you asked that question, I'm truly saying that, you know, both things could have happened.

Q. In 1990, were both formal and informal procedures still in effect?

A. To some extent I would say, yes. But not to the extent that they were, you know, to answer, to just embellish upon that, if you were to ask me does every loan goes through the process of going through the committee and then approval, I could not answer that with an emphatic yes.

Q. As Chairman of the bank in 1990, did you have independent loan approval authority?

Q. Did I?

Q. Yes.

A. I think I did.

Q. Do directors as directors have loan approval authority?

A. Directors have no loan approval authority.

Q. This is a follow-up question from when you said you had authority. I'm just trying to figure out under what capacity you had loan authority. In your capacity as

cha[illegible]an of the bank --

A. That's correct.

Q. Could a loan go directly in 1990 to you for approval?

A. Yes.

Q. In 1990, what position did Gerald Harrington hold at the bank?

A. Gerald was Senior Vice President, I believe.

MR. VAN WYKE: Executive Vice President?

A. Oh, Executive Vice President. I'm sorry.

Q. What does that mean?

A. I really don't know.

Q. Was Gerald Harrington involved in the loan approval process in 1990?

A. Yeah, Gerry was part of the Loan Committee. I want to say Loan Approval Committee.

MR. VAN WYKE: Staff Lending Committee.

A. Staff Lending Committee, yes.

Q. The Staff Lending Committee, is that the title of this group? Does it have a title?

MR. VAN WYKE: You're looking at me. Yesterday we talked about it, I think, as the Senior Loan Committee and today we're talking about it as the Staff Loan Committee. And I don't know what the formal title

of [redacted]is. But both of those re[redacted]rences mean the same committee.

A. It's called the Senior Lending Committee.

(Discussion off the record.)

Q. Was Gerald Harrington involved in the Barbara-Rose Collins loan transaction in 1990?

A. I believe so.

Q. In what capacity?

A. I think he was a part of that committee.

Q. When you say you believe he was involved with the loan, the Barbara-Rose Collins loan transaction, are you saying you don't know or are you saying yes, he was?

A. A little bit of both.

Q. Could you explain?

A. Yeah, because, you know, I wasn't a part of the Senior Lending Committee, so I don't know who was there and what they were doing. But I know that he was a part of it. And then when you ask was he a part of it, and I know that in the earlier deposition it was brought out that he was a part of it and that he was making some representations obviously to sweeten up his lawsuit. And so between those two extremes, I don't know if he was a part of it or an angry magnified part of it or what was real and what wasn't real. That's what I'm saying.

Q. So other than Gerald Harrington's own allegations, do you

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know whether he was involved with the Barbara-Rose Collins loan transaction?

A. I don't know.

(Discussion off the record.)

MS. BAKER: Off the record, let's take a five minute break.

(A recess was taken.)

MS. BAKER: Back on the record.

Q. Mr. Davis, I want to turn your attention back to the Loan Presentation, which has been marked as Exhibit 2.

A. Um-hum.

Q. You mentioned that you have seen this document in preparation for the deposition and at the time of the Harrington Deposition. Have you seen it previous to either of those two occasions?

A. I don't believe so.

Q. Have you seen it, a Loan Presentation, referring to Barbara-Rose Collins' loans, without the Board of Directors Action typed on?

A. I don't think so. And that's not to say I haven't. But I mean ordinarily if it's not done at a meeting or at a board meeting, I wouldn't have any reason to see it.

Q. If the polling had been done over the phone, would you have received any paperwork?

A. No. Would you have seen this paperwork?

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Q. Has the bank made loans to other political candidates?
A. I am sure.
Q. How are the loans to the other political candidates handled? How have they been handled?
A. How? You mean procedurally?
Q. Yes.
A. Procedurally, they would be pretty much the same way.
Q. Same as what?
A. As the Barbara-Rose Collins loan.
Q. And that procedure would have been what?
A. Well, it would be to get the customer with the loan officer or possibly the president of the bank or whatever, depending on who it would be, and to get the customer processed.
Q. Were those loans to other political candidates approved by the board?
A. I don't know.
Q. Were loans made to political candidates prior to 1990?
A. Prior to 1990?
Q. Yes.
A. I don't recall. There may have been some that might have been. Probably most not.
Q. Since the loan to Barbara-Rose Collins, has the bank made loans to political candidates?
A. I can't really say where all the loans the bank makes,

because I'm obviously not the head of the Lending Department. And it could be very, very possible that there have been other loans to political candidates, yes. But I would not know what they were.

Q. Did the bank change its procedure in handling loans to political candidates subsequent to its loan transaction with Barbara-Rose Collins?

A. I don't think so.

Q. Is that a no?

A. I don't think so.

Q. Apart from the loan transaction in 1990, what other accounts has Barbara-Rose Collins had at the bank?

A. Now you're getting into detail that I would not even have the faintest idea about.

Q. Do you know whether she had accounts with the bank prior to this loan?

A. I would not know. I hope so.

Q. If a customer has other accounts at the bank, would the account history influence how the bank considers a loan application?

A. Yeah. That would influence how any bank considers an application as a matter of course. It's only the level of detail. I mean usually what you are asking me is something that a board member would not ordinarily be concerned about or have any reason to know whether a

political candidate has or anybody has an account there unless they just specifically say look, I'm bringing an account in or something.

Q. Has anyone specifically said to you, during the time you have been Chairman and on the board, a political candidate is making an application for a loan?

A. I believe so.

Q. Approximately how many are you aware of?

A. I'm just -- I just know that it's happened. And when they happen and who it was, I really don't have a recollection. But it does happen all the time.

Q. Think of a range. Given any election cycle, approximately how many political candidates would seek loans from your bank?

A. Oh, Holly, I would say at least, depending on the election cycle, whatever time it was, you know, maybe three or four would say something to me about getting a loan or something.

Q. Would these candidates be federal candidates or what kind of office would they run for?

A. Every walk or every area of the political arena.

Q. From City Council to?

A. City Council to City Council to -- even if they're running for Auditor General, I mean it's not uncommon to hear a request from them.

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Q. To turn your attention now back to your own contribution to Barbara-Rose Collins in 1990, how did your check get from your checkbook to the campaign coffers? Did you mail it?

A. No, I don't know. Usually, as a matter of procedure, I would just write the checks and somebody will send them out, either my secretary or girlfriend or somebody. But it would be very unusual for me to pick a check up and carry it over to somebody. Highly unusual.

Q. Would it be unusual for you to take out your checkbook and at the time a candidate made a solicitation and write a check on the spot?

A. You know, it would be the most unusual thing in the world.

Q. Do you carry your checkbook with you?

A. You couldn't get anything more unusual than that. Pardon?

Q. Do you carry your checkbook with you?

A. Absolutely not. My checks are all computerized, so I have to carry a computer with me.

Q. Do you carry your computer with you?

A. Well, see at that time, they didn't even have laptops. So I would have been looking pretty awkward walking around with a big old P.C. on my back and then have to plug it in to work it. No, I don't carry it.

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Q. What else can you tell us about the Barbara-Rose Collins loan transaction? We've gotten through approval. What else can you tell us?

A. Anything you want to know that I know, I will be glad to tell you. But you'll have to tickle my memory.

Q. Okay.

A. And then see what I know.

Q. After the loan was approved, when was the next time you heard anything else about the loan?

A. After it was approved?

Q. Yes.

A. I heard -- saw something in the newspaper.

Q. What did you see?

A. Well, it was something with her apologizing to the Elections Committee. That she had written a letter or something to you guys, as a matter of fact, I believe describing what she did. And that's about all I remember from that. And then from there, we --

Q. When was that?

A. I have no idea. This had to be not long after the election.

Q. The general election?

A. I think. I mean I don't know. I didn't ever think I would have to remember that again. But I tell you this, after that we obviously got an opinion from our attorneys

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to [redacted] whether the bank had mad[redacted]ny violations. And once we were satisfied that we did not make, create any violations, I just went on about my business. And the next time I heard from her was when this asinine, lying, prevaricator, I don't know what else I could call him, Harrington came up with this case.

Q. And when was that?

A. That was in 1990 or 1991.

MR. VAN WYKE: He filed this case in August of '90.

A. August of '90?

MR. VAN WYKE: I think so.

A. It might have been '91 or something like that.

MR. VAN WYKE: Could it be? Maybe it was '91. Maybe it was August of '91.

A. It was in a deposition. That's the next I heard of it.

Q. And when was your deposition taken?

A. I don't know. It was probably maybe '91. I don't know. I had about three or four of them over a period of a year or something. So I can't really say. Maybe between '91 and '92. I will try to target those dates.

Q. Where were those depositions conducted?

A. At Raymond Burkett's office.

Q. Is that in Detroit?

A. On Michigan Avenue.

Q. Who is Raymond Burkett?
A. That was Harrington's attorney.
Q. Were you questioned specifically about the Barbara-Rose Collins loan transaction?
A. Yes.
Q. When next did you hear about the Barbara-Rose Collins loan transactions?
A. When next?
Q. Yes.
A. The next time I do believe was this time.
Q. This time meaning?
A. This deposition.
Q. Have you ever spoken to Barbara-Rose Collins about the activities alleged by Gerald Harrington?
A. I don't think so. I do think that because I really haven't had time to sit down and talk with Barbara. I mean I've seen her and it's been at an NAACP Dinner. And I thought of another fundraiser. At an NAACP Dinner or something like that. And I would wave at her or something, and I might have said something or I might not have. We never had a communicative conversation about it.
Q. When the article appeared in the newspaper in which Barbara-Rose Collins said she had communicated with the FEC, after you saw that article, did you communicate with

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Barbara-Rose Collins or any of her representatives --

A. No.

Q. About the bank loan transaction?

A. No.

Q. Have you spoken to any of the other people subject to the loan transaction about the Barbara-Rose Collins loan problem with the FEC, that is, Don Barden?

A. I don't think so. And actually, in the scheme of things where maybe I saw them, this was very, very minor, you know, in the scheme of things where the bank was involved in this litigation with Harrington.

Q. Did you talk to Tony Soave following the revelation by Barbara-Rose Collins that there may have been violations of the Federal Election Commission regulations?

A. To be quite frank with you, I had not even recalled that Tony Soave was involved in this loan until -- and even though I saw this writeup earlier, it just didn't click until today. So I would not have had any reason to talk to him about it.

Q. Did you talk to Carol Woods?

A. I don't know her. I think that's one of the ones I don't know.

Q. Did you talk to Jim Sharp?

A. No.

Q. Did the Board of Directors discuss the Barbara-Rose

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Col[illegible]s loan transaction after [illegible] allegations made by Gerald Harrington about irregularities?

A. I don't think that we did anything except mention that along with some of the other what I thought was very ridiculous inflammatory accusations that Jerry was making. And it was just only in the scheme of a blob of pointers that Jerry was trying to score to make the bank more liable and increase his lawsuit, win his lawsuit.

Q. When you say that the bank sought a legal opinion about the legality of the loan transaction, who was the bank in that capacity seeking?

A. Myself and Larry Jones, I believe.

Q. Who represented the bank at that time?

A. We had the person that -- if you ask me who did this, it's a lot easier.

Q. Okay.

A. He didn't necessarily represent the bank, but that was Marty Weitzman (sp).

Q. Is he an attorney?

A. Yes.

Q. And where is his office?

A. He's in Southfield on Telegraph Road. But that's as far as I can tell you about his address.

Q. Anything else you can tell us? Can you tell us about this loan?

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A. You got to keep asking me because I probably know a lot more than I can say. But I just can't -- I can't serve up the relevance or importance. If you could help me, I would appreciate it.

MS. BAKER: Off the record.

(Discussion off the record.)

(A recess was taken.)

MS. BAKER: Back on the record.

We're back on the record after a brief break.

Q. I would like to turn your attention, Mr. Davis, back once again to the meeting at the London Chop House you had with Barbara-Rose Collins and see if there is anything more you can remember about that meeting and its timing. Thinking back on the time when that meeting took place, is there anything that you can remember that could locate the month in which that meeting took place?

A. I can't be specific as to the month that the meeting took place. I can just say that seasonally, it was a cold, a chilled day. Because among other things, going down the dark stairs into the London Chop House, I do remember standing up at the coat check checking my coat. So I figure that it was at least a chilled cool day. It was not summer.

Q. You have indicated that the public record shows that the contribution check to Barbara-Rose Collins campaign was

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reported by the Committee on June 8th, 1990. What is your recollection of when the check was written in proximity to time to the meeting with Barbara-Rose Collins at the London Chop House?

A. I have no specific recollection of any exactness of timing except to say that it was certainly sometime after the meeting, and it was only with some prodding and urging by Barbara to make the contribution.

Q. Were those proddings made personally by Ms. Collins?

A. I believe so. And probably at various functions that were held in the interim around town. And she let it be known that she needed my support and that was the format in which she made her request.

Q. Was your check for $1,000.00 made in that amount for any specific reason?

A. Well, I believe that it was for the maximum amount of support I could give her financially, and I thought that to be a thousand dollars.

Q. Was the maximum financial contribution the extent of the support you were prepared to give Barbara-Rose Collins at that time?

A. Yes.

Q. Do you have a copy of the contribution check you made to Barbara-Rose Collins in June, 1980?

A. I have nothing for June, 1980.

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Q. I'm sorry. June, 1990.
A. June, 1990, I will be glad to see if I can retrieve that for you.
Q. I would like to turn your attention now to the fall of 1990 after Barbara-Rose Collins communicated with the FEC about possible violations of the campaign finance laws and your knowledge about that coming in the newspaper. Did you have any contacts with Barbara-Rose Collins following your knowledge of her contacts with the FEC?
A. I don't know if it was a contact afterwards. But I think that during that time or around, in fact, it was after the article came out in the newspapers, she was very concerned about having made some sort of mistake. And so she was searching and trying to find ways that she could approach this. And I do recall her saying to me that she was just going to write to the Federal Elections Commission and just give the full disclosure, which I thought was very laudable and it certainly increased my respect for her integrity.
Q. And as an officer of the bank, what was your response to Ms. Collins' revelation?
A. Well, my response to her revelation was certainly, first of all, to ascertain whether the bank had made any violations or were there any violations on the part of the bank. And from that, I called Marty Weitzman to

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sol[illegible]t an opinion and he assur[illegible]us that the bank was within its province to make such a loan.

And then I turned my attention to other matters and I thought that her approach to the handling her situation with the Elections Commission was what was needed and I just more or less left the situation alone after that.

Q. How did Barbara-Rose Collins inform you of her situation in 1990, in the fall of 1990?

A. I can't remember whether it was by telephone or whether it was in person. But I do know that she was very concerned. And she being the type of person that she is, she would be very overt about her concerns.

Q. What did she say exactly?

A. I don't know exactly what she said, but I know that she was concerned about any of the improprieties that may have been committed in terms of the election process.

Q. When you say she's overt about in her style, call it an emotional tone of her revelation to you?

A. Pardon?

Q. You have used the phrase overt in describing the style of Ms. Collins' manner of speaking. Could you capture not the exact words, the emotional tone she used to convey the situation to you?

A. Her emotional tone and her whole position was that she

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want[illegible] to be correct and she wa[illegible]d to be proper. And that if there was something that was not proper, that she wanted to rectify that. That she was concerned about her reputation, I would say. She didn't say that, but I took it to mean that.

Q. Did she tell you how she came to discover she might be in violation of the Federal Campaign Finance Laws?

A. No, she didn't.

Q. Did you make any inquiries on your own?

A. Well, I thought I knew because the newspaper article was basically speaking for itself in terms of that something was not right.

(Discussion off the record.)

Q. Is there anything else you can tell us about the loan transaction that you have not already told us?

A. Nothing that I can think of.

Q. You are entitled to a witness fee for appearing today and mileage. And as soon as you provide us with that information, we will send you a check. You are also entitled to read the transcript and sign it and to go over the transcript for accuracy and see whether you want to add any additional information or corrections of the answers that have appeared today. You can do that at the office of the court reporter, and Mr. Van Wyke has the address of the court reporter. And I think we will go

over list with Mr. Van Wyke of the information you have agreed to provide and, of course, we will do that in a few minutes. That's it.

(Deposition concluded at 12:55 p.m.)

- - -

DONALD DAVIS

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CERTIFICATE OF NOTARY PUBLIC COURT REPORTER

I do certify that the witness whose attached deposition was taken before me in the above-entitled matter was by me first sworn to testify the truth; that the testimony contained herein was by me reduced to writing in the presence of the witness by means of stenography, and afterwards aided by computer transcription. The deposition is a true and complete transcript of the testimony given by the witness.

I do further certify that I am not connected by blood or marriage with any of the parties, their attorneys or agents, and that I am not an employee of either of them, nor interested, directly or indirectly, in the matter of controversy.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at Detroit, Michigan, County of Wayne, State of Michigan, this 31st day of July, 1994.

Muriel E. Charbonneau

Muriel E. Charbonneau, CSR-0097
Notary Public
Wayne County, Michigan
My Commission expires: 10/9/96

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In the Matter of)
)
) MUR 3181
)
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C O N F I D E N T I A L

DEPOSITION OF LAWRENCE JONES

Friday, July 15, 1994

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In the Matter of)
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C O N F I D E N T I A L

Deposition of LAWRENCE JONES, taken on behalf of the Federal Election Commission, at 817 Federal Building, 231 Lafayette Boulevard, Detroit, Michigan, commencing at 4:14 p.m., before Muriel E. Charbonneau, Certified Shorthand Reporter, No. 0097.

APPEARANCES:

JONATHAN A. BERNSTEIN
Assistant General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Appearing on behalf of the FEC.

HOLLY BAKER
Assistant General Counsel
Federal Election Commission
999 E Street, N.W.
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Appearing on behalf of the FEC.

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I N D E X

WITNESS:		PAGE
LAWRENCE JONES		
Examination by Mr. Bernstein		4

E X H I B I T S

FEC JONES DEPOSITION EXHIBIT NO.	IDENTIFICATION	PAGE
1	Right to Financial Privacy Act: Notice to Witness.	10
2	Calendar.	12
3	Consumer Loan Application.	15
4	Loan Presentation.	27
5	Loan Guaranty of Don Barden.	31

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Detroit, Michigan

Friday, July 15, 1994

4:14 p.m.

- - -

L A W R E N C E J O N E S ,

was thereupon called as a witness herein, and after having been first duly sworn to tell the truth, the whole truth and nothing but the truth, was examined and testified as follows:

EXAMINATION BY MR. BERNSTEIN:

Q. This is a Deposition being conducted pursuant to the Federal Election Campaign Act of 1971 as amended and Mr. Lawrence Jones has been issued a subpoena to appear here today for deposition.

My name is Jonathan Bernstein and with me is Holly Baker. And Mr. Jones, as we have discussed, this is a confidential enforcement investigation. It's nominated Matter Under Review, MUR 3181.

And first let me ask, you have you been deposed before?

A. Yes.

Q. In what sort of proceeding?

A. Civil suits.

Q. And so you then know that what I'm going to be doing is

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ask[redacted] you questions that will [redacted] transcribed by the court reporter. And as a consequence of that, only verbal replies can be recorded rather than nods or other --

A. Yes.

Q. Other modes. And you will have the opportunity at the end to read and review your deposition. And do you also understand that because you are under oath, this is the same as if you were testifying before a court or a judge. If at any time there is a question that I ask that is unclear, please let me know and I will try to rephrase it. Similarly, if you want to take a break at any time or if you would like to go off the record at any time, please let me know and I can instruct the court reporter to go off the record. Fair enough?

A. Fair.

Q. Could you state your full name, please?

A. Lawrence Jones.

Q. Is there a middle initial?

A. Sumner.

Q. And your date of birth?

A.

Q. And your social security number?

A.

Q. And your home address and telephone?

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A. 486[redacted]ambling Drive, Troy, Mich[redacted]n

Q. And your work address and telephone?

A. 27777 Inkster Road, Farmington Hills

Q. And your marital status?

A. Married.

Q. And for how long?

A. 21 years.

Q. And are you represented by counsel here today?

A. No.

Q. You understand that you would have the right to be represented by counsel?

A. Yes.

Q. And can you tell me what you did to prepare for this deposition?

A. Nothing.

Q. And can you tell me who you talked to about the deposition?

A. No one.

Q. No one at all?

A. No, other than my wife.

Q. And what is your wife's name?

A. Diane.

Q. And can you tell me about your educational background?

A. College degree, M.B.A. from LaSalle University.

Q. And anything else?

A. No.

Q. And did you have any military service?

A. Air National Guard for seven years.

Q. And when was that?

A. 1969 through 1978.

Q. And how about your employment history?

A. How much do you want to know?

Q. Well, you got out of the Air National Guard as a part time anyway.

A. Yes.

Q. So start with college without the dates and then forward.

A. From college to Gerard Trust Bank in Philadelphia. From Gerard Trust Bank to the Bank of New Jersey and the Bank of New Jersey to Maritor Savings Bank. Maritor Savings Bank to First Independence. First Independence to Michigan National.

Q. And what was your position with Maritor Savings Bank?

A. Commercial Loan Officer.

Q. And where was that?

A. Philadelphia, Pennsylvania.

Q. And what were your responsibilities in that capacity?

A. Developing, underwriting, structuring, loan requests from commercial customers.

Q. Of what size?

A. All sizes from small business to large corporate.

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Q. And how long did you serve in that capacity there?
A. Eight years.
Q. And what did you do after that?
A. First Independence Bank as President.
Q. And when was that?
A. 1990 through 1991.
Q. And your title again was President?
A. Yes.
Q. Did you have any other title?
A. Presidency of Chief Executive Officer.
Q. And what were your responsibilities?
A. Direct manage. Just operate the bank.
Q. And what responsibilities did you have particularly in the lending area?
A. Loan approval authority and directing loan requests to the Board of Directors when necessary.
Q. And what sort of loans would you be involved in as far as approval?
A. At various times, loans over a certain dollar amount. I don't remember what the dollar amount was. And at various times, the loan review process of reviewing all the loans.
Q. Now you had said that the Maritor Savings Bank was in New Jersey; is that right?
A. Philadelphia.

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Q. In Philadelphia. And so you then relocated from Philadelphia to Detroit to assume your responsibility as CEO of First Independence?

A. Yes.

Q. Had you lived in Detroit before that?

A. No.

Q. So you were new to the area?

A. Yes.

Q. Mr. Jones, did a time come when you had some involvement with a loan that was made to Barbara-Rose Collins?

A. Yes.

Q. And can you tell me in your own words as much as you can remember about that?

A. The loan was presented to me, I believe, by the Chairman at the time, Mr. Don Davis, as a request from Ms. Collins. I believe I spoke with Ms. Collins about the loan either by telephone or in person. I don't remember which. I spoke with two individuals who she proposed as guarantors for the loan, Don Barden and Anthony Soave. The loan was presented to the Executive Committee of the board for approval. It was approved and turned over to the Loan Department for disbursement.

Q. So you had said that Don Davis is the one who brought this loan to you?

A. I believe he was, yes.

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Q. And what can you remember about that?
A. I think Mr. Davis came into my office one day and indicated that Barbara-Rose Collins had requested a loan and then we discussed it from that point on.
(Discussion off the record.)
MR. BERNSTEIN: Off the record.
(Discussion off the record.)
MR. BERNSTEIN: Back on the record.
Q. Before we go any farther, Mr. Jones, what I would like to have the court reporter do is to mark a document as Exhibit 1 to this deposition.
(FEC Jones Deposition Exhibit No. 1 was marked for identification.)
(Discussion off the record.)
Q. Mr. Jones, we are actually about to start discussing in more detail the Barbara-Rose Collins bank loan. But before we do so, I would like to show you this document entitled Right to Financial Privacy Act: Notice to Witness. Could you have a look at it quickly, please?
(Document reviewed by the witness.)
Q. And have you had a chance to look at it?
A. Yes.
Q. And this is a document that Ms. Baker and I showed you before we went on the record. Do you have any questions about it?

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A. You can explain it in a little more detail.
Q. Certainly. The information that First Independence Bank had and has about the Barbara-Rose Collins loan because this was a loan made to an individual is subject to the Right to Financial Privacy Act. And a consequence of that is that before an agency like the Federal Election Commission can make inquiries about detailed information about that, we are required to comply with this Privacy Act. And the five page document which I handed you is to both explain the requirements of that act and also to include the materials indicating that the Commission has complied with it.
A. Should there be some indication that Ms. Collins has agreed to have the witness discuss or release information about her?
Q. What I can tell you, Mr. Jones, is that the last page of this document, entitled Certification of Compliance, is Ms. Baker's certification that the provisions of the Act have been complied with as to the subpoena forwarded to you. And let me quickly explain what that means, because I think that's probably the genesis of your question.
A. Right.
Q. The Right to Financial Privacy Act requires that we serve a copy of the subpoena that we sent to you on the customer whose information we are seeking. And the

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consequence of that is that a copy of the subpoena that we sent to you was sent to counsel for Ms. Collins along with the opportunity for counsel or Ms. Collins to object in a timely fashion. And not having received any objection on, Ms. Baker then signed this Notification of Compliance and that is what this document contains and hopefully will give you sufficient assurance that you are free to testify to information in your possession about this loan transaction.

A. Okay.

MR. BERNSTEIN: At this time, I would like to have the court reporter mark a document as FEC Exhibit 2.

(FEC Jones Deposition Exhibit No. 2 was marked for identification.)

(Discussion off the record.)

Q. This is a four page document which is a calendar. And the first two pages are June and July of 1990. And I am actually going to flip the first page so that what we have on the table before us is the calendar of July, 1990. And I will set it here on the table so that we can refer to it from time to time and perhaps that will help us put the activities that we are going to discuss in some sort of time sequence.

What we will discuss, Mr. Jones, is

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that it is apparent that the loan that we're discussing closed on Monday the 16th of July. And keeping that date in mind, let's go back to the discussion that you were just starting to relate that Mr. Davis had with you.

A. Um-hum.

Q. And you were relating that you recall him coming into your office and talking to you about this?

A. Yes.

Q. And can you try to look at the calendar as best as you can, not pick a date but give us an idea of how long might have elapsed between that point and the point at which the loan actually closed.

A. I have no idea when the process started. But looking at this document, the application was signed on the 9th of July. My conversation with Mr. Davis could have been prior to or it could have been after. I'm not certain. Looking at this calendar, the whole process could have taken anywhere from a week to two weeks, depending upon whether or not my conversation with Mr. Davis was prior to the 9th or after the 9th.

Q. Let me ask the question in this way. If we know that the loan closed on the 16th and you were trying to recall a point at which Don Davis came in to speak with you about this, do you think that that could be, was in the nature of a week before the loan closed or two weeks before or

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thr[illegible] weeks? Does that that he[illegible] you try to pinpoint it?
A. No, it's very difficult for me to say, based on the information on this document, when he came in. The application was signed on the 9th. That could have been brought to my attention after the 9th. Or he could have come into my office before the 9th and discussed it and then, subsequent to that conversation, see, Barbara-Rose Collins could have filled out an application and started the process. I don't recall how that whole process went.
Q. Right. What I'm mostly trying to inquire is if you have any sense whether there was a long time elapsed after Mr. Davis first mentioned this to you until the loan closed or whether it was not such a long time?
A. I don't think it was a long time. It could have been two weeks. It could have been less than two weeks. I don't think it was more than two weeks.
Q. Fair enough. So Mr. Davis came into your office and what did he tell you?
A. He indicated that Ms. Collins was interested in borrowing some funds for her campaign and that we were going to be looking at the application to see if there is a way that we can help her do it.
Q. And what did you know about Ms. Collins' campaign at that time?
A. Nothing other than that she was running for Congress.

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Q. Did Mr. Davis tell you what the purpose of this loan was?
A. Yes.
Q. And what was that purpose?
A. Campaign expenses.
Q. And did he tell you why she needed a loan for campaign expenses?
A. I don't remember specifically, but I assume she was running short of money.
Q. Did Mr. Davis ask you to do something?
A. Explain the question.
Q. Well, he met with you and he told you that Ms. Collins had asked for a loan. Was the ball in your court to do something at that point?
A. At that point, we decided to review the application to find out exactly what she needed, how long she needed it for and go from there.

MR. BERNSTEIN: I would like to have the court reporter mark this one page document as Exhibit 3.

(FEC Jones Deposition Exhibit No. 3 was marked for identification.)

(Discussion off the record.)

Q. What the court reporter has marked as FEC Exhibit 3 Mr. Jones, reads on top Consumer Loan Application, dot, dot, dot, For something. It looks like the rest may well be

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cut off. And it's dated July 9, 1990 and, apparently, signed by Barbara-Rose Collins. Can you have a look at that?

(Document reviewed by the witness.)

Q. Have you had a chance to look at it?

A. Yes.

Q. As I think you have inferred, Mr. Jones, what we have put on the calendar, which is FEC Exhibit 2, is the Application on the 9th of July, which apparently is this document. If you have had a chance to look at it, is this document familiar to you?

A. I remember it as the loan application that the bank was using at the time.

Q. And how about this specific application; is that familiar to you?

A. Yes. Since you've showed it to me since I've been here, I may or may not have seen this during that process. This could in fact have been prepared after conversations with Ms. Collins.

Q. Yeah. That's all I'm trying to get to is to see if you have any actual memory of seeing this document at the time of the loan?

A. No, I do not.

Q. Well, after Mr. Davis came in and told you about this, what is the next thing that you can remember?

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A. Probably a conversation with Ms. Collins, either on the telephone or in the office, discussing her request and discussing the structure of how the loan would be done.
Q. And how long after Mr. Davis first mentioned this to you did that conversation take place?
A. I do not remember. I really can't remember that time frame. It could have been immediately or it could have been a day or so. But I don't recall specifically.
Q. Do you think it was any more than a day or two?
A. I don't think it was more than a day or so. No more than two days at the maximum, I would say.
Q. So your first discussion with Ms. Collins took place pretty close after this first came to you?
A. Yes, yes.
Q. And what was the substance of that discussion?
A. The nature of her request, the restructure of the loan, how she would repay it and the guaranties that she had offered to supply the bank.
Q. And what was the nature of the loan?
A. Campaign expenses. Personal loan to Ms. Collins for campaign expenses.
Q. For her to use for her congressional campaign?
A. Yes.
Q. And what was the structure of the loan?
A. Short term loan with guarantors and I believe it was on

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an unsecured basis.
Q. And what was the amount?
A. 75,000.
Q. And again, what discussion can you recall particularly about the guarantors, that part of the loan?
A. Only that she had offered two individuals to guaranty the loan to strengthen the credit. That's as far as I can go in terms of details of the discussion. I don't remember anything else.
Q. Well, what does the term Guaranty mean in your practice?
A. Another individual has agreed to repay the loan if the borrower cannot repay it.
Q. Meaning a person is legally liable on the loan if the borrower doesn't repay?
A. That's correct.
Q. And is that what you remember Ms. Collins proposing?
A. I don't understand the question.
Q. Did she use the word guaranty, guarantor?
A. Yes, I think the word guaranty was used or that's the only term I have ever used in banking is guaranty.
Q. Well, did she understand, at least from your side of the conversation, that these were people who were going to be liable on the loan?
A. Yes.
Q. And who were the individuals?

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A. Don Barden, Anthony Soave.
Q. And did you know Mr. Barden?
A. Yes.
Q. Who is he?
A. He was a businessman, a customer of the bank and a member of the Board of Directors of the bank.
Q. How long had you known him?
A. At that time, two months.
Q. Because you were new to the bank, new to the area?
A. Yes.
Q. And Mr. Soave?
A. Another businessman, customer of the bank. And that's the extent of my knowledge of Mr. Soave.
Q. Did you look at financial statements of these two individuals?
A. Yes.
Q. Do you remember doing that?
A. Yes.
Q. How did you get ahold of them?
A. They submitted the financial reports when the bank requested it.
Q. Did you request them?
A. Yes, probably did. I don't know if I requested it directly or through an individual, another bank officer. But in order to support a guaranty, you must have

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financial information. And at the time, we didn't have financial information on either one. So either I requested it or someone else from the bank specifically requested it from those individuals.

Q. Well, the only thing I want to try to be clear about it, just so I will understand, you don't have actually a specific memory of doing it. But what you're saying is it would have been the logical thing to do?

A. Yes, the normal practice.

Q. The normal practice?

A. Right.

Q. And again, as best as you can recall, this first discussion that you had with Ms. Collins, was that a face to face discussion or a telephonic discussion?

A. I don't remember. I don't remember if we met in my office, in her office where -- or if we talked on the telephone. I just cannot remember that specific time.

Q. Do you have a personal calendar?

A. I normally keep one.

Q. Could you consult your personal calendar to see if it conceivably sheds any light on the events we're discussing?

A. No, I don't have a calendar from that time period.

Q. You do not have a calendar for 1990?

A. No.

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Q. What was the next thing that you can remember happening?
A. From what point?
Q. Well, I think so far, we know that Mr. Davis approached you. And then sometime, no more than two days later, you had a discussion with Ms. Collins where she essentially presented the transaction?
A. Okay.
Q. And what happened after that as best as you can remember?
A. From that point, we would have done financial information investigations like credit reports. We would have asked for financial information from herself and/or the guarantors. That information would have been put together and a structure developed, approval process put in place. And after the loan was approved, it would have been sent to the Loan Department to close the loan.
Q. Let's back up for just a moment. At this time did First Independence have a Consumer Loan Section and a Commercial Loan Section?
A. Yes.
Q. And was there a ceiling on the amounts usually for loans out of the Consumer Loan Department?
A. No, I don't remember any.
Q. Well, would $5,000.00 have been on the high side of loans out of the Consumer Loan Department?
A. Yes.

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Q. What we have is, FEC Exhibit 3 an application form that looks like it's a Consumer Loan Application Form. Do you know why this loan would have been handled by a Consumer Loan Application?

A. Because there was no business purpose in the nature of the loan request. And it was more consumer loan request, an individual rather than a business. So that would have been -- would have come under a Consumer Loan Department.

Q. Well, from what you've said, I gather this was not actually a loan to Ms. Collins for personal expenses. It was for her campaign expenses. But are you saying this did not sufficiently resemble a business; is that what you're saying?

A. Yes, it was not a business. And in the bank's opinion and my opinion, it was not a business. It was a personal request.

Q. Did you have any other discussions with Ms. Collins before the loan closed?

A. I don't remember.

Q. What discussions did you have with anybody else outside the bank before the loan closed?

A. I think I discussed the guaranties with Mr. Barden and Mr. Soave to confirm that they did in fact agree to guarantee the loan. That probably is the extent of my discussions outside the bank.

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Q. Well did you visit either one these gentleman's offices or?

A. No. They were telephone conversations.

Q. Oh, do you remember that?

A. Telephone conversations. I did not go to Mr. Barden's office or to Mr. Soave's office. So they were telephone conversations.

Q. Who did you speak with first?

A. I don't know. I have no idea.

Q. Were these conversations that were initiated by you?

A. Yes.

Q. And why did you initiate them?

A. To confirm that they had agreed to guarantee the loan.

Q. And in what proximity to the conversation with Ms. Collins that you just related would these calls have taken place?

A. They would have been very close proximity. Could have been the same day or the next day.

Q. Did you personally ask either of these two men for financial statements?

A. I believe I did, yes.

Q. In the phone conversations?

A. Yes.

Q. Or in some other way?

A. Probably in the phone conversations.

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MR. BERNSTEIN: Off the record for a minute.

(Discussion off the record.)

MR. BERNSTEIN: Back on the record.

Q. Do you want to clarify your response?

A. I don't have a specific memory of asking the individuals for statements. It's just something that I normally would do in the loan process. But to say that I specifically remember asking these two individuals, I'm not sure I did or not.

Q. Well, what else can you remember specifically about the substance of your discussions with Mr. Barden and Mr. Soave?

A. Specifically nothing other than to get their -- the fact that they agreed to guarantee. Other than that, I don't remember specifics.

Q. Well, did they know what the purpose of the loan was?

A. My assumption at this point was they did. I am sure in the conversation it was discussed. They specifically -- if I specifically remember them saying to me yes, we know what this is for, I don't remember. I am assuming that in my conversations with them, the nature of the request was discussed.

Q. And by the nature of the request, you mean?

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A. The purpose of the loan.
Q. And by the purpose of the loan you mean?
A. Campaign expenses.
Can we go off the record for a second?
MR. BERNSTEIN: Off the record.
(Discussion off the record.)
MR. BERNSTEIN: Back on the record.
Q. So you have told us that Don Davis approached you, that you spoke with Barbara-Rose Collins, that you at some point had communications with the two guarantors. Was this your decision to make as far as approving this loan or not approving it?
A. It was my decision to present it to the board for approval. I could not approve the loan. I had to have the Executive Committee of the board or the Board of Directors approve it. So it was not my approval. It was the Board of Directors approval upon my recommendation.
Q. And why did this loan have to be submitted to the board?
A. Because of the dollar amount and because Mr. Barden was a Director of the board.
Q. Did $75,000.00 loans have to be submitted to the board?
A. Let me retract that. It wasn't the dollar amount. Specifically, it was Mr. Barden's directorship.
Q. It was an insider transaction that the board had to

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approve?
A. Yes.
Q. In that case, let me ask my question a little differently. It was up to you about whether to recommend this loan for approval or not?
A. Yes.
Q. And at what point had you formed that recommendation?
A. I can't remember the specific day, but it was at some point after I received financial information and reviewed financial information and made a recommendation.
Q. Did you review financial information from both Mr. Barden and Mr. Soave?
A. Yes.
Q. Are you certain of that?
A. Yes.
Q. And would you then have communicated to anyone in the bank that you were going to recommend this loan?
A. No.
Q. Well, in that case after you had reviewed the financial statements, what happened next?
A. The information was relayed to the Executive Committee of the Board of Directors for approval.

MR. BERNSTEIN: I have another exhibit.

(FEC Jones Deposition Exhibit No. 4

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was marked for identification.)

(Discussion off the record.)

Q. FEC Exhibit No. 4, Mr. Jones, is a two page document that is entitled Loan Presentation and that appears to relate to the Barbara-Rose Collins bank loans. Could you have a look at it and let me know when you have had a chance to review it?

(Document reviewed by the witness.)

A. Okay.

Q. And what sort of form is this?

A. This is a document that was generally presented to the Board of Directors so that they can review loans that were made over a certain dollar amount during the previous month.

Q. Well, would this also have been a form used for an insider loan that needed, therefore, also to go to the board?

A. Yes. But this document is sometimes prepared after the fact and sometimes before the fact. That was common practice in the bank at the time.

Q. It might essentially have been a memorialization after the fact of what had taken place?

A. Yes, yes.

Q. Now this particular Loan Presentation that relates to the Collins bank loans, are you familiar with this? Have you

see this before, before you came here today?
A. I haven't seen it since probably 1990. But I'm familiar with the format. I'm familiar with the document as it is a standard item that was presented to the Board of Directors at board meetings.
Q. Well, if you had a chance to actually look at it, do you remember seeing this document or one like it at the time of the loan?
A. To say I specifically remember, no. But I know this is a document that was standard practice in the bank. But to say yes, I specifically remember this document, I don't remember it.
Q. Well, let me try to ask a different question. You have explained that because Mr. Barden was a current director and was a guarantor, this had to be approved by the board or the Executive Committee?
A. Right.
Q. As best as you can recall, can you tell us the circumstances of how this loan was approved?
A. As best as I recall, there were probably phone calls made to each of the members of the board who had to approve it. And probably a discussion of the loan as opposed to faxing or sending information to board directors.
Q. Did you call the directors about this loan?
A. I don't remember if I did or not. Sometimes I called and

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sometimes I had someone else call. I don't remember if I called on this one.

Q. Who else could have called?

A. The head of the Loan Department could have called and one of the lenders could have called. My Executive Assistant or a secretary could have called. Individuals who would normally call board members for certain items particularly as they pertain to loans. I was not the only one who would call.

Q. Well, if there was a loan that had to be approved by the board because it was an insider loan, is that the type of loan that you would have called the board members about?

A. I could have, yes.

Q. If you will notice that the Board of Directors' action in the poll that's described here has a list of names and a yes appears next to all of them except for one. And I guess Gerald Van Wyke and it says unavailable. Do you know what that means?

A. Probably means that when he was called, he was not there.

Q. Why would the Executive Committee have been polled by telephone, which I gather is what you think this indicates, rather than the loan being actually approved at an Executive Committee meeting or a board meeting?

A. Generally, when that happens, it was a timing issue where a decision had to be made before a board meeting or

bef[redacted] a meeting could be calle[redacted]f the Executive Committee.

Q. So if I told you that Monday, July 16th, 1990, which is the date that the loan closed, was actually the date of a board meeting?

A. I don't know that for a fact.

Q. Well, if I told you that there was a board meeting on that date, then can you explain why the loan would not have been discussed at that meeting and instead would have been approved by a telephone poll of the Executive Committee?

A. Board meetings were generally held at seven a.m. It could have been and again this is not fact. I'm just assuming. There could have been information missing at the board meeting that the board could not take action. So there could have been a poll of the Executive Committee as opposed to presenting it at the board.

Q. Do I gather you mean that the loan may have been perfected, if you will, later in the day than the board met; is that what you are saying?

A. Yes.

Q. In a commercial loan situation where an important part of the credit package were guaranties, would the guaranties have to be executed before the board approved a big loan?

A. No, they wouldn't have to be executed beforehand.

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Q. So it wouldn't necessarily be part of the package, the guaranties already signed?

A. No.

MR. BERNSTEIN: I would like to ask the court reporter to mark another exhibit.

(FEC Jones Deposition Exhibit No. 5 was marked for identification.)

Q. What has been marked as FEC Exhibit 5 is a five page document purporting to be a Loan Guaranty of Don H. Barden. Would you have a look at it and let me know when you have had a chance to review it.

(Document reviewed by the witness.)

Q. Have you had a chance to review it?

A. Yes.

Q. And do you recall this document being a part of the package of this loan?

A. I don't recall, but I'm assuming that it was part of the package.

Q. And if you will notice at the top, at the very top of the form, it says Date and that is filled in July 13th, 1990. And further down the form appears twice a different date of July 16th, 1990. And if you look at the calendar, what we see is that the 13th is the Friday and the 16th is the Monday in which the loan actually closed. So in view of that, do you know what the significance is of the

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July 13th date there at the top

A. Generally, that is the date the individual signs the document.

Q. That isn't just the date in which the document happens to be prepared, for example?

A. I don't think it has anything to do with the date it was prepared. In my recollection, documents dated a certain date were the day that the document was signed. Documents can be prepared days in advance, but they're not dated until the individual signs.

Q. So July 13th that appears at the top you think corresponds, turning to page five, when Mr. Barden actually executed it?

A. That's my assumption, yes.

Q. Did you meet with Mr. Barden or have any contact with Mr. Barden about this Guaranty at the time that he executed it or around then?

A. No.

Q. Are you certain of that?

A. I don't recall meeting Mr. Barden when he signed his Guaranty, no.

Q. Well, do you recall having a meeting in your office where he appeared about this loan transaction?

A. I don't recall. I don't remember.

Q. And how about any meetings with Ms. Collins about the

transaction?

A. I don't recall a meeting specifically. But I know I did discuss the transaction with her. Whether it was telephone or in my office, I don't remember.

Q. Well, we had talked about a discussion that came soon after Mr. Davis's approach to you and that, I gather, was closer to the beginning of the process rather than the end of the process?

A. Yes.

Q. So can you tell us about another either meeting, communication that you had with Ms. Collins after that but before the checks were issued?

A. I don't remember. I don't remember any other meetings other than my initial discussion with her about the transaction. If we met after that, I'm sorry. I don't remember.

Q. And as far as communications inside the bank, what other ones can you recall other than the initial approach from Mr. Davis?

A. I don't understand the question.

Q. Well, we know that Mr. Davis approached you and that was how you first learned about it.

A. Correct.

Q. What other communications did you have with anybody else in the bank about this loan transaction?

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A. I could have had several communications with Mr. Davis, individuals from the Loan Department. That was normal throughout the course of putting loans on the books. But I don't remember specific meetings or discussions about this particular situation.

Q. Any discussions with anybody inside the bank?

A. Again I assume I did with people in the Loan Department or Mr. Davis, but I don't recall specifically.

Q. Was this an unusual loan in your experience?

A. No.

Q. Well, had you had other consumer style loans of the amount of this loan?

A. Yes.

Q. $75,000.00?

A. Yes.

MR. BERNSTEIN: Off the record.

(Discussion off the record.).

MR. BERNSTEIN: Back on the record. Can you just read back the last question and answer, please.

(The Record was read as follows:

"Q. Well, had you had other consumer style loans of the amount of this loan?

A. Yes.

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Q. $75,0[redacted]00?

A. Yes.")

Q. So this was an unsecured loan; is that right?

A. Yes.

Q. So an unsecured consumer loan in the amount of $75,000.00 was not so usual; was it?

A. Correct.

Q. And I understand that this took place sometime ago, Mr. Jones. And as we have discussed before we started, you have been in the lending business for a long time?

A. Um-hum.

Q. Had you been involved either before or since with loans to candidates?

A. Yes.

Q. Campaign loans essentially?

A. Yes, yes.

Q. And who were those candidates?

A. I don't remember the specific name, but I do remember a candidate in Philadelphia, my former bank, where I believe we made a loan to the individual for campaign expenses.

Q. On what level was that individual? What campaign?

A. I don't remember specifically.

Q. Was it a federal candidate or a state candidate?

A. I believe it was a local -- I believe it was a local

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candidate. And I can't remember much more than that.
Q. Well, do you remember how you structured the loan?
A. No.
Q. Now FEC Exhibit No. 5, Mr. Jones, is the Guaranty signed by Mr. Barden. Is this five page Guaranty a form that was ordinarily used by the consumer loan people at FINB?
A. I don't remember if it was ordinarily used in the consumer process because I didn't review all of the consumer loans. They could have used this. They could have used another document. I don't remember. Specifically, I can't make that statement.
Q. Let's move on. I had asked you about whether the board could approve a loan before guaranties had been signed and you had indicated that the signing of these guaranties frequently take place at the closing of the loan. Do I gather, would the guaranties always be executed before any funds were disbursed?
A. Generally, yes.
Q. And do you know if that took place in this case?
A. I'm only reading from the document. And it looks as if Mr. Barden signed on the 13th and the loan was dated for the 16th. So I would only assume that he signed before the loan was disbursed, but I don't recall specifically that's what happened.
Q. You don't have a specific memory?

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A. Rig

Q. Were there any other communications that you can tell us about leading up to the closing of the loan?

A. No.

Q. After the board approved the loan and the loan was closed, what's the next you heard about it?

A. The next thing I heard was what came out of the newspapers sometime after the loan was closed. How long after that, I don't remember.

Q. Well, did a time come shortly after the loan closed when the guarantors was changed?

A. Sometime after it closed, yes. Specifically how long, I'm not sure. But the guarantors changed after the loan was closed.

Q. And how did that happen?

A. Specifically, I don't recall all the detail of events. But from memory, I can only remember that Mr. Soave asked to be released and Mr. Jim Sharp and Cara Woods agreed to replace Mr. Soave. When in fact the call came that Mr. Soave wanted to change and specifically if that call came to me or someone else, I don't remember. But I remember making the decision that it would be acceptable to change the guarantors.

Q. Well, did this information first come to you from someone inside the bank?

A. I don't remember.
Q. Well, do you remember having any communication directly with Mr. Soave after the one you described earlier?
A. No, I don't remember.
Q. Do you remember any communication with Mr. Sharp at that point?
A. At some point I discussed Mr. Sharp's Guaranty because he had volunteered to substitute for Mr. Soave. So I don't want to assume. I had -- must have had some conversation with him at some point to agree to have him substitute.
Q. With Mr. Sharp?
A. Yes.
Q. Was Mr. Sharp familiar with the loan transaction?
A. I assumed he was if he was willing to guarantee it.
Q. Well, did he say anything that suggested that he understood what the loan was for?
A. I only assume he did at that time. What he said specifically, I don't remember.
Q. Did Mr. Sharp propose that he take Mr. Soave's place?
A. I don't remember.
Q. Well, what is the basis for your assumption that Mr. Sharp understood what the loan transaction was about?
A. Generally, as a lender, when someone agrees to take liability for a loan, they understand the conditions under which the loan was made and their responsibility

for the loan. So I'm assuming that he understood those conditions.

Q. Well, what I'm getting to is the fact that this was a loan for Ms. Collins' campaign, you know, what the purpose of the loan was. Was it your understanding then that Mr. Sharp was familiar with that?

A. If he agreed to guarantee, I assume that he knew what the loan was made for.

Q. Well, do you have any specific memory that you can point to that gave you that feeling, that assumption?

A. Nothing specific other than some point in time someone recommended that Mr. Soave or suggested that Mr. Soave would like to be replaced by two other individuals. And eventually, I agreed to do it.

Q. By two other individuals?

A. Mr. Sharp and Cara Woods.

Q. Well, did Mr. Sharp alone want to take the place of Mr. Soave?

A. I don't remember.

Q. Well, do you remember making a credit judgment that Mr. Sharp could not alone take the place of Mr. Soave?

A. No, I don't remember. No, I don't.

Q. You might have, but you don't remember.

A. I might have, but I don't remember making that call.

Q. Do you remember reviewing any credit reports or financial

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statements relating to Mr. Sharp and Mr. Woods?

A. I don't remember, but I had to have reviewed it in order to agree to have them replace Mr. Soave.

Q. Did Mr. Sharp have any connection with Barbara-Rose Collins?

A. I believe he worked on a campaign with her.

Q. Do you know what he did in her campaign?

A. No.

Q. Where did that understanding come from?

A. At the time I just had general information that he was helping her on her campaign. What he did specifically, I don't remember.

Q. Well, did you have discussions with him that gave you that information?

A. I don't remember. I'm assuming I did. But specific remembrance of detailed discussions, I don't recall.

MR. BERNSTEIN: Off the record for a moment.

(Discussion off the record.)

MR. BERNSTEIN: Back on the record.

Q. Did a time then come that Mr. Sharp and Mr. Woods were substituted in place of Mr. Soave?

A. Yes.

Q. And can you remember anything else about that?

A. No, not detailed information other than they were

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substituted.
Q. Do you have any idea why Mr. Soave wanted to get out from under this?
A. No. My recollection is someone just mentioned personal reasons. And in reviewing the substituted guarantors, I agreed to switch.
Q. What was the next thing you heard about these loans?
A. I don't recall if the articles in the press came out before or after Mr. Soave requested to be released of his Guaranty. If it was after, then that would be the next thing I recall about the loan.
Q. And what was that?
A. Articles were published that Ms. Collins failed to file the proper documents for the loan and that she could be subject to fines or whatever.
Q. And what communications did you have with anybody about that?
A. The only conversation I remember is from Ms. Collins who indicated that she was upset about the articles in the press, but she was going to do whatever she could do to make sure that the loans were paid off as soon as possible.
Q. What did she say specifically?
A. Again I can only remember that she was upset about the way she was treated in the press and that she was going

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to what she could to pay it off and take it out of the press, if that was an issue.

Q. Were there any aspects of the transaction that were a surprise to her that you can remember?

A. None that I can remember.

Q. You didn't have any impression that she wasn't fully aware of how the transactions were structured?

A. No.

Q. And what other discussions, if any, have you had about these loan transactions?

A. After that point, none.

Q. Mr. Jones, we are going to do our best to try to wrap this up to accommodate your needs. And we explained off the record that we will probably be pursuing this further with you and, hopefully, in a way that will not be disruptive.

A. Okay.

Q. At this time, we are going to adjourn the deposition and not to close it so that we may ask to speak with you under oath again. But before we do that, we will be in touch with you.

You have the right to a witness fee and also mileage. And so how far did you travel to come to this deposition?

A. One way or round trip? Round trip would be 40 miles.

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Q. And you do have the right to review and sign this deposition transcript and the transcript will be made available at the court reporter's office which is across the street. Is that something that you will do?

A. Yes.

MR. BERNSTEIN: And with that, we will go off the record.

(Discussion off the record.)

(Deposition adjourned at 5:29 p.m.)

- - -

LAWRENCE JONES

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I do certify that the witness whose attached deposition was taken before me in the above-entitled matter was by me first sworn to testify the truth; that the testimony contained herein was by me reduced to writing in the presence of the witness by means of stenography, and afterwards aided by computer transcription. The deposition is a true and complete transcript of the testimony given by the witness.

I do further certify that I am not connected by blood or marriage with any of the parties, their attorneys or agents, and that I am not an employee of either of them, nor interested, directly or indirectly, in the matter of controversy.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at Detroit, Michigan, County of Wayne, State of Michigan, this 31st day of July, 1994.

Muriel E. Charbonneau

Muriel E. Charbonneau, CSR-0097
Notary Public
Wayne County, Michigan
My Commission expires: 10/9/96

RENAISSANCE COURT REPORTERS INC.
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TRANSCRIPT OF PROCEEDINGS

UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ELECTION COMMISSION

- -x
:
IN RE: :
:
M U R 3181 :
:
- -x

DEPOSITION OF ARLENE D. MAINS

C O N F I D E N T I A L

Washington, D. C.

Wednesday, August 10, 1994

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- -x

DEPOSITION OF ARLENE D. MAINS

Washington, D. C.

Wednesday, August 10, 1994

REPORTED BY:

WENDY S. CASWELL

Deposition of ARLENE D. MAINS, called for examination pursuant to notice of deposition, on Wednesday, August 10, 1994, in Washington, D. C., at the Federal Election Commission, 999 E Street, N..W., Sixth Floor, at 10:00 a.m. before WENDY S. CASWELL, a Notary Public within and for the District of Columbia, when were present on behalf of the respective parties:

HOLLY J. BAKER, ESQ.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

PROCEEDINGS

Whereupon,

ARLENE D. MAINS

was called as a witness and, having first been duly sworn, was examined and testified as follows:

EXAMINATION

BY MS. BAKER:

Q This is a deposition taken at the Federal Election Commission pursuant to 2 USC 437(d) in a matter designated MUR-3181. I am Holly Baker and with me today is Anthony Buckley and we represent the Commission in this proceeding.

Everything we say today will be taken down by the court reporter, and she can only take down verbal responses, so that means we actually have to say yes or no and not nod at each other and do gestures. I would remind you that you are under oath the same way that you would be if you were in a court.

If you don't hear one of my questions, or you don't answer -- I'm sorry, don't understand what I am saying, I will try to rephrase until you do.

If you need a break at any time, let me know, and

we will take one.

If at any point you come to understand that one of your answers was incomplete or you have additional memory of an event, let me know and we can go back and fill in the record on that point.

The matter is confidential, and will remain so until the entire case is closed and you would be informed at that point. None of this material will be on the public record until the entire case is closed.

Are you represented by counsel today?

A No.

Q Do you know that you could have counsel with you if desired?

A I read it in the material that I saw today.

Q Have you ever been deposed before?

A Yes.

Q That means that you understand I am going to be asking a series of questions and you will answer the best that you can from your personal knowledge of the matter.

A Okay.

Q This is taking place under the Right to Financial Privacy Act. As I showed you off the record and am now

showing you on the record, there is certain information that you can reveal under the Right to Financial Privacy Act since the Commission has complied with its requirements.

I would like to have the court reporter mark this document entitled "Right to Financial Privacy Act: Notice To Witness" as an exhibit. Attached to that notice is a letter from Holly Baker to Ms. Mains, enclosing a certificate of compliance with the Right to Financial Privacy Act and enclosing the subpoena from the Commission.

(Exhibit 1 identified.)

BY MS. BAKER:

Q I would ask you to glance at these materials and read them over.

Have you had a chance to look at materials marked as Exhibit 1?

A Yes.

Q Do you have any questions?

A No, I don't.

Q What is your full name?

A Arlene, middle name is Delores, D-e-l-o-r-e-s; last name is Mains, M-a-i-n-s.

Q Home address?

A 48861 Denton Road, Apartment 34, Belleville, Michigan 48111.

Q Home phone number?

A

Q Do you have a business address?

A Yes. It's 300 River Place, Suite 2050, Detroit, Michigan 48207.

Q What is the name of the business?

A Graimark, G-r-a-i-m-a-r-k.

Q Is the phone number there?

A

Q Social Security Number?

A

Q Date of birth?

A November 11, 1938.

Q Marital status?

A Single. Divorced, actually.

Q That's divorced?

A Yes.

Q When were you divorced?

A I think it would be 10 years this past February.

I honestly don't know. I think it was in February, but I think it was 10 years.

Q 1984. Is that your best guess?

A Yes, right.

Q What is your former husband's name?

A His name was Philip with one L, middle initial D, Mains.

Q Where does he live now?

A He is living -- I think he probably still has Ann Arbor, Michigan as his home address.

Q Have you served in the military?

A No.

Q What is your education?

A Bachelor of arts in education.

Q From where?

A Calvin College in Grand Rapids, Michigan.

Q Anything other than your BA?

A No, just a few continuing education courses but no additional degree.

Q What subjects did you pursue?

A Majored in German and psychology, minored in chemistry.

Q In the continuing education courses, what topics did you pursue?

A Oh, my. A lot of them were associated with banking, you know, just banking courses and lending, accounting. I took an additional summer in German at Middlebury College in Vermont, additional English courses at one of the campuses of UCLA in California, I have forgotten exactly which one. Courses in financial statements. There were so many over the years, I don't remember all of them. But most of them were just banking courses that would be for a matter of just weeks, or something of that nature.

Q Job related?

A Yes.

Q What was your maiden name?

A DeRuiter, D-e-R-u-i-t-e-r.

Q We will turn now to your employment history, starting from high school, but don't give me the dates. Start out with high school -- well, maybe better, college.

A Okay. Employment after college. I taught at the high school in Hudsonville, Michigan for a year. Then went to Manchester, Michigan and taught there for, I think,

either four or five years and stayed home for child care for a number of years. And then after banking at a teller level, and that was also Manchester, Michigan, gradually worked up into the Lansing area in that bank, and then left there in 1979 and went to First Independence National Bank of Detroit as a manager, as I recall, of the MasterCard department. And I worked there, gradually again getting involved in more areas, installment lending, mortgage lending, until I was finally the senior consumer loan officer for the bank, which would then have been all of the revolving credit installments in mortgages. I left there in September of 1992, and I have been with Graimark since then. I'm sorry. I gave you dates.

Q No, that's okay. Those are the important ones. We are going to go back to your duties at First Independence and spend some time on that. But just take me up through Graimark. What do you do at Graimark now?

A I am the subcontracting coordinator. Right now our primary business is acting as asset managers for the RTC, and my responsibility is to ask for bids for various types of services which we are mandatorily required to subcontract out.

Q What does Graimark do?

A Well, Graimark itself is basically a company that was formed -- I was not there at the time it was formed, but at that time there was asset management but primarily, I believe, the management of pension funds for various -- I don't know exactly who, because I wasn't there at the time. By the time I came, the primary involvement was with the RTC, managing and disposing of assets.

Q Let's turn to First Independence National Bank, which we keep calling FINB. What position did you hold in 1990?

A I was involved with consumer credit as long as I was there. Exact title at that time being, I don't remember, but I would definitely have been involved with -- the MasterCard department, we had a card holder basis as well as a merchant basis; installment loans also, cars, vacation, whatever it might have been, as well as mortgages primarily for residences; some fringe involvement in commercial, but very, very fringe.

Q In 1990, were you the senior consumer loan officer?

A I don't remember. I don't remember at what point

I was given that title.

Q Is there something you could look at later to recapture the times, the dates and the titles on your FINB employment?

A I don't know if there's anything I have. I might very well be dependent on the bank's records for that. There was a lot of -- after 1988, there was a lot of change as far as presidents and positions and everything else. I just don't really remember at what point in time, you know, as new administrations came in, authorities and so forth would change and there was so much change, I really don't remember exactly. I don't think I have anything. I could look.

Q Would you look?

A Yes.

Q Thank you. When you applied to Graimark, did you prepare a resume?

A I had a resume, but I had had an ongoing conversation with some of the principals at Graimark since the president there was the president of the bank that I had worked for, at First Independence, from, I think, '81 to '88 when he left. So we had had an ongoing conversation

that I might possibly, at one point in time, be able to work for them. I received a call from them saying we need you now, we have somebody who is leaving and we would like to have you come and work for us.

Q Basically you did not have to prepare a resume?

A So, no, it wasn't that kind of thing. They were fully cognizant of what my background was, capabilities and so forth. I had a resume which was submitted then with, you know, to them and subsequently by them to others as we bid on contracts, but I didn't prepare a resume to give to them so that they could determine whether or not I could fill the position.

Q The issue is whether you have a resume someplace where you can put your hand on it and pin down the different jobs you had at FINB and the dates on that.

A I am not sure, because the resume, as it changed, I am not sure I kept copies of each one as it changed over the years.

At this point in time, I don't think my resume anymore outlines exactly at what point in time I was given what title or what position, you know, that type of thing is more general. I don't think it pinpoints that.

Q Could you look, please.

A Sure.

Q Thank you. Who is the person that you were talking to that was the former president of FINB who went on to Graimark? Who was that?

A Charles Allen, A-l-l-e-n.

Q When was he at FINB?

A I think he came in 1981 and it was 1988 when he left.

Q Who succeeded him as president?

A Lester Robinson, I believe, was the first president -- that's not right -- from him, there were too many in a short period of time there -- I am trying to remember, first Lester Robinson and then -- I'm sorry, my initial reaction was it was Lester Robinson and subsequent to that, Lawrence Jones.

Q We will come back to that.

A Okay.

Q I am going to come back to the point of what you did in the loan department momentarily. First, I would like to ask you a little bit about your political activity and involvement with political campaigns. Can you tell us

if you do participate in political activities on a local level?

A No, other than voting sometimes, I have none whatsoever.

Q State level?

A Same thing.

Q Federal level?

A Possibly the same.

Q Do you make financial contributions to political campaigns?

A I don't recall that I ever have, no.

Q Have you ever handed out campaign literature?

A No, I don't believe so.

Q Do you know Barbara-Rose Collins?

A Only through the involvement -- I met her at the bank and in the process of doing some transactions.

Q Do you know her personally?

A No.

Q Have you made any contributions to her state campaigns?

A No.

Q For her federal campaigns?

A No.

Q Have you ever held elected office?

A No.

Q I would like to take you through a general loan procedure at First Independence National Bank in 1990. From what you said, I know there were changes. Let's try to get ourselves back into the frame of mind of 1990. You have indicated that there was a consumer loan division and you started to distinguish the consumer loan division from commercial loans.

Could you spell out the differences between those two activities at the bank?

A Well, basically, the consumer lending division, that deals with individuals who require loans for whatever purpose, whereas the commercial division deals with companies or individuals who need loans for business purposes.

Q Were officers assigned to be a consumer loan person as distinct from a different loan person?

A Well, First Independence is a small bank. For example, a commercial lending officer might be doing primarily commercial loans but if one of her commercial

customers needed to have an installment loan and needed to deal with that individual, they might be dealing with a commercial officer to get a personal loan of some sort. So there was some crossover.

But, generally -- not general, but we knew who was in the commercial area and who was in the installment area. But it isn't as if there were separate offices or buildings or something like that. We were all even physically at times seated within the same area.

Q Were you in the downtown office?

A Yes.

Q Were you ever in any of the branch offices?

A No. Other than the visits that I would make there, I was never actually -- that was not my permanent office.

Q Turning now to the consumer division, what was the loan authority for the various people in the consumer division for both secured and unsecured loans?

A What I looked at today, you know, told me, what apparently was the level of authority at that point in time. Again, that changed so much. There were times, for instance, when there was no loan authority within the

branches. Other times, some of the branch people had certain levels and others had different levels.

As we got the new administration, frequently when they came in, all the old authority was removed totally. It wasn't something where I could very readily say if you had this title, that was your loan authority, or if you were in a branch as a manager or whatever, it just wasn't that type of thing. We were granted authority, often based on our experience and what the bank saw as our level of expertise and how we handled other jobs and so forth.

Q You just referred to what you had seen this morning.

A Uh-huh.

Q What did you look at this morning in preparation for this deposition?

A There was a copy of the lending authority for First Independence. I don't recall if it said 1990 on it, I made an assumption that it probably related to 1990, since there was a loan transaction there from banking.

Q Other than the bank documents that you looked at this morning prior to the deposition, did you prepare in any other way for this deposition?

A Very minimally. When I first spoke with you, which would be two or three weeks ago, I guess, I really didn't know what transaction we were talking about. Gradually, I thought I remembered one. The only thing that I remembered is that there seemed there was a loan where there was a guarantor or guarantors involved.

On Monday of this week, I called the loan officer at First Independence. He told me that Martha Thomas had spoken with someone about this deposition. I spoke with her very briefly and I asked her if there was a loan involving guarantors, and she said yes, basically.

Q Who at the bank did you talk to?

A Martha Thomas.

Q And initially who made the call from the bank?

A Roland Krause, K-r-a-u-s-e.

Q What position does Roland Krause play?

A He was a commercial loan officer. I believe he may still have that position.

Q What was the substance of your conversation with Martha Thomas?

A Most of it was just personal things since we were friends there for a long time. But I asked her, I am

trying to remember what loan this is, and is it one that involved guarantors? She said yes. We didn't talk about who the guarantors were but that was basically the conversation, other than she did tell me that I had to go down, and that she had gone down and had given a deposition.

Q Did she tell you anything about her deposition experience?

A Not much other than that. There wasn't a lot she knew about the transaction and basically she told me she wanted to get out and was getting ready for a vacation that was coming up, and she was very anxious to get out of there.

Q Did you talk to anybody else at the bank besides Martha Thomas and Roland Krause?

A No, I didn't.

Q Are you familiar with the group called the credit committee or the senior loan committee?

A At First Independence?

Q Yes.

A There was always a credit committee, I believe, over the years when I was at the bank. A senior loan

committee, I don't recall that kind of title now.

Q You knew it as a credit committee?

A Right.

Q Who was on that?

A Well, again, that varied over the years. It definitely would involve the loan officers who were, you know, say, managers of departments or whatever title they had at the time. Generally, not always, but for most of the time when I was at First Independence, the head of the commercial lending department also was head of all lending so that even if there was a head of the consumer area, that person normally reported to the head of the commercial area. So you would have the -- generally this would have been the head of the commercial lending area and perhaps anywhere from one to three or so other commercial officers.

I think there was a time when there were not any consumer lenders represented on that committee, as I recall, when I was first there, and later that was expanded, depending a lot on who was there. There were some presidents, for instance, who looked at that as a learning experience, so they would draw in people just so

that they could look at loan presentations and see how credits were looked at.

So sometimes it was a very closed group. Other times it was something where we encouraged individuals from the branches that would just come to watch the loan process.

Q Do you know Barbara Worden?

A Yes.

Q How do you know her?

A She was the head of the -- she came to the bank, I think, as a commercial loan officer. I don't think it was all that long after I came there, so she was probably there, give or take, 1980. I don't know exactly. She came in as a commercial lending officer. At some time subsequent to that, became the head of the commercial loan area.

Q Was she on the credit committee?

A Yes. She may very well have been on it as long as she was there, since she was a commercial loan officer.

Q In 1990, who was on the credit committee?

A I don't know. I wouldn't want to even try to guess. But whoever were the commercial loan officers at

the time, I probably was attending meetings at the time and there may have been -- Martha Thomas may have been one. I don't know. She had gone over to the branches as a branch manager. She drifted back and forth somewhat between the branches and lending. But the president of the bank and commercial lending officer would have been on it and I probably was attending at that time too.

Q What kind of loan applications did the credit committee handle?

A Generally it was commercial loans but -- for the most part it was just the commercial loans. Later, it got to a point where, at the time when I left the bank, we were looking at mortgage loans and the larger mortgage loans would always have gone to the credit committee. When I say "larger," I can't give you a dollar amount, because I don't know what the break-off was.

But that committee was originally one that looked at commercial loans and later, there were others that were, at the point that when I left the bank, even smaller consumer loans were sometimes looked at.

Q What was the purpose of the credit committee?

A Generally either to make decisions to grant or

deny loans or to make recommendations to the board of directors.

Q Was there a dollar amount that automatically put a loan under the credit committee's name?

A There were dollar amounts. Again, those would have changed over the years depending on who was there. And another thing that would determine it would be, for instance, if the head of the commercial lending area had a certain lending authority, that was -- sometimes it was at a level which was much greater than a previous person or subsequent -- I, for instance, might have taken a consumer loan -- I did, frequently in fact, take a consumer loan to the head of the commercial lending area for approval or denial. On occasion that person might say, well, I don't want to make a decision by myself, I would like to take it to the committee, even if it was within that person's authority.

Q Would you do that because the loan was beyond your loan authority?

A And, again, it would be either because, at the time, I didn't have loan authority, because it was beyond my authority, or perhaps sometimes you just want input from

someone else, even if it was within your authority, you know.

Q On what issues?

A Especially for myself, if it involved -- I didn't feel comfortable. It wasn't within my background to really understand or know business financial statements. So if I were lending to an individual, for instance, take an example, for a car loan but they were self-employed, and most of their income, you know, I would have to look at business financial statements. I didn't normally feel comfortable enough for that to do it by myself.

Q How was a person's creditworthiness established?

A As far as individuals were concerned?

Q Yes.

A We would look at a -- a lot of emphasis was put on their -- the credit reports, which you could get from various credit reporting agencies. We would look at source of income, you know, like the continuation, outstanding indebtedness, you know, as far as how much they were already paying out in monthly payments, whether they could handle another one, that type of thing. I would say the credit reports especially at one time we relied on very

heavily.

Q How were decisions made in the credit committee to accept a loan or reject the loan application?

A Well, the officer who was processing this particular loan would make a presentation and, after that, there would be a discussion and ultimately a vote would be taken.

Q What did the presentation consist of?

A Generally just a description of the transaction, what the customer was looking for. There would normally be a section that would tell us about the customer's history with the bank, that would involve both depository accounts and loan accounts. We would find out what the present indebtedness to the bank was and how much this loan may add to that.

The commercial loans would generally have a detailed section as far as how the loan would be repaid. If there was a business, how it was functioning, operating, doing in the financial statements, that kind of thing.

Q Did the consumer loans have different paperwork from the commercial loans?

A Yes. There was a consumer loan application type

you could buy from many companies, who put out consumer loan applications. We would normally just have the individual fill out one of those applications. They might be asked for, like, a pay stub or something of that nature, but generally we relied on the consumer application.

Q What is a pay stub?

A If they were paid with something which would give them a printout of how much they were paid for a certain period of time.

Q Okay.

A Today I know there's a lot of automatic deposits and that doesn't happen.

Q A pay stub. I thought you said a paste-up. I'm sorry.

Did the president sit on the bank credit committee?

A Yes. There may have been times that the president wasn't present, but whoever the president was at the time would definitely be a member.

Q Did the president have independent loan authority?

A Yes.

Q Could the president override a credit committee decision?

A It is possible that he had that authority, but it certainly wasn't a normal occurrence.

Q What kind of loans did the board of directors look at?

A There were certain dollar amounts established that would indicate that a loan had to go to the board of directors, and that could be for an individual loan or for a loan concentration, if an individual had more than one loan. I believe that there may have been certain relationships which required that. I don't know if this was true over all the years that I was there, but I want to think that perhaps certain relationships required -- at least confirmation, by the board of directors.

Q What kind of relationships are you referring to?

A Well, for instance, if one of the members of the board of directors was asking for a loan, employees of the bank, and that varied, you know, over the years. Sometimes the president would look at all employee loans, but sometimes it was a certain loan officer, but there were various types of loans.

Again, because of the changes after '88, there were so many different administrations and each one had their own idea of exactly how things should be set up.

Q What happened in '88?

A Well, that was the year, see, we had had the same president for a number of years, and at that point, when he left the bank, we were without a president, then a president came in and there was Lester Robinson, Lawrence Jones and Richard Shealy, plus some months in between where there was no president. We were looking for a president. So from '88 until the time I left in '92, we had three presidents and some months when there was no one there.

So it meant a lot of change, because we had one president before that who had become thoroughly familiar with the bank employees, so you all sort of knew one another, you know, and things were more stable in a sense that we all sort of knew exactly what our authorities were and so forth.

But once you get new administrations, it's probably typical that when they come in they want to be able to assess and analyze people before they just grant them authorities or whatever.

Q What was going on in the '88-92 period to account for the turnover and new administrations?

A That, I can't answer. I don't know why a president came in and left. I knew he was leaving but I certainly wasn't privy to the reason.

Q Were personal financial statements required for both commercial loans and consumer loans?

A No. They weren't required, but I would say that in the latter years, when I was there, it was more common to ask for personal financial statements, partly I think because some of the commercial loan officers were looking at them, and that's what they were familiar with. They were not familiar with consumer loan applications and credit reports. They were used to looking at commercial financial statements.

So especially when we didn't have an acting president, if there was a commercial lending officer and they felt comfortable with those, there were times too when levels were established, like if an individual wanted a -- this is not probably an accurate level, but, as an example, if we said you wanted a $25,000 loan or more which is going to be unsecured, we want to see your personal financial

statement. That type of thing might occur.

Q What I would like to do is have you take me through a very basic procedure of someone coming in for a consumer loan, and take me through the loan application process.

A Well, most of the individuals at First Independence who wanted loans would come into the bank and either complete a loan application or the loan officer would speak with them and fill the information out on the loan application as they were talking. So it could either be the individual talking, and there were times when I filled it out myself because the customers were more comfortable with giving you the information, having you put it on the paper and then they would look it over and sign it.

We were probably atypical as far as not taking very many telephone applications, not getting a lot of applications through the mail. There were some, there weren't lots. Typically it would have been an individual coming in, sitting in an office with someone and either completing an application or responding to questions from the individual and having that individual fill out the

application for us.

Once the application -- there was not normally one of these processes where we said if you come in we will give you a loan in two hours kind of thing. Normally the individual would leave the office as we would run a credit report. In some cases we might -- not always was a point verified, it depends on the size of the loan and if the individual, for instance, if it was someone who was a long time customer of depository accounts and so forth, it was not normally worth taking the time to verify what you already knew, what your credit showed and you could, for instance, see them coming in and depositing a paycheck. There might have been, in some cases, verification of employment, but a credit report was virtually always run.

Once we had that credit report, the application and the credit report would go to someone to review, to make a decision or make a recommendation as far as the loan was concerned. Once a decision had been made at that point, the loan documents would be drawn up and an individual would come in to sign and get the whole loan proceeds.

Q Let me back up. Could a loan be originated by a

call to the president?

A There were some of that nature, yes.

Q And if a call went in to the president or the president said this person needs a loan, what would happen?

A Again, I can only give generalities, because there wasn't any one procedure. If an individual called in to a president for a loan, and, for instance, he might say, I want you to contact so-and-so and might give them the name of an officer, he might call an officer and say this individual needs a loan, I want you to contact them.

In some instances, if we had enough information in the bank records, we might pull together some initial information, complete an application as far as we knew from what we knew, and then have the individual come in and complete it. It depended on if you are talking about an individual who has a lot of money in the bank, you are going to -- you know, we would do as much as we could for them based on the information that we had.

So there just was no one way. In some cases, I could remember having been called up by various presidents saying, you know, there is so-and-so in the office with

me. I want you to come up and we might do something right there in the president's office.

So there was a lot of ways for them to handle it.

Q Let's take the case where somebody comes in and fills out the application. You have mentioned that it would have to be approved. Who would do the approving?

A It would depend on the type of loan, again, the level of authority that individuals had at the time.

Q Take me from a loan officer, and run this scenario if the amount was beyond the authority of each level. Run me from loan officer on up within the hierarchy of decisionmaking.

A I am not sure exactly if this is what you want, but if I as an individual, or if I as a loan officer had taken the application, did not have authority to approve it, I would take it to my superior if there was an individual superior who had that authority. If there was not, then it could go to a credit committee that had that authority and if that authority did not lie within the credit committee, it would have then been simply presented as a loan that was going to go later to the board of directors for a decision.

Not everything would have run through the credit committee if it wasn't within, you know -- for instance, if it was a loan application that I did not have the authority for and knew that there was no individual or credit committee that had the authority for it, it could go directly to the board of directors.

But my recollection is that most of them were at least presented, as was sometimes said, this is presented for information purposes only. We might have at least just informed the credit committee that this loan was pending or was in process or had already been approved by the board of directors.

Q If it got to the credit committee and went, let's say, for informational purposes, could the president, by himself, then give authority for the loan?

A If it was within the dollar amount of his authority.

Q Could the president have already given loan authority before it was presented for information purposes at the credit committee?

A Made a decision?

Q Yes.

A Yes. It could have happened.

Q Were there loans that went to the president for approval that did not make it into the credit committee for informational purposes?

A That I wouldn't want to say definitely, because I don't remember. It would have depended too because the credit committee, as it was originally -- I shouldn't say originally but when I was first at the bank, as I recall, was almost exclusively for commercial loans.

So that if the president had approved a loan to an individual, I don't believe that it would have gone to the credit committee at all. Definitely all of our, for instance, the loans that we did for individuals, for home improvements, for vacations, auto loans, that kinds of things, they did not go to the credit committee at all; would never have hit the records at all.

Q If there were questions for those kinds of loans, could the president have reviewed the file and made a decision?

A Yes.

Q Is there any way to pin down what point in time it happened, where the credit committee was looking at both

commercial and consumer loans, anything?

A Not that I am really aware of. When I was first at the bank, I was not going to the credit committee at all. There may have been a time or two if somebody wasn't there and I was asked to sit in, but I didn't go to that committee at all. I think that probably the larger mortgage loans may have been going to that committee all along.

I can recall, somewhat, preparing loan presentations, probably for mortgages and handing them to whoever my superior was to take to the committee. I think those must have all been mortgages, because I do remember giving loan presentations to whoever was my superior for them to take to that loan committee.

So it could very well be possible that all along it wasn't totally commercial, but what wasn't commercial was probably larger mortgage loans.

MS. BAKER: Off the record.

(Discussion off the record.)

(Recess.)

MS. BAKER: Back on the record.

BY MS. BAKER:

Q I would like to turn your attention now to the 1990 loans that FINB made to Barbara-Rose Collins. What involvement did you have in the loans to Barbara-Rose Collins in 1990?

A Basically I processed it, as far as preparation of paperwork, that type of thing.

Q How did the loan come to your attention to process?

A I think that I received a call from someone in the executive offices. When I say "executive offices," that would be the office of the president and the owner of the bank. I am not even sure who, but I believe that I got a call from someone there telling me that they wanted me to, whatever, take an application and process the loan. My recollection of this whole thing is based mostly on what I can see here. Before I came, I remembered we had done -- I remembered a loan we had done with guarantors. The reason I remember that is there was an individual, guarantor later on, wanted us to take him off as guarantor and substitute someone else for him. That was just one of those isolated incidents that stuck in my mind. Most of the loan, I didn't recall the details of it at all. But I definitely

recall processing the paper.

Q What does it mean to process the paperwork for a loan?

A It would mean that I would get whatever information we needed that would constitute an application, if it was required, get a credit report, whatever backup information was needed, and do whatever was required to do a write-up or whatever to present to whoever was going to make a loan decision.

Q In Barbara-Rose Collins's case, who was making the decision about whether to loan her money?

A From what I have seen here, it apparently was done by the board of directors, apparently with a telephone poll. I did not remember that but I see it here in the write-up, which is what we would have done at the time. If it was telephone, by telephone, we would just either handwrite it or sometimes we would quickly type it up, but to confirm that we had spoken.

Q We will come to that in a moment. You are referring to some bank documents that you looked at.

A Yes.

Q Barbara-Rose Collins took out a total of $75,000

in the early part of 1990. One loan was in the amount of $50,000 and was guarantied by Don Barden. Another loan was in the amount of $25,000 and initially was guarantied by Anthony Soave. I would like you to look at those documents.

MS. BAKER: Could you mark that as Exhibit 2, please.

(Exhibit 2 identified.)

BY MS. BAKER:

Q I ask you to look at that document marked Exhibit 2 which purports to be a loan guaranty for Don Barden. Have you had a chance to look at that?

A Yes.

Q I would like you to take me through this document, if you would, which has been marked as Exhibit 2. The top has typed in date July 13, 1990. To what does this date refer?

A It should refer to the date that he signed the guaranty, the date that it would become effective.

Q In the middle of the first page, beneath "amount," typed in $50,000, is another date noted, July 16, 1990?

A Yes.

Q To what did that refer?

A That should refer to the date of the actual loan.

Q Beneath the July 16, 1990, date, typed in next to the heading "loan agreement" dated, is the date July 16, 1990. Is there a difference between the two July 16, 1990s?

A Not that I am aware of. I am not sure why the date is put in there twice, because I think normally that date would have been one and the same, the date of the note itself and the date that was typed on it.

Q Turning to page 5 of Don Barden's guaranty document there are two lines and it was witnessed by, and the top one says, typed in, Arlene D. Mains. Is that your signature?

A Yes, it is.

Q Did you witness this document?

A I don't remember it, but obviously I did.

Q Do you know who Don Barden is?

A Yes, I do.

Q Who is he?

A He was one of the board of director members at

First Independence.

Q Did you see Don Barden sign this document?

A I don't remember. If I signed, witnessed the signature, I would have but I honestly do not recall the day that Don Barden signed and I witnessed the loan. It totally escaped me so if I signed it, yes, I would have been there and witnessed his signature.

Q Do you have a specific recollection of seeing him sign this note?

A No.

Q You said that you would have been "there." Where is the "there" you would have been?

A Wherever he was at the time of signature, which would normally have been in the bank itself. Most of the time the loan documents were signed in the bank itself.

Q Where in the bank?

A Could have been in any one of the offices there. We didn't have like a loan closing room or something of that nature. It could take place in my office for some of the customers. It could have been up in the president's office. Sometimes we used like a conference room. There were various places.

MS. BAKER: Could you mark this Exhibit 3, please.

(Exhibit 3 identified.)

BY MS. BAKER:

Q Ms. Mains, could you look at what has been marked as Exhibit 3, in the bad Xerox it says it looks like "Notice to cosigner" on it. It appears to have the signature of Don Barden.

A Yes.

Q Could you explain what this document, that has been marked as Exhibit 3, is.

A Yes. I can't give you dates but at a certain point in time, it became a requirement by banking regulations that we have guarantors and cosigners physically sign a document, a separate document, so that they -- well, they were indicating that they fully understood what their responsibilities were, to guaranty and cosign the loan.

So that's what this document is. It's one that we were required to show to him and have him sign and that's what he understood, among other things, he could be required to pay the debt.

Q It's dated July 13, 1990. What would that date refer to?

A That would be the date on which he signed this document.

Q Referring once again to Deposition Exhibit 2, the loan guaranty signed by Don Barden, with the date typed in of July 13, 1990, is it reasonable to assume, according to bank practice, that the July 13, 1990 on the loan guaranty refers to the date that Don Barden actually signed the document?

A Signed the guaranty document?

Q Yes.

A Yes.

Q Referring to Exhibit 3, notice to cosigner, who would have given a document, or the cosigner, a document for the person to sign?

A Normally it would be the individual who was processing the loan and having the individual see all of the documents. In this case, it's likely to assume that I probably did, since I was processing the loan. But there wasn't any stated individual who had to get those papers. Normally the person processing the loan would have all

documents.

Q In the bank's practice does cosigner mean the same thing as guarantor?

A No. My recollection is that there are some, let's say, very fine differences, but bottom line is that the cosigner, as well as the guarantor, could have been required to repay the debt if the debtor was unable or unwilling.

One of the reasons why some of the customers preferred to sign a guaranty, as opposed to cosigners, is that when the -- if the debt were one that was reported to consumer loan agencies, the cosigner debt might appear in their credit report, whereas the guaranty might not. So some of them preferred not to get -- every customer was different, for the bank's purposes, it amounted to the same thing, that the individual was backing up the loan, so that if we weren't repaid by the debtor or from some source that the debtor could provide, that the guarantor or cosigner could be required to pay.

So the differences are very fine.

Q Referring now to Exhibit 2, the loan guaranty, was this document used in consumer loans?

A Very rarely. I believe that this document, if my recollection is right, is one that was drafted for us by bank attorneys. In consumer lending, it was not usual to have guarantors for loans. I was more usual to have cosigners.

Q In what circumstances would the loan guaranty be used in consumer loans?

A More likely, if you were dealing with customers who were generally commercial customers, perhaps if the loan was meant -- proceeds were to be used for commercial purposes, perhaps sometimes larger dollar amounts, but the guaranty itself I would link normally with commercial lending.

MS. BAKER: Could you mark this as an exhibit, please.

(Exhibit 4 identified.)

BY MS. BAKER:

Q I show you what has been marked as Exhibit 4, a copy of a consumer loan agreement and it's signed by Barbara-Rose Collins in the amount of $50,000 dated 7/16/90. Would you look at that, please.

A Yes.

Q Have you had a chance to look at it?

A Yes.

Q At the bottom it says "Arlene D. Mains, vice president," with a signature. Is that your signature?

A Yes.

Q With your signature on this document, does that mean that you prepared the document?

A Not necessarily. It would indicate that I -- under normal circumstances, this would indicate that I was the individual who was with her at the time of signature. But we had various people within the bank who would prepare loan documents for us. I sometimes prepared this, but more commonly I would not have.

Q Who, by title, would have likely prepared this consumer loan agreement marked Exhibit 4?

A Someone on a clerical level. As I recall, it was a period of time when we gave some of these individuals titles at times, such as administrative assistant. Sometimes, I don't think he really had a title per se. It was just, you know, within the clerical area for the bank, for the lending area.

Q Who would have given the clerical staff or

administrative assistant the information or the order to prepare a document like Exhibit 4?

A The officer who was processing the loan.

Q Were you the officer who processed this loan?

A Yes.

Q As the officer who processed this loan, what did you do to process it?

A Took the application and I saw a presentation which I wrote on it. I would have probably asked someone to get a credit report. A lot of these things, again, because we were small and the department was small, I might physically sit down at the machine and pull a credit report, or any of the steps along the way could have been done by me and many could have been done by someone else.

But I was familiar with the equipment, the operation, that kind of thing. I would have either given someone the information and once the loan was approved, on what the dollar amount was, the terms were and so forth, and then either prepared or had the documents prepared.

Q With a consumer loan agreement of this type, what other paperwork would come with it, referring now to Exhibit 4?

A Well, it would depend on the type of loan.

Q With this agreement, I'm sorry.

A In this case there was not any collateral so there would not have been any documents required for collateral. An unsecured loan could have been done with just this document, because there's not any -- there's nothing else. In this case, I know from other documents that there were guaranties. But as far as the loan itself, this would have been the loan document.

Q At what point in the process would this Exhibit 4 have been prepared?

A Well, it's difficult to pinpoint other than that it would have been prepared prior to actual disbursement of loan proceeds. So we would have had to have the borrower's signature before the disbursement of loan proceeds. It would have normally come after loan approval, after all the information had been acquired from the borrower and after any other papers that were required to be prepared for loan approval had been looked at.

Q At the bottom of Exhibit 4, there's room for cosigners to sign. This document has no cosigner signatures.

A Yes, that's right.

Q Would the fact that this loan did have a guarantor, as evidenced by Exhibit 2, would you expect to have Don Barden's signature as guarantor appear on the consumer loan agreement?

A No.

Q Of Exhibit 4?

A No, everything I saw, the individuals were referred to as being guarantors. And the bank would like then to see a separate guaranty assigned, as opposed to having just a signature here as a cosigner.

Q In processing the loan with Don Barden as the guarantor, as evidenced by Exhibits 2 and 4, did you look at any documents of Mr. Barden's financial situation?

A I am sure I didn't.

Q Did not?

A Did not. As a member of the board of directors, his financial statements would normally have been kept probably somewhere within the executive offices, and to be looked at by the president and other members of the board of directors, but they would normally not have been distributed among other employees of the bank.

Q Did Barbara-Rose Collins come into the bank to sign Exhibit 4, the consumer loan agreement, for $50,000?

A In all probability she did. I don't remember the day of the actual fact, but in all probability, she did.

Q You have no recollection?

A I can't recall that, but it would be highly unlikely that she would not have, but in the closings of loans at First Independence, we generally like to close everything, if at all possible, within the bank. We had to disburse proceeds, everything, as far as our checks were there. We didn't even really like to close loans in, like, title company offices or anything like that. Because if there was anything that had to be changed or corrected, everything was there. And our equipment for producing something like this, and the checks, everything was at the bank.

So very seldom was a loan closed outside the bank offices. There was nothing to prevent it as far as the bank's policies were concerned, it was just more convenient.

Q At the top of Deposition Exhibit Number 4, there's an area called "date of transaction" and typed in

is 7/16/90.

To what does that date refer?

A That would be the date that Ms. Collins signed this document.

MS. BAKER: Would you mark this document as Exhibit 5.

(Exhibit 5 identified.)

BY MS. BAKER:

Q We have just had marked as Exhibit 5 a two-page document entitled "Loan Presentation." I would like Ms. Mains to look at that, please.

Have you had a chance to read this?

A Yes.

Q I want you to take me through this document. Do you know who prepared this document, "Loan Presentation," Exhibit 5?

A I don't know, but in all probability I would have prepared a rough draft of it. It may very well have been typed up by someone else, but in all probability, I did at least a handwritten draft.

Q What does "T.L.C." mean on page 1?

A Total loan concentration.

Q What is written after it, "$75,000," and in parentheses "additional loan of $25,000 pending"; is that correct?

A Yes.

Q Is this exhibit presentation referring to the total loan of $75,000 or to the $50,000?

A No. Apparently it's for the 50, and apparently we knew that there was another loan being processed just to give full information to anybody making a decision, they would then know that there was a possibility of an additional 25,000.

Q Moving down the document, there's a title called "purpose" the and it says "campaign expenses."

A Yes.

Q Did someone tell you the purpose of the loan?

A Normally the borrower would have told us the purpose. I can't recall who -- whether, again, I was told, I want you to take an application for this purpose, by someone within the bank, we would normally at least confirm with a borrower.

Q Would that be by phone?

A Could be. It could be in person, it could be by

phone, but the bank -- since the bank was extending funds that belonged to depositors, and since there are certain regulations in banking that we don't knowingly lend for certain types of purposes, that are called immoral or illegal, we wanted to find out what the purpose was, so whatever it was, we would to find out what the funds were used for.

Q Did you have a personal conversation with Barbara-Rose Collins about the purpose of this $50,000?

A I don't remember, but from some source I found out what the purpose was, but in normal circumstances it would be from the borrower. At least you would confer with them.

Q Moving down we have an area called "account relationship." What are these numbers and dates?

A The top one would be a savings account that tells you when an account was opened, and in this case, probably gave the balance as of the date that this was prepared.

Q How do you know that's a saving account?

A Just from my memory of the account numbers there. Second one would be a checking account, and I don't want to say if it's business or personal, because I can't

recall the numbers well enough on that one to say, but it's a checking account, gives the date that it was opened, and in this case gave an average balance for the, apparently for the year 1990, I believe, was the way I would read it. Not an average over the life of the account but just for that year, and then below it gives an average for that same account for 1989.

The third one is a savings account, that "access denied," "inactive." The "inactive" explains the "access denied" when -- it just has a safety feature, the system we were on. If an account had not been active, if there had been no deposits, no withdrawals for a certain period of time, I don't remember what that was.

The computer would deny the ordinary individual access to the account, and you would have to go to someone who knew how to either get into the system for that or was either given that kind of a level of access.

Then below that is just an account, any of the accounts here should be in the name of the individual who was a borrower.

Q In this case Barbara-Rose Collins?

A Barbara-Rose Collins and the related accounts

would be anything we could pick up on our systems, or had knowledge about, where there was some relationship between the borrower and the account.

Q This was Collins for Congress -- I'm sorry, Collins for Council Committee?

A Right, and it would appear to be a checking account, because her average balance is given. Normally we talk about average balances for checking, and savings accounts just gave balances as of the date we would have given it.

Q At the bottom is another area called "Board of Directors Action: Executive Board Poll" with names Don Davis, Lawrence Jones, Lester Robinson, Will Davis, Gerald Van Wyke and Charles Morton. Next to each name, except for Gerald Van Wyke's, is the notation, "yes."

A Yes.

Q What does this signify, the list of names with "yes"?

A That the individual was either told or shown information on the loan and asked to make a decision of whether they would vote yes or no to approving the loan. The "yes" would indicate that those individuals approved of

the loan. The individual "unavailable" would be one that we tried to contact and were not able to reach to state a decision.

Q How would they be contacted?

A Usually by telephone, in some cases they might be in the bank and we would talk with them in person or maybe even by telephone even if they were in the bank. But normally it was by phone and the individual would be physically outside the bank. But in some instances, if they were right there anyway, you might say, I have a loan I need to have you look at, we are doing a telephone poll, but that would be unusual rather than usual.

Q Who would make the call?

A Normally the officer who was processing. In all probabilities, I would have made the calls on this one.

Q Do you remember making the calls?

A No, I don't remember it, but, again, it was a -- that's a usual kind of transaction. There's nothing that would stand out in my mind.

Q Typed with a different typewriter next to these names is a date July 16, 1990. To what does that date refer?

A I am not sure. I am not sure why. It's even possible, I don't know. I think perhaps there would have been a date somewhere here.

Q You are referring to the top of Exhibit 5?

A My recollection of this particular document is that it was something we had in some type of computer program. Being totally, at the time, computer illiterate, I can't describe it. But I am thinking it's possible someone saw there wasn't a date and typed it on later with a typewriter. This appears to be a typewriter where I believe this came out of some word processing program.

Q It's your recollection that in 1990 the bank was in the process of getting word processing programs?

A Yes. I know that there were some of -- I didn't use them, but I know that we had them.

Q Turning to the second page of Exhibit 5. There's a summary, and that line, top line reads "Mrs. Collins did not reveal her personal income." On a loan application, would the bank ask for the personal income of the person applying for a loan?

A In the consumer lending area, probably almost always. In the commercial area, I can't state as

positively since I didn't normally take commercial loan applications, but I think it was the usual. Commercial lenders depended more on personal financial statements, business financial statements and so forth.

Q Was the loan to Barbara-Rose Collins for $50,000 a consumer loan or commercial loan?

A It was given to her as an individual. So from that aspect it would be consumer loan. Given the purpose, I think, the bank would probably have looked at it. There were some things. There was like, either one or the other, either sort of a combination and this purpose is not an ordinary consumer loan purpose, because normally you would be looking at loans for cars, home improvement, and that type of thing. I am not sure. It's really -- it's kind of hard to peg this one really. But it's a loan to an individual with the uses being more of a business than personal nature.

Q That information would be given to the executive board in the poll in order to get their approval or rejection of a loan presentation?

A Well, the basics of what are on this document would have been given to them, the name of the individual

who was asking for a loan, the dollar amount of the loan, the terms of repayment, probably some of the information on accounts, definitely any additional loans that were already extended to them, and then probably a summary of the information that's on the back sheet. Normally you would give them, give the individual in the telephone poll a synopsis of what is on this document and, at that point, they might ask you additional questions, but enough information for them to make a decision of whether or not they would want to approve or not approve the loan.

Q Is the loan presentation made before the poll is done?

A There would have been at least a skeleton on handwritten, unless you are so familiar with it that you could give everything out verbatim. I don't think I was that type, and I had to write things down. But there could have been a typed loan presentation before the telephone poll, but not necessarily.

Q Are loan presentations sometimes simply memorializations of the bank, how it was typed up after the fact?

A Yes. As I indicated, sometimes loans went to the

credit committee. I recall being on the credit committee when someone could have taken something like this and said this is for information purposes, passed it out to everyone and there might not have been a discussion. Just purely information.

Q Does a loan presentation appear, with everything that is on this, without the board of directors' action?

A Well, the board of directors have not have had any action, some of the loans. In this particular format, the document would change with the officer and depending on who was the head of the loan area and so forth. So all of this, the officer who presented this could have added or subtracted certain areas to this.

Q How so?

A I can't give you any specific areas, but there was, at any given point in time, there was a format that I would say generally was being used. I was easier, for one thing, to look at a format that had been used and plug things in rather than come up with anything yourself, because you might get to a committee and start getting asked questions that you hadn't answered. But this loan, under "basis," it says "unsecured." Had it been secured,

there might have been quite a bit of dialogue concerning the security for the loan.

So there could be some variations, but the basic format in any given point in time was one that was presently being used by the credit committee.

It was just, as I recall, just for purposes of ease of being able to glance, I believe that the approval was probably put at the bottom of the first page even though that wasn't at the end -- this could have gone on for pages. There could have been lots of attached pages for a commercial loan, but my recollection was they tried to put the section for approval or denial at the bottom of the first page so it was something that was easy to find.

Q In what circumstances would the board be polled instead of acting on a loan at a regularly-scheduled board meeting?

A If there was a loan where the proceeds, for whatever reason, had to be distributed before the next board of directors meeting, and the board of directors over the years had -- they did not necessarily even meet once a month. I recall times when it became very difficult for the commercial loan officers, because the board didn't meet

often enough for them. It was very difficult to satisfy a customer's request.

So if the board was polled -- because if there was not a meeting coming up in the near future, one that was scheduled for the proceeds, for whatever reason, the funds were to be given to the borrower.

Q What time of day did board meetings typically take place?

A Generally early morning, 7:00, 7:30, something like that.

Q If there had been a board meeting scheduled for July 16, 1990, at 7:30 in the morning, and a customer wanted the checks to be disbursed that Monday afternoon, is that a circumstance in which the board would be polled for loan approval?

A Not normally. If the board were meeting in the morning, and it had to be distributed sometime during that day, I would have expected it to go to the board of directors meeting, rather than being done by telephone poll, assuming it was a prescheduled meeting and everyone knew it was going to take place that day.

Q I will ask you to speculate on why a board would

be polled by telephone on the same date that there was a scheduled board meeting?

A Okay, why it would be polled on the date that there was a scheduled meeting?

Q Yes.

A The only thing that would come readily to my mind was if there was a loan, for instance, if the week previous this loan was one under consideration, and you didn't know exactly what date it was going to close, most of the loans, with the exception of mortgage loans would, because of the extensive paperwork involved -- and you generally had to have a date in mind in order to process all of the paperwork and so forth, could share the loans.

We didn't know, there were times we would prepare the documents, have them in readiness and say give me a call when you think you can come in, we will plug the date in. That would be one circumstance I can think of. There was a loan request that was pending, you knew you wanted to close it as soon as possible, you couldn't know exactly when, and coincidentally it turned out to close on the same day that the board was meeting.

Q Does the $50,000 loan to Barbara-Rose Collins

have any of the indicia of specialness that you have just described of a mortgage?

A I have no idea. I don't know what day the board of directors were -- July 16, 1990 was -- I have no idea whether the board of directors met that day. I really can't respond to that.

MS. BAKER: I would ask the court reporter to mark a four-page markup of a calendar from -- containing June, July and August and November of 1990 as Exhibit 6.

(Exhibit 6 identified.)

BY MS. BAKER:

Q I am going to turn to the July 1990 calendar page and I have noted here that July 4, a Wednesday, was a holiday and turning now to the Friday, the 13th of July, which is a Friday and that's the date that Exhibit 2 indicates, the date that Don Barden signed his guaranty, and then we have notation, July 16, which is a Monday, that that was the day the checks were given to Barbara-Rose Collins, one for 25,000 and one in the amount of 50,000. We will come back in a moment to the $25,000 loan.

If you look at this calendar of July 1990, can you now say what date of the week July 16 was?

A Yes, it's a Monday.

Q Is there anything you could look at to know what date the board of directors met in July of 1990?

A No.

MS. BAKER: I will ask the court reporter to mark Exhibit 7. It looks like it's cut off at the top but it appears to say "Consumer loan application."

(Exhibit 7 identified.)

BY MS. BAKER:

Q I would ask you to look at that, please. Have you had a chance to look at it?

A Yes.

Q Is this the kind of document that is familiar to you as a consumer loan application?

A Yes.

Q At the top is a handwritten notation date, 7/9/90. Do you see that? Beneath it is another phrase. What does that say?

A "Hand-delivered."

Q There's a signature?

A Right. That's mine.

Q So if this is A, it says "A Mains"?

A Yes.

Q What does this signature, hand-delivered date mean with regard to this document?

A It probably meant that I deeded it on that date to indicate that on that date the application was received in our office and was hand-delivered to the office.

Q There is an amount written in, this $25,000. Is that your handwriting?

A I believe it is, and that would be the amount of the loan requested.

Q In the middle of Exhibit 7, it appears to be in the same handwriting as the $25,000 amount, a variety of numbers, could you tell what those numbers refer to?

A Those are the account numbers that I looked at, that appears to be in my handwriting also, I probably sat at a computer and searched for accounts. I was looking for accounts that would be in the name of Barbara-Rose Collins. When I say "accounts," depository accounts in the name of Barbara-Rose Collins or accounts that could be related to her. Those were just hand notations I was making as I found those accounts.

Q Do you remember processing this application?

A I have some memory of having done the loan itself, but as far as a memory of doing a specific document, a piece of paper, I can't say that I do know.

Q Did Barbara-Rose Collins deliver this herself?

A I don't know.

(Exhibit 8 identified.)

BY MS. BAKER:

Q This is a one-page document, it says "Consumer Loan Agreement" with the amount of $25,000 written in. I would ask you to look at that document, please.

Have you had a chance to look at it?

A Yes.

Q It has a date typed in, on the space it was "date of transaction" is 7/16/90. And to what transaction does this date, 7/16/90, refer?

A It would refer to the date of signature on the document.

Q Assigned in that signature spot by --

A Barbara-Rose Collins.

Q Beneath that is?

A My signature, Arlene D. Mains.

Q The transaction to which this document is

referring, is that the date of disbursing of the loan proceeds?

A Normally the proceeds were disbursed on the same date as the signature, would not have been disbursed before, sometimes could have been disbursed afterward, but normally it was one and the same.

Q Did Barbara-Rose Collins appear before you to sign this document?

A In all probabilities she did.

Q Do you remember Barbara-Rose, meeting with Barbara-Rose Collins to have her sign this document?

A I don't remember the specific incident, no. But just in the normal course of the way things were done, in all probability, I was physically with her at the time of signature. And in the bank.

Q Do you recall watching her sign this document?

A No, not specifically, no.

Q Was anyone else there?

A I don't know.

Q On the bottom of Exhibit 8, there is also a space for a cosigner. There are no signatures; is that correct?

A Correct.

Q Did the $25,000 loan have cosigners or guarantors?

A I would have to look back at the documents here. I know there were guarantors. I had forgotten if the guaranties relate specifically to each loan transaction, if they are offered one or if there's a guaranty for each one, I don't recall.

MS. BAKER: Off the record.

(Recess.)

MS. BAKER: Back on the record.

BY MS. BAKER:

Q We have come back on the record after a short break. Return once again to Deposition Exhibit 7, which is the consumer loan application for a $25,000 loan. There's room on the top of this application for "purpose," in the loan. Is there anything written under "purpose" in this document?

A No.

Q If you have indicated previously that it's important for the bank to know what the purpose is, for the loans, would you expect to see "purpose" written in?

A When an individual filled out a loan application,

not nearly as often as if someone were taking the information from a loan application. As a loan officer, I would start at the top and take all of the information I needed to have. If an individual had handed me a complete application or completed the application outside of the bank, it was far more likely that they would start with the line where their name was and proceed with the type of information that they knew and completed.

Q When there was information missing on a form, how would a loan officer or person taking the loan through the process fill in the missing information?

A Either by telephone or if the individual came in at some point in time, afterward, normally we would, and I would like to think that it was the usual, that we would want to know the purpose before we made a loan decision, but it could vary as far as when and how you got that. You could have, for instance, started processing an application based upon what we have here, for instance, pulling a credit report. You don't need to know the purpose in order to get a credit report from the credit reporting agency, since there are certain things that could be done without it, but certainly before a decision was made, that should

have been ascertained.

Q Is that the loan officer's responsibility to fill in the missing information?

A Right.

Q Would the missing information necessarily -- where would you put in the missing information, if so gleaned, after the application had been turned in?

A Well, it would depend upon the type of loan. This particular one, looking at the documents, again, it's sort of a hybrid. Because of the fact that there was a loan presentation, because it would look as if it were a commercial loan, we wouldn't do that for consumer loans. If there was for commercial loans -- if it was a consumer loan we would put everything on this document. But for commercial loans we didn't have it.

Q With respect to the initial loan presentation, was the $25,000 loan incorporated into the loan presentation on Exhibit 5?

A It was only mentioned as a pending loan, and I don't recall any of the details of it. Other than that, I can see that it was mentioned as pending. What "pending" meant, whether it just meant that we had knowledge that

there would be a request that would be made in the future, I am not sure, or it could have been meant that there was one that was being presently processed. I don't really know at what point in time, I can't tell for sure at what point in time this was prepared.

Q You mean the loan presentation document?

A The loan presentation, yes.

Q Does the "additional loan of $25,000 pending" notation become incorporated into the basic purpose of the total loan of $75,000?

A I can't tell that from this. It only mentioned the dollar amount, so I would have to assume that everything else on this, as far as a loan per se, would refer to the $50,000 and that is only a notation that that additional extension of funds could possibly take place.

Q Is there any way of telling from looking at Exhibit 5 that the initial 25 was also for campaign expenses?

A No. There's no way to tell from that.

Q Could one infer?

A I really wouldn't want to say that, because since there is no additional information there, other than that

there was no additional loan, the dollar amount pending, it really doesn't give information on that one.

MS. BAKER: I would ask the court reporter to mark a document that is the loan guaranty of Anthony Soave for $25,000. Mark that as an exhibit, please.

(Exhibit 9 identified.)

BY MS. BAKER:

Q Would you take a look at that, please. Have you seen this document before today?

A I probably have. I can't say I recall it specifically, but I am sure I must have.

Q Why do you say that?

A Since I have processed the other loan documents, in all probability they were all together in one file or whatever.

Q Exhibit 9 is dated at the top July 16, 1990. To what would the date July 16, 1990, at the top, refer?

A It should be the date of the signature of the document.

Q This document is signed on page 5 by whom?

A Anthony Soave.

Q Guarantied by, I'm sorry, witnessed by?

A I really don't know. Even if I glance, wait a minute, that may be Jim Sharp, and it could be a "Jr."

Q Do you know James Sharp?

A No, I don't know him, but it came back to my mind, as I was going through these documents, he, I believe, is the individual that I spoke with concerning Mr. Soave's guaranty.

Q Tell me about that conversation.

A I don't remember the specifics of it. For whatever reason, before I came here, I was trying to recall anything I could about this. The only name that came to my mind, that I thought had guarantied this loan was Anthony Soave. Why his stuck me, I am not sure. I recalled later he was the one who signed the guaranty and asked to be released from it. I couldn't recall who he had been replaced by or anything of that nature. I don't think I ever saw him personally. I think everything -- I may have spoken with him at some point. I don't remember. I think basically I was dealing with other individuals who delivered other information, and this would seem to back up my vague recollection. This document was probably taken outside of this bank. It was witnessed by somebody else

because he didn't sign it in front of me.

Q This document that is referred to as Exhibit 9?

A His guaranty.

Q Did this document serve as the go-between?

A I believe it was.

Q Did you meet with Jim Sharp?

A I am not positive.

Q Did you talk to him on the phone?

A I am sure I talked to him on the phone.

Q Did he call you?

A Who initiated our call, or whatever, I am not sure.

Q Why would you have occasion to call Jim Sharp?

A Whoever -- I don't recall who told me that Anthony Soave was going to guaranty the loan, but someone would have told me that he was going to be one of the guarantors. I think perhaps I was given the name of Mr. Sharp as an individual who could facilitate, help me with whatever I needed to have informationwise or whatever from Mr. Soave. I don't have an exact specific recollection, but that's my memory of it, however good my memory of this situation is, that's what I would want to

say took place.

Q So you did not see Anthony Soave sign this guaranty?

A I don't think I did, and that would seem to be confirmed by the fact that my signature is not there as a witness. It would be highly unusual for me, as a bank officer, to have someone sign, and if I were there, have someone else do the witnessing. At least I would expect my name to be there along with someone else's.

It would seem that only this individual -- again, I can't say that I can definitely read Jim Sharp on that, but I am going again by my vague memory of this and seeing, I think there was a copy of a telephone message that had Jim Sharp's name on it, which made that name come back to me as being involved with the transaction and specifically with Mr. Soave's portion of it.

MS. BAKER: I would ask the court reporter to have this document marked as Exhibit 10.

(Exhibit 10 identified.)

BY MS. BAKER:

Q Ms. Mains, I would ask you to look at this document which purports to be a "Notice to cosigner" signed

by Anthony Soave.

A Correct.

Q This Exhibit 10 is also dated July 16, 1990. It has a signature that looks like Anthony Soave's. Would the date, July 16, 1990, refer to the day that Anthony Soave signed the cosigner document?

A Yes. That should be the date of signature.

Q Did Anthony Soave sign the notice to cosigner at the bank?

A I don't believe so but I am not sure.

Q Why do you say that?

A My recollection of this transaction is that Mr. Soave never physically came into the bank, that documents were delivered to him for signature, not by bank personnel, but that -- my recollection is that documents were brought to him for signature and returned to the bank.

Q Did you look at any personal financial information on Anthony Soave pursuant to this loan guaranty?

A I don't remember anything here and I don't remember if I did or not.

Q Was Anthony Soave known to the bank?

A I would only assume that he must have been known to some of the individuals of the bank.

Q Why do you say that?

A Since the -- he was -- there were situations where an individual might come in for a loan, say, I am here for a loan and so-and-so is willing to guaranty for me. But it was more likely that an individual would want to have a loan and that the bank would, at some point in time, make a decision that they would like to have another signer, guarantor or whatever. I am only going by lack of -- like, full financial information, what have you, on Anthony Soave, to feel that he would have had to have been known to someone in the bank, so they were somewhat uncomfortable with whatever his position was.

Q If I had placed in the documents a financial statement of Anthony Soave, would your conclusion be different?

A No, not necessarily, because even if the individual had been known, well-known, to the bank, it depended partly on who was processing the loan, what the bank's policies were at the time, they were tighter and looser at different points in times.

Sometimes no matter who you were, you were going to have fill out full personal financial statements. There were some people who you wouldn't have wanted to offend, especially at certain points in time, by asking them to fill out such a document, essentially if they were individuals who were customers of the bank and you had other information on depository accounts or previous loans.

Q At the top of Exhibit 10 is a handwritten notation. Could you read that, please?

A It appears to say "dropped," date 8/15/90.

Q Do you know whose handwriting that is?

A No, I am not sure whose handwriting that is.

Q Do you know what that means?

A Well, again, my memory of this loan was that there was a guaranty which had been given by Anthony Soave and then at some point I think, I think he may have asked to be released from the guaranty. And so I am going to make an assumption that his guaranty was released as of the 15th of August of 1990.

Q What do you know about Mr. Soave's request to be dropped as guarantor?

A Only that I seem to recall that such a request

was made. But, again, I cannot say specifically that it was a request by him that he no longer wanted to be, that it was originated by someone else, because they did not want him to be a guarantor, I don't know all of that. My -- either my feeling or assumption at the time that it was in his request that he wanted to be, but I can't even say absolutely that that is an only case.

Q Who gave permission for Anthony Soave to be released as the guarantor?

A I don't remember specifically. My recollection is that it was to be done only if a suitable -- suitable from the bank's point of view, substitute were to be found, and I didn't -- before I came, I thought I remembered that an individual or individuals, I couldn't remember if it was one or more than one, had been substituted, but they were not felt, by whomever would have been approving substitution, they were not felt to be as strong, and therefore I thought that there was some backup, either partial or complete, of the guaranty, with, I thought, cash, and that seems to be borne out from the documents.

MS. BAKER: I would ask the court reporter to mark the guaranty of James A. Sharp, Jr., as an exhibit.

(Exhibit 11 identified.)

BY MS. BAKER:

Q I would ask Ms. Mains to look at that document. Have you had a chance to look at that document?

A Yes.

Q This is a document that is dated August 10, 1990, and to what would that date refer?

A The date of signature of the document.

Q The date of this document on page 5 looks like it is signed by whom?

A James A. Sharp, Jr.

Q Witnessed by?

A By me, Arlene Mains.

Q That's your signature?

A Why, yes.

Q Did Mr. Sharp sign this document in front of you?

A In all probability, he did.

Q Do you recall that he did?

A No.

Q Would you recognize Jim Sharp if you saw him?

A No.

MS. BAKER: I would ask the court reporter to

mark this document as Exhibit 12. It's a two-page document "separate from instrument," part of it. What it is has not been reproduced. Second page is collateral deposit receipt.

(Exhibit 12 identified.)

BY MS. BAKER:

Q Would you look at Exhibit 12, please.

A Yes, it's a document that was used by the bank at a point in time when we were taking negotiable-type instruments as collateral. And it would be the document, we would have them, the borrower, or guarantor in this case, whoever was pledging the instrument, had signed it to indicate that they were giving it as collateral to the bank.

Q The date on the first page of the document is what?

A 13th of August of 1990.

Q And the second page is the collateral deposit receipt, and that is also dated, what?

A August 13 of 1990.

Q Signed by whom?

A By James A. Sharp, Jr.

Q It was received by whom?

A By me, Arlene D. Mains.

Q These were the documents you were referring to when you say you looked at records today and understood that there was some collateral attached to one of the guarantors?

A Yes.

Q Do you know Carroll Woods?

A No, I saw that name in the documents today and I suspect that that may be why I was thinking that there may have been two individuals who had replaced the guaranty of Mr. Soave. I think perhaps we were looking at that individual as a possible guarantor but I didn't see anything that indicated that he had actually. As a matter of fact, when I first looked at that, I was thinking in terms of a woman. When I saw it later, I knew that Carroll was a man.

Q Did you have any telephone conversations with Carroll Woods?

A Not that I recall.

Q Did you have a conversation about a possible loan guaranty with Carroll Woods?

A Not that I recall.

MS. BAKER: I would ask the court reporter to mark this document called "Consumer Loan Department - Loan Documentation Checklist" as 13.

(Exhibit 13 identified.)

BY MS. BAKER:

Q I would ask Ms. Mains to look at that document, please. Would you take a look at Exhibit 13 and describe how it fits in with the loan process?

A This was a document preplaced by the bank for its own interim use, just to make sure that files were completed with proper documentation. So this was basically for use in the consumer lending area, and we would make a habit of putting one of these into each consumer loan file. We would check off what was applicable to the applicable loan, and if there appeared to be any documentation missing, which could become apparent through the document checklist, we would do whatever we had to in order to complete the file.

Q At what point was this checklist completed, when was the checklist filled out?

A It would be done after, normally after the loan

had been done totally processed, signed, disbursed, everything else. Sometime during or after what we would call the booking process.

Q What was the booking process?

A This would be where it actually put the loan on your computer system.

Q Is that a manual task?

A Certain parts of it would be, but we were keying into an automated computer system, so that later on we would pull the loan information up on a computer screen.

Q Is it a secretarial task?

A Yes.

Q The loan checklist has account numbers, one referencing the $25,000 loan and one referencing the $50,000 loan, with the account numbers for the two loans written on the same line. What does that indicate?

A I would think it would mean that both of these loans were put into one file. I can't say for sure, since we put a checklist in each file. It is possible that one checklist, if the individual was processing more than one loan, a request for one person for the sake of efficiency, that he could have filled out one and put it in each

separate file. But I would think perhaps they were put into one file. We tried, as much as possible, to incorporate loans to a customer within one file so that we could see total relationships.

We found it to be easier, if an individual came in for a home improvement loan and if we forgot they had this car loan out there, we weren't looking at their total in-bank indebtedness. So when it was feasible we tried to put everything for a customer in one file.

Q Would the account for something as disparate as a home improvement loan and a car loan, would those two things be placed on the same -- treated as the same kind of an account, on one checklist?

A Not normally, because it probably would have been done at different points in time.

Q Does the joining of the 25 and the $50,000 loan on the checklist, Exhibit 13, suggest any other relationship other than same customer?

A To me it would indicate that the loans were disbursed, at a point in time that was -- within a relatively short time period. So at least by the time the file was being completed, that both loans had been

disbursed and we were aware of them, so it would seem like the time frame would be very close proximity.

Q Anything else?

A No. That's the only thing that would come to my mind. Normally you are filling out a checklist for a loan sometime shortly after it's disbursed.

Q Does at this time indicate similarity of purpose?

A No, other than that -- and this would not be purpose, but collateral -- that both of these appear to be unsecured, since all of the area that refers to security is checked as being applicable.

Q So we know from the Jim Sharp loan guaranty that there was collateral. When you say they had some security?

A Well, his collateral was given, that guaranty supported by cash collateral was given at a different point in time. This is dated -- well, loan date 7/16/90, says, at the bottom, booked by Sonia Medina on July 27 of '90. In all probability this was done before that guaranty and cash were in place.

Q When the guarantors changed from Anthony Soave to Mr. Sharp and others, would a separate checklist be prepared?

A No, not normally, not normally.

Q How frequently did you deal with the situation where one guarantor replaced another guarantor?

A Not frequently at all. As a matter of fact, because my particular lending area was consumer lending, I didn't deal with guarantors that often. It was not usual for the normal kinds of transactions that I did.

Q How many consumer loans with guarantors would you estimate that you dealt with?

A I would hate to give a number. I would say, it was not a normal transaction.

Q 5 or 5000, or 100?

A I think you were probably dealing with something well under 100, and over the course of the years that I was there, certainly it could have been 25 to 50 or something like that. But I am really not sure.

Q Out of how many loans?

A I wish I could remember the numbers, but there are certain things that, over the course of all of those years, there were some years when we, perhaps, didn't process more than 100 consumer loans. There were times when we got into certain consumer practices and we got into

all of them. I have no idea how many times a processor was used, in all those years.

Q Thousands?

A I would imagine that there were thousands that touched my desks and my hands, not that I personally processed the whole thing, but over that period of time, yes. Because I looked at loan documents. For example, when branch team filled out applications like that, they would send them down to me.

Q So, in the course of the 13 years that you have dealt with thousands of loans, consumer loans, you have dealt with maybe 50 loan guaranties in the consumer loan department?

A Perhaps, and, again, at this point, I am differentiating guaranties from cosigners.

Q Okay.

A Cosigners would have been more frequent.

Q Over the course of time you were in the bank, how many loans did you process or attach in some way to political candidates?

A Not very many, I would believe.

Q Ballpark estimate?

A I would say maybe a dozen or less.

Q What level of candidacy were they?

A I think there was one individual who may have been a state level, there may have been a school board member for Detroit or two thrown in there, perhaps some council people for Detroit. I don't recall the particulars.

Q Did they have loan guarantors?

A There are a couple I remember where I believe we took mortgages on their homes, and I don't recall all of these transactions or specifics of them. But just by the nature of the source of the payments, if you are looking at cash, so make an assumption that if you make a loan to a political candidate, if they were looking to repay out of campaign funds, that's not a sure source of repayment, so that you would normally be looking either to an individual having the wherewithal from personal finances to pay, or provide some guaranty.

Q From what you can see of the paperwork and your familiarity with the Barbara-Rose Collins loans, guaranties for the $25,000 and $50,000 loan transactions in their totality, is there anything else that stands out, that's

different about the Barbara-Rose Collins loan transactions from the other political or public figure loans that the bank handled or that you handled?

A Not really, other than in a sense there may be almost a little bit of overkill as far as getting the guaranties and all of that, because she did not have, let's say, a record of credit that was weak.

Q Let me say her credit history was weak?

A No, it was not weak. Looking at the surface of this, it appeared that we were being very cautious as far as getting the guaranties and so forth, because her own interim accounts at the bank, the record of credit that I see which was basically positive, not a great deal of outstanding indebtedness, would have some of the kinds of things that would not make it look like a "risky" loan. So the only thing that I can, again, this is assumption, sense the source of repayment is not as certain. A person can only anticipate what they are going to get in campaign funds.

Q You think that the campaign funds as the source of repayment would be what would trip the bank's concern for guarantors?

A It could have been.

Q Who would have made that decision?

A It could have been the individuals who originally spoke with her regarding extension of the loan funds. I don't know.

Q But it was not -- did she?

A There wasn't anything here that indicated she came and wanted the loan, because for whatever reason, come back to us, give us additional comfort, cash collateral, it appears it all happened at the same time, the application, on top of what happened with the guarantors, happened simultaneously.

Q Given there's a confluence of events here, what does that lead you to conclude?

A Whoever spoke with her regarding the loan, that was the only condition on which they would make. Again, this is not, this is totally knowing how things might have happened within the bank. I believe that probably, perhaps the president at that time and perhaps Don Davis, the owner of the bank, were involved, Don Davis is extremely involved in the bank. In my memory of him, he liked guaranties, he liked everything to be guarantied unless it was somebody he

knew well and that was his mind-set.

Q Who was the president at that time?

A I believe it was -- 1990?

Q July 1990.

A It must have been Lawrence Jones.

Q When did Lawrence Jones come to the bank?

A I don't recall exactly. There was just too much change over all those years.

Q Had he been there a long time?

A He couldn't have been, no. Charles Allen left in '88. I believe Mr. Robinson followed him so there was not a long enough time span for him.

Q Where did Jones come from?

A I think it was somewhere on or near the East Coast, but I don't recall the institution.

Q Was he a Detroiter?

A Not that I know of, no.

Q Was he a politically active person?

A I have no idea.

Q Was Don Davis a politically active person?

A I don't think you can label Don Davis. Don Davis is his own person. He wasn't a banker before he came to

First Independence. He was totally involved in, say, music and the arts. He certainly knew politicians. How active politically you would call him, I don't know.

Q Did politicians or public figures come to the bank?

A Certainly. Anybody who wanted money and wanted help would come to the bank. Certainly if they knew him they would approach Don Davis.

Q For what?

A For money.

Q A personal contribution?

A Oh, no, no, I mean as far as loans.

Q Did Don Davis accede to their wishes?

A No, Don Davis would generally make them feel, to understand that we would happily look at whatever request they would have, and then his comment would be I want you to process this just like you would anyone who comes to you. It would be a very rare occasion for somebody to come in and say I want to give them a loan.

Q Did it happen? Did it ever happen?

A I am sure it happened a time or two but very, very, very rarely.

Q In your personal knowledge, did it happen?

A I can't remember a specific incident, no.

Q Did Don Davis ever tell you to process or give somebody a loan?

A He would tell me to process loans, but it was normally with that caveat, do it, process it under the normal kinds of processes that you would use and the same kinds of considerations. One thing that I always did, if I felt I was going to decline a loan of someone who was brought to me by him, at least give him the courtesy of letting him know that his loan was being declined.

Q Was the Barbara-Rose Collins transactions one of the Don Davis initiated ones?

A I think he may have been -- I am not positive but I want to think that he may have been one of the persons, somehow or another. My memory of this is that it may have been either brought to me jointly or it's possible, because I am looking at two separate transactions, that one was brought by one individual and another. But somehow or another, I don't want to feel if there is more than one person who brought a request to me. And since the bank was small, and my recollection is that it came from the

executive office level, you are normally talking about at the present time and the owner, for First Independence, that was the executive offices were those two physical offices, and that was it, that level with the bank.

Q Was there any way you could look at any of your personal notes or documents to figure out who approached you?

A I don't have anything like that. I have virtually nothing as far as the bank or in the time I was there, I guess you can tell, loan authority, those kinds of things. I don't have anything.

Q We have established -- we will go back to the calendar here, Exhibit 6. We have established a variety of incidents that have happened on that Monday, July 16, that loan proceeds checks were disbursed, the bank -- those two loans were booked, according to Exhibit 13, the board seems to have been polled for loan approval on July 16, Anthony Soave signed his guaranty on July 16.

If you look at that confluence of events all happening on July 16, does that confluence suggest anything to you about the nature of this loan?

A No, in some of those dates, I remember on

documents, I don't recall what the dates were in the checks, but they seem to have a check or two and I assume that they were, the board itself, I don't recall what date that took place on. It would not have been uncommon to do a -- I think I mentioned the board poll would have been most likely been done from handwritten notes, and that presentation was typed up later. In the typed date at the bottom, I don't know what that date refers to, whether it was the date that was typed up, whether it was the date of a poll. I don't know.

Also, since they were normally done by telephone, we didn't necessarily reach them all on the same date, it could be late in the evening, some of them late in the evening, some the following morning. I am not sure what date she held the poll from what I have seen.

Q We have also established that Don Barden signed the cosigner document, and his guaranty, at least according to one date on Exhibit 2, on July 13, which was a Friday. Given your understanding of the loan presentation and the ambiguity of the July 16 date typed on Exhibit 5, I would ask you to speculate now, would July 13 be a possible more likely date for the date officers to have been polled on

the $50,000 loan presentation?

A Well, it would be in a sense more likely, or even a date prior to that, since under normal circumstances you wouldn't have a guaranty signed until a new loan had been approved. There could be a circumstance, I mean, under which most individuals probably would not want to sign -- whatever, I don't want to speculate for the individual. But usually you wouldn't have a guaranty sign unless you knew you were going to have a loan transaction. So the signature on the guaranty would normally indicate that you knew that you were going to be disbursing a loan.

Q Looking again at Exhibit 2, it's dated July 13, 1990. At the transaction, in the loan agreement is dated July 16, would the July 16 date, also typed in, about when the loan was going to be effective, would that indicate that disbursal was expected on the 16th?

A That's what the document would indicate to me.

MS. BAKER: I would ask the court reporter to mark this two-page document, copies of cashier's checks, to be marked as an exhibit.

Mark this as an exhibit.

(Exhibit 14 identified.)

BY MS. BAKER:

Q I would ask you to take a look at Exhibit 14. Have you had a chance to look at Exhibit 14?

A Yes.

Q Would you describe it, please?

A These are the -- are copies of cashier's checks which were used to disburse loan proceeds, two loans on the same date, one in the amount of $25,000 and one in the amount of $50,000.

Q What is the date?

A July 16, 1990.

Q Is this -- are these the documents you are referring to when you said you saw copies of checks?

A Yes.

Q Looking at the calendar, if we have loans disbursed, the checks were cut on the 16th. The loan checklist was prepared, booked on the 16th of July.

A This date, I think, actually, refers -- it may have been booked on that date, but I think this date refers to the date of the loan as opposed --

Q Yes. We are referring to Exhibit 13. The date it was booked at the bottom, by Medina's signature, and

that date is 7/27/90. I would like to figure out a likely scenario of loan application, loan approval, guaranties lined up and the cutting of the checks.

A As far as the time frame is concerned?

Q Yes.

A From what I have seen here, as I recall that one consumer loan application was dated the 9th of July, so it would appear that that may have been the beginning of at least the physical process. That was referring to Exhibit 7. So making an assumption that that was the beginning of the process, as far as written documentation is concerned, under normal circumstances I would have assumed that this application and the credit report and some of those things were done after July 9 and sometime before the 13th. And normally I would have expected then that the board poll would have occurred on or before the 13th when the first guaranty was signed, and then on the 16th the loan was actually closed and disbursed to the borrower, or I should say the loans. In my mind I am still thinking of the loan because that's the way I remember it.

Q The loan transaction. As we began today, you said that the FINB wasn't a place that said come in, sign

up, you get a loan in two hours, or something to that effect. Is a week's period of time, in your familiarity with FINB and consumer loans, a fast period, short period, long period, typical period? How would you characterize the period?

A That was pretty typical. In the industry, you would probably say it is a long period of time.

Q Long?

A Yes.

Q Why do you say that?

A Because most individuals expect to be able to -- or I should say expected, because I am out of touch now for a couple of years, but you go to a car dealership, you look at a car, you don't expect the bank to say yes or no to you a week later. You want that car now, before somebody else comes in and looks at it. Typically consumer loans in the industry are processed, say, in one to three days. Many of the 24-hour, even shorter periods of time, loans are available. But First Independence, and being a smaller institution and feeling that we needed to be a bit more cautious, we took a longer time in processing.

Q In 1990, was the bank suffering from real estate

loans as so much of the industry was suffering from bad real estate loans?

A Not really real estate. First Independence had been at various times a troubled bank, and at one time from the commercial loans. As I recall, we never suffered a great deal from -- maybe I shouldn't say never, but it wasn't primarily mortgages that was the problem. We didn't even process that many. We might not have closed more than half a dozen to a dozen mortgage loans. It was just not the emphasis of the bank.

Q What was the emphasis of the bank?

A I would say more commercial than consumer. I know that the bank at one time was cited for a concentration of church loans.

Q Were those bank difficulties in any way related to the length of time it would take to process a loan?

A Oh, no. You would be far more likely to run into a problem if you processed them too quickly and didn't do your homework well, or your documentation properly or whatever it was. So the longer period of time would be more precautionary.

In some cases it was just, in this case, you are

talking about involving more than one individual. It's not just one individual coming in, signing and disburse. You had to get more signatures, that sort of thing, so it takes longer to put it together properly.

Q Am I correct then in assuming now, from what you have said, that to have a loan agreement with checks cut and loan approval on one day, that would be more typical for the industry, if not FINB, in 1990?

A Not necessarily same day, but within that same one to three days.

Q Is one day real fast for this type of loan?

A I would think, yes, it would be, given the fact that you have guaranties and so forth involved.

But, again, it's difficult because we are somewhat comparing apples to oranges, because this is not a -- let's say typical consumer loan, and that's why I call it a hybrid. You have a consumer application, but you have a presentation. Normally you would have one or the other, but not both. I mention the guaranties are not normal for loan applications. It's pretty hard to put this one in a slot.

Q If you had to speculate, why is this one a

hybrid?

A Well, again, the funds, the proceeds went to an individual, but the purpose was not what you would think of being a normal loan to an individual. Because in normal consumer loans to individuals, you are talking about loans for them to use for their own personal use, which could be secure, unsecured loans. They may be purchasing something or they may just need money for whatever household purpose. But this one was to an individual, but the funds were not totally of a -- funds used for a personal household type of purpose.

Q Were you involved in the payoff of the 25- and $50,000 loans, the retiring of the loan?

A I don't remember specifically.

Q Did Barbara-Rose Collins take out any other loans with the bank subsequent to July 1990?

A I don't remember that either.

Q Do you know Gerald Harrington?

A Yes.

Q How do you know him?

A He was one of the bank officers when I first arrived at First Independence in 1979, so I worked with him

for virtually the duration of the time that I was there.

Q Are you aware of anything that happened at the bank in July 1990 involving Gerald Harrington?

A In July of 1990, no.

Q August of 1990?

A No.

Q September of 1990?

A I can't associate within a month or a year.

Q Does Gerald Harrington still work for the FINB?

A No.

Q Do you know when Gerald Harrington stopped working for FINB?

A No, I don't remember. I was there, but I don't recall when that happened.

Q Do you know the circumstances surrounding his leaving FINB?

A Only that, to the best of my knowledge, it was involuntary. But other than that, no.

Q Did you have any other information or hear anything else about Gerald Harrington before he left the bank?

A First Independence is like a small family

community, so anybody that left the bank, we would have had contact with sometimes. So, yes, certainly there would have been a number of things, I am sure, even within the past year. I think I would have seen him a time or two.

Q When was your last contact with him?

A Last time I saw him I think he had lunch with somebody I knew. I happened to run into him and said hello.

Q Are you aware that Gerald Harrington alleged a variety of violations that the bank had committed in a variety of areas in 1990?

A Yes, I was aware of it. I never saw anything specifically in writing or anything of that nature. I only knew of it.

Q Do you know what his allegations are, the improprieties of the bank were?

A Only from what I heard, hearsay, that almost sounded like it were a blanket kind of thing, and the bank would have done all sorts of things that were not correct, and right now, again, I don't even recall specifics. I do recall thinking at the time that since I knew that some of the things you were saying were not accurate, you know, I

have no idea what the basis of what you were saying was. But, again, I did not see anything in writing. Anything I heard was purely hearsay.

Q Did you talk to Gerald Harrington about his allegations?

A No, no.

Q Do you know whether Gerald Harrington alleged that the bank did not handle Barbara-Rose Collins's loan properly?

A I don't remember which, this one specifically. I can't very well say. It seemed like there were so many things that he brought up, but I don't know. It could be. It could be that I don't know that.

Q Was there talk in the bank about Gerald Harrington's allegations of wrongdoing in the bank?

A Oh, sure.

Q Did the Barbara-Rose Collins loans become a subject of talk in the office?

A Not that I recall. If they were, it wouldn't have been anything terribly noteworthy, I would recall. My recollection is there were so many things involved that there was nothing that stands out, in my mind.

Q Was the office talk -- what was the office talk of Gerald Harrington's allegations?

A Surprised he would make allegations, some of which some people knew were not true, not accurate, surprised that he would sue the bank. We are talking about a -- Detroit is a big city, but in a sense a small city. First Independence, with its history and background, being started out as a totally minority-owned and operated bank, there was very much of a sense of family among the people who worked there. It was sort of like you turned on your family in the same way.

Q Were people mad at Harrington?

A That, I don't know. I can't say whether any individual was angry with him.

Q Were his allegations dismissed in the office chat, he is a hot head, or what is this? What was the reaction?

A I would say that what I recall was that there was more of a reaction of someone who was looking for a way to try to get money out of the bank.

Q Did people think that any of his allegations were true? Did he have credibility in his allegations?

A Generally, no, not that I was aware of, not that I was aware of.

MS. BAKER: Off the record.

(Discussion off the record.)

BY MS. BAKER:

Q Back on the record. We are back on the record. I have explained to Ms. Mains once again the nature of the bank's status in the Federal Election Commission's investigation MUR-3181.

Do you know Mac Jones?

A Yes.

Q Who's Mac Jones?

A He was an officer in First Independence, came either during the tenure -- he may have come during the tenure of Robinson, when Larry Jones was there. I don't remember his exact title. Exact titles are something that I don't concentrate on, either mine or somebody else's. But basically he was over the branches and the branch personnel for a period of time. The consumer loan department was also under him, as I recall.

Q Is he still with the bank?

A No.

Q Approximately when did he leave the bank?

A I am trying to remember whether he left simultaneously -- no, Jerry Harrington, Barbara Worden and Mac. I don't really remember whether it was all at the same time or not. But all of them were officers who ultimately were terminated. It's not terribly unusual when you get new administrations.

Q Was that the reason, it was a new administration?

A I can only make assumptions, since I wasn't involved in that, but when you get to the higher level of officers within at least the banking industry, it's not terribly uncommon to see the new regime come in and have their own people. So I guess we, who didn't know all the particulars, assumed that that was part of what was involved when the officers left.

Q Did Mac Jones make allegations of wrongdoing against the bank?

A He did, and I think, at least from what I was told, at a period of time he and Jerry Harrington may have had more or less of a joint lawsuit against somebody.

Q Did Barbara Worden also make allegations?

A I am not positive. I heard at one point in time

that there was a lawsuit. I really am not sure. If there was, even if it occurred subsequent to the other suits, and I don't believe that there was any link between the other two individuals and her.

Q Have you had contact with Barbara Worden since she left the bank?

A No.

Q Have you had contact with Mac Jones?

A No.

Q Have you discussed with anybody the leaving of Jerry Harrington, Mac Jones or Barbara Worden subsequent to your own leaving the bank?

A It could be. I am not sure. You mean as far as discussing specifically their leaving the bank?

Q Yes.

A It's possible, but I don't recall. At the time that I left the bank, that was no longer the source of -- something from the recent past, but nothing that was foremost in anybody's mind.

Q How quickly did the office get over the firing of these people?

A Well, as long as that lawsuit was active, and

there were people being either told that they might have to give the deposition, there were things going on, it was the topic of the conversation, and I don't even recall where that process was at the point in time I left the bank.

Q Were you threatened to be deposed?

A Yes.

Q Were you deposed?

A No.

Q What was your reaction when you thought you might be deposed?

A I did not look forward to it, probably even less than I might some other depositions, since I had heard that the -- Jerry Harrington's attorney was extremely aggressive and rude.

I got as far as sitting in his office waiting for the deposition, but it never happened.

Q What happened?

A Well, on the particular day I was there, it was so long to depose the individual who was there, that they ran out of time and it was rescheduled a number of times but never took place.

MS. BAKER: Off the record.

(Discussion off the record.)

(Recess.)

MS. BAKER: Back on the record. We are on the record again, having taken a short break. There are a couple of areas we have touched on, I would like to go back to them and follow through. First area is basically the third line that Barbara-Rose Collins took out at the bank, which was one for $10,000, and at the time of the payoff of her 25- and $50,000 loans.

MS. BAKER: I would like the court reporter to mark this as 15.

(Exhibit 15 identified.)

BY MS. BAKER:

Q I would ask you to look at that document. Could you describe what that document is, please.

A It was a very generic sort of canned language letter that went out to every customer that paid out a loan in the consumer loan area.

Q What did the document say?

A Basically just letting the individual know that we are returning to them the loan document for a loan that's been paid in full, and if the customer had paid, we

added a line that indicated we would like them to come back, we would just say here is your document.

Q This document is dated, what?

A November 15, 1990.

Q It's signed by?

A By me, Arlene D. Mains.

Q The loan that has been paid off?

A

Q And that loan number refers to the loan in the amount of --

A If the loan numbers are on those, they would be on this other document, it would be the one for $25,000.

MS. BAKER: I would like the court reporter to mark a two-page computer printout as Exhibit 16.

(Exhibit 16 identified.)

BY MS. BAKER:

Q I would ask Ms. Mains to look at that document, Exhibit 16. Could you describe for me what this document is.

A I puzzled over that, when I first looked at it. I believe that this is like a computer, a printout of a computer screen, of the system we had at the time would

generate. The bottom portion of it is, what I recall, like a transaction screen. Here, it would appear as if it were just one screen, and perhaps there was a screen that put all these things on it. But most of the screens that I recall that have the information that's on the last couple of lines, normally there would have been a lot more lines because it would give you all of the transactions, as there were payments and what have you.

This loan, being essentially a one-payment loan, only has a couple of transactions. But you can tell from the top part of it that it reiterates some of the information from the loan.

Q What is the purpose of this document, Exhibit 16?

A Purpose as far as -- I don't know why it was printed, because my recollection is that this is a computer screen which obviously you can tell from this, could be printed out on a paper copy. But normally it was the kind of thing that would just go to a screen and look if we need some kind of information.

Q What information does Exhibit 16 convey?

A It gives a loan, I am trying to think, I am going from what I remember here, when you really look at this,

you have an individual's name, and you say guarantor, so it must be referring to a loan, and it gives their address. Some of the other information has not been filled in by whoever did this. I don't remember the middle part of this information. I don't remember that kind of information being there.

But the bottom portion I definitely remember was the type of thing where you could go to a computer and get the history of a loan. You could also get a history of a checking account, whatever it was, but you could look at a computer screen and see dates of transactions, amounts of transactions. You knew, because you knew the code, what that transaction was.

Q What is the transaction on the bottom of page one which is referencing Soave as a guarantor?

A I don't remember what the transaction codes meant. This would appear to be an interest payment. It would appear to be a payment, but I don't remember whether 801 was the payment, but it would appear to be that. It appeared there was $700 in interest, no payment or principal that left a balance of $25,000 and below that, what appears to be a payment of principal in the amount of

25,000 interest in whatever amount; leaving a balance of zero.

Q Does that indicate that this was paid off?

A Yes, it indicates in November that outstanding balance was paid in full.

Q Turning to page 2 of Exhibit 16.

A It's basically the same thing as the previous exhibit, but for another loan, and it gives, again, that transactions history showing transactions which ultimately paid the loan off in full.

Q What date would the loan have been paid off in full?

A November 16 of 1990.

Q Were you involved in any way in the closing out of or paying off of the 25- and $50,000 loans?

A I don't remember. Loan payments or payoffs could be made at a teller window or any of our branches. They could bring loan pay office down to our department but since we were computerized, tellers could pull up screens to indicate what the payoff was. The transaction could have taken place -- we even had mailed in payoffs. The individual might call and say what would my payoff be as

of, and then mail the dollar amounts. I don't recall that there is any way you can tell from this.

Q In a loan history for payoff, would the bank keep any records about how the loan was paid off and how the payments were made, like by cashier's check or personal check or any other kind of documentation about the form of loan payment?

A There would have been -- if we had to get back to records we could. We would not normally have kept anything in the loan file itself, but just on the basis of a date here and a dollar amount and so forth, someone not in the loan department, that wasn't even our area of expertise, but someone who was familiar with it would have been able to go through the bank transactions that ran through our proof machine on a given day and gotten back to that transaction. Everything was filmed. You could get back to it but it might be a somewhat laborious process.

Q If I were armed with a number like this, would there be a backup copy on film of what the payoff was?

A There should be.

Q Similarly for -- I am referring to page 2 of Exhibit 16 now, armed with a number that precedes them, the

amount on the bottom, $50,000, would there be a microfilm or microfiche copy of whatever payment method was used for that $50,000?

A I think it would be very difficult, from what my recollection was. I would not have ever been the person who was actually looking for the film, because I really didn't know how to get back to it, but my recollection would be that if you were only to give this to someone, that it would be very, very difficult to find that.

Q What would you have to give?

A I think we kept -- only for some limited period of time, we would keep like a physical piece of paper. I am trying to remember. The pay office, if there were a check, if the person came in and gave you a check to pay off the loan, they would give you one of their coupons from a coupon book. They would give you a substitute where you could have a piece of paper, there would very well be a debit and credit, where there is something to offset when it doesn't go through, there is something to balance, and a bank where you get something equal and opposite, it goes through. The tellers, now I am sure it's probably even more sophisticated and automated than before.

But my recollection is that when that piece of paper, the loan payoff document, the coupon, whatever, went through, the various pieces of equipment at the bank printed numbers on it, and some of those numbers were such that it would help people in our accounting area to get back to the film itself. Those numbers are not in here. I don't know for how long they actually keep that physical piece of paper.

Q Would the consumer loans -- would, did, these two consumer loans have coupon books?

A They may have had. I can't remember for sure if this was the system or not but there was one system that when we booked a loan, unless you suppressed it, a coupon book was printed. But this is not a normal installment payment loan with equal monthly payments. So whether a book was generated that gave this repayment schedule, I don't know.

Q You are referring here to Exhibit 8?

A On the loan document it indicates that there was one payment in the amount of $700, which was to be paid on the 16th of October of 1990 with a remaining balance plus accumulated interest to be paid on the 16th of January,

1991. In order to book the loan on the system, we had to have a -- on the consumer loans, the particular system that this was printed from, you had to have a specific repayment period.

So the person could have paid that interest before or after these numbers would be changed, but we had to have something specific to input. I am not sure. Or there may have been a coupon book, I am not sure. I am not sure whether the customers had coupons to pay. Some of the customers who had the book really didn't use them anyway.

MS. BAKER: I would ask the court reporter to mark this as Exhibit 17. It's a two-page document referring to a loan number ending in which references a $10,000 loan made to Barbara-Rose Collins.

(Exhibit 17 identified.)

BY MS. BAKER:

Q I would ask the witness to please look at that. Take me through this two-page document marked December 17?

A The top sheet appears to have been sent to Independence from another institution. The institution wanted to verify a loan. In this case it looks like they told us specifically what loan they were looking to verify

and in whose name it was, and the dollar amount and what they thought the balance was. Barbara-Rose Collins, the borrower that they were referring to, was signed, giving them authorization to release authorization. And then First Independence verified the loan by giving them information on the loan transaction, actual balance.

Q The date was given as what?

A November 16, 1990.

Q Were you involved in making the $10,000 installment loan to Barbara-Rose Collins on November 16?

A I don't remember. It's possible, but I really don't remember.

Q In this case, Exhibit 17, the loan is called an installment loan. Is that the kind of loan that would have a coupon book?

A Just installment loan, by definition of the word, installment normally was a loan that had at least two payments, more, at least, of payments that were of equal amounts, that the loans we have been looking at, the ones with the interest and so forth are -- First Independence started putting some of this type of loan on this document simply because --

Q Referring to Exhibit 8?

A Because we wanted to be sure that we were giving the required notices to consumers. We became concerned that sometimes commercial loan officers were perhaps doing loans that were -- they are signed by individuals and the proceeds were given to individuals and we might not be giving them all the necessary disclosures that we are required to give to consumers.

So we started putting some of those commercial loans on consumer documents to be sure, because we had no program in the commercial area to make sure that we correctly calculated interest, and any percentage rate was -- that was a very big concern, that commercial officers might not be revealing percentage rates and they should be.

Q Would you go back to Exhibit 17, page 2, this is a letter purporting to release Barbara-Rose Collins from the loan with the last digits being referencing the $10,000 loan dated December 4, 1991.

Did you sign this document?

A Yes.

Q Do you recall signing this document?

A No.

Q When you said that this was a very routine kind of letter, what does that "very routine" mean?

A When a payoff of a loan was made, we would get, in the loan department, some printout or something to indicate that loans had been paid out, and one of the clerks would want to take whatever the printout had been made, that showed whatever the loan was paid and some of the printouts that would pull those loan files.

Sometimes they will get a history of the loan and determine whether or not they put the note in the mail, or not even bother with the note and mail them and give them sort of a cursory kind of a letter, or give them a letter that says thanks a lot, or a letter that would say come back. It was part of a very fair, routine procedure, part of a clerical function, and I would basically sign a good share of the correspondence out of that matter in the department.

Q Who else would sign, if anyone?

A If I weren't there, perhaps Martha Thomas, depending on the time of the year, because she was in the loan department, worked under me for a period of time, but

I really did not have, let's say a loan officer assistant. We were very small so it was basically me and clerical kinds of persons. So I signed most of the correspondence that went out.

Q Would you have reviewed the file before signing this letter?

A I know that there was a period of time, at least when I would ask for the file and everything else, and part of this would be determined by who the individual was that was preparing the letters. For instance, until I was comfortable with the individual, I would want to verify what they were doing. If you had someone who had been there for a long time, proven that they knew what they were doing, there would have been a point of time in which I would say you can give me the letters and I will sign them.

I can't specifically answer for this one, but I normally would not put my name on anything or sign my name to anything unless either I was very comfortable with the individual that handed it to me without backup, or else ask for the backup, or at least peruse it.

Q When you supervised Martha Thomas, what kind of

supervision did you give in your supervisory duties?

A Supervisory, very, very limited because she was another officer of the bank. I believe she expressed an interest in being taken out of the branches and being allowed to work in the loan department. So even though she had been with the bank a long time, her experience was in the branches.

So by virtue of my experience in the lending area I became her "supervisor" but I -- we had basically been on probably fairly equal levels and just in different areas of banking before then, so she was really -- it was more of a learning process where she was learning some other things about lending and just processing loans and that kind of thing.

MS. BAKER: Please mark this as 18.

(Exhibit 18 identified.)

BY MS. BAKER:

Q This is a First Independence transaction page of various loan amounts. Turning to the first page, I would like to ask you what the reference "G.L. Tickets" refers to?

A General ledgers.

Q Referring to the "A.D. Mains," that was you?

A Yes.

Q Could you look at this and indicate what your loan authority was?

A With collateral, I could approve loans of 50,000 or less. Unsecured I could approve loans of $25,000 or less.

Q When Barbara-Rose Collins applied for a $25,000 loan, did you have the authority to approve of the $25,000 loan?

A No, probably not, because from what I recall the $50,000 came in first. So at least if I was on my toes and remembering what had been done, I should have been thinking in terms of total loan concentration, so that I would have to look at this $25,000, which will mean $75,000 in loans to this individual. Or at least, from others outstanding, I will see here whether there are any other loans to her. I don't know. It should have been beyond my authority, from what I see here.

Q Do you have any idea why the $75,000 -- that Barbara wanted disbursements in two separate transactions, one of 50,000 and one in 25,000?

A No, I don't. I do remember that there was a loan process that was started, an application process for a loan, in what I thought was a dollar amount of 25,000. My memory was that there was 25- and another 25-. I never knew what, but I guess it wouldn't -- she would not be the first borrower who came in thinking she needed a certain dollar amount and finding out she needed more. So I don't know why I probably didn't. I probably didn't question it.

Q Turning your attention again to Jim Sharp's involvement, and beginning with Mr. Soave as the guarantor, and then becoming the substitute guarantor in the $25,000 loan. Now that you have had a chance to think through both loans here, can you recall any of your contacts with Jim Sharp, meetings or phone calls?

A I can't recall specifically. My memory would be that I had a phone conversation, phone conversations with him, probably regarding both his and Mr. Soave's guaranties. I think that he may have been the person who facilitated the transfer and delivery of documents between the bank and Mr. Soave. I think it was more likely that he came in and actually signed, in the bank, in our presence, the documents for his guaranty and collateral backup.

Q Do you remember him coming to the bank and saying I am here for Mr. Soave or something to that effect?

A No.

Q Would he have had a contact with you if he appeared in the bank on behalf of Mr. Soave, would he have contacted you?

A In all probability, even if he had, for instance, gone in and gone up to the executive offices, since I was the one processing the loan, preparing documents, I would probably have been called, been asked to bring the documents up or whatever. Depending on how he regarded it, he might be sent down to meet me or I might be called up to meet him. But yes, I was doing the processing on this.

Q Of those meetings, you have no recollection?

A No, I don't, but it would be -- but at this point, among all the loans, do I really recall loan closings, I would recall all of them after several years.

Q You left the bank in 1992?

A Yes.

Q What were the circumstances surrounding your leaving?

A I was offered a position with Graimark. They had

an individual who announced her resignation. They needed to get a replacement very quickly so I was asked to give a two-week notice and start working immediately for Graimark. I gave a two-week notice and also let them know that I would be traveling to Atlanta to a seminar before the two weeks were up.

Q How did that go over?

A My personal relationship probably with the president was not terribly warm so I was happy to go. He probably was probably very happy to let me go. I don't know.

Q Was it time to move on to another job?

A Oh, yes, definitely.

Q Was it an amiable parting?

A Oh, yes. I was given a party and all sorts of, you know, good wishes and everything. But I wasn't comfortable there anymore. On a personal level. It had nothing to do with the business level of banking or the bank or anything like that.

MS. BAKER: Off the record.

(Discussion off the record.)

MS. BAKER: On the record.

(Exhibit 19 identified.)

BY MS. BAKER:

Q I ask you to look at this document marked 19, which is addressed to you in regard to Barbara-Rose Collins, and then it has a copy of a phone message attached to it and some handwriting. Could you identify the handwriting on the bottom right?

A That is my handwriting.

Q A copy of the phone message, is that addressed to you?

A Well, it looks like originally, when it was a phone message for Richard Shealy, somebody apparently thought that the message should really go to Ron Krause, and I want to refer to Ron and ultimately did, I don't know, but my name also appears. Well, probably went to Ron first, because I would have known that I was in the process.

Q Can you tell who sent that?

A Liz Moses, the secretary.

Q In your message to Martha, is that Martha Thomas?

A Yes.

Q Did you keep the guaranty?

A A copy.

Q A copy. Was it the bank's practice to keep a copy of the guaranty papers after they had been sent back to the guarantor after the loan was paid off?

A Actually, of the loans that I recall, of the guaranties, it was more likely that the guaranties were never returned, because whoever processed it didn't think of it and also who guarantied didn't think of it. It could be in this situation we were a little bit more on our toes. Guarantees in the consumer areas, that's a different kind of thing. We were used to returning loan documents but we were not dealing with guaranties usually, we were dealing with cosigners.

So the circumstances of returning the original guaranties, I don't know. It could have been at the guarantors request, it could have been a normal part of processing in that particular loan file. So there is really no norm that I can refer to as far as keeping copies.

That particular document, unlike the consumer loan documents, at this one time, this application, the consumer loan agreements that were signed by the

individuals were documents that had more than one copy, so that when the individual signed and you gave them a copy, you had another for your file and so forth, so you had copies. When you sent things out it wasn't on your mind, because there was already -- this, I think, had three or four copies to it.

Q Referring to --

A Referring to the loan agreement. But this guaranty, which I think I mentioned was an attorney -- which an attorney drafted, there were no copies. There was one that had to be physically copied in order to get it.

Q I guess we have mentioned you are entitled to a witness fee, and as soon as you let me know what your mileage is, we will cut a check for that.

We did mention that you would look for a resume or a listing of your jobs and titles and dates at First Independence and we would appreciate it, if you could, get that to me as soon as possible, and see what you have documenting your old pay stubs with your title on it, or personnel actions or whatever, a resume listing what your dates and positions were.

A Okay. I am not terribly hopeful on that. Over

the years, as I have done things to update my resume, I have never made a particular practice of keeping the one that I have had before. I have also changed my resume depending on what job I am applying for so that you can emphasize certain areas of your experience or de-emphasize others, whatever it may be, to fit the position.

At this point in time, whatever resume I have is very concise, to set out everybody's else's resume for the company, rather than I am looking for a job position. I will look to see what I can find.

MS. BAKER: As mentioned earlier, you are entitled to go to the court reporter's office to read and review and make sure that the transcription is correct of the deposition today, and to sign the deposition, if you would like. Off the record.

(Discussion off the record.)

MS. BAKER: We are back on. This deposition is adjourned.

(Whereupon, at 2:18 p.m., the deposition was concluded.)

Subscribed and sworn to before me this ____ day of _____, 19__.

_____
Notary Public

My Commission Expires

_____

ARLENE D. MAINS

TRANSCRIPT OF PROCEEDINGS

UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ELECTION COMMISSION

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Washington, D. C.

Monday, August 22, 1994

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UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ELECTION COMMISSION

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COMMISSION
OFFICE OF GENERAL
COUNSEL
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DEPOSITION OF CARA WOODS

Washington, D. C.

Monday, August 22, 1994

REPORTED BY:

PATRICIA A. ZUBER

Deposition of CARA WOODS, called for examination pursuant to notice of deposition, on Monday, August 22, 1994, in Washington, D. C., at the Federal Election Commission, 999 E Street, N..W., Sixth Floor, at 1:30 p.m. before PATRICIA A. ZUBER, a Notary Public within and for the District of Columbia, when were present on behalf of the respective parties:

HOLLY J. BAKER, ESQ.
JONATHAN A. BERNSTEIN, ESQ.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

JASON P. CRONIC, ESQ.
CAROL A. LAHAM, ESQ.
Wiley, Rein & Fielding
1776 K Street, N.W.
Washington, D. C. 20006
On behalf of the Deponent.

PROCEEDINGS

Whereupon,

CARA WOODS

was called as a witness and, having first been duly sworn, was examined and testified as follows:

EXAMINATION

BY MS. BAKER:

Q This is a deposition being taken for the Federal Election Commission under 2 USC 437(g). It is a confidential matter entitled MUR 3181. I am Holly Baker, and I represent the Commission, and with me today is Jonathan Bernstein, who also represents the Commission. Have you ever been deposed before, Mr. Woods?

A Yes.

Q So you know that the court reporter takes down verbal responses. She can only record verbal responses and not nods of the head, so please do give your answers aloud, yes or no or whatever it is you're going to say.

If you don't hear or you don't understand any of my questions, please let me know and I'll rephrase. You are under oath, the same as you would be if you were in court. If you need a break, please let me know. If at a

later point in the deposition you remember that your answer to a previous question was incomplete, let me know and we can go back and fill in the record on that point.

Are you represented by counsel today?

A Yes.

Q And who is your counsel?

A Carol Laham.

MS. LAHAM: Carol Laham, and I'm assisted by Jason Cronic.

BY MS. BAKER:

Q Mr. Woods, I'm going to start with some background questions. Would you state your full name, please.

A Cara Woods, C-a-r-a.

Q Home address.

A 27129 Colgate, C-o-l-g-a-t-e, Inkster, Michigan, I-n-k-s-t-e-r.

Q Your home phone number.

A

Q And your marital status?

A I'm married.

Q Your spouse's name?

A Sara, S-a-r-a.

Q How long have you been married?

A

Q Your date of birth?

A

Q Social Security number?

A

Q Have you been in the military?

A No.

Q And what is your educational background?

A High school diploma.

Q Where did you graduate from?

A Parker High, Birmingham, Alabama.

Q Did you have any other training after high school?

A 12 credit hours at Wayne University in Detroit.

Q In what subjects?

A Physics, chemistry, trigonometry, geometry, college algebra.

Q Fair to say math and science?

A Yes.

Q Do you have a current business address?

A Yes.
Q What is that address?
A 16825 Wyoming, that's in Detroit, Michigan.
Q What's the name of your business?
A It's not my business, though. That's incorrect, it's not my business.
Q Do you have a current employment?
A Yes.
Q What is your current employment?
A I'm a project manager for Caracon.
Q How do you spell that, please?
A C-a-r-a-c-o-n, Company.
Q What is that business address?
A Construction business.
Q Where is that located?
A 16825 Wyoming, Detroit, Michigan.
Q And the phone number there?
A
Q How long have you been there?
A About a year now.
Q After high school and before you became involved with the Caracon Company, could you go through your

employment history, leaving out dates, just run through your occupational locations and the kinds of duties or responsibilities you had in each.

A I was a salesman for a cookware corporation for three years. And I was what you call a miner, m-i-n-e-r, for a tunneling corporation for seven years. And I had another small underground construction company for about five or six years. Then I had an insurance housing rehabilitation company for about three or four years. And I was with -- that brings us up to the president of Woodlove Construction for 12 years.

Q When did Woodlove start?

A 1980.

Q And what was that business?

A Primarily we were involved in underground utilities and roadwork.

Q Could you explain further what that work involves?

A Underground utilities means water mains, sewer lines, tunneling and roadwork, preparing the grade for the paving contractor.

Q Did you own this business?

A Yes, I did.

Q Were you the sole owner?

A When we first started out it was, I had a supervisor employee who was part of the business. That's where you get the Woodlove Construction.

Q He's the Love?

A Woodlove Construction.

Q And he's the Love part of Woodlove?

A Right.

Q Were you the CEO?

A Yes.

Q The owner and the CEO?

A Yes.

Q How many people did you employ?

A I don't remember. I don't remember how many.

Q Do a ballpark figure.

A About 12, maybe 15 people.

Q What happened in 1992?

A 1992?

MS. LAHAM: Could you be a little more specific with your question.

BY MS. BAKER:

Q You said you were at Woodlove for 12 years. It began in 1980. Did something occur in 1992 to change your relationship with Woodlove construction?

A Well, we filed Chapter 11. It was in -- I think it was '92 was when we finally went into Chapter 7.

Q And when did you file for Chapter 11?

A I think that was '91, no, '90.

Q At what point did the -- was the business having difficulties?

A '89.

Q What kind of difficulties was it having?

A Our payables were exceeding our receivables.

Q To what do you attribute that change in your fortune?

MS. LAHAM: Can I just ask you to speak up just a little, because I'm having a hard time hearing you.

MS. BAKER: Certainly.

THE WITNESS: It was a combination of things. We were growing a little bit too fast, and the management of the jobs were not what they should be, and the jobs were taken a little bit too cheap.

BY MS. BAKER:

Q Were you bidding on contracts?

A Yes.

Q With whom?

A With various municipalities, government sources, very few private.

Q City of Detroit?

A Yes, that's one of them.

Q Any others?

A Yes.

Q What area were they located?

A In the Michigan area.

Q Detroit area of Michigan?

A We primarily operated by three-county area, Washtenaw, Wayne, Macomb County. And Oakland County too, so four counties.

Q Southeastern Michigan?

A Southeastern Michigan, that's correct.

Q After the filing of Chapter 7 in 1992 what was your situation in the corporation, what happened?

A When you file Chapter 7 the trustee takes over the company, and he does what he wants to do with it.

Q And when was the company finally liquidated?

A The liquidation, I think, was finalized in September of '92, I believe it was when they had the final auction.

Q What did you do after that?

A I finished up one job that the trustee had me to finish up, and then I became a project manager for Caracon.

Q What do you do with Caracon?

A Project manager for -- like we have jobs, I take care of them.

Q What does that mean?

A Supervisory work.

Q Take me through a typical day.

A Well, if we need one of the trucks, I make sure the truck's on time, who works and who doesn't work and stuff like that.

Q Prior to coming here today, other than counsel, what preparation -- dealing with counsel, what preparation have you done for today?

A None.

Q Did you look at any documents in preparation for the deposition today?

MS. LAHAM: Other than dealing with counsel.

MS. BAKER: Yes.

THE WITNESS: No.

BY MS. BAKER:

Q Have you provided all the documents relating to this transaction that the Commission asked for previously?

A I don't recall you asking me for any documents.

Q In fact, you were asked through your lawyers to provide documents.

A Whatever the lawyers asked me for I provided, to the best of my knowledge.

Q Have you ever held elected office?

A No, not publicly, no.

Q What year did you come to Detroit?

A 1953.

Q In what ways have you been involved in political activity?

A Politicians send me fundraising tickets and I buy tickets.

Q At what level?

A You mean -- I don't understand your question.

Q Local, state, federal?

A Actually it's been all three.

Q Other than making financial contributions, have you ever hosted a candidate meet and greet?

A No.

Q Have you ever hosted a fundraiser?

A No.

Q Have you ever handed out campaign literature?

A No.

Q Have you ever served on a campaign committee?

A No.

Q Do you know Barbara-Rose Collins?

A Yes.

Q How long have you known her?

A I met her, it's been about -- I guess about 1988, something like that.

Q And how did you come to meet her?

A At a luncheon with her and a mutual acquaintance.

Q Who was that?

A Tony Soave.

Q Where was the lunch?

A Pardon me?

Q Where was the lunch?

A At one of the local restaurants in Detroit.

Q Do you recall its name?

A They went out of business. I can't recall their name, the name of that. I can't recall.

Q And what was the purpose of the luncheon with you, Barbara-Rose Collins and Tony Soave?

A I was just -- he was having a luncheon. He asked me did I want to come along and meet Barbara-Rose Collins, she was on the city council at that time. I told him yeah.

Q Were you asked to support her city council race in any way?

A No.

Q Were you asked to support her 1988 Congressional race?

A I don't remember.

MS. LAHAM: Which race? I'm sorry.

BY MS. BAKER:

Q The 1988 Congressional race.

A I don't remember.

Q Did you support her 1988 Congressional race?

A I don't remember that either.

Q Would you have discussed politics, such as her 1988 Congressional race, at a luncheon?

A She just mentioned that she was going to run, that's all.

Q Did you lend her your name --

A No.

Q -- to her 1988 Congressional race?

A No.

Q How frequently did you have lunch with Tony Soave?

A I might have had lunch with him once before then or maybe once after then.

Q What was the purpose of those lunches?

A Some business, construction business.

Q Were you bidding on contracts with Anthony Soave's company?

A I don't recall.

MS. LAHAM: Do you mean at the time that he was having the lunches?

THE WITNESS: I don't recall at that particular time, but the nature of the construction business itself is always something going on or something happening or something coming up or something like that.

BY MS. BAKER:

Q Can you pinpoint when in 1988 this luncheon took place?

A With --

Q With Tony Soave and Barbara-Rose Collins?

A Pinpoint the time? I don't recall. I think it was in the warmer part of the year, but I can't recall when it was.

Q Was anyone else there?

A No.

Q How much business did Woodlove do with Tony Soave's various corporations?

A They did some trucking on a couple of jobs of mine as a subcontractor to me, and I subcontracted one job from him.

Q Over what period of time did you, did Woodlove have a business relationship with Tony Soave's various corporations?

A Well, you would have to skip some years. I think in about 1983 or '4 they did some trucking for me, then about 1986 they did some trucking for me, and then about 1989 I did some concrete work in a tunnel for them.

Q Were you working for one of Mr. Soave's companies

in 1990?

A Yes. That's when we were doing the concrete work. We were --

Q Did you do any work for or with M&M Construction Company?

A That's the company, yeah.

Q So you've listed three jobs in which the two corporations have been involved with one another?

A Yes.

Q Were there any other projects they worked on?

A No.

Q How large were the contracts Woodlove had with M&M Construction?

A You mean -- how do you mean? As a subcontractor, as a prime contractor?

Q Well, were you the subcontractor in 1990 for the concrete tunnel work?

A Yes.

Q How big a project was your work?

A I think that was about a million, 3. I'm not really sure, but it was over a million dollars.

Q In terms of the kinds of projects Woodlove was

involved in, is that small, medium, or large?

A Medium, yeah. That would be a medium-sized job for us.

Q And looking at the trucking jobs where Soave's companies were subs to you, how big were those projects?

A Small.

Q You are indicating that in 1989 your business had a turn, financial turn. What other projects were you involved with in that '89-90 period besides the contract with M&M Construction?

A I had a job in Ann Arbor putting in a water main. I think it was close to a million dollar job. There was a job for the city of Detroit was going on at that time, I believe it was about a $600,000 job. There were a couple smaller contracts, say a couple hundred thousand dollars here and a couple hundred thousand dollars there. I don't recall exactly.

Q Where was the project you were working for M&M Construction located?

A In the city of Detroit.

Q And where in the city of Detroit?

A Northwest Detroit on West Outer Drive.

Q How did you meet Anthony Soave?

A Pardon me?

Q How did you meet Anthony Soave?

A I met him initially, I believe, about 1983.

Q What were the circumstances?

A A luncheon with another mutual acquaintance.

Q Who was that?

A I can't recall his last name. I remember it was Jack. I can't recall. I can't recall.

Q Is that a business -- someone you knew through business?

A Well, yes, it was concerning business.

Q Was the person's name you can't remember, was he someone you knew through business?

A Yes. But the meeting wasn't concerning him.

Q What was the purpose?

A Well, at that particular time my partner and I were separating, and he was making some overtures to Tony Soave for helping him go into a separate business, and Tony wanted to know more about our relationship. He didn't want to get in the middle of any controversy.

Q What was the outcome of your partner's approaches

to Anthony Soave?

A I really don't know. I just told him we were just separating, going our separate ways, you know, and he wanted to start his own business.

Q Did Anthony Soave purchase your partner's business?

A No.

Q Did Mr. Soave become involved with Woodlove Construction after your partner left?

A Just relative to those jobs I just mentioned to you.

Q He had no ownership interest in Woodlove Construction --

A No.

Q In 1990, in what ways were you involved in Barbara-Rose Collins's Congressional campaign?

A I was not involved in her campaign.

Q Did you participate in any way in a finance committee for the Barbara-Rose Collins campaign?

A No.

Q Did you lend your name to her Congressional effort in 1990?

A No.

Q Were you approached to be on a finance committee for Barbara-Rose Collins?

A No.

Q Were you approached to advise Barbara-Rose Collins in any way in her 1990 Congressional campaign?

A No.

Q I'm now going to ask you if you know some names, and I'd like you to tell me whether you know these people, and how you know them, in what capacity. Lester Robinson?

A No.

Q Arlene Mains?

A I don't know her. I know of the name.

Q And how so?

A She was a loan officer at the First Independence Bank.

Q How did you come to know of her?

A When I went to sign as the guarantor for a loan, she was the one that gave me the paperwork.

Q We'll come back to that signing the loan guarantee in a moment.

Martha Thomas?

A No.

Q Larry Jones?

A No.

Q Don Barden?

A I know of him.

Q And what do you know?

A He's the Detroit -- cable television operator for the city of Detroit, and also for the city that I live in.

Q That's Inkster?

A That's right.

Q Have you met him?

A Once.

Q What was that occasion?

A At a fundraiser.

Q When was that?

A I don't recall. I don't recall.

Q Recently?

A No.

Q Do you recall the candidate?

A Pardon me?

Q Who was the candidate?

A This was, I think this was like an annual

fundraiser for the mayor of the city of Detroit.

Q Don Davis?

A No.

Q Jim Sharp?

A I met him.

Q How do you know Jim Sharp?

A We met at the organization I belong to, contractors, he was at the meeting. I met him there.

Q What's the name of that organization?

A Association of Underground Contractors.

Q What year was that?

A I don't recall. I believe it was -- I don't recall what year it was.

Q Can you give a ballpark estimate of the year?

A About '89 or something like that.

Q How frequently have you talked to Jim Sharp since 1989?

A You mean the number of times?

Q Yes.

A Let's see. About maybe three, four times.

Q What was the business or the purpose of the times you did talk to Jim Sharp?

A You are talking about other than the AUC meeting?

Q Yes.

A He approached me about signing for a guarantee, a loan for Barbara-Rose Collins.

Q And when was that?

A Sometime in, I think, summer of 1990.

Q Was that the first time Jim Sharp contacted you outside of the context of Association of Underground Contractors?

A Yes.

Q Within the context of the underground contractors association, did you have business contacts or contacts with Jim Sharp?

A No.

Q Turning to the summer of 1990, I'd like you to take me through a history of Jim Sharp's approach to you about guaranteeing the loan and we'll just go from there, step by step through that process.

How did it come to be that he approached you?

A Well, he told me that Tony Soave wanted me to sign for a loan for Barbara-Rose Collins for 25,000.

Q What was your response?

A Okay.

Q Why?

A At that particular time I was trying to get Tony Soave to loan my company half a million dollars, and he was providing me with bonds at the time because my bonding company had gone out of business, and he had started a new bonding company, and I had bonds with him. I was trying to borrow money from him. So to me this was a small act of friendship that he was asking me to do.

Q Had you previously done such acts for Mr. Soave?

A No.

Q What else did Mr. Sharp tell you about the loan guarantee?

A That I didn't have to worry or be concerned about Barbara-Rose Collins defaulting on the loan because Tony would make sure it was paid. I wouldn't be liable for any payment.

Q Why did Mr. Soave want you to guarantee the loan?

MS. LAHAM: If you know.

THE WITNESS: I didn't talk to him. I talked to Jim Sharp.

BY MS. BAKER:

Q What did Jim -- what did you understand from Jim Sharp that Mr. Soave expected of you?

A To just sign for the loan.

Q Why couldn't Mr. Soave do that himself?

A I don't know.

Q Did you ask?

A No.

Q Mr. Sharp was also involved in the loan guarantee, wasn't he?

A Yes.

Q What did you understand was required of Mr. Sharp?

A He was doing the same thing that I was doing, guaranteeing the loan.

Q Did he give you any more details about why he could not, Mr. Sharp, could not do the loan guarantee himself?

A I don't quite understand your question.

Q Did Mr. Sharp ask you to guarantee the full 25,000 yourself?

A That's what I thought he was doing.

Q Did you ask who else was going to be involved?

A No.

Q Was anyone else mentioned as being involved?

A No. It was just me and him.

Q Did you understand that Jim Sharp was also going to be a guarantor?

A Yes, but I thought it was 25,000 he was guaranteeing and I was guaranteeing 25,000.

Q You thought it was a total of 50,000?

A Yes.

Q That's not how it turned out to be, though?

A You're correct.

Q And when did you find out that that was not the anticipated scenario?

A When I got papers from your department.

Q Okay. We'll get to that point. Let me back up and fill in a few more steps. Where were you when Jim Sharp approached you about making the loan guarantee?

A Let's see. I was at my office.

Q Where was your office located?

A 16825 Wyoming.

Q Did he make an appointment to see you?

A No, he just told me Tony wanted me to --

Q To drop by?

A No, to sign for the loan and meet him at the bank.

Q So Jim Sharp wanted you to guarantee a loan and meet him, Jim Sharp, at the bank?

A Yes.

Q Did you ask him what the loan was for?

A He said it was for Barbara-Rose Collins.

Q That was who it was for. But did he tell you what she wanted the money for?

A No.

Q Did you ask?

A No.

Q How soon after Jim Sharp asked you to be a guarantor on the loan did you go to the bank?

A I don't recall the exact -- whether it was the next day or so.

Q Soon thereafter?

A Yes.

Q And what did you do at the bank?

A We went to one of the offices and I was given an

application form to fill out, and I filled it out.

Q Who gave it to you?

A I don't recall the gentleman's name.

Q Was that a person in the executive bank offices?

A I believe that might be.

Q Were you downstairs in the bank or upstairs in the bank?

A Upstairs.

Q Who was there with you?

A Myself, Jim Sharp and whoever this gentleman was.

Q Did you sign anything at that time?

A I signed the application.

Q When you say "application"?

A The loan application.

Q Was it a loan application?

A Yes.

Q It was a personal financial statement?

A A statement, yes.

Q A personal financial statement?

A Right.

Q Did Jim Sharp sign papers that day too?

A He was filling out one at the same time I was

filling out --

Q Did you ask anybody at the bank what your liabilities would be?

A No.

Q Did anyone mention what the purpose of the loan was while you were at the bank?

A No.

Q After you filled out the personal financial statement what did you do?

A I left.

Q What was the next contact you had with the loan process?

A I was notified a short time afterwards, I don't recall what length of time it was, but it wasn't very long, that my credit was good enough to guarantee the loan, and I went down there and signed the guarantee.

Q Who was at the bank at that time?

A Arlene Mains.

Q Was Jim Sharp there?

A No.

Q Was any bank officer there other than Arlene Mains?

A I just met with her.

Q Who served as witnesses to your guarantee?

A No one.

Q Did you take any notes or get any documents other than the original loan guarantee document from your meetings with the -- at the bank?

A No, I didn't.

Q After signing the guarantee paper, who did you discuss the loan with?

A No one.

Q Did you call Jim Sharp and tell him you had signed the loan guarantee?

A I think I had talked to him earlier, and he mentioned that he was getting down there later on in the day. I went earlier because I went first thing in the morning.

MS. LAHAM: Could you actually read back for me that question and that answer.

(The reporter read the record as requested.)

BY MS. BAKER:

Q Did you indicate to Mr. Soave in any way that you had signed the loan guarantee?

A I don't recall. I don't recall if I did or not.

Q How was Mr. Soave to know of your good faith fulfillment of his request to take his place on the loan guarantee?

A Well, he and Jim Sharp are real close. I'm sure Jim wouldn't do anything other than what Tony would tell him.

Q Is that the relationship they have, that Jim Sharp does what Tony Soave tells him to do?

A In my estimation, yes.

Q Does the advice ever flow the other way, from Jim Sharp to Tony Soave?

A I don't know.

Q At the time of the loan guarantee, what did you know about Barbara-Rose Collins's political aspirations?

A Oh, I knew that she wanted to take Crockett's seat, who was, at that time he was a Congressman for the Michigan district, and she ran against him unsuccessfully before, and I knew that she had aspirations for his seat.

Q Did Jim Sharp ask you to contribute financially to Barbara-Rose Collins's Congressional campaign in 1990?

A No.

Q Did Jim Sharp give political advice to Anthony Soave?

A I don't know.

Q Did Jim Sharp tell you why Anthony Soave wanted you to take his place on the loan guarantee?

A No, he never told me.

Q Did you ask?

A No.

Q Did you ever discuss the loan guarantee papers in the summertime with Barbara-Rose Collins?

A Yes.

Q And what did you discuss with her?

A I mentioned to her that I had signed the guarantee for her, for her loan.

Q What were the circumstances of that communication?

A We were at a party at the mayor's house and I mentioned it to her.

Q What did she say, the gist of the conversation?

A She said what loan, and I said the loan at the bank. And she said that Tony signed for that loan. And I said, well, he's not on there anymore, we have taken his

place. You know, I'm signing to take his place. And she used some indelicate language and I got off the subject.

Q Is it fair to say she was surprised to hear that you were a loan guarantor?

A Oh, yes, she was surprised, yes.

Q And when was that conversation with Barbara-Rose Collins?

A I don't recall a date, but it was in the summertime because it was very hot that day.

Q Did you have any other conversations with Barbara-Rose Collins, communications about the loan guarantee, during the summertime?

A That was the only one.

Q And moving to the fall of 1990, did you have any other conversations with Barbara-Rose Collins about the loan guarantee?

A No.

Q Did you attend a fundraiser at the International Marketplace in October of 1990? It was a fundraiser for Barbara-Rose Collins.

A Oh, yes, I did, right. I remember that. It was her birthday or something like that, I think it was.

Q Before the International Marketplace fundraiser, had you already told Barbara-Rose Collins that you were on the loan?

A Yes, I believe I had.

Q Did you communicate with anyone else about Barbara-Rose Collins's response to your telling her you were a guarantor on the loan instead of Anthony Soave?

A No.

Q Did you tell Jim Sharp Barbara-Rose Collins's reaction?

A No, I didn't tell him.

Q At the International Marketplace fundraiser in October, did the subject of the loan guarantee come up at all?

A I don't recall. Because I had hardly recalled that meeting. I don't recall.

Q When next did you have occasion to think about the loan guarantee?

A When it hit the papers.

Q Can you pinpoint that time?

A This was in the fall of the year, and it was in the paper about the contributions Barbara-Rose Collins --

and to my surprise, something seemed to be illegal. And then at that time, I think, is when I got a letter from your office, around the same time.

MS. BAKER: I'd ask the court reporter to mark this as Exhibit 1, please.

(Woods Exhibit 1 identified.)

BY MS. BAKER:

Q Mr. Woods, I ask you to look at this Xerox, which purports to be a copy from an article of the Detroit News dated November 11th, 1990. It's a story about a lawsuit that was filed against First Independence National Bank, with a series of allegations.

MS. LAHAM: Do you have a copy for me? Thank you.

(Witness reviewed the document.)

THE WITNESS: Okay. I remember reading this article.

BY MS. BAKER:

Q I'm sorry. I didn't hear you.

A I think I remember reading this part here.

Q That's what I was going to ask you, if this is the article that you referred to in terms of the news

hitting the papers.

A No, this is not the one. This is not the article here that I'm thinking about. This was a different article, but I remember reading this article.

Q When you said something came out in the newspaper about the possible illegality of the loans, was it before or after this article?

A I don't recall. Let me glance through this a little more.

Q Certainly.

(Witness reviewed the document.)

MS. BAKER: Off the record.

(Recess.)

BY MS. BAKER:

Q We're back on.

A What's your name again?

Q Holly Baker.

A Ms. Baker, I'd like to clarify one thing.

Q Certainly.

A Before, you asked me if I had mentioned, had talked with Barbara-Rose Collins after I had signed for the loan, and I think I said no, but I did. To clarify, at the

party at the mayor's house I did talk to her, so the answer should have been yes.

Q Do you keep a personal calendar?

A No.

Q An appointment book?

A I used to keep a calendar for meetings, whatnot we have at the office.

Q Would the party at the mayor's house appear on your calendar, your personal calendar?

A No, I don't think that one -- I doubt it. Meetings like that I wouldn't. We just kind of have appointments for business appointments and whatnot. I wouldn't put nothing like that on a calendar.

Q Do you keep a personal appointment book as opposed to a business appointment book?

A No, I don't.

Q Do you have your business appointment book from 1990?

A I don't know where those are. When we went out of business the trustee even got the records. Some of them he said we don't need and he threw them away or whatnot. So I really can't say.

Q Could you look?

A I could look, yes.

Q Returning for a moment, you said that Jim Sharp came to your office to approach you about guaranteeing a loan?

A He called me. He didn't come to my office.

Q So he called you while you were at your office?

A Yes.

Q Did he meet with you at any time, one on one?

A No. I don't really remember.

Q How close was your office on Wyoming Street to city management's headquarters?

A It was across town, like 15 minutes away.

Q How close to city management headquarters was the construction site that you were involved with on the M&M tunnel project?

A Oh, it was close to my office, five minutes away.

Q Did Jim Sharp ever meet you at the construction site?

A No.

Q How would you characterize Jim Sharp's request from Mr. Soave to guarantee a loan for Barbara-Rose

Collins?

A I thought he was sincere and if Tony wanted it done, you know, I got to do it.

Q Do you think it was an unusual request to make of you?

A Yes, it was unusual. I thought it was unusual.

Q What struck you as unusual about it?

A Well, he never asked me before to do nothing like that.

Q "He" is Mr. Soave?

A Tony Soave. Tony Soave never asked me to do nothing like that. He's a rich man. I'm not.

Q Given that situation, what did you understand was the reason for you to step into Tony Soave's shoes for the loan guarantee?

A I didn't ask. I figured he had his own reasons.

Q Have you guaranteed loans to any other public figures?

A No.

Q At the time you signed the loan guarantee, what did you understand to be the purpose and function of that loan?

A I didn't ask. I didn't have a clear understanding of it. It was just a loan.

Q What caused you to be so uninquiring about the loan?

A Because we were -- my company was doing business with Tony Soave's company. We had subcontracts with him, we had contracts under bond with his bonding companies. We had another contract under bond with his personal bonding company. He had loaned me $100,000 on two pieces of equipment that I collateralized with his company. He had bought a piece of equipment for $50,000 from my company. I'm going to question a $25,000 transaction? And then in the same breath I'm asking him to loan my company a half a million to get it out of financial trouble.

Q Did you have a choice?

A I don't think I had a choice.

Q If you had not been in that position, the financial involvement back and forth with Anthony Soave, would you have guaranteed a loan to Barbara-Rose Collins?

A No.

Q Did you know what Jim Sharp's involvement with Barbara-Rose Collins's campaign was?

A No.

Q Did you know he was involved in some way with her campaign?

A No.

Q Who owns Caracon?

A My son.

Q And his name?

A Elmos, E-l-m-o-s.

Q Do you have an ownership stake in that company?

A No.

Q Are you the Cara of Caracon?

A Right.

Q Is Caracon located at the address of your former company of Woodlove?

A Yes.

Q Does your son have financial connections with Anthony Soave?

A No.

Q Have you personally or Woodlove as a business had any other financial transactions with First Independence National Bank other than the loan guarantee?

A No.

Q Have you guaranteed loans to anyone other than family members?

A No -- no.

Q Before we took our break we were looking at what has been marked as Exhibit 1, which is the newspaper article from the Detroit News.

I'd like to turn your attention again to this article. You've indicated that you have read this article, and we were --

A Maybe not this particular one. See, this is Detroit News. In the city they have Free Press, News. So it could have been one similar to this one. Maybe not the exact verbiage, but they usually print the same thing.

Q Well, I don't know if they were merged in 1990 or not.

A I think they were.

Q So if it was not the Detroit News article it was an article very similar to this?

A Yes.

Q Probably in the Detroit Free Press approximately the same date?

A Right.

Q You are indicating that you knew prior to the press release of the kind of information that's in this November 11th, 1990 News article, that prior to that you knew of problems with the loan guarantee?

MS. LAHAM: I don't believe he did indicate that.

THE WITNESS: No, I didn't say that.

BY MS. BAKER:

Q I'm sorry. When did you come to know that there were problems with the loan and loan guarantee?

A When I read an article in the paper and I got a letter from the FEC, and I'm not sure which precedes the other.

Q When you learned of the problem, what did you do?

A I don't recall if I made a phone call to Tony Soave's office or not. I can't say for sure. But eventually I made contact with his office, either they contacted me or I contacted them.

Q What was the nature of the contact?

A I talked to Lynn Ferris about the discrepancy and she told me that they were retaining an attorney in Washington to take care of this matter.

Q Who's Lynn Ferris?

A She's Tony Soave's in-house attorney.

Q And the reference to they are hiring, was the "they" Barbara-Rose Collins or Anthony Soave?

A Jim Sharp and -- I look at them as one and the same, Jim Sharp was hiring a local attorney here in Washington to take care of this matter.

MS. LAHAM: Can we go off the record a minute?

MS. BAKER: Off the record.

(Discussion off the record.)

(Witness conferred with counsel.)

MS. BAKER: Back on the record.

THE WITNESS: Okay.

BY MS. BAKER:

Q We're back on the record after a short break. At the point we took a break we were discussing your conversation with Lynn Ferris, who was the in-house attorney of Anthony Soave. You were talking about who was going to hire counsel in Washington to handle the matter. Please continue.

MS. LAHAM: Well, could you ask a question, please.

BY MS. BAKER:

Q What was Jim Sharp's involvement in hiring an attorney to take care of the loan guarantee problems?

A You mean -- I don't understand. I don't quite understand your question.

Q In hiring counsel to take care of problems with the loans, you indicated that Jim Sharp was playing a role. What was Jim Sharp's role?

A He mentioned, I don't know if it was him or Lynn Ferris, they knew of local attorneys here in Detroit -- I mean in Washington, that could better serve to take care of this matter.

Q Was the attorney to serve you as well as Mr. Sharp?

MS. LAHAM: I object to that question on attorney-client privilege.

MS. BAKER: How so?

MS. LAHAM: Anything that -- who his attorney was and how he came about that representation is within the attorney-client privilege. You clearly know who his attorney was.

BY MS. BAKER:

Q Did Mr. Sharp hire an attorney to represent you

in Washington, D.C.?

MS. LAHAM: I object to that question as being within the attorney-client privilege, and I instruct my client not to answer the question.

BY MS. BAKER:

Q Did you hire an attorney to represent you in Washington, D.C.?

A Yes.

Q What was your response to the FEC's informing you that -- of a possible violation of the federal election campaign law?

A I sent them something, an affidavit, as to my understanding of the transaction.

MS. BAKER: I ask the court reporter to mark this paper as Exhibit 2.

(Woods Exhibit 2 identified.)

BY MS. BAKER:

Q This document purports to be a copy of the affidavit by Cara Woods. Is this the affidavit that you submitted in response?

A Yes.

Q And how did you come to prepare this affidavit?

A I don't understand how you --

Q Did you consult with anyone other than counsel in preparing this affidavit?

A No.

Q Did you talk to Jim Sharp about the affidavit that you prepared, as marked by Exhibit 2?

A No, I didn't talk to him.

Q Did you talk to Anthony Soave about preparing an affidavit?

A No.

Q Did you convey to any representative of Anthony Soave anything about your preparation of this affidavit?

A I think I talked to Lynn Ferris.

Q What was the nature of that conversation?

A I don't recall. I don't recall. I might have faxed them a copy of this or something.

Q After you had prepared it?

A Yes.

Q Did you talk to Lynn Ferris before you prepared it?

A I believe I did, yes.

Q Was Lynn Ferris your attorney?

A No.

Q Did Lynn Ferris give you any advice?

A No.

Q Did anyone give you advice other than counsel?

A No.

Q After you prepared this affidavit, as marked by Exhibit 2, did any representative of Anthony Soave contact you?

A No.

Q Did Mr. Soave himself contact you?

A No.

Q Did Jim Sharp talk to you?

A No.

Q Did Barbara-Rose Collins see a copy of this affidavit?

A I don't know.

Q Did you send her a copy of it?

A No.

Q Did you talk to her about it?

A No.

Q How would she have come to see it?

A How would she come to see it?

Q Yes.

A I don't know. I don't know if she has seen it or not.

Q Did you have any conversations with anyone about the FEC investigation into the Barbara-Rose Collins loan transactions?

MS. LAHAM: Other than counsel.

MS. BAKER: Yes.

THE WITNESS: No.

BY MS. BAKER:

Q Did you talk to Barbara-Rose Collins?

A Haven't talked to her since I saw her at that party.

Q The party, then, is the one at the mayor's house?

A Yes, the other meeting that you are talking -- you reminded me about.

Q The International Marketplace?

A Haven't seen her or talked to her since then.

Q Let's turn for the moment back to those two events. How did you come to show up at the International Marketplace fundraiser?

A This is the only free affair that the mayor gives

every year.

Q Is that the mayor's -- is the mayor's party a different event from the International Marketplace event?

A Yes. This was at his house.

Q You were talking about it's free?

A Uh-huh.

Q And that's the one that was during the summertime?

A Right.

Q Is it his -- mayor's birthday, or what is it?

A I don't know if it's his -- I'm not really sure what it was. But it's a -- all I know, it didn't cost anything.

Q Did you go with anyone?

A No, I went by myself.

Q Who else did you talk to while you were there?

A Just in general the people -- let me see here, Adam Shakur, he's what we call the deputy mayor. That was mostly -- I sat at his table mostly, and I can't recall who else was there. Charlie Williams, I think, was there. That's the director of the water board, water department, and there were a lot of subcontractors there and I don't

recall, just general conversation.

Q What's the nature of the mayor's party?

A Well, usually all the parties that he gives are like fund-raisers and you buy tickets to go to them. This one there was no tickets so everybody comes down there. First time you get a free hot dog.

Q Is it an annual event?

A Yes.

Q Other than free food, what attracts people to that event?

A It's a beautiful area. It's right on the river, you know, it's like a park-like setting. Get a chance to meet people that you haven't seen within the year, kind of like a little reunion, like.

Q Is it important to keep up your social contacts and business contacts?

A Oh, very much so.

Q Kind of like a citywide cocktail party?

A Right.

Q Schmooze and meet and meet and greet, is that --

A Right.

Q Turn again now to the International Marketplace

fundraiser. How did you come to be at that?

A I'm not really sure. Either there were tickets bought for that affair -- I think it was tickets bought for that affair.

Q Who approached you to buy a fundraising ticket?

A Tickets are -- I get in the mail fundraising tickets from everybody.

Q How frequently do you attend, in general, fundraiser events?

A Probably at least once a month. Somebody's.

Q Out of the number that you receive and could go to, how many do you actually attend?

A If I'm invited to like three or four affairs, it's according to who it is I might go. See, according to who has the best parties.

Q What makes for a good party?

A Food, you know, what kind of food they're going to have. This guy is going to have steak or this guy has hot dogs, or where it is, you know. If it's at the, like a catering place or is it a big hall, it depends on where it is.

Q What kind of an affair was the International

Marketplace fundraiser?

A Oh, it was a nice affair. It was a nice place.

Q Who owns International Marketplace?

A I don't really know who the owners are. It was -- it hadn't been -- it was something that was newly renovated.

Q What kind of an affair was it? You said it was "nice."

A Kind of glamorous, you know, dress up. And it had food and a band there. A lot of people.

Q Did you go with anyone?

A No.

Q Did you sit at a table with people?

A I sat at a table, but I don't recall who it was.

Q Did Barbara-Rose Collins go around and talk to people?

A Yes, she did.

Q And did she talk to you?

A Yes. She acknowledged my presence there. She said how you doing, you know, just spoke, that's it.

Q Did the topic of the loan come up at all?

A No. People all around everywhere, no, it didn't

come up.

Q So let's go back to the mayor's house, and see if we can get a few more details about what was going on there. We know it was hot, it was the summertime. It was hot dogs, free --

A A little more than that.

Q Pardon me?

A A little more.

Q Tell me some more about that.

A We had nice music there, I remember that. He had a nice little combo. There was a female group and they played jazz and classical music. They had -- I remember Adam Shakur, he -- throughout our conversation he told me that he had kind of guided the menu, and he had a lot of African type of cuisine and Arab cuisine and they had quite a variety of stuff.

Q At what point did Barbara-Rose Collins and you have a conversation?

A She was sitting at a table and I just came by and sat down. As I was browsing around -- the yard is kind of big, I was browsing around and I came and sat down with her for a minute.

Q Was she by herself?

A Some people was there, but I kind of waited a little bit until they walked away, until I got a chance to talk to her.

Q And how did you raise the topic?

A I just mentioned it, you know, to see if she was aware of it. Figure I might get a few brownie points with her if I could.

Q How so?

A Well, a lot of times when you are working for the city, the contracts come up before the council to be voted on, and you want to be friendly with the council people.

Q Was there a reason you waited for people to leave before you raised this topic with her?

A I figured this was a private matter.

Q And going into a bit more detail, if you could, on what you said and what the gist of her response was, you've given an outline of it. You indicated -- I want to take you through that conversation with Barbara-Rose Collins. You've indicated then that you broached the topic, that you had stepped into Anthony Soave's position?

A Yes.

Q Then what?

A And she was surprised. She said "what loan?" It was the first reaction. I told her, you know, the loan that she had already had. And she said Tony had already signed it. And I said me and Jim Sharp signed it. And like I say, she used some indelicate language.

Q I'm sorry, I can't hear you.

A She used some indelicate language and I got off the subject, I quit talking about it.

Q Did she ask you any questions?

A Huh-uh, she was kind of pissed.

Q And that was the, that was the substance of your conversation?

A Yes.

Q Did she raise it, the topic, again later in the time you were at the mayor's house?

A No, I never talked to her more about it.

Q And until the International Marketplace event in October, did Barbara-Rose Collins or any of her representatives make any contact with you about the loan guarantee?

A No.

Q Did Mr. Soave have any contact with you between the time of the mayor's dinner and the International Marketplace event about your conversation with Barbara-Rose Collins?

MS. LAHAM: About what?

BY MS. BAKER:

Q Indicating that you were the loan guarantor rather than Anthony Soave?

A He never said anything to me about it.

Q Did Jim Sharp speak to you about having told Barbara-Rose Collins that you and he were the loan guarantors in place of Anthony Soave?

A He never said anything to me.

Q I'd like to turn your attention now to the time when you were released from your liability under the loan guarantee. How did it happen that you became released from your responsibility?

A I got a copy of the loan discharge that came to my house.

Q Do you know when that was?

A It was shortly after the thing in the paper, shortly after I got the letter from the FEC.

Q Since you had been released from the loan guarantee, what were your assumptions about the obligation on the initial loan?

A What was my what now?

Q What was your assumption about the loan having been repaid?

A I didn't think about it. Glad it was paid off.

Q Were you approached by anyone to help pay off that loan?

A No.

Q Did you help in any way --

A No.

Q -- to pay off that loan? Did you solicit funds to help Barbara-Rose Collins pay off --

A No.

Q -- her loans?

MS. BAKER: Mr. Woods, we are finished for the day, and as you may know, you have the opportunity to read and sign the transcript, a copy of the testimony, to make sure it's accurate.

THE WITNESS: Yes.

MS. BAKER: And you are entitled to a witness

fee, and we will forward that to your attorney for forwarding to you as soon as I can process the paperwork. So thank you for coming today.

THE WITNESS: Thank you.

MS. BAKER: We're adjourned.

(Whereupon, at 3:21 p.m., the deposition was concluded.)

CARA WOODS

TRANSCRIPT OF PROCEEDINGS

UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ELECTION COMMISSION

- -x
:
IN RE: :
:
M U R 3181 :
:
- -x

Oct 28 2 17 PM '94

DEPOSITION OF BARBARA ROSE COLLINS

Washington, D. C.

Friday, October 14, 1994

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UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ELECTION COMMISSION

- -x

IN RE: :

M U R 3181 :

- -x

DEPOSITION OF BARBARA ROSE COLLINS

Washington, D. C.

Friday, October 14, 1994

REPORTED BY:

DIANA S. KIEREIN

Deposition of BARBARA ROSE COLLINS, called for examination pursuant to notice of deposition, on Friday, October 14, 1994, in Washington, D. C., at the Federal Election Commission, 999 E Street, N..W., Sixth Floor, at 10:30 a.m. before DIANA S. KIEREIN, a Notary Public within and for the District of Columbia, when were present on behalf of the respective parties:

HOLLY J. BAKER, ESQ.
JONATHAN A. BERNSTEIN, ESQ.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

KENNETH A. GROSS, ESQ.
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Washington, D. C. 20005-2111
On behalf of the Deponent.

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P R O C E E D I N G S

Whereupon,

BARBARA-ROSE COLLINS

was called as a witness and, having first been duly sworn, was examined and testified as follows:

EXAMINATION

BY MS. BAKER:

Q This is a deposition being taken by the Federal Election Commission pursuant to 2 USC 437(g). It is Matter Under Review 3181.

I'm Holly Baker and with me today is Jonathan Bernstein, and we both represent the Commission. The court reporter will be taking down everything we say today so we have to have verbal responses. Shakes and nods of our heads and so on do not get on the record, so please give verbal responses.

A Okay.

Q If you don't hear or you don't understand any of my questions, let me know and I'll rephrase or repeat what I've said.

A Okay.

Q If you need a break, let me know.

A Okay.

Q And you are under oath the same as you would be in a court. If at any time you remember something in addition to what you've already said, let me know and we'll go back and fill in what you've remembered.

A Okay. Do you know how long we'll be here?

Q I don't know how long. I think pretty much of the day, and I just don't know how far into the day we will be here.

A Okay.

Q We will be taking a lunch break, undoubtedly, when it's a convenient point. Do you have some concern about the time?

A I just -- my secretary would get me something and I want to tell her what time to come back and get me. I'll just call her.

Q We do have phones here, so let me know when it is necessary for you to give her a call.

A Just in time for her to get here, that's all. I'm kind of virulent. You wouldn't believe, I came here without my letter. I will have to have my partner get it and fax it. I was supposed to come Monday, but it pained

me so badly going home Friday that I went to the doctor. He told me I couldn't fly.

Q Okay.

A So that's why I didn't have it Monday.

MS. BAKER: Congresswoman Collins has handed me a letter from her physician referring to her health problem. Thank you.

THE WITNESS: And the capital physician, he thinks I probably had pneumonia at that time because of what he saw in the x-ray, so I have to have two days of bed rest when I get through with you.

BY MS. BAKER:

Q If you're feeling ill today, please let me know. And if you need a break for that, let me know.

A I will.

Q The deposition today is confidential. It is part of MUR 3181. Could you state your full name, please.

A Barbara-Rose Collins.

Q And your marital status?

A Single.

Q Have you ever been married?

A Yes.

Q What was your name when you were married?

A Barbara-Rose Collins.

Q Have you ever been known by any other names?

A Barbara-Rose Richardson is my maiden name.

Q And what time did you stop using the name Richardson?

A 1958. January, 19.

Q And your home address?

A In Detroit or here?

Q Let's do both of them?

A Detroit is 8120 East Jefferson, Apartment, 2-F like Frank, 48214 is the zip code.

In Virginia it is 309 Yoakum Parkway, Apartment 710, Alexandria, Virginia. 22304, I think, is the zip code.

Q What's the phone number in Virginia?

A

Q And the phone number in Detroit?

A

Q Date of birth?

A

Q Your Social Security number?

A

Q We are now just going to ask a few more background questions. Let's begin with your education. If you could, start with high school and move forward.

A I want to check my Social Security.

Starting with high school you said?

Q Yes.

A Cass Technical High School, music major, and graduated June 1956.

Wayne State University, January, 1957, until this year, until 1990, I believe. Major, political science in social anthropology. A minor in English literature.

No degree. Approximately three years, 3-1/2 years.

I also went to Highland Park Junior College sometime in the interim, but I don't remember when.

Q Your current position?

A United States Congresswoman, Representative of the 15th District in Michigan.

Q How long have you held that position?

A Since January, 1991.

Q Prior to becoming the representative for the 15th

District, did you hold any other elective offices on the local, state or federal level?

A Yes. City council for Detroit, January, 1982 until January, 1991. State representative, State of Michigan, from January, 1975 to January, 192. School board member, region one, Detroit School Board, January, 1971 until January, 1974.

Those would be the elective positions I can think of.

Q In addition to the elective positions, were you employed in any other capacities from the time you graduated from high school?

A You want all my employment?

Q Without dates, but generic categories.

A Michigan Bell Telephone, long distance operator. File clerk for the Internal Revenue. Internal Revenue again. The VA Hospital in Dearborn.

(Discussion off the record.)

THE WITNESS: Okay.

BY MS. BAKER:

Q One moment, please, Congresswoman. Are you represented by counsel today?

A Yes.

Q And who is that counsel?

A My attorney is Kenneth Gross.

Q Okay. And before the break, we were talking about the positions you had held other than elective office, and you were at the point, you had been at the VA Hospital in Dearborn?

A Un-huh.

Q What position did you hold there?

A Medical secretary.

Before that, I briefly was a typist for the State of Michigan Welfare Department.

And the last 10 or 11 years, Wayne State University, office manager for the physics department and equal opportunity investigator for the vice president of EEOC and neighborhood relations of Wayne State University.

U.S. Post Office and I think the name of this company was Credit Data Service; Credit Data Service, I believe.

Q What position did you hold there?

A Typing those credit notices saying you're two weeks behind, you're three weeks behind, you're four weeks

behind. I can't think of any others.

Q Okay. Did you hold any of these positions concurrent with any of your elective positions that you listed?

A The school board.

Q And what jobs were you --

A Wayne State University. I don't know if I was still working at the Post Office at the Credit Service Data, but I was at Wayne State, but I don't remember if I had them when I was on the school board.

Q Okay. Turn back now to the elective offices. We begin with the school board. Did you have a campaign committee for those elections?

A Not for the school board. It was myself, my daddy, his nephew and his nephew's brother-in-law.

Q And for your work in the race, campaign to be the state rep in the 1975 election?

A '74 election.

Q '74 election. Did you have a campaign committee for that race?

A Yes. I had campaign committees.

Q And who were the members on your state campaign

committees?

A Myself, my children, relatives, my dad, my mother, I can't remember, friends; but mostly, relatives like my mother's brother, Oscar.

Q And what's his last name?

A Jones.

Q Un-huh.

A Abe Cherry, but I don't think he was '74. I think he was in some of the reelection campaigns.

Q What kind of campaign organization did you have. If you could go through what committees you had, if any, at that time, and how was it set up?

(Discussion off the record.)

BY MS. BAKER:

Q What kind of structure did you have for your campaign committee while you were a state representative?

A You're talking about over seven years ago, and I can't think of any structure. I think we all did everything.

I mean we all hung posters. We all had the fund raisers which were mostly, like, chicken dinners or fish fries and we all walked door-to-door. So I don't think

there was any structure.

Q Did you have anyone advising you on the financial aspects of the campaign and the requirements for reporting finances to Michigan officials?

A No.

Q Who did that work for you?

A I don't really remember, but I don't think we had reports when I started. We did the campaign finance law while I was a state rep. In fact, I was on the committee that drafted the bill.

So in my later reelections, I probably did it because I would know more about it than anyone else.

Q And what was required in the, maybe not in your '74 campaign, but your later campaigns for filing reports?

A You had to put your -- on any literature, you had to put, authorized by the campaign and the treasurer.

You might have had to put an address on. You couldn't take over, it was either 200 or $400 from individuals, but I don't remember the dollar amount.

And there was a larger amount that you could not take over that from, like, PACs or organizations like UAW. I think you had to report once a year.

Q What was your role on the committee that drafted that legislation?

A It was either the committee, I think it was called state affairs committee. I was the state representative on that committee.

(Discussion off the record.)

BY MS. BAKER:

Q You were talking about --

A You mean like was I chair or anything?

Q What parts did you work on of drafting that legislation?

A I would imagine the whole bill.

Q Okay.

A I was not chair of the committee. I was just a member of the committee. We'd go through the bills line by line and everybody has an equal opportunity to speak or object to certain parts.

Q Were you involved in doing any research on how the bill should read or doing any comparative research with other states or research of that type?

A No, I didn't do research.

Q Did you have a staff when you were a state rep?

A I didn't have a staff for that committee, but there was a Democratic staff, I'm sure, who would have done the research.

Q During the years from '75 to '81 when you were in the State House, what banks did you have for your campaign accounts?

A I don't remember.

Q Is there anything you could look at to find that information out?

A I wouldn't have that information anymore, no. I wouldn't know where to look.

Q For your state campaigns, did you lend any of your own money to your campaigns?

A Yes.

Q And for that, for '74 through -- what's the period?

A It was about seven years.

Q So how many elections and reelections were involved?

A Every other year, so I imagine there were four.

Q So during that four years you had to stand for election or reelection, approximately how much did you lend

to your campaigns over those years?

A I really couldn't say. If something needed to be paid for, I paid it out of my salary. Like if we had a mailing or we needed posters or lawn signs and there wasn't enough money in the campaign money, I'd pay it out of my paycheck.

Q Did you take out any loans from banks for your campaign?

A I don't believe I did. I might have taken out loans from the credit union. I might have, but I don't remember.

Q Okay. Is there anything you could look at in your credit union histories to find that information?

A Well, I guess I could call the credit union, and see if they would still have it.

But they may not have said campaign loans. They would have been personal loans or line of credit loans, something like that, I believe.

Q So that's some information we might be able to get. You're not exactly sure what references might be on the information?

A Yes.

Q Could you look, not today, but for that information after we're done?

A Do you want me to call the credit union and ask them?

Q And see if they have that information, if they've kept records back that far.

A Well, I'll certainly call, but what would be the purpose of that?

Q So we know if what we're looking at is a pattern of how you have been able to finance your campaigns?

A Okay.

Q And you have the election at issue here, also taken some loans from your credit union

A Okay. That makes sense.

Q -- those dollars?

MR. GROSS: I believe she has already testified that those documents are not readily available and there's just so much that can be done at this juncture when you're talking about documents that are 20 years old at this point.

I think it is beyond the bounds of -- it doesn't make good sense to me frankly. It is sort of beyond the

bounds of this deposition or having anything to do with this inquiry.

If these records were readily available in some form, that would be fine, but the witness has already testified that they were not.

MS. BAKER: I understand her testimony to be that she does not know if they are readily available and --

THE WITNESS: I don't have the records, personally. I don't have them anywhere in my possession. I said the credit union might.

MS. BAKER: We can handle that at the end.

MR. GROSS: All right.

BY MS. BAKER:

Q If you turn now to your city council races in Detroit, a period of about 10 years with the races, approximately how many campaigns were involved?

A '81, it would have been '81, I want to say '85, but that doesn't make sense, does it, '81, I guess, 1984.

MR. GROSS: You have odd year elections at the local level.

THE WITNESS: So would they be '81, '85.

MR. GROSS: Yes.

THE WITNESS: '81, '85 and '89.

BY MS. BAKER:

Q And for your city council campaigns --

A Yes.

Q -- what kind of campaign structure did you have?

A I don't know. I had people in charge of mailing. I probably had somebody in charge of fund-raising; but I don't remember who if I had that, and somebody in charge of literature distribution. That entailed door-to-door, standing in front of stores, passing out literature.

I think that would be mostly -- it may be volunteers.

Q Was there a treasurer of your campaign?

A There might have been or I might have been the treasurer.

Q Was there any kind of finance committee?

A I don't remember that outside of my family.

Q And who in your family would have played more prominent roles in your city council races?

A My brother was my campaign manager.

Q What's his name?

A Lamar Richardson, Jr. My mother and my father.

Q And their names?

A Versa, V-e-r-s-a Richardson, and Lamar Richardson, Sr., my sister, Sally, I don't know what her last name was at that time. She has been married several times, and a sister Mary Lou Richardson.

Q Is Sally Richardson the one who became at one time Sally Dean?

A Yes. I just can't remember which marriage she was in at that time. She's been married a lot.

MR. GROSS: She probably doesn't remember either.

THE WITNESS: Abe Cherry. You want to know the people on the committee?

BY MS. BAKER:

Q Sure.

A Is that what you're asking me?

Q Yes.

A Dr. Eugene Pettis, P-e-t-t-i-s. I can't remember all the names, but there were a lot of people.

Q Were these the most prominent of the people in the sense of doing work for you?

A Yes, and my Church. My Church has been like

committee members from the very beginning.

Q Which church was that?

A Shrine of the Black MaDonna.

Q And what kind of work does the Church do for the campaign?

A Well, they're volunteers. Mostly they just work the polls, but usually, at least once or twice during the campaign, they'll distribute literature for me or with me.

MR. GROSS: I don't think she is testify the Church, the people involved in the Church.

THE WITNESS: Church members.

MS. BAKER: That's what I understood her comment to mean.

BY MS. BAKER:

Q Anything else?

A On the city council there was Cal Williams, and Fanny, I can't remember her last name. They were in charge of volunteers. That's about all I can remember.

Q What is the approximate level of campaign funding that took place in your city council races? How big a monetary races were the various races?

A For city council?

Q Yes.

A I don't remember.

Q Can you ballpark it?

MR. GROSS: She says she doesn't remember.

THE WITNESS: I don't remember.

BY MS. BAKER:

Q For your state representative campaigns, can you approximate how large campaigns they were financially?

A I don't remember those either. I don't remember so I don't want to guess.

Q Actually I wasn't asking you to just guess or -- give a ball park figure.

A If I was guessing, I'd say maybe $1,000. It wasn't much.

Q So 400 to 1,000 approximately for the state races?

A Approximately.

Q And the city council races, would they be more or less than that?

A They were more, much more.

Q Do you have any ballpark figure ready?

A You're asking me to remember something I can't

remember.

MR. GROSS: She has already testified that she cannot remember.

THE WITNESS: But it was city wide, so it was more. It was a lot more.

BY MS. BAKER:

Q What bank or banks did you use for your campaigns during the city council years?

A I think I banked at the Commonwealth Bank. It's no longer in existence.

Q Do you know who took it over, if it was taken over?

A They are merged with Detroit & Trust. Comerica took it over. Then they merged, I believe, with Michigan Manufacturer's Bank, something like that.

Q Did you use any other banks for your campaign accounts?

A I might have used First Independence Bank at some time during that, but I'm not sure.

Q In your city council races, did you use more media than you had from your state rep campaigns?

A I don't think so. I might have. I don't know.

Q What kind of media did you rely on for your city council races?

A Radio and TV and newspapers.

MR. GROSS: We're getting pretty far afield here. I mean this is a federal deposition about a federal campaign. We have been talking about the 1970s the 1980s. You said you wanted to start with some sort of pattern.

I don't know where we are going with this, whether the city campaign had more media than the state campaign or are we talking about the federal campaign?

MR. BERNSTEIN: Ken, we're not much more than half hour into the deposition so I think if you'd let the questioning go on, I think it will proceed relatively quickly.

MR. GROSS: I'll let it go on for a little bit more, but I'd like to see it get to a point where I think we're supposed to be, something having to do with the facts of this case.

BY MS. BAKER:

Q Let me turn now to 1988 congressional race. What kind of campaign structure did you have for that race?

A I want the record to say that I'm guessing.

MR. GROSS: If you're guessing, then you shouldn't guess. If you have a recollection, then answer to your best recollection, but don't guess.

THE WITNESS: Well, my daughter was my campaign manager.

BY MS. BAKER:

Q What's her name?

A And her name is Cynthia Simpson.

Q Is Simpson her married name?

A Yes.

Q And what's her husband's name?

A Her husband's name is Bruce. He was on my escort committee. That's all I remember about that committee. My mother was involved.

Q That's Lisa Richardson?

A Yes. My dad passed the year before.

Q Do you have children other than Cynthia Simpson?

A I have a son, Christopher.

Q What's his last name?

A Collins.

Q Did you have a treasurer for that campaign?

A I'm sure I did. I don't remember who it would

have been.

Q And what banks did you use for your campaign accounts in this race?

A You don't want me to guess? I'm not sure.

Q I'm going to turn, now, to your 1990 congressional race --

A Yes.

Q -- and ask again for the structure of your campaign, if you could lay that one out for me?

A Okay. 1990, I started off with Jewel Ware as my campaign manager, Sally Dean as my treasurer, Abe Cherry would have put my poster distribution and maybe the literature distribution as well. I can't remember -- my daughter eventually did the volunteer recruitment.

Q Did you have a finance committee?

A Yes.

Q Who was on that?

A Don Barden, Cara Curry, Nate Shapiro, Jim Sharp. I think that might be it. None of my committees were tightly structured. None of them were tightly structured.

Q How were they structured?

A Casually structured. I'd ask people, would they

serve on such and such a committee, and they'd say yes or no. And then they would either serve or wouldn't serve.

A lot of people said yes, but never came to a meeting, but it would still make your letterhead look good.

Q Who did you ask to be on your letterhead?

A I asked over 100 people, I know. I asked dozens and dozen of people. And so it's hard for me to remember their names.

Q Of those asked, how many served?

A A lot of them allowed me to use their name, but very few of them, I think, actually worked in the campaign. Like Cara Curry actually went door-to-door with me in order to serve on the finance campaign.

Q And what was Don Barden's role?

A He was the campaign chairman, I believe, or the finance chairman. He was on one of the two. I can't remember which one.

Q What did he actually do?

A He hosted several meetings of the committee.

Q Where would those meetings take place?

A I can't tell you that because I can't remember that. But I remember one meeting in particular was at the

Trolley Plaza, T-r-o-l-l-e-y Plaza. That's an apartment building, and they had some meeting rooms.

Q Is that in Greektown?

A No. That's in what we call Grand Circus Park area. It is on Washington Boulevard.

Q How close is that to your campaign office?

MR. GROSS: You're talking about the 1990 campaign?

BY MS. BAKER:

Q I'm talking about 1990.

A I'm trying to think about where that campaign office was. Well, you could walk. You could walk if you want to, maybe half a mile. Everything was downtown. That was at one end of downtown and my campaign office was on the other end of downtown.

(Discussion off the record.)

BY MS. BAKER:

Q You were talking about what Don Barden did. You indicated he hosted some meetings and they were at Trolley Plaza and that was across town from your campaign office during the 1990 congressional race?

A No, not across town, across downtown. Downtown

is small.

Q Okay. What did hosting of meetings consist of?

A Chairing a meeting.

Q Did he call the meeting, set the meeting?

A I don't know if he would call the meeting or if I would call the meeting. I don't know. Also, I did not attend those meetings.

I would always make it a point to drop in on any meetings that we had and give a rah, rah speech, but I spent most of my time going to candidate nights or going door-to-door.

Q What was the finance committee charged with doing for the campaign?

A Raising money.

MR. GROSS: I'm sorry, I didn't hear that.

MS. BAKER: What was the purpose of the finance committee.

MR. GROSS: Thank you.

BY MS. BAKER:

Q And by raising money, what do you mean?

A Raising money.

Q Is that soliciting contributions from people?

A Yes.

Q Holding fundraisers?

A Yes, sir.

Q What else would it include?

A There was another person on that committee, Roger Winkelman. When I think of other names, I'll tell you.

Q Thank you. Did they serve any kind of advisory capacity?

A Yes.

Q And on what matters would they advise you?

A Anything. You know, anything to do with the campaign, how you dress, how you talk, perhaps, you know, where you should go, where you should go to campaign, you know, where your strengths were, maybe.

Q So were they called the finance committee, they gave you advice on other campaign election issues?

A Yes. That's why I told you that my committees are very loosely structured.

Q You talked about Don Barden's role of hosting meetings. Is there anything else Don Barden did for your campaign?

A No. I don't think so.

Q Did he actively solicit funds for you?

A I hope he did.

Q Did you expect him to?

A I expected all of my supporters to do that.

Q Did he host any meet and greet kinds of functions?

A Yes, he did host a fundraiser for me. That's what I was trying to remember, if he had a fundraiser.

Q Do you recall when it was in relationship to the primary or the general election?

A It would have been for the primary. And it was at his home. And Lionel Hampton volunteered his, you know, playing or his band or whatever. No, just him, he came and played.

Q Do you have any more specific sense of when that fundraiser took place?

A It would have been June or July. Seems like it was early on.

Q Did Don Barden do any other activities for you; first of all, meet and greet fundraisers, chaired the meetings --

A He didn't chair all the meetings. I told you he

hosted several meetings, but he wasn't in all of our meetings.

Q When Don Barden was not there, who hosted a meeting?

A You know, me, my mother, my daughter.

Q Maybe I should have you clarify what you mean by hosting a meeting. What does that mean?

A When I say host a meeting, I mean chair a meeting, open the meeting, and start talking. That's what I mean by hosting a meeting.

Q How regularly did the finance committee meet?

A I don't remember. I would imagine that they had two at least, but I don't remember. I cannot say the finance committee met every Friday because I don't believe they did.

My campaign tried to meet every Friday, I believe it was, but we couldn't do that even, depending on what we had to do that day, that week.

Q And before we go further I want to clarify a point. When I asked you, by hosting a meeting you meant, you gave an answer that someone would open a meeting. Did you mean in general, any meeting would be hosted in that

way?

A Yes. And what I said when you asked me that, and I know that specifically I was told not to guess, when you said hosting a meeting, what does that mean. I said chairing a meeting, chairing a meeting.

Q No. The distinction I was trying to make was that you did not -- I'm asking that question.

A I'm saying that for the court reporter's --

Q But you had indicated that sometimes you hosted meetings, sometimes your daughter did and sometimes your mother did.

And I'm just trying to clarify -- let me ask. Did you mean that the three of you would, at times, host a finance committee meeting, or were you speaking generally?

A I was speaking of campaign committee meetings that would consist of volunteers who would come in.

Some people worked regularly, stuffing envelopes, hanging posters, walking, door-to-door. And we would try to have them come into a meeting once a week.

Q Who else would be at the, what parts of your campaign would be at your campaign meetings that you tried to meet on Fridays?

A You want names?

Q Would certain representatives be there or representatives of committee?

A Yes.

Q Which ones?

A The people who walked door-to-door, the people who hung up posters, the volunteers. It was not a closed meeting. Sometimes people would just come by just to show their support.

MR. GROSS: When you say committees, you're talking about committees of the campaign?

THE WITNESS: Yes. I already told you it was very loosely organized that way. That doesn't sound very progressional, but it's grass roots.

BY MS. BAKER:

Q Campaigns come in many stripes and shapes, and I'm just trying to find out what yours was like at that time.

A Okay.

Q We can focus now again on that finance committee in particular. If Don Barden did not attend, was not available to attend a finance committee meeting, who would

convene or chair that meeting?

A I don't think we would have one. I don't know.

Q Was it your understanding that Don Barden was in charge of calling meetings of the finance committee and running them?

A I really can't say. I cannot say that.

I might have said, you know, have the committee meet. It is time to call a meeting or something like that.

Q Would they involve the finance committee members -- were they involved in the active funding and accounting for the campaign?

A Accounting?

Q Keeping the books?

A Yes. No.

Q Who was in charge of keeping the books, money in, money out?

A It was mostly my sister and myself.

Q Sally Dean?

A Yes.

Q I will come back to that in a moment.

A Okay.

Q You've also listed as a member of the finance committee, a person named Cara Curry?

A Yes.

Q What role did she play in your campaign?

A She mostly walked door-to-door with me.

Q Did she do anything else?

A I'm sure she went to the fundraiser.

Q Which fundraiser?

A All of them or any of them. I would have -- you're trying to put women on things as well as men. I would use the women available. It seems to me that that's why I should open up a finance committee.

Q And what did Nate Shapiro do for you on the finance committee?

A Same thing everybody else did.

Q Let me ask it a different way. What did Nate Shapiro do for your campaign in 1990?

A He served on the finance committee, supported me.

Q When you say supported you, what do you mean?

A Go to fundraisers.

Q Did he do anything else?

A No, not that I could think of.

Q Roger Winkelman?

A He didn't support anybody else. That's the main thing.

Q Nate Shapiro?

A Yes.

Q And what about Roger Winkelman?

A He hosted -- this sounds bad. He hosted what he calls a Jewish oriented fundraiser.

Q Is that before the primary?

A Yes.

Q And do you have any sense of how much before the primary?

A I could not tell you when. I'm sorry.

Q And you've also listed Jim Sharp as being on the finance committee?

A Yes.

Q And what did Jim Sharp do for you?

A The same thing everybody else did.

Q Did he do anything more.

A He might have given me more advice because he was more political.

Q How so?

A He was the Mayor of Flint at one time. And he was Senator Don Riegle's aide. I don't know in what capacity. He might have been in charge of the Michigan offices for Don Riegle.

Q How long have you known Jim Sharp?

A Since he worked for Don Riegle. That's where I met him.

Q And what office did you hold at the time Jim Sharp was working for Don Riegle?

A I don't remember, but I think I was a state rep, but I really don't remember.

Q What was the circumstances of your meeting Jim Sharp in the years you were state rep?

MR. GROSS: If she was the state rep at the time?

THE WITNESS: You know, I don't remember. Do you want me to guess?

MR. GROSS: No.

BY MS. BAKER:

Q I would like you to give your best recollection of your meeting with Jim Sharp in a capacity that you met with Jim Sharp?

A I don't know. I don't remember. If you don't want me to guess then -- let me say this.

We would expect people to come and introduce themselves to elected officials, staff members.

Q In what capacity have you known Jim Sharp? As a social, personal friend, as a personal, like, in civic activities, as a congressperson?

A Civic activities type person. A person involved with civic activities.

Q Has that kind of capacity changed any over the course of the years that you had known Jim Sharp?

A Well I've always liked him and respected him. That's -- still, I do.

Q At what point did Jim Sharp become involved with your campaigns to elective office?

A I would imagine on city council.

Q And how was he involved?

A I would invite him to my fundraisers. You see people when you go to meetings, when you go to events, and you get, you know, you become friends to a certain extent.

Q Did he have any official capacity in, in your earlier campaigns?

A I don't think so.

Q Did he support you financially in any of your other campaigns?

A Yes.

Q In what campaigns were those?

A I told you city council, I don't remember the state rep because I can't remember when he worked for Don Riegle, you know, when I first met him.

Q And how did Jim Sharp come to be on your finance committee in the 1990 congressional race?

A I asked him. I'm sure.

Q That's how he got on?

A I asked him before I had dealings with, you know, through the years.

Q And when you were calling people to ask them to be on your finance committee, how did the contacts go? In other words, one-on-one, by phone call, how did you --

A Usually I would ask people when I saw them. Usually it wasn't a matter of being called on the telephone, but if I saw them at an event, I'd ask them, would they serve.

Q What kind of events would those have been?

A It might be a fundraiser. It might be a banquet. It might be a concert.

Q How far in advance to your campaign getting underway, did you set up your finance committee?

A I don't know.

Q When would you say your campaign became active for the 1990 race?

MR. GROSS: When? Is that what you're asking?

MS. BAKER: Yes.

MR. GROSS: For the 1990 race?

MS. BAKER: Yes.

THE WITNESS: I'd say by June or July.

BY MS. BAKER:

Q And how much further in time, approximately, did you have your campaign staffed or people in line from that June activity?

A How much before that?

Q Yes.

A I really don't remember. I don't campaign for long periods of time because I don't have the stamina.

If the election is in August, my campaign would probably be kicked off when I file.

And it would be an intense campaign for one or two months. Six weeks to me is enough of a campaign.

Q So that would put us in the time frame of, if the primary election is on the 7th, 1990, we're talking, frame of time, beginning of June, mid-June?

A Depends on when the filing date line was, probably the beginning of June or maybe the middle of June. It is impossible. It was over five years ago.

Q I'm not asking for a specific date --

A That's right, you were asking about a pattern.

Q Yes.

A I've campaigned the same way for 25 years and that's the pattern.

Q Let's turn now to the duties of treasurer and the keeping of the actual books of the campaign.

What's the educational background of your sister, Sally Dean who served as your treasurer?

A I don't think she ever went to college. High school diploma from Commerce High School. Commerce High School is a technical school like Cass Tech, and they deal with office management, business, secretarial.

MR. GROSS: Is there water in here?

MS. BAKER: Yes, there is.

BY MS. BAKER:

Q Did Sally Dean have accounting training, bookkeeping training?

A I don't think so. I can't say that she had bookkeeping training, but she did bookkeeping work for her job.

Q What was her job?

A She was secretary for the Detroit Board of Education and a school.

Q What I'd like you to do is explain and describe how information got to Sally Dean for being able to keep the campaigns books.

I don't know anything about the structure of your office when she came in, so if you could please describe the set up, physically, and get into how information went to her?

A She kept my checkbook, and she would take the checkbook, she would take the expenditures off the checkbook to put on the campaign report when it was due.

And if we held fundraisers or money came in, I would Xerox the checks, and she would write down the

person's name and address and so forth, as money came in and put those up with the campaign reports.

Q Who had signature authority on the campaign account?

A I did. She did at one time, but I took it away from her.

Q At what point did you take it away?

A If you don't know the date, I don't know. What date?

Q Before or after the primary?

A Before.

Q What caused you to take it away?

A She wrote a check I thought she shouldn't. She paid somebody I thought she should not have paid without my approval.

Q What was the set up between you and her? I mean, what bills should be paid or what checks should be cut?

A Well, she would get the bills, and she'd go over them with me, and I'd say yes, or I'd say no on paying them. Why would I not pay a bill?

Q You can answer that question.

A It would mean that we didn't receive the material

in time.

Q Who filled out the actual checks in a campaign account?

A She did. She did and I might have, too.

Q After her signature authority was removed, how did it work that the checks were drawn up and signed and --

A Well, she would probably pull out the check, and I would sign it.

Q Did you settle on a procedure for looking at what the check was for, against the bill?

A Yes.

Q Did your concern about checks and bills change during the course of your campaign?

A Concern in what way?

Q You've indicated that Sally Dean wrote a check for something that you didn't think she should have paid, signed a check for.

If you became more concerned after that point and paid more attention, or if procedures changed at all given that event?

A I've always kept my own books.

Q Is it fair to say that you have a pretty good

sense of what's coming in and what's going out?

A Yes.

Q Did Ms. Sally Dean act on her own in any way, in terms of keeping books or filling out reports or --

A I would tell her, and sometimes she would tell me when a report was due.

Q And how did she get the information for filling out all the parts of the reports?

A Well, I came here and got the books and gave those to her, and she would call here a lot.

And she had a person assigned her named Sallie. I don't remember his first name, but she would talk to him regularly about what she was supposed to do and how was she supposed to do it.

Q And for actually getting the numbers to come out on the reports, what information did she have, other than being handed the checkbook with deposits and withdrawals listed on it?

A Well, the bills in places.

Q Was it her responsibility to go through those?

A How do you mean, to approve them? To look at them?

Q Yes.

A That's the only way she could write them down.

Q It was her job?

A Un-huh.

Q And was there anyone else involved?

A Me.

Q And between the two of you, how much was Sally getting and how much was you?

A I cannot tell you that.

Q Was it 50/50.

MR. GROSS: She says she can't tell.

THE WITNESS: I was involved completely, so I can't tell you percentwise.

BY MS. BAKER:

Q Did you review her work?

A Always.

Q And you said you came here and got books about how to fill out FEC reports. What books did you have?

A Well I don't remember the books, but they were books that whoever was down there would give me.

Q Do you mean the public information office?

A You know, I don't think it was on the first

floor. It was on another floor, but they would just give me an envelope full of things that I needed.

And then they would mail me things when it was time to do a report, and say a report was due at such and such a time.

Q Did you consult anyone, other than the materials that you received from the FEC or Mr. Sallie at the FEC for filling out reports?

A No. Mr. Sallie was our source of information.

Q Did anyone on the finance committee give you any advice about FEC regulations or limitations?

A No.

Q Did you ask any of those people for --

A They wouldn't have known unless they came here to find out. They were not political people.

Q Did Jim Sharp give any advice on campaign finance reports?

A No.

Q What was legal, what wasn't legal?

A No.

Q After the reports, the FEC reports were filled out, did you go back over the reports that had been filled

out?

A I don't know. You mean before they were mailed in?

Q Yes.

A I don't know.

Q If Sally Dean had a question about how to fill out a form, would she present the issue to you, first?

A No.

Q What would be the procedure for finding out the information?

A She would call Mr. Sallie.

Q So you mean after consulting with Mr. Sallie, she'd bring to your attention the issue that she had some information on?

A I don't know. I didn't know Mr. Sallie. She is the one who told me that this was her resource, you see.

I thought he was there to help us. I thought he was there to make sure we did things right, and he was a source of information for her, and she talked to him more than once a week. She always talked to him.

Q If you had questions about filling out reports, how would you get the information that you needed?

A I'd read that book, the orange things you have.

Q I think the statute and then the regulations change color year by year.

A You have large, like 8 by 10 books, that were sort of thin that they sent me and that had forms in it.

And then you had a little book, maybe 5 by 8 or 5 by 7 book that had the statutes in it; and so you know, I did read those.

Q Did Sally Dean call the FEC on her own initiative?

A Yes.

Q Did she call on your behalf at any point --

A Yes.

Q -- when you had questions?

A Oh, I don't know. I don't know. And I might have told her to call FEC, you know, but I doubt if she read the book when she could call for information.

(Discussion off the record.)

BY MS. BAKER:

Q You mentioned an escort committee that Bruce Simpson headed in 1988. What is an escort committee?

A Okay. I didn't say he headed it. I said he

worked on it.

When you're campaigning, you may have five or seven candidate nights to go to, where you're speaking. An escort committee, you have a person who's driving you there and who goes with you to every meeting.

Also, and I didn't think of this when I told you how the committee was made up, you have an advance team who is supposed to go there before you and distribute your literature, make sure your literature is on every chair.

And then when you get there and start speaking, they go to the next event and your escort, you see, drives you to the next event.

Q Was there anybody else who performed that role as escort, other than Bruce Simpson?

A Oh, yes. Greg Simpkins, S-i-m-p-k-i-n-s, there were a lot of them. Usually men, I usually tried to keep men.

Q Were they volunteers?

A They were volunteers. Only payment they might get was if they used their own car, would be gas. Usually men because they could sort of protect you, you know, if a bum approached you or something.

Q And who was on the advance team?

A That I don't remember.

Q Would they have been volunteers also?

A Oh, sure, un-huh. The whole committee is volunteers.

Q Was it a changing cast of volunteers?

A Yes. You had some people who were pretty steady like Bruce, my son-in-law was pretty steady. Greg Simpkins was pretty steady.

A lot of them, I didn't even know. I'd just run into headquarters, I'd see them working there and that's how I would know that they were volunteering for me, you know, running in and running out.

We had one lady named Virginia Walker, that was there every day, that kind of thing.

Q Did you have an escort committee for your 1990 congressional race?

A Yes. That's the one we were talking about, I thought.

Q You originally mentioned it in connection with your 1988 congressional race.

A I had an escort committee started with city

council.

MR. GROSS: But the questions you just responded to were with regard to the 1990 congressional race?

THE WITNESS: Yes, I'm sorry.

MS. BAKER: Thank you for clarifying that.

THE WITNESS: I'm sorry. I didn't hear you say 1988.

BY MS. BAKER:

Q In 1990 --

A Yes.

Q -- you mentioned that Don Barden had a fundraiser for you at his home, and you mentioned that Roger Winkelman also had a fundraiser for you?

A Yes.

Q And I'd asked who else or how many fundraisers you had for your entire 1990 campaign?

A Okay. You know, I won't be able to answer that question. But I do know that I had a fundraiser in Southfield, S-o-u-t-h-f-i-e-l-d, a suburb of Detroit, that Jimmy Jenkins had. Cara Curry had a fundraiser for me.

Q Jim Jenkins had a fundraiser also at his home?

A His home, like a splash party.

Q And what about the fundraiser that Cara Curry put on for you?

A At her home. Roger Winkelman's was at a hotel, the St. Regis. I can't remember the fundraisers. I had a lot of them, though.

Q Can you ball park it?

A How many?

Q How many, say it was divided up, preprimary?

A See, in my city there's no campaign after the primary in partisan elections, you know, where there's Democrat, Republican.

Q So all these are taking place in the preprimary period?

A Yeah. Everything take place preprimary. I usually go on vacation afterwards, after the primary in general. It is impossible for me to give you a ball park figure.

MR. GROSS: The witness has testified that she can't remember. She has given you the ones that she can remember.

BY MS. BAKER:

Q Let me see if I can help fix this better in

time. Indicating that you're campaigning for approximately six weeks --

A Un-huh.

Q -- you've given four fundraisers as occurring prior to the primary, Winkelman, Jenkins, Cara Curry, and the Don Barden one. Is it your sense that these were occurring once a week, twice a week?

I'm not trying to pin you down any more than that, but some sense of what your activity was?

A I'm sure I had fundraisers every week. I can't say everyday because I don't think I had them everyday, but every week.

Q Were any fundraisers, other than the Winkelman one done at a hall or hotel?

A Yes. The only thing is, I don't remember where or which ones because it gets blurred with my city council races.

You see, I ran for congress in '88 and '90. I ran for reelection in city council in '89 and it is hard for me to remember just which fundraiser was for what.

Q Were some of the same people involved in your city council campaigns that was involved in your 1990

congressional race?

A I'm sure, yes.

Q Turn your attention to your city council time period.

A Yes.

Q Did you seek any bank loans for your campaign activity in your city council years?

A Yes. My first race.

Q And that would have been in 1981?

A '1, yes.

Q What bank did you use?

A Bank of the Commonwealth which became Detroit Bank & Trust and Comerica, yes.

Q You've also indicated that was the bank that you had your campaign account?

A You mean for city council?

Q Yes. For city council years?

A I think so. It's hard for me to say. I believe so.

MR. GROSS: So you're talking about all three city council races?

MS. BAKER: Yes, '85.

MR. GROSS: And '89.

MS. BAKER: And '89.

THE WITNESS: I cannot tell you for sure that that's the only bank I used. I know I got my loan from them.

BY MS. BAKER:

Q And how much was that loan for?

A I believe it was $10,000.

Q And in 1988, did you seek any bank loans?

MR. GROSS: You did say 1988?

MS. BAKER: Yes.

THE WITNESS: I don't think so.

BY MS. BAKER:

Q In 1988, in the congressional race, did you lend your committee any money?

A I'm sure I did, yes. Wait a minute, I don't know.

Q You've described a pattern in your state rep years when your campaign needed some money, you put money in. Is that the kind of pattern or the kind of activity that you had in your 1988 congressional race?

A In all of my races.

MS. BAKER: Let the record show that the Congresswoman had shaken her head, yes.

THE WITNESS: Yes, I'm sorry. Yes. In all my races. If I'm going to ask other people to contribute, then I have to contribute also. If it's a lot of money, I do it in the form of a loan. And if I have to pay it back, I do it in the form of a loan, like, to the credit union.

BY MS. BAKER:

Q I want to come back to 1990.

A Okay.

Q And turn your attention again to your finance committee. I need to have your clarify the information that you've given me, and make sure I understand it properly.

A Okay.

Q You indicated the finance committee had some meetings?

A Yes.

Q And that it was your habit or style to pop in on whatever meetings were going on in your campaign?

A I would try to get to any meetings before they ended, just to give a speech and thank the people for

supporting me.

Q Did you attend in any fashion, any finance committee meetings in 1990?

A I remember one in particular.

Q And what makes that one meeting memorable or stand out so that you can remember it?

A I was smelly. I had been going door-to-door and I am grimy and I was smelly, and I didn't have time to go home and freshen up before they ended it and I ran by there. That's why I remember.

Q And do you recall anything else about that meeting?

A No.

Q Where was it?

A At Trolley Plaza.

Q Trolley Plaza meeting?

A That's the one I told you about.

Q And Don Barden was there?

A Yes.

Q And who else was there?

A I believe Nate Shapiro was there, Cara Curry was there, and I believe Annette Rainwater because those two

had gone door-to-door with me.

Q Do you know approximately when in the preprimary period that meeting was?

A No.

Q In terms of, was it close to the primary, early on?

MR. GROSS: She testified that she doesn't remember. We're talking about a six-week period of time anyhow.

THE WITNESS: I really don't know.

BY MS. BAKER:

Q What role did Annette Rainwater play in your campaign?

A Let's see, a supporter.

Q Financial support?

A Well, yeah she'd buy tickets, I think, to the fundraisers; but mostly like she would tell women, you've got to come and support Barbara-Rose. She is making history. This is the first black woman to go to Congress from Michigan, you know, that kind of thing.

So what do you call it, advocate or you know, like that.

Q And was she also a member of your finance committee?

A I don't know.

Q Did she do any of those meet and greet type functions for you?

A She would be there, but I don't think she put on one. I don't think she put on one.

(Discussion off the record.)

(Whereupon, at 12:30 p.m., the deposition was recessed, to be reconvened at 1:45 p.m. this same day.)

9 5 5 4 3 4 1 1 7

AFTERNOON SESSION (1:45 p.m.)

Whereupon,

BARBARA-ROSE COLLINS

resumed the stand and, having been previously duly sworn, was examined and testified further as follows:

EXAMINATION (Continued)

BY MS. BAKER:

Q We are back on the record after lunch break. I'd like to clarify what we were talking about before the break and that was, you mentioned a loan during your city council years from the bank and let's make sure I understand. You were talking about a $10,000 --

A I think it was $10,000 for the '81 race.

Q Were there any bank loans for the 1985 city council race?

A I don't think so, no. I don't think so.

Q And for 1989 city council race?

A No.

Q For the $10,000, approximately $10,000 loan for the 1981 race, what was the structure of that loan?

A Neighborhood bank loaned it to me. I used my house as collateral, and I believe that I had it for about

three months and then I renewed it, you know, for another three months, that kind of thing until I paid it off.

Q Were you the sole endorser?

A Yes.

Q Turn your attention now to the 1990 campaign, congressional race.

A Yes.

Q So all these questions relate to 1990, now.

Were there any bank loans for your 1990 congressional race?

A Yes.

Q What loans were there?

A The $75,000 from First Independence.

Q Any others?

A I can't think of any except when I paid off the First Independence, you know the big loan, I went to credit unions and things like that and borrowed money, to pay off the loan that we're here about now.

Q And were there any other loans from First Independence National Bank connected with the 1990 election cycle?

A Yes. I got a $10,000 loan to help pay off the

$75,000 loan.

Q And I'd like you to take me through the $75,000 loan process at First Independence National Bank. How did the idea of the loan arise?

A I knew that I had a lot of fundraisers planned, and I wanted to get my money up front in the campaign and it gives you a level of comfort.

So I wanted to borrow money just to put in the campaign coffers. It does several things.

It makes your competitors think you have a lot of money, and then you don't have to worry about collecting money for your fundraisers right away.

And so my finance committee offered to loan me the money, how much do you want. And I said no, you can't do that because I had read your books. You can't loan me the money.

I said, I have to go through a bank so that it is proper, but what you can do is stand up for me.

What I meant by stand up for me is that they would let the bankers know that they were on my committee and that they would see to it that I'd raise the money to pay back that.

That they were not people who were going to fade into the woodwork after the election, but they were bona fide good citizens who everybody knew.

Q And we know that there was the primary on August 7 and you were running approximately a six-week campaign. At what point in the campaign was the loan an issue.

A It would have been early on.

Q So June?

A Probably. Would have been early on because I had so many fundraisers I knew were coming in.

Q And how did the finance committee -- you're saying the finance committee was aware of the campaign's financial situation?

A Do you mean that, did I tell them I wanted more money?

Q Yes.

A Yes.

Q So you told them that you needed money?

A Yes. I told them that I wanted my money up front in the campaign treasury rather than waiting for every fundraiser to put the money in.

Q Was this at a regular finance committee meeting where you raised this idea?

A Yes.

Q You indicated you went to one of the Trolley square?

A Trolley Plaza.

Q Was that the meeting?

A It might be.

Q Could it have been another one?

A It would have been another one, but I think it was that same one, that you know, I ran in from going door-to-door. It's hard for me to remember.

Q And at that meeting, did people discuss the issue with you?

A Yes. I told you that they wanted to just loan me money.

MR. GROSS: What issue are you referring to?

MS. BAKER: The loan.

THE WITNESS: Yes, they were willing to loan me money themselves to just put in the PAC and I would pay them back as I had my fundraisers.

But I told them, no, that wasn't legal, that I

wanted to go through a bank so everything would be clear and above board and borrow the money.

BY MS. BAKER:

Q Who was present at that meeting?

A Don Barden was there. I think Nate Shapiro was there, Cara Curry. I don't know if Jim Sharp was there or not or Roger Winkelman. I just don't know.

Q What happened after the presentation that you were concerned that you wanted your money in the campaign up front. What happened after that?

A They helped me to, you know, how to see, how to go about doing it, and they would be glad to stand up for me. So I went to the bank to see what I could do.

Q What did they tell you to do?

A What did who tell me to do?

Q You were at this finance committee, and they told you what to do. And I am asking, what did they tell you to do?

A They told me to go on and see about borrowing the money, and they would stand up for me and to do it the legal way.

Q How did you come to First Independence National

Bank as the bank?

A I don't know. I probably would have gone to that one first and then to Comerica if that one wouldn't have loaned me enough, to go to another one.

Q Do you know anybody on the board or officers of First Independence National Bank?

A Yes.

Q Who do you know?

A Don Davis. I don't know if you call him the president or chairman of the board. Don Barden was on the board. I don't know who else was on the board of directors.

Q Was Don Davis involved in your campaign?

A No. He probably gave me money. But he didn't come to meetings or anything. I don't know if I used his name or not, but I don't recall him ever being at a meeting.

Q Did you ask him to be on your list of a hundred?

A That's what I can't remember. That's why I say I don't know if he was on that list or if I asked him to.

But I just don't recall him, you know, ever coming around. He might have come to fundraisers. I don't

remember.

Q And how long have you known Don Davis?

A Since I was a state representative.

Q What circumstances did you come to know him?

A He owned a recording studio or company and he came from Lansing. That's where the State House is. And I was introduced to him.

Q Over the years, what kind of contacts did you have with him?

A You used a term earlier, was it civic affairs?

Q Something like that.

A Mostly like that.

Q What does that mean to you?

A NAACP dinner, that was once a year. Somebody's fundraiser, somebody's Church anniversary, I was very active in orchestra hall. I don't think he was, but I think he would come to some of the fundraisers we had to refurbish the concert hall.

But I would see him and then say the bank had an anniversary or the bank opened up a new branch, and they'd have a reception and I would go to that.

Q So is it fair to say that people are out and

about, and in the normal course of civic affairs being out and about, meeting and greeting each other in that context?

A Yes. You see when I say I know people and they're my friends it does not mean we socialize on a one-to one basis because we didn't.

These are the same people you see at all the affairs and you become friends. You become familiar with each other, and you like each other unless they're supporting your opponent.

Q Had you had bank accounts at First Independence National Bank --

A Yes.

Q -- previously. What kind of accounts were they?

A When they first opened, I got a savings account. This is a minority bank; and you know, we all tried to get an account with them.

I've used them several times for accounts. I can't let you pin me down because I can't remember, but I always stop them because the recordkeeping wasn't good, or they would mess up somebody or it would just take me too long to get a bank statement, you know, that kind of a thing.

So I would try to use them, try to patronize an African American bank and then something would happen that would make me angry and I'd stop. They were not computerized.

Q You had a campaign account at Comerica Bank?

A Un-huh.

Q And you had had some accounts with FINB --

A First Independence National Bank, yes.

Q -- with some unhappy results. So how did you end up going to FINB for a loan?

A Well, you try to do business with a minority business if you can. That's why, when I get angry and close an account and then I go back, you know. You try to do business with a minority bank.

Q At the time you were discussing the need, campaign's need for money, what did you tell the finance committee you wanted the money for?

A I said I'd like to have my money up front at the beginning of the campaign so that I can do whatever I want to do with the comfort, without waiting for a fundraiser.

I had no doubt I would raise all the money I wanted. I had no doubt about that. I had all the major

endorsements, all of the union endorsements, I believe I had all the newspaper's endorsements, I had the mayor's endorsement.

When I ran in '88 against a very popular incumbent, I almost won and people committed to me that you know, they didn't want to vote against him, but that they would support me the next time around.

So the election was almost a fait accompli as far as I was concerned, and as far as most people were concerned, I was the next Congresswoman.

And so I had no doubt that I would raise the money I needed, but say you want to buy billboards. Do you buy your billboards as you have a fundraiser, or do you buy your billboards up front and pay off the bill as you have fundraisers. That was the whole thing with putting money up front.

Q Were there any other things that you wanted to have money up front for?

A Posters, literature, a radio, that kind of thing. Day-to-day operating expenses.

Q Where did the figure of 75,000 come from?

A I don't know. I don't know. Maybe that's -- I'm

not supposed to conjecture.

Q As long as you label it as a guess or speculation it is fine, but we should distinguish what you're speculating about and what you know so if you're guessing, just say you're just guessing.

A I am guessing.

MR. GROSS: No, no, no. If the witness doesn't know then she shouldn't guess in an answer. It's ridiculous to say I'm just guessing at an answer.

If she has some foundation for the belief, then you say to the best of my knowledge, but to ask her to guess, it's not an appropriate response. It doesn't further any getting to the truth.

BY MS. BAKER:

Q To the best of your recollection, how was the figure $75,000 arrived at?

A I really don't know. I can only guess that I added up my big fundraisers and came to that figure, you know, that it would be more than that figure, that that was an easily paid back figure.

But I'm only guessing so don't hold me to that because that makes sense to me.

Q Did anyone on the finance committee advise you that you needed 75,000?

A No. These are not political people. You know, they wouldn't know what a printing bill costs or a poster cost.

Q Did anyone at the bank limit you to $75,000?

A No. I don't think so. I don't know. I don't think so.

Q So when, to come up with the figure as best as you recall, from your experience of campaigns in which you expected when you had a fundraiser, 75,000 seemed like a --

A Easy to pay back.

Q -- figure in your mind?

A Yes. Something that would be easy to pay back. I never borrow money that I can't see how I can pay it back quickly.

Q Take me from this finance committee meeting to the next step of getting to the bank, if you will and any intervening steps you may have taken?

A I think I would. I must have called the bank and told them what I wanted.

Q Who did you talk to there?

A He is going to tell me not to guess.

MR. GROSS: If you don't remember, then say it.

THE WITNESS: I don't remember.

BY MS. BAKER:

Q When you called the bank, did you call the general information number?

A Probably.

Q Were you referred to anyone in particular?

A I don't know. I don't think so.

Q Was the person someone you knew?

MR. GROSS: The witness has testified that she doesn't remember. I don't want her to reconstruct facts under a compulsion to please you and to answer. She has been an extremely forthcoming witness, and I'm concerned that she is just trying to come up with a response that seems plausible now when she can't remember.

So I'm trying to draw the line here, that's all. If we can get the answer; fine, but if it's not there, it's not there.

MS. BAKER: I'm only trying to help her remember as best she can and it is only to give us some broader categories. I definitely do not want her to answer

something that she does not feel is the correct answer at all.

THE WITNESS: You know, I know I'm under oath and I know that I have to tell you the truth. And if I tell you what seems should be logical and it's not the truth then I've perjured myself.

MS. BAKER: I think it's a legitimate concern.

MR. GROSS: I don't think that's perjury, but I think it's a legitimate concern.

BY MS. BAKER:

Q If the best of your recollection is, you talked to someone you knew and you don't recall who that person is, that's fine. It's hedged enough for us to understand that you think you talked to --

A And whether it was someone I talked to that I knew or not, they would know me. You understand that?

Q Yes. See if we can narrow this. If you talked to anyone who is maybe an officer of the bank as opposed to just a person, a loan officer or some lower level people?

A I don't know who I talked to at first. I just don't know. Let me say this. I usually go to the top. If I can.

MR. GROSS: But that's pure speculation as to what you usually do.

THE WITNESS: Yes.

BY MS. BAKER:

Q Other than Don Barden who is on the board and Don Davis who is chief executive in some capacity, did you know anybody else at the bank?

A The president, but I don't remember which president it was at that time. I can picture two different people; one's short and one was tall. I don't know which was president at that time.

Q And what time are we speaking?

A At the time of the loan.

Q And what time period was the -- a person who was president of the bank part of the time was a man named Larry Jones. The previous president was Lester Robinson.

A Those are the two I have been getting mixed up. I didn't remember Larry Jones' name and Lester Robinson, I remember his name. And I don't remember which of the two was president at that time.

Q Do you recall speaking to either one or both of them?

A Yes, but I don't know which one.

Q Did you talk to both of them?

A I don't think they were both there at the same time.

Q Good. Lester Robinson preceded Larry Jones so, did you speak to Lester Robinson about the loan?

A You know what, I think you could check with the bank to see who was there at that time because I don't remember.

I know both of them. I know how both of them look, but I don't remember which one I talked with at that time, and I don't know who was there first.

Q Do you know Lester Robinson in any other capacity?

A No.

Q Do you know Larry Jones in a capacity other than as president of FINB?

A No.

Q As best you can, what would you date your phone call to the bank about the loan?

A It depends. You know, if the meeting was Wednesday, I would have called Thursday. If the meeting

was Friday I would have called Monday.

I don't know what date it was.

Q What happened? What was said or arranged during that first phone call to the bank?

A I know I asked to have a loan on my name, on my, you know with my reputation behind it.

I asked for a certain amount of money. And I wanted to know what I could get on my name, how much I could get.

And I think that they had to break down how much I asked for so it wouldn't be one loan, one $75,000 loan was too much, I know, without collateral.

So I was going to use my house as collateral, but that involved appraisals and all of that. So I just broke down the loan. Then I could get it under my name.

Q And was anything else discussed during that initial phone call?

A Like what?

Q I am just asking.

A Not that I know of.

Q Okay. So what was the next step?

A To go by and sign for the loan.

Q Did you do that?

A Yeah. I went down. I had a discussion with one of those two, Lester or Larry. And guess that's when I took out the loan.

I don't remember who I talked to, you know, about using the house as collateral. I don't remember if I had gone through a loan officer first or what. I don't remember that.

Q Did you fill out any forms?

A I'm sure I did. I'm guessing.

MR. GROSS: Do you remember filling out any forms.

THE WITNESS: I don't remember filling out any forms, but I know when you get loans, you fill out, you know, what you owe.

BY MS. BAKER:

Q And how long after the initial phone call did you go down to the bank to --

A Get the money.

Q No. To talk about the breaking of the loan from 75 into two?

A It might have been the same day. I don't

remember.

Q And how long after -- since you've raised the question, how long after you had that discussion, were you able to get the money?

A I think the same day or the next day.

Q In a discussion about the collateral, using your house, what else was said about the terms of the loan?

A I know I discussed the pay off date, but I don't remember what I said I wanted for the pay off date.

I don't know if I said three months or one year. You know, I just don't know. But I was honest with the bank that I would pay off the money as I had my fundraisers.

Q Did they ask you what you wanted the money for?

A I guess so.

Q And what did you tell them?

A I told them I wanted a personal loan to me, and I was going to loan it to the campaign. That's why my reports say so many different things because I knew I could loan my campaign whatever I wanted to and I wanted a personal loan.

I also paid off a few bills. I used it, some of

it for personal things like clothes, stuff like that.

Q Did the bank ask you what you were going to use the money for in detail, these various categories that you've listed?

A I don't think so.

Q Did they require you to give a list of your anticipated fundraisers?

A I don't think so. I don't remember.

Q At the point you were dealing with the details of the transaction, was the person you were dealing with at the executive level or --

A Un-huh, yeah.

Q Still at the executive level?

A Yes.

Q Did the bank run any credit check on you in relationship to your request for money?

A How would I know that?

Q Banks --

A Banks, do they tell you that?

Q If you don't remember, that's okay.

A I don't think they tell you that. I think they just do it on their own, don't they.

Q Different banks have different policies?

A Well, I don't know.

Q So you don't know whether they ran a credit check on you?

A No, I don't know. But I have excellent credit.

Q Were you asked to put your house up as collateral?

A No.

Q Were you asked to put anything else up as collateral?

A I don't think so, maybe my paycheck, my council paycheck. I don't remember them asking me for any collateral whatsoever.

Q That really is the question. And were you guessing that they might have asked you for your paycheck?

A No. I'm guessing that I would have offered my paycheck.

Q Just to clarify it. So they did not require you to sign over your wages to the bank?

A No. I would have though.

Q When you were at the bank discussing the terms of the loan and its conditions, was anyone there other than

you and the bank officer?

A Yes. I remember Don Barden being there.

Q And what was he doing there?

A He wasn't there for me. I don't know if he was there for a board meeting or not. And he wasn't there long.

I remember he and this other man talking about playing golf during working hours. That's all.

Q Were you already in an office when Don Barden came in?

A Yes.

Q And take me through that meeting.

A I was sitting here in a longer table, maybe a sofa. Barden was sitting by the door. There was somebody sitting in front of me and maybe a secretary here, but I don't remember. I can't picture her.

And Barden came in, he didn't stay long and he left.

Q Did he interrupt the conversation you were having with the bank officer?

A Yes.

Q And was anything said other than discussing golf?

A No. I would have told him that Barden was my finance chairman. I would have told them who all served on my finance committee and that, you know, they were stand up guys who would tell them that I would pay the money back.

Q Did Don Barden speak up or saying anything at that time in your behalf?

A Yes, he might.

Q Did you hear him say anything?

A If he said it, I heard it, but I don't remember what he said. What I would have wanted him to say is, you could trust her which they knew anyway.

Q Had Don Barden known you were going to be in the bank at that time?

A Yes.

Q How had he known?

A I would have told him or he would have told me, you know, that he was in the meeting there.

Q Was it arranged for you to be at the bank at the same time as Don Barden?

A No. I think I went to the bank as soon as possible.

Q Is that something that the bank officer set up or

something --

A It's what I set up.

Q Okay.

A I worked a couple blocks from the bank.

Q Okay. So did you call and make an appointment?

A Yeah, you could say either that same day or the day before.

Q And prior to your arrival at the bank, had you talked to Don Barden about the time you would be at the bank?

A I'm sure I did, but I don't know.

Q Was it prearranged for Don Barden to come to the bank while you were there so he could appear while you were there?

A No. I think he was at our meeting.

Q Was it just coincidence that you were there at the time he was there?

A Well, I was at city council. I would have had to go there probably before council started. Council started at 9:00. I would have gone to the bank probably before 9:00 or at 9:00 so I could get out at 10:00 so I could go to work.

And I know I went back to the bank after we adjourned council. I don't know how long Barden was there, you know. I don't know if he was there the entire time or not.

But where I was, there was a room outside of this room. There's a hallway and then there's another room and the other room was glass. It was a board room so I could see in there and whoever was in there could see me.

And anybody whom I knew there, you know, would have come out and spoken to me. I just can't tell you who they were because I don't remember who they were.

Q So --

A Barden wouldn't be the only one who spoke to me. You forget I was on city council for almost 10 years.

Q You indicated that the finance committee was to stand up for you?

A Yes.

Q And what was your understanding of what Don Barden was doing at the bank while you were there?

A Barden was there at the board meeting, I believe.

Q Was anyone else at that meeting while you were

there?

A I don't think so.

Q What happened after that meeting in regard to moving the loan forward?

A I went back to work. I imagine the bank called me and I went back and got the check.

Q Who gave you the checks?

A Downstairs, this was like on the second floor or third floor.

Q Okay.

A When you go in the bank downstairs, they have the boxes, safety deposit boxes and they had a place like tellers, and somebody from there came out to a desk and I signed some papers and they gave me the checks.

Q Do you know this person's name?

A But I believe it was a woman.

Q Had you known this person before?

A No.

MR. GROSS: The witness said no, in response to the question did she know the name of the person.

BY MS. BAKER:

Q When you went back to the bank to pick up the

checks, you think on that very same day, did you talk to anyone other than the person downstairs who gave you the checks?

A No. I don't remember talking to anybody else but going straight downstairs.

Q Who called you to let you know that the checks were ready?

A I don't know. I don't know if somebody called me or I don't know if they told me I was there or come back after 12:00 or when can you come back. I don't remember that.

Q And what did you do after you got your checks?

A I brought them back to my office and I endorsed them. And I put them in my accounts.

Q When you say accounts, what accounts did you put them in?

A That, I have to tell you, I don't remember. Okay. I do remember, but what I remember isn't what's true. So that's why I have to tell you, I don't remember.

I remember putting them in one account, but when I got those records from the bank for you --

Q Yes.

A -- they had another account on them. So I know my memory was faulty. So I just have to tell you, I don't remember, but they were personal accounts. They were not the campaign account.

Q What were you trying to accomplish when you had those checks?

A I was trying to have money that I could count on to spend as I wanted, rather than waiting for each fundraiser to raise the money.

Q As you knew some of it was going for campaign, were you trying to put your money into the campaign account?

A As I needed it in the campaign account. I wasn't putting it all in a campaign account because then, it was too likely that you would spend it all whether you needed it or not.

Q Eventually how much money from the $75,000 loan went into the campaign account?

A I believe it was $61,000.

Q Of the remaining 14,000, where did that money go?

A I spent that money for things that I considered campaign related, but were not -- like clothes, bills,

consolidated bills, that kind of thing.

Q Anything else?

A If there is, I can't remember it.

(Discussion off the record.)

(Recess.)

BY MS. BAKER:

Q Go back to the discussion about terms of the loan and your discussions about collateral and so on. Let me understand this better.

You're saying that you had thought you had put up your house as collateral?

A Un-huh.

Q And then that didn't happen. Why did that not happen. How did that come to be that the house was not used as collateral?

A Because by the time they did the appraisals and everything, you know, I would have been through.

MR. GROSS: I don't think she said she thought that she put her house up.

THE WITNESS: I didn't.

MS. BAKER: No, she didn't.

MR. GROSS: That's what I thought you just said.

MS. BAKER: Her house was not used as collateral.

MR. GROSS: Right, but you said you thought she had put her house as up as collateral.

MS. BAKER: There was some discussion about putting her house up as collateral.

MR. GROSS: Okay, then I misunderstood you. Okay.

MS. BAKER: And then her house was not put up for collateral, and I'm asking why it was that her house was not used as collateral.

THE WITNESS: It was the time, what you had to go through to put your house up for collateral.

BY MS. BAKER:

Q And what were you told that the time period would be for an appraisal?

A I don't know. I guess you'd have to have a title search and you know, all that, but I don't know. I don't remember if they gave me a time.

Q Your understanding was that the time would be, it would take more time to do the appraisal on the house --

A -- then I wanted to take.

Q Nonetheless, the bank did loan you $75,000

without using the house as collateral?

A Un-huh.

Q I think you said that they broke the loan up, the bank broke the loan into two segments of 15 and 25 segments so you would not have to use your house as collateral?

A I think so.

Q Who told you that?

A I don't remember what words were said.

Q Just a total, I'm just trying to understand what was being discussed about the need for collateral and the structuring of this loan, and why it was in the two parts, when the total amount ends up being the same, whether it was in two parts or 10.

Did you understand that if the loan was broken up into two parts that you didn't need collateral; is that what you're telling me?

A Yes, for it to be on me personally, they broke it up into two parts. I've done that lots of times.

Q At any point, did the bank tell you your own credit wasn't sufficient, or did they tell you anything about your credit rating?

A No. I've always had excellent credit.

Q Okay. Since we're now delving into a lot of details, what might be most helpful is, if we start from the beginning and you just take me through it so we have an overview from the finance committee where the idea was raised, down to the point where we are today and then let me understand what you understand, how it transpired.

And then we can go back and fill in some things. It might be easier than just looking at every detail that comes up.

MR. GROSS: That's what we have been doing. Do we have to go back over the same territory now?

MS. BAKER: We don't have to go back very far.

BY MS. BAKER:

Q You go from the finance committee meeting, the need for money, you need a bank loan?

A Un-huh.

Q Take it forward from there.

A First of all, I don't believe I needed a bank loan. I wanted a bank loan for my own comfort level. Okay. And I wanted the money there up front before I had all my fundraisers.

So, I told my finance committee what I wanted,

and they said no problem, we'll loan it to you, how much do you want.

And I said I don't want you to loan me anything. I want to go to the bank to have it above board. All I want you to do is to let them know that I'm going to pay them back, put their good name with my good name to pay them back. That's all I asked for.

I didn't ask them to sign anything, and to this date, I haven't seen anything signed, you know.

I went to the bank or I called the bank, rather and I told them what I wanted, and how I wanted it, when I would pay them back, and you know, I talked with them about it and this is what we came up with.

I don't remember who I talked to about it.

Then I went to pick up my checks. Now, I come back to my office and I put them in an account, in a personal account and then as I pay my bills, you know, I would transfer money in like that. It was like a backup.

Q Okay.

A Okay. Where am I now? I put them on my campaign statement as a personal loan for me. And a reporter asked me, how could you afford to loan yourself that much money?

Well, we know what you make.

I said from the bank, where do you think? So then they said, you didn't put the bank down.

So my sister called Sallie and talked to him about it, and asked him, you know, should she because we had already filed reports.

And he said that I had to put the bank down as the source of the loan, and myself as an endorser. So that's what I did.

Q When was this?

A Sometime in August.

Q That's not the end of the story, though?

A No. Because I must have had about three amendments.

MR. GROSS: Now you're asking her about the campaign reports, the FEC reports, is that what you want to know about?

MS. BAKER: I'm asking the Congresswoman to take me through her understanding of the loan transaction, and she's doing that.

MR. GROSS: She's done that, I think. I don't know.

Now you want her to go to the reporting part of it? It's a little open-ended. I don't mind her talking but I'd like to know where we are.

MS. BAKER: It's an open-ended question for her to say how she understands what went on and to give her the opportunity to say what went on.

MR. GROSS: I think that was fully responded to.

MS. BAKER: I think she is midstream.

MR. GROSS: We're now talking about the reports which is a little bit more than your open-ended question.

I don't mind getting into this, but I am trying to divide, you know, where we are and what you want to get into now.

It sounds like you want to know how the FEC reports got to be the way they were.

MS. BAKER: I eventually will come back to that, but if the Congresswoman wishes to include the reporting in her understanding of what she was doing with the loans as part of the her narrative of, in response to my question of her understanding of the loan transaction, we'll take it here. That seems to be important to her.

THE WITNESS: Well, I'll stop.

BY MS. BAKER:

Q We'll come back to the details of the reports. But certainly in the period of August, as I understand, you were dealing with the FEC reports, because the primary was August 7 and there's a variety of reports that have to be filed before the primary?

A Yes.

Q Other than the reporter's questions to you about the financing of the loans and the financing of your campaign, were there any other questions that arose about the loans to your campaign in 1990?

A Not that I know of.

Q Okay.

A It wasn't a big deal, it wasn't a big thing, the reporter who asked me.

Q Do you know Cara Woods?

A Yes.

Q And how do you know him?

A He's my minority business contractor.

Q And how long have you known him?

A I can't say how long I've known him because I've seen him, but I can't say how long I've known him.

Q You say you've seen him. In what ways have you seen him?

A In civic affairs.

Q Did Cara Woods work on your campaign in 1990?

A He was a supporter. He came to the fundraisers on City Council and on, I imagine he did it for Congress, too.

Q Did there come a time in August of 1990 when you met with Mr. Cara Woods about the loan, or spoke with him about the loan?

A We had a fundraiser and he said something to me, you know, about my loan. And I didn't know what he was talking about, and you know, I just smiled and I said thank you very much.

Q What did he say about it?

A Well, I can't remember exactly what he said, but he said something about my loan, like I stood up for you or something.

Q And what did you understand about his statement?

A I didn't understand anything about his statement, you know. It was a fundraiser, and I go table to table, and I greet everybody and people talk to you and you smile

and you keep moving and that's what happened.

But I didn't know what he was talking about because he wasn't on my finance committee, you know, what I'm saying? I didn't expect him to stand up for me.

And I should say that when I asked people to stand up for me, that is to lend their good name to mine, to say that we're working with her on her committee and that she will pay you back because we've got these fundraisers planned, not to co-sign or endorse anything.

Q How were these people to stand up for you?

A Just to verbally say that they were working on my committee and they would see to it that we had the fundraisers to pay back the loans in a timely fashion.

Q To whom were they to attest?

A Well, to the bank.

Q Did you expect them to go to the bank and meet with somebody?

A Well, I expect them to call and the bank to call them.

Q Did any of these people let you know that they had stood up for you or had been to the bank?

A Well, yeah, I knew they had done this. You know,

stood up for me. I don't know if I asked them or they told me.

Q How did you know?

A I told you, I don't know if I asked them or you know, if they told me.

Q Did the bank require them to stand up for you before they gave you your checks?

A I don't know that.

Q Were you made aware that people had stood up for you before you got your checks?

A Well, I knew they had stood up for me.

Q Can you pinpoint the time frame, from the idea, to the time you got your checks?

A You're asking me if they stood up for me between the time I got the checks and the time I was at the bank, and I don't know if that was when they stood up for me, if they stood up for me before I got there, I don't know. I don't remember, but I knew that they were standing up for me.

Q Had they pledged in some way that they would do that?

A No, nothing written, verbal because that's all I

asked for.

Q Did you ask them one-on-one whether they would stand up for you?

A I don't think so.

Q When you said they, which people constitute the they?

A I believe I was just at a finance committee meeting, and the people who had been at that meeting, I can't give you, you know, a name, besides Barden.

Q Subsequent, what did you learn that Cara Woods had done on your behalf about the loan?

A You mean when he told me? That he stood up for me.

Q If I understand what you just --

A At the fundraiser, he mentioned it.

Q He mentioned it, and you said you didn't know what he was talking about. What did you come to understand what he had done for you about the loan --

A I think in November --

Q -- what were the circumstances?

A -- I was having breakfast with one of my finance committee members, and I was getting on him for not raising

enough money, or you know, putting money in the campaign, as much as I thought he should have.

And he said, do you know that if you don't pay that loan that I've signed to pay for, that loan, that they'll come after me for the loan.

And I said how could that be possible? The loan isn't in your name. And he said no, it's not, but if you don't pay it, then I'm liable.

And that sent cold chills up my spine, and I ran back to work and called this Sallie guy, and asked him about that. Because I knew that that would not be legal.

You know, if he -- I knew that if somebody was responsible for paying my loan, that it would not be legal. I knew that if they loaned me the money out of their pockets, it would not be legal, over a thousand dollars. So that wasn't what I wanted.

I called Mr. Sallie here, and I said, you know, I don't know how to report this now. What am I supposed to do.

And he said, can you pay it back. I said well, I don't know, probably. He said, well, why don't you just try to pay it back right away. I said, okay. So then I

said, how do I let FEC know that I'm not trying to be slick with them? That this is an honest mistake?

He said, well, you could file a complaint against yourself. I said how do you do that? He said you write a letter saying that you violated the campaign law with a note, and you have it notarized, but you tell them that you did not do it knowingly and that's what I did.

I paid off that money in less than 24 hours, and I went to every savings account I had, every credit union I had; and like you asked me about why the money would be split up, I got like two loans from one credit union 'cause you reach a limit and another one.

I think I went to two or three credit unions. I asked the bank, you know, for a loan, and they made $10,000 loan.

Q FINB?

A Yes, to the best of my recollection because it might have been 9,000, but I think it was 10,000. And I emptied my savings accounts, and I got money from my daughter and from my sister and I, you know, I paid it off the next day.

I filed that complaint against myself because

Mr. Sallie said that would let FEC know that nobody else filed the complaint against me, but it was me, myself.

I should also tell you, that the only reason we're here today is because I kept calling FEC to ask them what they were going to do about this complaint. And FEC did nothing for five years.

For five years when I came in as a Congresswoman. I think they lost files. I don't know what happened. But every time I've come here to talk to you all, it's because I requested it, which, you know, I think was just wrong now. Because it's gone on and on and on for five years. And you didn't believe me anyway, right?

Q Well, this is a chance to find out what happened, and we're opened to whatever happened.

A I came here, maybe a year or two ago or longer ago, and talked for over four hours trying to remember everything that's happened, and it's just, you know, it's just been so long, and it just seems like, you guys only bring it up when its election time, and I'd like to get it over with. I really would.

I also think since I'm bearing my soul here, that you should have that Mr. Sallie in here giving his

deposition also because he was giving me advice from the beginning. I know you don't like to hear this, but he's giving me advice from the beginning, and if his advice was erroneous, then he should be here to say what he did and why.

After I was elected to Congress and came in here and saw him, I could see that he was not very high level and that he really didn't know what he was talking about or doing, you know. What could I do?

Q Hopefully today we can clear up some of these things but we're still getting your story.

A I would be so happy.

Q And I can only assure you that cases are worked on as they come in, and we just work our way through a case load; and quite frankly, elections are irrelevant to what we do in terms of working on cases, and it hasn't come up because of the election, and I want to assure you of that, that it's not --

A If I had never called you, would you have called me?

Q Well I can't answer that.

A I can. No. Nope.

MR. BERNSTEIN: I kept my silence in this. I don't think this is really the place. We will be happy actually, once the deposition is concluded, to talk with you more, but it is important to understand that, you know, the counsel you have now is not the first counsel you've had in the case.

This case has a history, and I want to assure you that the history is not completely on our side, and this is something that --

THE WITNESS: What?

MR. BERNSTEIN: -- perhaps we can talk about later; but right now, let's try to get back to what we're really here for.

THE WITNESS: You can do that, but I answered an awful lot of her questions that were not relevant to this case, and even my lawyer said that it wasn't necessary, I did it in the spirit of cooperation.

And I think this is important to this deposition, that you know that it was your own people's advice that got me to where I am now, from the beginning to the end.

And I just don't think it's fair that I'm sitting here trying to rack my brains to remember things 20 years

ago, five years ago or 10 years ago, and you haven't brought that guy in once to say anything.

That's, you know, I don't understand, if you're trying to get to the truth, I don't understand it, and I hope that you do have records of when I contacted you or when you contacted me because that chronological record will tell you an awful lot, and I want it in that deposition.

BY MS. BAKER:

Q I'm sure that this is not the forum for, like, a trial. And people only appear one at a time, and they don't see each other's transcripts, and we don't talk about what you say in your transcript to anybody else that we might or might not depose?

A Will you depose Mr. Sallie?

Q That's part of the confidentiality in the same way that I won't tell anybody that I deposed you. It's not their business.

But if you have concerns about the procedure, when we get finished with the questions, I will be glad to answer, both of us will be glad to answer any questions about where we were and how this whole process works.

A Okay.

Q Given an overview from the conception of the loan to pay off, you mentioned that in November you were talking to one of your finance committee members who said he was liable on the loan if you did not pay it off. And who was that person?

A Mr. Barden.

Q And at any time, did you come to understand that there were people other than Mr. Barden in his position in regard to your loan?

A What do you mean?

Q That is, that there were loan guarantors?

A I knew that. Mr. Sharp and then later I found out that Cara Woods, you know, was involved.

Q What did you know about their involvement?

A Well, that they were all liable.

Q Who told you this?

A Well, I called Mr. Sallie and I started calling and asking.

When I say stand up for me to me, that did not mean being liable for the loan. To me that did not -- you see, co-signers I know, co-signers are liable. If the

person who borrows the money does not pay it back. They go straight to the co-signer. I know that.

I didn't know an endorser or a guarantor was a co-signer, I didn't know that until I talked to Mr. Sallie. I didn't know that they had actually signed documents until that point.

I thought standing up for me was giving their good name, and that's all I asked for. And what were the circumstances by which you came to learn that Jim Sharp and Cara Woods also had been guarantors of the loan?

A Well, Jim Sharp, I knew, had stood up for me. Cara Woods had dropped that, you know, tidbit at a fundraiser, but I didn't know what he was talking about; and after that, I talked to Jim Sharp and I found out Cara Woods had stood up for me, too.

But I didn't know that they had signed papers or that they were legally responsible.

Q And what did Jim Sharp tell you about becoming a loan guarantor for you?

A Nothing, that he, you know, stood up for me.

Q Do you know when he stood up for me?

A No.

Q Did he tell you when he stood up for you?

A No, not that I remember.

Q When you found out that the guarantors were liable, did you call each one of them or any of them?

A I called Jim Sharp.

Q And what was the gist of that conversation?

A And he says yes, because I didn't believe Barden at first. Then I called Jim Sharp, and I said did you sign that you would be responsible for my loan, and I guess he said, yes, or I don't know if he even knew he was responsible for it, you know, at that point.

Q Who told you about Cara Woods?

A He did, Jim Sharp.

Q Jim Sharp?

A Jim Sharp.

Q Are you familiar with a man named Anthony Soave?

A Yes.

Q And how do you know him?

A He is a he supporter of mine.

Q How long have you known him?

A About 15 years.

Q In what capacity?

A Well, he's a supporter, you know, he goes to the fundraisers and that. He supports some of the same things I support, so he is at many of the civic affairs.

Q What's his business?

A He's waste management and construction.

Q Have you had business contacts with him?

A No, I'm not in business.

Q Through any of your city council work?

A Oh, yes, yes.

Q And what kind of contacts did you have during the years you were city council member?

A The city council approved purchases and contracts. We're not allowed to make purchases, and we're not allowed to make contracts, but we have a strong mayoral type of government.

So the mayor is the one who procures contracts and purchases, and then after he goes through all of the bid procedures that they sent to us, we approve it or don't approve it.

If somebody challenges the bid, they can come to any council member or send a letter, and say I don't think this bid was fair. And then we can bring it to the table,

and we open it and talk about it.

Now if we stop our contract, and we don't have a legal reason to do so, they sue the city, and we have to -- the city has to pay a lot of money.

Q Did Mr. Soave's company do business with the city?

A They picked up the garbage for part of the city.

Q Did Mr. Woods' company do business with the city?

A I believe so. I can't tell you for sure. I believe so. He was a contractor, too.

Q Did Don Barden indicate how much of the loan he had guaranteed?

A I don't remember. I don't remember if he told me or not.

Q Do you know now?

A Yes.

Q And when did you know how much was the total loan Jim Sharp had guaranteed?

A I can't tell you when I found out.

Q After the general election?

A Way after the general election, maybe last year, when I came in here to talk with another lady or year

before last. You were here.

Q When did you find out how much of the loan Cara Woods had guaranteed?

A At that time. At the same time.

Q That you found out about Jim Sharp?

A Un-huh. I didn't know anything about figures or how much. Yes.

Q Did you learn about Jim Sharp and Cara Woods at the same time?

A How much they had signed for?

Q Yes.

A I believe so. I think I found that out from you, not you, but FEC.

Q FEC?

A Un-huh.

Q Okay. Approximately how many times in a year would you see Anthony Soave in the period 1988 to 1990?

A Gee.

Q Ball park it?

A Five or 10.

Q Was he the kind of person one has dinner with?

A Yes.

Q Did you have dinner with him in 1990?

A I don't remember.

Q Did you have lunches with him in 1990?

A I might have.

Q Did you ask Mr. Soave to be involved in your campaign in 1990?

A Yes.

Q And what did you ask him to do for you?

A To serve on my committee.

Q Which committee?

A My campaign committee.

Q And did he?

A Yes, he did.

Q What did he do for you to campaign?

A Mostly lend me his name. I believe he came to some fundraisers, but I can't remember if he did or not. I can't tell you which fundraisers he came to.

Q Did he solicit funds for you from other people?

A I don't think so.

Q Did you ask him to be on the finance committee?

A I'm sure I did.

Q Did he come to your campaign headquarters for any

of the meetings?

A I don't remember ever seeing him at headquarters or a finance committee meeting.

You know, trying to think back, I can't picture him at any. He might have come though, but I can't picture him at any.

(Discussion off the record.)

(Recess.)

BY MS. BAKER:

Q You've indicated that you understood that the word co-signer was, someone who stood in the position of co-signer would be liable on a loan?

A Yes.

Q But that an endorser or guarantor did not have that same liability.

Was the word guarantor used in connection with the loans?

A Not to me. And I never heard of the word guarantor or endorser. It was on my reports that I should put the bank as the lending agency and myself as an endorser. Those are not common words, you know.

Q In 1990, November-ish of 1990, what did you come

to understand the word guarantor meant?

A Well, I don't even know if that word came up there, but you know, when I called Sallie and told him what Barden had said about being liable, it sent up a red flag because I knew that he wasn't supposed to be liable. I was supposed to be the one liable.

Q Why did you have the loan written to you as a person rather than to your campaign?

A Because I wanted to control the money, you know.

Q And what were the dangers of not controlling it if it went into -- if your campaign was named?

A Well, you heard of a lot of chiefs and no Indians. Everybody tries to tell you how to spend money in a campaign.

Some people think you need 10,000 lawn signs. Some people think you need a lot of radio, but other people can spend your money much faster than you would if you maintain control over it.

Q Within the campaign, who has the authority to make contracts for the campaign committee?

A Me. I don't know of anybody else who would have.

Q If you had signature authority on a campaign

account and you're making contracts, who are you worried about in your campaign, spending your money or committing your money without control?

A It's not that. It's not that somebody could just take the money and spend it, but they could put so much pressure on you to spend money that you don't need to spend.

Like Abe Cherry was in charge of lawn signs, the poster brigade. When he got through, I had posters I'm still using from the first election. He was ordering posters, lawn signs like two days before the primary.

You see, you can fight with them, and I do fight with them. You fight tooth and nail to get your position across, but you have to remember these are volunteers.

These are people who are giving up their time to work for you, and sometimes you just give in because everybody hates a candidate who runs their own campaign. You're supposed to be able to take advice.

So you know, it's more the pressure that's put on you.

MR. GROSS: I think you testified earlier that if the money is in the account, it tends to get spent. That's

what you're saying?

THE WITNESS: Because of these people, because of your supporters. Your supporters, you know, they don't want you to lose an election because you're too cheap to spend the money. They're on your side, but I think they go overboard.

BY MS. BAKER:

Q Of this $75,000, how much made its way eventually into the campaign?

A I think $61,000. I don't think all of it got spent because when I raised the money to pay off the loan, you know, I took a lot of it out of the campaign to pay off the loan.

Q And how much of the loan did the campaign pay off?

A All of it.

Q Meaning how much?

A $61,000.

Q And who paid off the 14,000?

A I did.

Q Out of your personal funds

A Yes.

Q Before the break, we were talking about Anthony Soave, and I take you back to that finance committee meeting when that need for money came up, and you're talking about how you wanted to have money up front in your campaign. Was Anthony Soave at that meeting?

A I don't remember him being at any meetings, ever.

Q Did you have any meetings with Tony Soave about your need for money or your desire to have money in your campaign?

A I don't remember doing that, but if I met with him on anything, I would talk about the campaign, you know.

Q Did you meet with him during the preprimary period, in the heat of the campaign period?

A You know, I don't know. I really don't know. You're asking me how many times I meet with him in two years, and I told you maybe five or 10 times, but I could not pinpoint any of those dates for you.

Q Is he a person that you might regularly have lunch with over the course of a year?

A No.

Q When you've had lunch with him, who has initiated the lunch meeting?

A Probably him.

Q And what are the purposes of getting together for him for lunch?

MR. GROSS: Did we clearly establish that you had lunch with him?

THE WITNESS: I don't know. I don't know. Lobbyists come in and ask you to go to lunch or dinner. I usually don't like to do that because I don't like to eat out. I like soul food.

I don't like restaurant food. So that's why I can't tell you -- I don't go out to eat every night or for lunch.

Q So characterizing your lunch with Tony Soave 1988 to '90-ish --

A If a supporter asks me to go to lunch, you know, I would do it, you know. That's why, you go to lunch and you go home. That's all.

Q In your lunches you have had with Tony Soave in the '88 to '90 period, was there a purpose other than seeing you at lunch, to the lunches that you had?

A No. If you're asking me about conversation, you know, he might say something about, the Mayor is not fair

to him with his bids or, you know, why is council stopping his contracts or something like that.

But I can't say he did that, but usually when you go to lunch with somebody, you know, like that, it is -- you go to lunch. And they ask you how your kids are, and you ask them how theirs -- but it wasn't a lot, you know.

It wasn't like once a month or once a week, nothing like that. That's why I can't even tell you, you know, how often.

Q Is Tony Soave a personal friend?

A I like him.

Q Try to distinguish between personal friends, you know, but you might only have lunch occasionally, and those people you were acquainted with in the world, and you have lunch with them because they're in the world, so what kind of friend --

A You said this is confidential?

Q It eventually will be made public, but right now it is very confidential.

A It is very hard to tell you, no, he's not a personal friend of mine if he feels like he is. Do you understand?

Q Yes, I understand --

A Politicians are, like, everybody's their personal friend and you may not even remember their name, but you act like you remember their name. You act like you love them, you know. You hug them, little old ladies, but you don't even know their name.

Q Fair enough.

A Okay.

Q What role did Tony Soave have in your loans with FINB?

A Well, I heard from Ken that, shall I not give hearsay.

Q Hearsay is perfectly fine.

A I heard from my attorney that he had signed some papers.

Q And what did you understand that he had signed?

A That he had signed some papers for my loan, but that he had withdrawn his name or something.

Q Oh.

MR. GROSS: These are of course privileged communications between me and my client, but I'm letting to be said what has been said up until this point.

But the point is, the Congresswoman Collins did not know about Soave until a communication with me, that late in the game.

THE WITNESS: And I have not spoken of this with Mr. Soave since I learned that.

BY MS. BAKER:

Q In regard to Mr. Soave's involvement, what do you know?

A Pardon me?

MR. GROSS: Let me just say one thing. In that statement with regard to the comments that I've made to my client about Soave, it doesn't constitute a waiver of any other privileged communications we may have between us, just for the record.

MS. BAKER: Well, when the statements aren't going from client to counsel, and they are going from counsel to client, and we would not regard those as covered by the attorney/client privilege.

MR. GROSS: I don't agree with that. But there's no point in stopping the proceeding to have a conversation about it because I don't think we're at a juncture where we're worried about that communication.

THE WITNESS: Would you re-ask your second question?

BY MS. BAKER:

Q What did you come to know was Tony Soave's involvement in your loan?

A I told you.

Q And I'm not sure I understand your response.

A I understood from my lawyer that he had co-signed for a loan for me.

Q And how much of the loan had he --

A I don't know.

Q Did you know anything more than the fact that he had, as you phrase it, co-signed?

A Yes, that he withdrew it, I guess, the same day or something or he changed his mind. I just learned of this recently, so I don't know anything about it.

Like I said, I have not talked to him.

Q Have you talked to anyone, other than counsel, since you have come into this piece of knowledge that Mr. Soave was involved?

A No.

Q Did you talk to Mr. Barden about it?

A No.

Q Mr. Sharp?

A No.

Q Mr. Woods?

A I haven't seen Mr. Woods for a long time. I don't know if he's still in Detroit. And Mr. Sharp is very ill. He has cancer. So he's not, you don't see him at the functions so much any more.

I imagine they're all mad at me because they're spending a lot of money for lawyers, so I try to not go around them too much.

Q Since November of 1990 when Mr. Barden told you he was liable, what kind of contacts have you had with the people who ended up being guarantors?

A Well, I told Mr. Barden and I told Mr. Sharp, you know, that this was illegal, which of course made them angry because I had told them this was legal. They were counting on me to read the books and know the law, and I told them that this is the way to go without getting in trouble.

And I told them what Mr. Sallie told me to do, to file a complaint against myself. And so I told them what I

was going to do, and I think Mr. Sharp said, well, wait a minute. You need to talk to a lawyer. But I had already done it.

I had already signed the complaint and had it notarized.

Q Did any of the agents or representatives or counsel for Mr. Woods, Mr. Sharp or Mr. Barden contact you --

A No.

Q -- after November, 1990?

A No.

Q Prior to the time Mr. Gross was your counsel -- became your counsel in 1994 --

MR. GROSS: Yes.

BY MS. BAKER:

Q -- did you have any knowledge of Mr. Soave's involvement in your loans?

A No.

Q Since you filed the complaint against yourself, have you been contacted by Mr. Soave, his representatives, Mr. Sharp and Mr. Woods?

A No. You know what, I didn't hear your question.

I heard the last part of it, but I didn't hear the first part of it.

Q Since you filed the complaint against yourself

A Okay.

Q -- basically, November, 1990?

A Un-huh, no.

Q And when you asked for a $75,000 loan from First Independence and $61,000, according to your testimony, was used for the campaign, went into the committee's account?

A Un-huh.

Q Since there was $14,000 apparently that did not go into the campaign account, what did you use that money for?

A I told you, clothes, consolidating some bills, that kind of thing.

Q Can you be more specific?

A No.

Q Did you make any investments?

A No.

Q Buy anything? Buy any clothes?

A I might have, but I don't remember, you know, if I did.

Q Did you use the full 14,000; spend the full 14,000?

A I don't remember if I did or not.

Q Did you lend any of the 14,000 to anyone else?

A I don't think so.

Q Did you pay off any mortgages?

A I did not have any mortgages.

Q Was there anything specific for the campaign that you wanted money up front to do?

A Yes. I wanted to pay for my billboards, my lawn signs or posters, my radio -- I don't think I had TV -- and literature printing.

I don't think I purchased any TV advertising, but I did have literature printed.

Q Anything else?

A I don't remember anything else.

Q Do you know a man names Gerald Harrington?

A No. Is he a TV reporter?

Q No.

A No.

Q Actually I don't know if, now if he is a TV reporter. In 1990, he was not a TV reporter.

A I don't know him.

Q Were you aware that Gerald Harrington filed this lawsuit against FINB alleging a variety of charges including illegality of the loan to you by FINB?

A No.

Q Were you ever deposed by counsel for Gerald Harrington?

A No, I don't know him.

Q Were you ever deposed by counsel for FINB in regard to the loan?

A No.

Q Did Don Davis mention that the bank was being sued?

A No.

Q Other than my telling you today, mentioning the issue today, did you know that Gerald Harrington had sued FINB, including allegations of the illegality of the loan to you?

A No, not that I can remember. I might have read it in the paper, about him suing the bank, but I don't remember it if I did. I read the papers. But I don't even know who he is.

Q He was a bank employee, but, the issue was of the nature of the suit.

A Oh.

Q Have you ever served as a co-signer on loans for anyone else?

A Yes.

Q Anyone other than family members?

A Yes.

Q What time frame did you --

A When did I ever co-sign?

Q Yes.

A I may be hazy on the day, but maybe it was that 1978 or '79, a member of my Church was working in Lansing and going to college there, and she needed money for her tuition, and I didn't have the money to loan to her.

And so she got a loan from Household Finance and I signed, I think it was like $100 or $130, something like that, and she paid the first $30 of it, but she did not pay the $100 and, you know, I'm just guessing about the amounts. And Household Finance came to me to pay it.

And you know, that's when I found out that a co-signer was liable, so I had to track her down and, you

know, make her pay off her loan. I never co-signed for anybody since. I don't co-sign for my daughter.

Q I'm going to turn back now to the paying off of the $75,000 loan.

You've indicated that you tried to pay off the $75,000 very quickly within one or two days --

A I told you within 24 hours.

Q Okay within 24 hours. Tell me what you did in that period of time?

A I went to every place I had an account and borrowed money. I emptied my savings accounts. I was still short.

I borrowed some from my daughter, her husband and my sister, Mary Lou. The rest came from the campaign.

Oh, $10,000 from the bank, bank loan. Mostly credit unions, I used. I got two loans from one credit union.

Q And those were in approximately how much?

A Don't ask me that, cause I can't remember. I really cannot remember, but I know there were two loans from one because my credit line only went to a certain extent, so then I had to take out a second loan.

Q And approximately how much did you put into the pot, of your own funds?

A I don't remember, but it was over 30,000.

Q And where did you have that money?

A In banking accounts, savings accounts. You mean besides the loans?

Q Yes.

MR. GROSS: You shook your head.

THE WITNESS: Yes.

BY MS. BAKER:

Q So you loaned approximately $30,000 from savings to the campaign?

A More than that, but I don't remember exactly how much. But more than that and the bank, the credit union loans were to me that I loaned to the campaign.

Q You have the credit union loans made to you --

A Un-huh.

Q -- that you made directly into the campaign?

A That's right.

Q Then you had approximately $30,000 in savings?

A More than that, but I just can't tell you how

much, yes. I emptied all of my savings accounts.

Q Did you need to borrow any other money to put in that 30,000 or pledge any collateral?

A No. It was more the 30,000, and the 10,000 that I got from the First Independence National Bank, there was no collateral or anything. And nobody stood up for me.

Q What did you do to get the $10,000 loan?

A I asked for it.

Q Did you speak to any particular person?

A You know, I cannot tell you who I spoke with.

Q Like a bank officer or loan officer upstairs, downstairs?

A It was upstairs, but I don't believe it was the same one I spoke to before, but I don't know that.

Q Did you fill out any forms?

A Sure.

Q And what forms did you fill out?

A Whatever forms you fill out for a loan. They usually ask, what do you owe and what do you make, they weigh your liabilities against your assets.

Q How long between the time you applied for the $10,000 loan and the time the check was given to you,

transpired?

A I cannot tell you that. It might have been immediately. It might have been the next day, but I know that I did everything within 24 hours.

But I can't tell you, you know, if it was the same day or the next day.

Q Let's go back and fill in some of the questions and answers about individuals, and I want to continue with my list of names, and please tell me how you know these people and the circumstances, and how they were involved in your 1990 campaign?

A Okay.

Q Frank Kelly?

A He was finance committee member.

Q 1990?

A Yes.

Q How long have you known him?

A Maybe 15 years.

Q In what capacity do you know him?

A He had contracts with the city, and he was one of those civic people that you see, you know, at functions.

He was a friend of Nate Shapiro's and I liked

him. I considered him a friend.

Q Was Frank Kelly at the finance committee meeting where you came in and told that committee that you needed money up front, you wanted your money up front?

A I don't remember Frank Kelly being at any meetings. He might have been, but I don't picture him at any meetings. I know he did come to a fundraiser.

Q Did you ask Frank Kelly to stand up for you?

A I don't know. I don't know if I asked individuals, you know, but I don't remember.

Q How did it come to be that the people who were guarantors for the loan through you, became guarantors, and why those people --

A I don't know. I do not know. I could see why Barden would, as the chairman, stand up for me, you know, as the chairman, but I don't know about the others. You know, maybe they decided amongst themselves. I don't know.

Q Have you made any inquiries about how those people came to be the guarantors?

A No.

MR. GROSS: These questions have been asked and

answered a couple of times.

BY MS. BAKER:

Q What did Frank Kelly do to your campaign?

A I can't think of anything, but you know, as a supporter --

Q What about Eddie Robinson?

A He was on the finance committee, too. If you're asking me, did he raise a lot of money? I don't think so. But I don't remember.

He was a good friend of the Mayor's and I guess he was interested.

Q You're referring to Mayor Coleman Young?

A Yes.

Q Was Eddie Robinson at that finance committee meeting when you raised the issue:

A I cannot tell you that.

Q Did Eddie Robinson have a role to play in your loan transactions?

A No, not that I know of.

Q And how long have you known Eddie Robinson?

A Probably have known of him, probably 20, 25 years.

Q Has he played any role in any of your other elective office campaigns?

A He might have. You mean like contribute to it?

Q Besides a financial contribution, has he been involved?

A Well, I think he considers himself something of an advisor of mine. I don't consider him an advisor. I only see him at parties or you know, at functions.

Q Is he one of these civic eventors?

A Yeah, but not as much as other people. Civic eventors pay 50, $100 or 150 to go to these affairs and the money goes to whoever is giving the affair. I don't remember Eddie being at a lot of those.

Q And what's Eddie Robinson's business?

A He's -- I can't even tell you. I guess you'd call him a lobbyist where he represents people, but I don't know just what he does.

Q What's Frank Kelly's business?

A Frank Kelly is dead now, and he had Maybury clinics. They are industrial clinics that if your employee is sick, if he's hurt on the job, the employer sends him to Maybury clinics, and he had a limousine service. He might

have had other things, I don't know.

(Discussion off the record.)

(Recess.)

BY MS. BAKER:

Q I'm going to return to asking you some more names of people you may or may not know. Just tell me how you know them, if you do?

A Okay.

Q Tony Carver?

A Un-huh.

Q How do you know him?

A He's a member of my Church, and he's a volunteer. He might have been on the escort committee, but I don't think so. That would be more the advance team.

Q Arlene Main?

A She is a member of my Church, and I don't think she worked in that campaign, in the 1990 campaign.

I believe that she worked in the 1989 campaign for council, but she didn't, she wasn't steady and so I think -- that's why she didn't stay with me. She went to a full time job.

Q Martha Thomas?

A That name is not familiar to me at all.

Q And how would you know Nate Shapiro?

A From today? From today?

Q How long have you known him?

A Maybe eight years, seven, eight years.

Q What role did he play in your 1990 campaign?

A He was on my finance committee.

Q Did he have any roles in any of your other campaigns?

A I don't know about 1988, but 1989, for my reelection to city council, he was a supporter.

He might have contributed to other elections, but I didn't know it or who he was, you know.

Q What context do you know him in?

A He did work with the city. See sometimes we would interview these businesses to see if they hired enough minorities, if they had women in management positions as well as typists.

And I was grilling him really badly, and my colleagues sort of jumped on me and said that this man bends over backwards for affirmative action. He's not the one you should jump on.

Then I found out, you know, he gave so much money to NAACP and scholarships that he hired young black architects to work in his firm. So that's how I knew him.

Q You've told a lot of information today, and I'm going to capsulize it.

And I'm not trying to slant your testimony in any way. I'm just trying to make sure and check my understanding of what you've said today.

A Okay.

Q And please correct me if I'm not stating this properly.

A All right.

Q With reference to 1990, you had an understanding that people could stand up for you, but if they were co-signers or guarantors, they would be liable?

A I had never heard of the term guarantor or endorser before.

Q Okay.

A Co-signer, I know is liable.

Q If people contributed directly or loaned you money directly, they would be liable and --

A If it was over $1,000 per election, unless they

have a PAC, then they could go up to 5,000.

Q That of those people who actually stood up for you, your best recollection is that you did not ask their assistance one-on-one?

A I don't believe I did. No.

Q That you were not aware until approximately November, 1990 that anyone other than you had signed any forms at the bank?

A That's right.

Q Until your counsel told --

A I still haven't seen any forms signed, you know.

Q Until your counsel, Ken Gross, told you that Anthony Soave was involved with the loan transaction, you had no knowledge of his involvement?

A That's right.

Q That it was clear to you from the beginning that the purpose of the loan was for campaign-related expenses?

A Yes.

Q So that people who stood up for you had that understanding of the purpose also?

A Well for most everybody, I think so, yes. Like, I didn't tell them I'm going to use this much for personal

and I'm going to use this much for campaign. I didn't tell them that.

Q Was there any doubt in your mind that people knew you wanted money for campaign expenses?

A It was for both. I have to tell you that. They knew that I wanted some money for other things. So that's why I cannot tell you how much, you know, was going to be for campaign and how much was going to be for other things.

And they didn't ask me and I didn't tell them. So, you know, they knew that I was borrowing money mostly for the campaign, but for other things, too.

Q That's just a very brief capsulation of what I believe to be some of the major points you made, but I open it to you to add anything you'd like.

MR. GROSS: Maybe we should take a break before we do that so I get her to do a nondirective narrative if there's anything we want to get into.

(Discussion off the record.

MS. BAKER: We are back on the record after a short break. Can you just read our last interchange.

(The reporter read the record as requested.

THE WITNESS: You also asked if I had any questions about FEC.

When we took a break, you said if I had any more statements I wanted to make for the record, and if I had any questions about FEC.

One of the things I want to say is that I've tried to be very honest remembering the things. I've bent over backwards remembering.

If I said something wrong, say, a date or you know, something frivolous, it was only because of trying to remember. And five years is a long time. I've been through an awful lot in that time. Okay.

I have not gone back through my campaign reports. I should, but I have not. So you know, I can't answer all of your questions.

My question, I do want to ask at this time about Mr. Sallie, if you would depose him or some how or other get his testimony in so he could corroborate what I've said.

If he remembers, and I know he does hundreds of cases, and he might not remember, but if he does remember, I think that it would clarify, you know, what I'm saying

here.

MS. BAKER: All right. Is there anything else?

MR. GROSS: Also I can say that there was a diligent search done to respond to the subpoena.

When the Congresswoman said she didn't go through the reports, memorize all the contents of it, that isn't to say that we didn't diligently search through all the documents.

THE WITNESS: Also I signed everything that FEC asked me to sign. So you could go back to check the records, too, and I think I've given you all the papers I've had.

And when you wanted the records for the low pay off, I went to every credit union and bank. It was not easy, but I did it. So I just hope you'll cooperate with me like I cooperated with you.

MS. BAKER: The Commission rewards cooperation, tries to reward cooperation.

THE WITNESS: Thank you.

MS. BAKER: We are at the end now. And you do have a right to review and sign a transcript of the deposition.

THE WITNESS: Very good.

MS. BAKER: And that is the end.

MR. GROSS: We will review and sign the deposition before it is completed.

MS. BAKER: You're also entitled to a witness fee of $40 plus the mileage of traveling, not from Detroit to here, but your taxi.

THE WITNESS: How about from Detroit to here?

MS. BAKER: I'll explain that in a minute.

THE WITNESS: Okay.

MS. BAKER: And the FEC will send you a check.

THE WITNESS: I want it.

MS. BAKER: The FEC will send it to your counsel and then forward it to --

THE WITNESS: I'll never get it then.

(Discussion off the record.)

(Whereupon, at 3:30 p.m., the deposition was concluded.)

BARBARA-ROSE COLLINS

FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

THIS IS THE END OF MUR # 3181

DATE FILMED 5-28-96 CAMERA NO. 3

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