



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MJR # 2172

DATE FILMED 8/26/88 CAMERA NO. 2

CAMERAMAN K.A.U.

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U.S. Department of Justice

RECEIVED AT THE FEC

86 JAN 29 12:32

Washington, D.C. 20530

27 JAN 1986

36 JAN 31 11:27

GENERAL INVESTIGATIVE

Mr. Charles N. Steele
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Caleb Chandler

Dear Mr. Steele:

Enclosed for whatever attention the Commission considers appropriate under 2 U.S.C. §437g(a) is a copy of material received by the United States Attorney in Albuquerque, New Mexico, pertaining to possible violations of 2 U.S.C. §441f by Caleb Chandler, a candidate for Congress in 1984 from Clovis, New Mexico.

We have determined that, at this juncture, the matter does not present a sufficient likelihood of criminally actionable FECA offenses to warrant investigation by this Department. Accordingly, we do not intend to take further action concerning this allegation.

If we can be of additional assistance to you in this matter, please let us know.

Sincerely,

Gerald E. McDowell, Chief
Public Integrity Section
Criminal Division

By:

Craig C. Donsanto
Craig C. Donsanto, Director
Election Crimes Branch
Public Integrity Section

cc: Honorable William L. Lutz
United States Attorney
Albuquerque, New Mexico

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Wang
cc/b

United States Attorney
District of New Mexico

Post Office Box 607
Albuquerque, New Mexico

505/766-3341
FTS/474-3341

22 October 1985

Mr. Craig C. Donsanto
Attorney at Law
Federal Triangle Building
Room 410
315 9th Street, N.W.
Washington, D. C. 20530

Dear Mr. Donsanto:

RE: CALEB CHANDLER

A Mr. Frank Stanley of Clovis, New Mexico visited our offices on October 18, 1985 and presented a copy of the enclosed letter. Mr. Stanley, the news director at KCLV-KCLV-FM in Clovis, alleges that the congressional candidate did no investigative work, but rather used his investigative service as a means to launder monies that would not otherwise be available to him. Stanley further related that the individual who received the letter that is enclosed is prepared to testify that his payments to the Clovis Investigation Service were not made in furtherance of services rendered, but were in fact a means of aiding the campaign of the candidate without public disclosure.

Mr. Stanley, in reporting these allegations, pointed out that he has had some contact with Mr. Chandler that may leave the impression that he (Stanley) is in some way biased against Chandler.

Because the allegations may support violations of federal election statutes, we are referring the matter to your office. The matter is now assigned to Assistant U. S. Attorney Stanley K. Kotovsky of our office.

Very truly yours,

WILLIAM L. LUTZ
United States Attorney

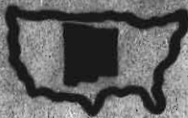
DON J. SVET
First Assistant U.S. Attorney

DJS/lma

Enclosure

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Caleb Chandler



*** *for* CONGRESS

2508 N. Prince St.
Clovis, N.M. 88101

He Puts New Mexico First

(505) 762-3308
(505) 762-5959

November 5, 1982

I can't thank you enough for helping me by being a customer of the Clovis Investigation Service. Your financial help while I was on leave without pay from the police department has been instrumental during the past few months.

If I can ever be of any assistance to you or your family, please do not hesitate to contact me.

All my gratitude,

Caleb

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MUR ASSIGNMENT FORM

Pre-MUR # 153

Date Received 1-31-86

COMPLAINANT Frank Stanley ~~of Lewis~~

RESPONDENT Caleb Chandler

TRACK ASSIGNED _____

FINAL REVIEW BY: A.G.C. G.C.

STAFF ASSIGNED Charles Shepherd

DATE 2/5/86

DUE DATE OF FIRST G.C. REPORT _____

12 day 2/18/
~~40 day~~ 3/18
Signature of G.C.

date

Please return to Docket after assignment.

*Charles - don't forget to
Send a referral letter
to DOJ - form #9*

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 20, 1986

Craig C. Donsanto, Director
Election Crimes Branch
Public Integrity Section
U.S. Department of Justice
Washington, D.C. 20530

RE: PRE-MUR 153

Dear Mr. Donsanto:

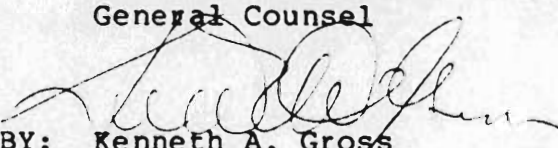
This is to acknowledge receipt of your letter of January 27, 1986, advising us of the possibility of a violation of the Federal Election Campaign Act of 1971, as amended, by Caleb Chandler. We are currently reviewing the matter and will advise you of the Commission's determination.

If you have any questions or additional information, please call Charles Snyder, the attorney assigned to this matter, at (202) 376-5690. Our file number for this matter is PRE-MUR 153.

Pursuant to 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A), the Commission's review of this matter shall remain confidential.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

AID: 42

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION:

PRE-MUR #153
STAFF MEMBER:
Snyder

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

RESPONDENTS' NAMES: Chandler for Congress Committee and
Charles Wade, as treasurer;
Caleb Chandler

RELEVANT STATUTES: 2 U.S.C. §§ 432, 434, 441f; 11 C.F.R.
103.3

INTERNAL REPORTS
CHECKED: Chandler for Congress reports

FEDERAL AGENCIES
CHECKED: U.S. Attorney's Office,
District of New Mexico

GENERATION OF MATTER

This matter was originally referred by the U.S. Attorney's Office, District of New Mexico, to the U.S. Department of Justice, Public Integrity Section. After determining that the matter was not appropriate for criminal prosecution (See Attachment 1), the Department of Justice referred the case to the Federal Election Commission (See Attachment 2).

SUMMARY OF ALLEGATIONS

The underlying allegation in this matter emanates from Frank Stanley, the news director of KCLV-KCLV-FM in Clovis, New Mexico. According to Mr. Stanley, Caleb Chandler accepted funds from an unidentified person or persons, purportedly for services rendered by the Clovis Investigation Service, but actually as

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contributions to Chandler's campaign for Congress. According to Mr. Stanley, no investigative services had in fact been rendered to the person(s) making the payment(s). Mr. Stanley further states that an unidentified donor is prepared to testify that the payment in question was intended as a campaign contribution, notwithstanding a letter from Chandler acknowledging receipt of a payment for investigative services. (See Attachments 3 and 4). Mr. Stanley acknowledges that he may appear to be prejudiced against Mr. Chandler for some undisclosed reason. (Attachment 3).^{*/}

FACTUAL AND LEGAL ANALYSIS

The allegations raise the possibility of several violations of the Federal Election Campaign Act ("the Act") and the Commission's regulations. First, the Chandler for Congress Committee ("CCC") would have violated the reporting requirements of 2 U.S.C. § 434 if it failed to report the receipt of the alleged contribution. Second, CCC would have violated 11 C.F.R. § 103.3 if it failed to deposit the contribution in its campaign treasury within 10 days. Third, the transaction may involve an illegal contribution in the name of another. Under the Act,

No person shall make a contribution in the name of another person or knowingly

^{*/} Mr. Chandler was the Deputy Chief of Police of the City of Clovis, New Mexico, and took a leave of absence without pay in order to run for Congress in 1982, not in 1984, as stated in the referral letter. Apparently, the Clovis Investigative Service was established during this leave of absence.

permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 441f. If funds were contributed to CCC by someone using the Clovis Investigative Service as a conduit and thereby causing a contribution to appear to have been made in the name of an entity other than the true contributor, then CCC may have violated 2 U.S.C. § 441f. Mr. Chandler would also have violated the same statute if he knowingly accepted on behalf of CCC a contribution made in the name of another.

Also, the as yet unidentified person who allegedly made this contribution, may have violated 2 U.S.C. § 441f. Once that person is identified, this Office will make the appropriate recommendations. It is true that the facts in this matter are sketchy and we do not know many essential elements that would be necessary to substantiate a violation. However, Mr. Stanley has indicated that he has further information in regard to the alleged actions. Thus, this Office recommends that interrogatories be sent to Mr. Stanley.

RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that the Chandler for Congress Committee and Charles Wade, as treasurer, violated 2 U.S.C. §§ 434 and 441f and 11 C.F.R. § 103.3.
3. Find reason to believe that Caleb Chandler violated 2 U.S.C. § 441f.

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4. Approve and send the attached order and interrogatories to Frank Stanley.
5. Approve and send the attached letters and General Counsel's Legal and Factual Analysis.

Charles N. Steele
General Counsel

April 16, 1986
Date

BY:

Kenneth A. Gross
Associate General Counsel

Attachments

1. Letter from Gerald E. McDowell and Craig C. Donsanto to William L. Lutz.
2. Referral
3. Letter from William L. Lutz and Don J. Svet to Craig C. Donsanto.
4. Letter from Caleb Chandler to person or persons unknown.
5. Interrogatories and Order to Frank Stanley
6. General Counsel's Legal and Factual Analyses
7. Letters to Respondents

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL
FROM: MARJORIE W. EMMONS/ CHERYL A. FLEMING *CAF*
DATE: APRIL 21, 1986
SUBJECT: OBJECTION TO Pre-MUR 153 - First General Counsel's
Signed April 16, 1986

The above-named document was circulated to the
Commission on Thursday, April 17, 1986 at 4:00 P.M.

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

Commissioner Aikens	_____
Commissioner Elliott	_____ X _____
Commissioner Harris	_____
Commissioner Josefiak	_____ X _____
Commissioner McDonald	_____
Commissioner McGarry	_____

This matter will be placed on the Executive Session
agenda for Tuesday, April 29, 1986.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL
FROM: MARJORIE W. EMMONS/ CHERYL A. FLEMING (AF)
DATE: APRIL 25, 1986
SUBJECT: OBJECTION TO Pre-MUR 153 - FIRST GENERAL COUNSEL'S
SIGNED APRIL 16, 1986

The above-named document was circulated to the
Commission on Thursday, April 17, 1986 at 4:00 P.M.

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

Commissioner Aikens	<u> x </u>
Commissioner Elliott	<u> </u>
Commissioner Harris	<u> </u>
Commissioner Josefiak	<u> </u>
Commissioner McDonald	<u> </u>
Commissioner McGarry	<u> </u>

This matter will be placed on the Executive Session
agenda for Tuesday, April 29, 1986.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Chandler for Congress Committee) Pre-MUR 153
and Charles Wade, as treasurer;)
Caleb Chandler)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of April 29, 1986, do hereby certify that the Commission decided by a vote of 4-2 to take the following actions in Pre-MUR 153:

1. Open a MUR.
2. Find reason to believe that the Chandler for Congress Committee and Charles Wade, as treasurer, violated 2 U.S.C. §§ 434 and 441f and 11 C.F.R. § 103.3.
3. Find reason to believe that Caleb Chandler violated 2 U.S.C. § 441f.
4. Approve and send the order and interrogatories to Frank Stanley as recommended in the General Counsel's report dated April 16, 1986.
5. Approve and send the letters and General Counsel's Legal and Factual Analysis as recommended in the General Counsel's report dated April 16, 1986.

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

Attest:

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

April 30, 1986
Date

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 1, 1986

Frank Stanley
News Director - KCLV-KCLV-FM
2112 Thornton Street
Clovis, New Mexico

RE: MUR 2172

Dear Mr. Stanley:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you provide certain information has been issued. The Commission does not consider you a respondent in this matter; but rather a witness only.

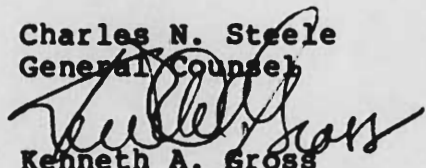
Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within fifteen days of your receipt of this subpoena and order.

If you have any questions, please direct them to Charles Snyder the attorney handling this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel


By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena & Order
Questions

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 1, 1986

Caleb Chandler
1919 Miller Street
Clovis, New Mexico 88101

RE: MUR 2172
Caleb Chandler

Dear Mr. Chandler:

On April 29, 1986, the Federal Election Commission determined that there is reason to believe you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's 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 which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within fifteen days of your receipt of this letter. Statements should be submitted under oath.

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

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

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Caleb Chandler
Page 2

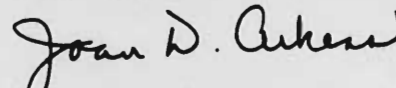
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of General Counsel is not authorized to give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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

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

Sincerely,

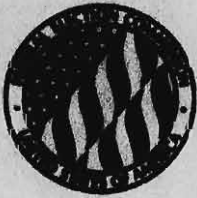


Joan D. Aikens
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 1, 1986

Charles F. Wade, Treasurer
Chandler for Congress Committee
1919 Miller
Clovis, New Mexico

RE: MUR 2172
Chandler for Congress
Committee and Charles F. Wade,
as treasurer

Dear Mr. Wade:

On April 29, 1986, the Federal Election Commission determined that there is reason to believe the Chandler for Congress Committee and you, as treasurer, violated 2 U.S.C. §§ 434 and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and 11 C.F.R. § 103.3 of the Commission's regulations. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

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

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

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

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Charles F. Wade
Treasurer
Page 2

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.

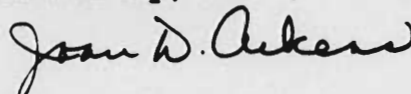
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of General Counsel is not authorized to give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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

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

Sincerely,



Joan D. Aikens
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

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ROWLEY and PARKER, P.C.

ATTORNEYS AT LAW

P. O. Box 790

Clovis, New Mexico 88101

Richard F. Rowley (1908-1980)
Robert S. Hammond (1919-1982)
Richard F. Rowley II
Joe Parker

305 Pike Street
Telephone
(505) 763-4457

May 20, 1986

Federal Election Commission
Washington, D. C. 20463

ATT: Charles Snyder

RE: MUR 2172
Caleb Chandler

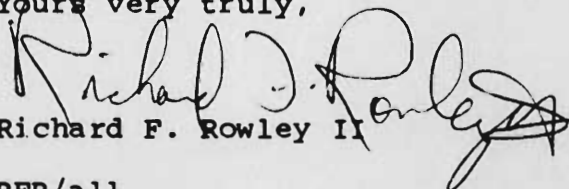
Dear Mr. Snyder:

Pursuant to a letter received by Caleb Chandler dated May 1, 1986 from the Federal Election Commission and our telephone conversation several days later I am enclosing an Affidavit with attaching supporting documentation which has been prepared by Mr. Chandler.

I believe that the material is complete and would hope that once it has been reviewed this matter can be closed. I am also enclosing a Statement of Designation of Counsel for your file.

If you have any questions or comments please let me know. I am responding by way of separate letter for Mr. Wade who also received a letter from the Federal Election Commission.

Yours very truly,


Richard F. Rowley II

RFR/all

Enclosures

RECEIVED
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86 MAY 27 AID: 39

RECEIVED
GENERAL COUNSEL

03040712992

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2172

NAME OF COUNSEL: Richard F. Rowley II

ADDRESS: Post Office Box 790

305 Pile

Clovis, New Mexico 88101

TELEPHONE: (505) 763-4457

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

5-20-1986
Date

Caleb Chandler
Signature

RESPONDENT'S NAME: Caleb Chandler

ADDRESS: 1919 Miller Street

Clovis, New Mexico 88101

HOME PHONE: (505) 762-5959

BUSINESS PHONE: (505) 769-1921

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investigative services, it was necessary for me to obtain a private investigator's bond. The billing for such bond is attached hereto and made part hereof as Exhibit C.

7. A contract was prepared which was executed by individual clients of Clovis Investigative Services. A copy of that form contract is attached hereto and made a part hereof as Exhibit D.

8. Because I believed that it might be necessary to employ others to service clients of Clovis Investigative Services during my absence for campaign purposes, I obtained an employer identification number. A copy of that request is attached hereto and made a part hereof as Exhibit E.

9. My business remained operational between the time of initial application for a license and the conclusion of the general election in 1982. During that time, I held myself available for the performance of services in accord with the contract and when called upon I responded. I had some nineteen (19) different clients at one time or another during this period.

10. I opened an account in the name of Clovis Investigation Service on April 13, 1982, at the Western Bank of Clovis (Acct. No. 1011139501). All business receipts were deposited to this account. Copies of all monthly bank statements are attached hereto and made a part hereof as Exhibit F.

11. Business receipts totalled \$6500. Copies of monthly gross receipts tax returns filed for this income as required by the State of New Mexico are attached hereto and made a part hereof as Exhibit G. New Mexico and Federal income tax was paid on all receipts attributable to this business as well as self employment tax. Copies of these returns are attached hereto as Exhibits H, I, and J respectively.

12. The only expenditures from this account were made in furtherance of the business purpose and to meet personal living expenses. An expenditure break down denoting purposes of the expenditure is attached hereto as Exhibit K. No expenditures were made in furtherance of my political campaign.

13. Because my general election campaign was not successful, I terminated my employment as a private investigator and returned to my employment with the Clovis

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Police Department.

In witness whereof I have hereunto set my signature this
20th day of May, 1986.

Caleb Chandler
Caleb Chandler

Before me this 20th day of May, 1986, personally
appeared Caleb Chandler, a person known to me, who after
being duly sworn acknowledged that he was aware of the
contents of the foregoing affidavit and the attached
exhibits and that the same were true and correct to the
best of his knowledge and belief.

Antoinette L. Linder
Notary Public

My Commission Expires
July 12, 1986

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Exhibit A

LES OR DONNA CHANDLER
1919 MILLER ST. 768-0000
CLOVIS, N.M.

3-10 1982

PAID

95-30
1122

\$ 100.00/100

Dollars

Cable Chandler

1122003031 38 650 21

000000 100000

COPIES OF CHECK

88040712997

Exhibit B

PR-1001
Uarco Business Forms - P

CITY of CLOVIS BOX 788
CLOVIS, N.M. 88101

KEEP THIS COPY
FOR YOUR RECORDS

**GENERAL REPORT
OF OCCUPATION TAXES AND SALES TAX**

DATE
4-28-82

ACCOUNT NO.
51741

TYPE OF SALE	GROSS SALES	RATE	TAX
RETAIL SALES & SERVICE	Reg Fee	0.1%	25.00
WHOLESALE SALES & SERVICE		0.07%	
MOTOR VEHICLE DEALERS		0.005%	

TOTAL 1	25.00
---------	-------

ANNUAL OR FLAT RATE CURRENT	ANNUALS	TOTAL 2
BUSINESS DAMAGE CURRENT		TOTAL 3

ENTER TOTALS OF 1 AND 2
25.00

Clovis Investigation Service
104 W 5th
New

I CERTIFY THIS REPORT TO BE CORRECT DATE SIGNATURE

86671204088

Exhibit C

38040712999

INVOICE NUMBER No 71835		Fitzhugh Malloy Ormon <small>ORMON 1040 / PHONE 763-4400 / CLOVIS, NEW MEXICO 88101</small>	
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT			
CALEB CHANDLER DBA CLOVIS INVESTIGATION AGENCY 1919 MILLER CLOVIS, NEW MEXICO 88101			
CUSTOMER NO. CHA230	INSURED'S NAME IF DIFFERENT FROM CUSTOMER FILE		DATE 3/17/82
POLICY NUMBER 5760-41-88	EFFECTIVE DATE MO-DAY-YR 3/10/82	RENEWAL DATE MO-DAY-YR 6/30/83	INVOICE NUMBER No 71835
BUSINESS CODE 85	COMPANY CODE 25	DESCRIPTION OF COVERAGE PRIVATE INVESTIGATORS BOND	
PREMIUMS ARE DUE ON EFFECTIVE DATE OF POLICY		PREMIUM 30.00	
		BALANCE 30.00	

1% Late Charge Applied to Balances After 60 Days.

PRINTED IN U.S.A.

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SMB-6/DP R4 12/73 PRINTED IN U.S.A.

DATE	INVOICE NO.	DESCRIPTION	AMOUNT
3-10-82	57604188	SURETY BONDS	30.00
Payments made in the last ten days may not appear until next month.		AMOUNT PAST DUE	PLEASE PAY AMOUNT DUE
			30.00
FITZHUGH MALLOY & ORMAN			

1.50% LATE CHARGE AFTER 30 DAYS SUBJECT TO \$0.50 MINIMUM CHARGE

AGREEMENT

Date:

This agreement is made and entered into by and between Caleb Chandler, 1919 Miller, Clovis, New Mexico, doing business as Clovis Investigation Service, his agents and employees, hereinafter referred to as Party of the First Part and

_____,
Clovis, New Mexico, hereinafter referred to as Party of the Second Part:

Witnesseth, that for and in consideration of the following, covenants the parties hereto agree as follows:

1. Party of the First Part will provide investigation services as requested by Party of the Second Part.

2. "Investigation Services" as used herein include making an investigation for the purpose of obtaining information with reference to: crime or wrongs done or threatened against the United States of America or any state; the identity, habits, conduct, business, occupation, honesty, integrity, credibility, knowledge, trustworthiness, efficiency, loyalty, activity, whereabouts, affiliation, association, transaction, acts, reputation, or character of any person; the location, disposition, or recovery of lost or stolen property; the cause or responsibility for fires, liabilities, losses, accidents or damage or injury to persons or property (ies); or securing evidence to be used before any court, board, officer or investigating committee.

3. Party of the First Part is a private investigator licensed in the State of New Mexico.

4. Party of the Second Part agrees to pay to Party of the First Part the sum of \$_____ per month due and payable on or before the _____ day of each month as a monthly retainer.

5. In consideration of such payment Party of the First Part agrees that his services are retained by Party of the Second Part; that he will accept no conflicting employment adverse to the interests of Party of the Second Part; that when investigative services are required by Party of the Second Part, Party of the First Part will make the same available within twenty-four hours after the request is made.

6. That the fee for such services will be \$25.00 per hour plus actual costs incurred, but that the billing shall be reduced by the amount of the accumulated monthly retainer paid to Party of the First Part by Party of the Second Part.

7. Party of the First Part makes no warranties as to the success of any investigative efforts called for herein.

8. Any party hereto may cancel this agreement at any time by giving notice to the other party. Further this agreement shall be deemed to be cancelled, if Party of the Second Part should fail to make any payment called for herein when due.

Caleb J. Chandler
Party of the First Part

38040713002

**Payer's Request for Taxpayer
Identification Number**

Exhibit E

Name as shown on account (If joint account, also give joint owner's name)
CALEB J. CHANDLER
Address
1919 MILLER
City, State, and ZIP code
C. LOUIS N. MEX. 88101
List account number(s) here (See instructions) ▶ **52442-4**

PART I.—Taxpayer Identification Number

**PART II.—Backup Withholding On
Accounts Opened After
12/31/83**

Enter the taxpayer identification number in the appropriate box. For most individual taxpayers, this is the social security number.

Note: If the account is in more than one name, see the chart on page 2 for guidelines on which number to give the payer.

Social security number

585 : 01 : 2442

OR

Employer identification number

Check the box if you are NOT subject to backup withholding under the provisions of section 3406(a)(1)(C) of the Internal Revenue Code.

(See Highlight below.)



Certification.—Under the penalties of perjury, I certify that the information provided on this form is true, correct, and complete.

Signature ▶

Caleb Chandler

Date ▶

3-26-84

Instructions (Section references are to the Internal Revenue Code.)

**Highlight for Interest or Dividend Accounts Opened After
12/31/83—Backup Withholding**

You may be notified that you are subject to backup withholding under section 3406(a)(1)(C) because you have underreported interest or dividends or you were required to but failed to file a return which would have included a reportable interest or dividend payment. If you have NOT been so notified, check the box in PART II. Note: Backup withholding may apply to existing accounts as well as accounts opened after December 31, 1983.

Cautions: There are other situations where you may be subject to backup withholding. Please read the instructions below carefully.

Purpose of Form

Use this form to report the taxpayer identification number (TIN) of the record owner of the account to the payer (or broker).

Beginning January 1, 1984, payers must generally withhold 20% of taxable interest, dividend, and certain other payments if you fail to furnish payers with the correct taxpayer identification number (this is referred to as backup withholding). For most individual taxpayers, the taxpayer identification number is the social security number.

To prevent backup withholding on these payments, be sure to notify payers of the correct taxpayer identification number and, for accounts you open after December 31, 1983, properly certify that you are not subject to backup withholding under section 3406(a)(1)(C).

You may use this form to certify that the taxpayer identification number you are giving the payer is correct and, for accounts opened after December 31, 1983, that you are not subject to backup withholding.

If the payer provides a different form than Form W-9 to request the taxpayer identification number, please use it.

Backup Withholding

You are subject to backup withholding if:

- (1) You fail to furnish your taxpayer identification number to the payer, OR
- (2) The Internal Revenue Service notifies the payer that you furnished an incorrect taxpayer identification number, OR
- (3) You are notified that you are subject to backup withholding (under section 3406(a)(1)(C)), OR
- (4) For an interest or dividend account opened after December 31, 1983, you fail to certify to the payer that you are not subject to backup withholding under (3) above, or fail to certify your taxpayer identification number.

For payments other than interest or dividends, you are subject to backup withholding only if (1) or (2) above applies.

(See the section on the back titled "Payees Exempt from Backup Withholding.")

**Payments of Interest, Dividends, and Patronage
Dividends**

Accounts Opened Before January 1, 1984

To certify that the taxpayer identification number is correct for accounts opened before January 1, 1984, fill out your name and address, enter your account number(s) (if applicable), complete Part I, sign and date the form and return it to the payer.

Accounts Opened After December 31, 1983

To certify that the taxpayer identification number is correct and that you are not subject to backup withholding under section 3406(a)(1)(C) for accounts opened after December 31, 1983, fill out your name and address, enter your account number(s) (if applicable), complete Parts I and II, sign and date the form and return it to the payer.

If you are subject to backup withholding and are merely providing your correct taxpayer identification number to the payer, fill out your name, address, enter your account number(s) (if applicable), and complete Part I.

Other Payments

If you are merely providing your correct taxpayer identification number to the payer for payments other than interest, dividends, and patronage dividends, you need not sign this form. Fill out your name and address, enter your account number(s) (if applicable), complete Part I and return the form to the payer.

Account Numbers

If you have more than one account with the same payer (for example, a savings account and a certificate of deposit at the same bank), the payer may request a separate Form W-9 for each account depending on how the payer's records are kept.

What Number to Give the Payer

Give the payer the social security number or employer identification number of the record owner of the account. If the account belongs to you as an individual, give your social security number. If the account is in more than one name or is not in the name of the actual owner, see the chart on page 2 for guidelines on which number to report.

Obtaining a Number

If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Number Card, or Form SS-4, Application for Employer Identification Number, at the local office of the Social Security Administration or the Internal Revenue Service and apply for a number. Write "applied for" in Part I in place of your number. When you get a number, submit a new Form W-9 to the payer.

Department of the Treasury
Internal Revenue Service

18253527

CALEB J CHANDLER
CLOVIS INVESTIGATION SERVICE
104 W 5TH
CLOVIS

NM 88101

If you inquire about 05-19-82
your account, please Employer Identification Number
refer to this 85-0289290.
number or attach a ▶
copy of this notice

Date of This Notice

575 N

88040713004

STATE OF NEW MEXICO
REVENUE DIVISION
APPLICATION FOR REGISTRATION

Exhibit 6



This application is to be used for registration for the following tax programs: Combined Reporting Systems (CRS), Gross Receipts Tax, Compensating Tax, County Tax, Municipal Tax, Withholding Tax, Gasoline Sales Registration, Cigarette Sales Registration, Severance Tax and Resources Excise Tax Registration.

Expayer registration is required by New Mexico statutes under Section 7-1-12, N.M.S.A. 1978. Supplemental information and general instructions concerning reporting will be mailed to you along with the Registration Certificate. Please complete the application in full. Questions which do not apply should be marked "N/A" (Not Applicable). Date Business Activity Started in New Mexico means that date you initially made a sale of, or derived receipts from performing services in New Mexico, selling property in New Mexico or leasing property employed in New Mexico, or the tentative date you anticipate deriving such receipts.

1. Business Name: Clovis Investigation Service		Telephone No. 762-5989	DEPT. USE ONLY ID 01- -00- Date Issued: CX-2000 CX-2010 SIC: <input type="checkbox"/> 6-Mo. Request
Mailing Address 1919 Miller			
City Clovis	State New Mexico	Zip Code 88101	

2. Principal Business Location (s) 104 W. 5th Street Clovis, New Mexico City - State 88101 Zip Code		
--	--	--

3. Date Business Activity Started or is anticipated to start in N.M.: 4/1/82	4. Type of Ownership: <input checked="" type="checkbox"/> Proprietorship/Sole owner <input type="checkbox"/> Partner/Assoc./Joint Ven. <input type="checkbox"/> Corporation <input type="checkbox"/> Coop. Assoc. <input type="checkbox"/> Sub-Chapter S Corp. <input type="checkbox"/> Federal Agency <input type="checkbox"/> State agency <input type="checkbox"/> Munic. or county <input type="checkbox"/> Fiduciary <input type="checkbox"/> Indian Tribe or Pueblo <input type="checkbox"/> Other (Please specify)
--	--

5. If Proprietorship, list owner. If partnership, list partners. If Assoc./Joint Venture, list members. If corporation, list officers. NAME Caleb J. Chandler HOME ADDRESS 1919 Miller, Clovis, NM 88101 SOCIAL SECURITY NO. 585-01-2442		
---	--	--

6. Federal Identification Number (if any): Applied for	7. County where principal office in N.M. is located: Curry	8. Date began paying wages in N.M.: None being paid at this time	9. Method of Reporting: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual
--	--	--	---

10. Primary type of business in New Mexico <input type="checkbox"/> OTHER (Please Specify) <input type="checkbox"/> Manufacturing <input type="checkbox"/> Retail <input type="checkbox"/> Franchisor <input type="checkbox"/> Liquor License No. (If Applicable) <input type="checkbox"/> Wholesale <input checked="" type="checkbox"/> Service <input type="checkbox"/> Leasing
--

11. Description of primary goods or services sold by your New Mexico operations: Investigative services	12. Select from the table on the reverse side the Standard Industrial Classification Code which most closely describes the nature of your primary business in New Mexico. 7300
---	--

13. If this is not a new business, give former owner's business name and address:	14. Former owner's CRS ID number:
---	-----------------------------------

15. Are you currently operating another business in N.M.? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	If yes, give CRS ID number and state whether you wish to use the CRS ID number which you have for all business locations provided ownership is identical. ID No. <input type="checkbox"/> YES <input type="checkbox"/> NO
---	---

16. Have you operated a business in New Mexico in the past? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	If yes, give name and CRS ID number
---	-------------------------------------

GASOLINE SALES REGISTRATION: 17. Will business sell gasoline? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, what type of business? <input type="checkbox"/> Retail <input type="checkbox"/> Wholesale <input type="checkbox"/> Distributor		DEPT. USE ONLY GTx- CIG SEV RES
CIGARETTE SALES REGISTRATION: 18. Will business sell cigarettes? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, what type of business? <input type="checkbox"/> Retail <input type="checkbox"/> Wholesale <input type="checkbox"/> Distributor <input type="checkbox"/> Manufacture		
SEVERANCE TAX AND RESOURCES EXCISE TAX REGISTRATION: 19. Will the business be engaged in severing natural resources? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Type(s) of Resource 20. Will the business be engaged in processing natural resources? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		

Under penalty of perjury, I swear or affirm that the information reported in this form and any attached supplements is true and correct as to every material matter.
This application is to be signed by the owner, if the taxpayer is a proprietorship; by a partner, if the taxpayer is a partnership; and by one of the officers, if the taxpayer is a corporation; or by a person authorized to sign.
By: **Caleb Chandler** Date: **4/28/82**
Title: **Owner**



BULK RATE
U.S. POSTAGE
PAID
PERMIT NO.

TAXPAYER'S COPY

NAME			
CLAVIS INVESTIGATION SERVICE			
STREET/BOX			
1919 MILLER			
CITY, STATE, ZIP			
CLAVIS, NM 88101			

REVENUE DIVISION USE ONLY

INITIAL REPORT

01-155324-00-3

04/01/82 thru 04/30/82

**NOTE: FILE FOR EVERY REPORT PERIOD
EVEN IF NO TAXES ARE DUE TO AVOID
PAYMENT OF PENALTY.**

NEW MEXICO IDENTIFICATION NUMBER
(Refer to this number in all correspondence)

TAX PERIOD
(Due on or before the 25th of the month following the end of the tax period covered by this report.)

**COMBINED REPORT FORM**

GROSS RECEIPTS TAX, COUNTY GROSS RECEIPTS TAX, MUNICIPAL GROSS RECEIPTS TAX, COMPENSATING TAX AND WITHHOLDING TAX

Please use this computer pre-addressed form when filing to avoid a delay in processing.
If unable to use a preaddressed form, print New Mexico Identification Number, Taxpayer's Name and Mailing Address and Zip Code in the spaces provided. If preprinted information is not correct, print the corrected information. If you are no longer in business, please return this form with an explanation, including the date you ceased operations.

**NOTE: DO NOT TAKE CREDIT FOR AN OVERPAYMENT ON THIS REPORT FORM. PLEASE
FILE AN APPLICATION FOR REFUND, FORM RP-19.**

Report

4261

Revised
Jan., 1982REVENUE DIVISION
Use Only

Late Filing Date

NOTE: COMPLETE SCHEDULE A ON REVERSE SIDE IN FULL BEFORE FILLING IN THIS PAGE

- 1. GROSS RECEIPTS and COUNTY/MUNICIPAL GROSS RECEIPTS TAX** Complete SCHEDULE A on the back of this form and enter only the Gross Receipts Tax Due from Line 8.....

51,00

- ## 2 COMPENSATING TAX

-0-

- 2. WITHHELD INCOME TAX**

—0—

4. TOTAL TAX DUE (add lines 1, 2 and 3)

51.00

- ### **5. Penalty for Late Filing of This Report**

(2% of Line 4 per month or partial month up to 10% or a minimum of \$5.00, whichever is greater, even if no tax is due.)

- ### 6. Interest for Late Filing of this Report

(% of 1% of Line 4 per month or partial month that this Report is late)

- 7. TOTAL AMOUNT DUE** (add lines 4, 5 & 6) **Pay This Amount**

51.00

Amount Permitted

MAKE CHECKS PAYABLE TO REVENUE DIVISION. MAIL TO BOX 630, SANTA FE, NEW MEXICO 87508-0630

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete.

**Signature of
Taxpayer or Agent**

[illegible]

Tax Period 04 / 01 / 82 Thru 04 / 30 / 82
(Mo. - Day - Year) (Mo. - Day - Year)



BULK RATE
U.S. POSTAGE
PAID
PERMIT NO.
888

ADDRESS CORRECTION REQUESTED

TAXPAYER'S COPY

NAME CLOVIS INVESTIGATION SERVICE	
STREET/BOX 1919 MILLER	
CITY, STATE, ZIP CLOVIS NM 88011	

REVENUE DIVISION USE ONLY

01-155324-00 3

05/01/82 THRU 05/31/82

NOTE: FILE FOR EVERY REPORT PERIOD
EVEN IF NO TAXES ARE DUE TO AVOID
PAYMENT OF PENALTY.

NEW MEXICO IDENTIFICATION NUMBER
(Refer to this number in all correspondence)

TAX PERIOD
(Due on or before the 25th of the month
following the end of the tax period
covered by this report.)



COMBINED REPORT FORM

GROSS RECEIPTS TAX, COUNTY GROSS RECEIPTS TAX, MUNICIPAL GROSS
RECEIPTS TAX, COMPENSATING TAX AND WITHHOLDING TAX

Please use this computer pre-addressed form when filing to avoid a delay in processing.
If unable to use a preaddressed form, print New Mexico Identification Number, Taxpayer's Name and Mailing Address and
Zip Code in the spaces provided. If preprinted information is not correct, print the corrected information. If you are no longer
in business, please return this form with an explanation, including the date you ceased operations.

NOTE: DO NOT TAKE CREDIT FOR AN OVERPAYMENT ON THIS REPORT FORM. PLEASE
FILE AN APPLICATION FOR REFUND, FORM RP-16.

Report
CRS
Revised Jan., 1982

NOTE: COMPLETE SCHEDULE A ON REVERSE SIDE IN FULL BEFORE FILLING IN THIS PAGE

1. GROSS RECEIPTS and COUNTY/MUNICIPAL GROSS RECEIPTS TAX	Complete SCHEDULE A on the back of this form and enter only the Gross Receipts Tax Due from Line 8.....	29.75
2. COMPENSATING TAX		-0-
3. WITHHELD INCOME TAX		-0-
4. TOTAL TAX DUE (add lines 1, 2 and 3)		29.75
5. Penalty for Late Filing of This Report	(2% of Line 4 per month or partial month up to 10% or a minimum of \$5.00, whichever is greater, even if no tax is due.)	
6. Interest for Late Filing of this Report	(1/2 of 1% of Line 4 per month or partial month that this Report is late)	
7. TOTAL AMOUNT DUE (add lines 4, 5 & 6)	Pay This Amount	29.75

REVENUE DIVISION Use Only
Late Filing Date
Amount Remitted

MAKE CHECKS PAYABLE TO REVENUE DIVISION. MAIL TO BOX 630, SANTA FE, NEW MEXICO 87508-0630

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is
true, correct and complete.
Signature of Taxpayer or Agent Cathy Chandler Title Owner Tax Period 05 01 82 Thru 05 31 82
(Mo. - Day - Year) (Mo. - Day - Year)



ADDRESS CORRECTION REQUESTED

TAXPAYER'S COPY

NAME CLOVIS INVESTIGATION SERVICE	
STREET/BOX 1919 MILLER	CITY, STATE, ZIP CLOVIS NM 88301

REVENUE DIVISION USE ONLY	

01-255324-00 3

06/01/82 THRU 06/30/82

NOTE: FILE FOR EVERY REPORT PERIOD
EVEN IF NO TAXES ARE DUE TO AVOID
PAYMENT OF PENALTY.

NEW MEXICO IDENTIFICATION NUMBER
(Refer to this number in all correspondence)

TAX PERIOD
(Due on or before the 25th of the month
following the end of the tax period
covered by this report.)



COMBINED REPORT FORM

GROSS RECEIPTS TAX, COUNTY GROSS RECEIPTS TAX, MUNICIPAL GROSS
RECEIPTS TAX, COMPENSATING TAX AND WITHHOLDING TAX

Please use this computer pre-addressed form when filing to avoid a delay in processing.
If unable to use a preaddressed form, print New Mexico Identification Number, Taxpayer's Name and Mailing Address and
Zip Code in the spaces provided. If preprinted information is not correct, print the corrected information. If you are no longer
in business, please return this form with an explanation, including the date you ceased operations.

NOTE: DO NOT TAKE CREDIT FOR AN OVERPAYMENT ON THIS REPORT FORM. PLEASE
FILE AN APPLICATION FOR REFUND, FORM RP-16.

Report

CRS 1

Revised
Jan., 1982

NOTE: COMPLETE SCHEDULE A ON REVERSE SIDE IN FULL BEFORE FILING IN THIS PAGE

REVENUE DIVISION
Use Only

Late Filing Date

1. GROSS RECEIPTS and
COUNTY/MUNICIPAL
GROSS RECEIPTS TAX Complete SCHEDULE A on the back of this form and enter only
the Gross Receipts Tax Due from Line 8.....

55.25

2. COMPENSATING TAX

-0-

3. WITHHELD INCOME TAX

-0-

4. TOTAL TAX DUE (add lines 1, 2 and 3)

55.25

5. Penalty for Late Filing of This Report

(2% of Line 4 per month or partial month up to 10%
or a minimum of \$5.00, whichever is greater, even if
no tax is due.)

6. Interest for Late Filing of This Report

(1% of 1% of Line 4 per month or partial
month that this Report is late)

7. TOTAL AMOUNT DUE (add lines 4, 5 & 6) Pay This Amount

55.25

Amount Remitted

MAKE CHECKS PAYABLE TO REVENUE DIVISION. MAIL TO BOX 630, SANTA FE, NEW MEXICO 87508-0630

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is
true, correct and complete.

Signature of

Taxpayer or Agent

Title

Owner

Tax

Period

06 / 01 / 82 Thru 06 / 30 / 82

(Mo. - Day - Year)

(Mo. - Day - Year)

REGISTERED REPORT FORM



BULK RATE
U.S. POSTAGE
PAID
PERMIT NO.
206

NAME **CLOVIS INVESTIGATION SERVICE**
STREET/BOX **1919 HILL**
CITY, STATE, ZIP **CLOVIS NM 88101**

REVENUE DIVISION USE ONLY

LINE	DESCRIPTION	AMOUNT	DATE
1.	GROSS RECEIPTS AND COUNTY/MUNICIPAL GROSS RECEIPTS TAX	25.50	
2.	COMPENSATING TAX	0.00	
3.	WITHHELD INCOME TAX	0.00	
4.	TOTAL TAX DUE	25.50	

5.	PENALTY FOR LATE FILING OF THIS REPORT		
6.	INTEREST FOR LATE FILING OF THIS REPORT		
7.	TOTAL AMOUNT DUE (Add lines 4, 5, & 6) PAY THIS AMOUNT	25.50	

Under penalty of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete.

Signature of Taxpayer or Agent

Title: Owner Tax Period 07/01/82 thru 07/31/82
(Mo. - Day - Year) (Mo. - Day - Year)

83040713009



Report
CRS 1
Revised July, 1982

LINE INSTRUCTIONS

- GROSS RECEIPTS TAX.** Complete Schedule A on the back of this form and enter amount from Line 8.
- COMPENSATING TAX.** 3% percent of the value of:
 - property acquired or purchased outside New Mexico and brought in this state for use when no sales or similar tax has been paid;
 - property or services acquired or purchased for a nontaxable use and then used by the buyer. (Example: A grocer issues a nontaxable transaction certificate to purchase food for resale. He removes items from his inventory for use. Compensating tax is due on these items.)
 - property manufactured when the components were purchased with a nontaxable transaction certificate or acquired outside New Mexico and then used by the manufacturer.
- WITHHOLDING TAX.** A person doing business in New Mexico or deriving income from within New Mexico who pays wages to an employee and who is required to withhold federal income tax shall withhold New Mexico income tax. See WITHHOLDING TAX TABLE, Form PIT-2.
- TOTAL TAX DUE.** Add lines 1, 2 and 3.
- PENALTY FOR LATE FILING OF THIS REPORT.** 2% of Line 4 per month or partial month up to 10% or a minimum of \$5.00 whichever is greater. THE MINIMUM \$5.00 PENALTY ALSO IS IMPOSED FOR FAILURE TO FILE THIS REPORT, EVEN IF NO TAX IS DUE.
- INTEREST FOR LATE FILING OF THIS REPORT.** 1% % of tax due on line 4 for each month or partial month the payment is late.
- TOTAL AMOUNT DUE.** Pay this amount. This report is due on or before the 25th of the month following the end of the tax period covered by this report. Make check payable to Revenue Division and mail to P.O. Box 630, Santa Fe, New Mexico 87508-0630.

NOTES:

- File for every report period even if no taxes are due.
- If the last day for payment of the taxes falls on Saturday, Sunday or a legal holiday the payment shall be considered timely if it is postmarked or filed in person the next succeeding day which is not a Saturday, Sunday or a legal New Mexico or National Holiday.
- USE THE PREADDRESSED FORM WHEN FILING TO AVOID A DELAY IN PROCESSING. If unable to use a preaddressed form, print New Mexico Identification Number, Taxpayer's name, mailing address, zip code and tax period in the spaces provided.
- DO NOT take a credit on this report form. If you have overpaid tax on a previous return, use application for refund Form RP-16 to claim a refund.
- Have you moved your business? Changed the name or address? Forward Registration Change Request, Form RP-32.
- If you are no longer in business, forward I.D. Number Cancellation Request, Form RP-32A.

COMBINED REPORT FORM



BULK RATE
U.S. POSTAGE
PAID
PERMIT NO.
206

NAME: CLOVIS INVESTIGATION SERVICE
STREET/BOX: 1919 MILLER
CITY, STATE, ZIP: CLOVIS NM 8101

REVENUE DIVISION USE ONLY

IDENTIFICATION NUMBER	01-885524-003	EXPIRATION DATE	
1. GROSS RECEIPTS AND COUNTY/MUNICIPAL GROSS RECEIPTS TAX	29.75		
2. COMPENSATING TAX	0		
3. WITHHELD INCOME TAX	0		
4. TOTAL TAX DUE	29.75		

Tax Period	08/01/82 THRU 08/31/82
5. PENALTY FOR LATE FILING OF THIS REPORT	0
6. INTEREST FOR LATE FILING OF THIS REPORT	0
7. TOTAL AMOUNT DUE (Add lines 4, 5, & 6) PAY THIS AMOUNT	29.75

Under penalty of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete.
Signature of Taxpayer or Agent _____ Title: OWNER Tax Period 08/01/82 Thru 08/31/82 (Mo. - Day - Year) (Mo. - Day - Year)

0
1
3
0
1
0
7
1
3
0
4
0
8
0
9
0
8



Report
CRS 1
Revised
July, 1982

LINE INSTRUCTIONS

1. GROSS RECEIPTS TAX. Complete Schedule A on the back of this form and enter amount from Line 8.
2. COMPENSATING TAX. 3% percent of the value of:
 - (1) property acquired or purchased outside New Mexico and brought in this state for use when no sales or similar tax has been paid;
 - (2) property or services acquired or purchased for a nontaxable use and then used by the buyer. (Example: A grocer issues a nontaxable transaction certificate to purchase food for resale. He removes items from his inventory for use. Compensating tax is due on these items.)
 - (3) property manufactured when the components were purchased with a nontaxable transaction certificate or acquired outside New Mexico and then used by the manufacturer.
3. WITHHOLDING TAX. A person doing business in New Mexico or deriving income from within New Mexico who pays wages to an employee and who is required to withhold federal income tax shall withhold New Mexico income tax. See WITHHOLDING TAX TABLE, Form PIT-2.
4. TOTAL TAX DUE. Add lines 1, 2 and 3.
5. PENALTY FOR LATE FILING OF THIS REPORT. 2% of Line 4 per month or partial month up to 10% or a minimum of \$5.00 whichever is greater. THE MINIMUM \$5.00 PENALTY ALSO IS IMPOSED FOR FAILURE TO FILE THIS REPORT, EVEN IF NO TAX IS DUE.
6. INTEREST FOR LATE FILING OF THIS REPORT. 1% of tax due on line 4 for each month or partial month the payment is late.
7. TOTAL AMOUNT DUE. Pay this amount. This report is due on or before the 25th of the month following the end of the tax period covered by this report. Make check payable to Revenue Division and mail to P.O. Box 830, Santa Fe, New Mexico 87509-0830.

NOTES:

- File for every report period even if no taxes are due.
- If the last day for payment of the taxes falls on Saturday, Sunday or a legal holiday the payment shall be considered timely if it is postmarked or filed in person the next succeeding day which is not a Saturday, Sunday or a legal New Mexico or National Holiday.
- USE THE PREADDRESSED FORM WHEN FILING TO AVOID A DELAY IN PROCESSING. If unable to use a preaddressed form, print New Mexico Identification Number, Taxpayer's name, mailing address, zip code and tax period in the spaces provided.
- DO NOT take a credit on this report form. If you have overpaid tax on a previous return, use application for refund Form RP-16 to claim a refund.
- Have you moved your business? Changed the name or address? Forward Registration Change Request, Form RP-32.
- If you are no longer in business, forward I.D. Number Cancellation Request, Form RP-32A.

REVENUE DEPARTMENT
BOX 630
SANTA FE, NEW MEXICO
87509-0630

COMBINED REPORT FORM



BULK RATE
U.S. POSTAGE
PAID
PERMIT NO.
206

NAME **CLOVIS INVESTIGATION SERVICE**
STREET/BOX **1919 MILLER**
CITY, STATE, ZIP **CLOVIS NM 88101**

REVENUE DIVISION USE ONLY

MY REFERENCE NO. **01-155324-00 3**

LATE FILING
DATE

DATE **09/01/82** THRU **09/30/82**

1. GROSS RECEIPTS AND
COUNTY/MUNICIPAL GROSS
RECEIPTS TAX

57.37

2. COMPENSATING TAX

-0.7

3. WITHHELD INCOME TAX

-0.7

4. TOTAL TAX DUE

57.37

5. PENALTY FOR LATE
FILING OF THIS REPORT

-0-

REVENUE

6. INTEREST FOR LATE FILING
OF THIS REPORT

-0-

DIVISION

7. TOTAL AMOUNT DUE (Add lines
4, 5, & 6) PAY THIS AMOUNT

57.37

01

Under penalty of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete.

Signature of Taxpayer or Agent

Title

Tax Period **09/01/82** Thru **09/30/82**
(Mo. - Day - Year) (Mo. - Day - Year)



Report
C.R.S. 1
Revised
July, 1982

LINE INSTRUCTIONS

1. GROSS RECEIPTS TAX. Complete Schedule A on the back of this form and enter amount from Line 8.
2. COMPENSATING TAX. 3% percent of the value of:
 - (1) property acquired or purchased outside New Mexico and brought in this state for use when no sales or similar tax has been paid;
 - (2) property or services acquired or purchased for a nontaxable use and then used by the buyer. (Example: A grocer issues a nontaxable transaction certificate to purchase food for resale. He removes items from his inventory for use. Compensating tax is due on these items.)
 - (3) property manufactured when the components were purchased with a nontaxable transaction certificate or acquired outside New Mexico and then used by the manufacturer.
3. WITHHOLDING TAX. A person doing business in New Mexico or deriving income from within New Mexico who pays wages to an employee and who is required to withhold federal income tax shall withhold New Mexico income tax. See WITHHOLDING TAX TABLE, Form PIT-2.
4. TOTAL TAX DUE. Add lines 1, 2 and 3.
5. PENALTY FOR LATE FILING OF THIS REPORT. 2% of Line 4 per month or partial month up to 10% or a minimum of \$5.00 whichever is greater. THE MINIMUM \$5.00 PENALTY ALSO IS IMPOSED FOR FAILURE TO FILE THIS REPORT, EVEN IF NO TAX IS DUE.
6. INTEREST FOR LATE FILING OF THIS REPORT. 1 1/4 % of tax due on line 4 for each month or partial month the payment is late.
7. TOTAL AMOUNT DUE. Pay this amount. This report is due on or before the 25th of the month following the end of the tax period covered by this report. Make check payable to Revenue Division and mail to P.O. Box 630, Santa Fe, New Mexico 87509-0630.

NOTES:

- File for every report period even if no taxes are due.
- If the last day for payment of the taxes falls on Saturday, Sunday or a legal holiday the payment shall be considered timely if it is postmarked or filed in person the next succeeding day which is not a Saturday, Sunday or a legal New Mexico or National Holiday.
- USE THE PREADDRESSED FORM WHEN FILING TO AVOID A DELAY IN PROCESSING. If unable to use a preaddressed form, print New Mexico Identification Number, Taxpayer's name, mailing address, zip code and tax period in the spaces provided.
- DO NOT take a credit on this report form. If you have overpaid tax on a previous return, use application for refund Form RP-16 to claim a refund.
- Have you moved your business? Changed the name or address? Forward Registration Change Request, Form RP-32.
- If you are no longer in business, forward I.D. Number Cancellation Request, Form RP-32A.



**BULK RATE
U.S. POSTAGE
PAID
PERMIT NO.
206**

NAME CLOVIS INVESTIGATION SERVICE
STREET/BOX 1919 MILLER
CITY, STATE, ZIP CLOVIS NM

88101

REVENUE DIVISION USE ONLY

65-155324-883

**LATE FILING
DATE**

10701782 THRU 10731782

1. GROSS RECEIPTS AND
COUNTY/MUNICIPAL GROSS
RECEIPTS TAX

27 62

2. COMPENSATING TAX

0

3. WITHHELD INCOME TAX

**4. TOTAL TAX DUE**

37 63

Under penalty of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete.

Signature of Taxpayer or Agent

THE OWNER

Tax Period

10 01 82 THRU

10 31 82

(Mo. - Day - Year)

(Mo. - Day - Year)



Report

CRS-1

Revised
July, 1982

LINE INSTRUCTIONS

1. **GROSS RECEIPTS TAX.** Complete Schedule A on the back of this form and enter amount from Line 8.
2. **COMPENSATING TAX.** 3% percent of the value of:
 - (1) property acquired or purchased outside New Mexico and brought in this state for use when no sales or similar tax has been paid;
 - (2) property or services acquired or purchased for a nontaxable use and then used by the buyer. (Example: A grocer issues a nontaxable transaction certificate to purchase food for resale. He removes items from his inventory for use. Compensating tax is due on these items.)
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4. **TOTAL TAX DUE.** Add lines 1, 2 and 3.
5. **PENALTY FOR LATE FILING OF THIS REPORT.** 2% of Line 4 per month or partial month up to 10% or a minimum of \$5.00 whichever is greater. THE MINIMUM \$5.00 PENALTY ALSO IS IMPOSED FOR FAILURE TO FILE THIS REPORT, EVEN IF NO TAX IS DUE.
6. **INTEREST FOR LATE FILING OF THIS REPORT.** 1 % of tax due on line 4 for each month or partial month the payment is late.
7. **TOTAL AMOUNT DUE.** Pay this amount. This report is due on or before the 25th of the month following the end of the tax period covered by this report. Make check payable to Revenue Division and mail to P.O. Box 630, Santa Fe, New Mexico 87509-0630.

NOTES:

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- Have you moved your business? Changed the name or address? Forward Registration Change Request, Form RP-32.
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COMBINED REPORT FORM



BULK RATE
U.S. POSTAGE
PAID
PERMIT NO.
208

NAME **CLOVIS INVESTIGATION SERVICE**
STREET/BOX **1919 MILLER**
CITY, STATE, ZIP **CLOVIS NM 88101**

REVENUE DIVISION USE ONLY

	01-195324-00 3	LATE FILING DATE
1. GROSS RECEIPTS AND COUNTY/MUNICIPAL GROSS RECEIPTS TAX	-0-	
2. COMPENSATING TAX	-0-	
3. WITHHELD INCOME TAX	-0-	
4. TOTAL TAX DUE	4 -0-	

11/01/82 THRU 11/30/82

5. PENALTY FOR LATE FILING OF THIS REPORT	-0-
6. INTEREST FOR LATE FILING OF THIS REPORT	-0-
7. TOTAL AMOUNT DUE (Add lines 4, 5, & 6) PAY THIS AMOUNT	-0-

Under penalty of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete.

Signature of Taxpayer or Agent

Title: OWNER

Tax Period

11/01/82 Thru 11/30/82
(Mo. - Day - Year) (Mo. - Day - Year)



Report

CRS 1

Revised
July, 1982

LINE INSTRUCTIONS

- GROSS RECEIPTS TAX.** Complete Schedule A on the back of this form and enter amount from Line 8.
- COMPENSATING TAX.** 3½ percent of the value of:
 - property acquired or purchased outside New Mexico and brought in this state for use when no sales or similar tax has been paid;
 - property or services acquired or purchased for a nontaxable use and then used by the buyer. (Example: A grocer issues a nontaxable transaction certificate to purchase food for resale. He removes items from his inventory for use. Compensating tax is due on these items.)
 - property manufactured when the components were purchased with a nontaxable transaction certificate or acquired outside New Mexico and then used by the manufacturer.
- WITHHOLDING TAX.** A person doing business in New Mexico or deriving income from within New Mexico who pays wages to an employee and who is required to withhold federal income tax shall withhold New Mexico Income tax. See WITHHOLDING TAX TABLE, Form PIT-2.
- TOTAL TAX DUE.** Add lines 1, 2 and 3.
- PENALTY FOR LATE FILING OF THIS REPORT.** 2% of Line 4 per month or partial month up to 10% or a minimum of \$5.00 whichever is greater. THE MINIMUM \$5.00 PENALTY ALSO IS IMPOSED FOR FAILURE TO FILE THIS REPORT, EVEN IF NO TAX IS DUE.
- INTEREST FOR LATE FILING OF THIS REPORT.** 1¼% of tax due on line 4 for each month or partial month the payment is late.
- TOTAL AMOUNT DUE.** Pay this amount. This report is due on or before the 25th of the month following the end of the tax period covered by this report. Make check payable to Revenue Division and mail to P.O. Box 630, Santa Fe, New Mexico 87509-0630.

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- Have you moved your business? Changed the name or address? Forward Registration Change Request, Form RP-32.
- If you are no longer in business, forward I.D. Number Cancellation Request, Form RP-32A.

COMBINED REPORT FORM



BULK RATE
U.S. POSTAGE
PAID
PERMIT NO.
206

NAME **CLOVIS INVESTIGATION SERVICE**
STREET/BOX **1919 MILLER**
CITY, STATE, ZIP **CLOVIS NM 88101**

REVENUE DIVISION USE ONLY

NEW MEXICO
IDENTIFICATION NUMBER **01-195324-00 3**

LATE FILING
DATE

TAX PERIOD **12/01/82 THRU 12/31/82**

1. GROSS RECEIPTS AND
COUNTY/MUNICIPAL GROSS
RECEIPTS TAX

2. COMPENSATING TAX

3. WITHHELD INCOME TAX

4. TOTAL TAX DUE

-0-

-0-

-0-

-0-

REVENUE

DIVISION

USE

ONLY

5. PENALTY FOR LATE
FILING OF THIS REPORT

6. INTEREST FOR LATE FILING
OF THIS REPORT

7. TOTAL AMOUNT DUE (Add lines
4, 5, & 6) PAY THIS AMOUNT

-0-

-0-

-0-

-0-

REVENUE

DIVISION

USE

ONLY

Under penalty of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete.

Signature of Taxpayer or Agent

Title: **OWNER**

Tax Period

12/01/82 Thru

12/31/82

(Mo. - Day - Year)

(Mo. - Day - Year)

TAXPAYER'S COPY

DETACH AND RETURN TO REVENUE DIVISION: MAKE CHECKS PAYABLE TO REVENUE DIVISION. MAIL TO BOX 630, SANTA FE, NEW MEXICO 87509-0630



Report
CRS 1
Revised
July, 1982

LINE INSTRUCTIONS

1. GROSS RECEIPTS TAX. Complete Schedule A on the back of this form and enter amount from Line 8.
2. COMPENSATING TAX. 3% percent of the value of:
 - (1) property acquired or purchased outside New Mexico and brought in this state for use when no sales or similar tax has been paid;
 - (2) property or services acquired or purchased for a nontaxable use and then used by the buyer. (Example: A grocer issues a nontaxable transaction certificate to purchase food for resale. He removes items from his inventory for use. Compensating tax is due on these items.)
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western bank of clovis

P.O. BOX 670 • CLOVIS, NEW MEXICO 88101



CLOVIS INVESTIGATION SERVICE
CALED OR DONNA CHANDLER
1919 MILLER
CLOVIS, NM 88101

1011139501
DATE 11-30-82
PAGE 1

PLEASE EXAMINE AT ONCE
CHECK YOUR STATEMENT AND VOUCHERS AND REPORT ANY DISCREPANCY WITHIN TEN DAYS. PLEASE DIRECT
ANY PHONE INQUIRIES REGARDING YOUR ACCOUNT TO (505) 768-1975 / OR WRITTEN INQUIRIES REGARDING
YOUR ACCOUNT TO THE ABOVE ADDRESS.

ACCOUNT NO. 1011139501 WESTERN BANK OF CLOVIS

PREVIOUS BALANCE	10-29-82	137.57
0 DEPOSITS AND CREDITS00
8 CHECKS AND DEBITS		137.57
CURRENT BALANCE00

-- DAILY BALANCE SUMMARY --

DATE	BALANCE	DATE	BALANCE
11-02	110.23	11-19	50.72
11-04	100.35	11-22	27.62
11-05	67.34	11-30	.00
11-18	60.31		

- CHECKS POSTED -			- CHECKS POSTED -		
DATE	CHECK NO.	AMOUNT	DATE	CHECK NO.	AMOUNT
11-02	212	20.00	11-18	216	7.03
11-02	213	7.34	11-19	217	9.59
11-04	214	9.88	11-30	218	27.62
11-05	215	33.01	11-22	219	23.10

88040713015



western bank of clovis



P.O. BOX 670 • CLOVIS, NEW MEXICO 88101

CLOVIS INVESTIGATION SERVICE
CALED OR DONNA CHANDLER
1919 MILLER
CLOVIS, NM 88101

1011139501
DATE 10-29-82
PAGE 1

PLEASE EXAMINE AT ONCE

CHECK YOUR STATEMENT AND VOUCHERS AND REPORT ANY DISCREPANCY WITHIN TEN DAYS. PLEASE DIRECT ANY PHONE INQUIRIES REGARDING YOUR ACCOUNT TO (505) 769-1875 / OR WRITTEN INQUIRIES REGARDING YOUR ACCOUNT TO THE ABOVE ADDRESS

ACCOUNT NO. 1011139501 WESTERN BANK OF CLOVIS

PREVIOUS BALANCE	09-30-82	257.79
3 DEPOSITS AND CREDITS		630.00
11 CHECKS AND DEBITS		750.22
CURRENT BALANCE		137.57

- - DAILY BALANCE SUMMARY - -

DATE	BALANCE	DATE	BALANCE
10-13	97.79	10-26	105.87
10-18	279.45	10-27	75.87
10-19	149.45	10-28	205.87
10-21	115.58	10-29	137.57

AVG DAILY BAL FOR PERIOD \$181.65 MIN BAL \$75

- - MISCELLANEOUS DEBITS AND CREDITS - -

DATE	AMOUNT	DESCRIPTION
10-13	200.00 CR	DEPOSIT
10-18	300.00 CR	DEPOSIT
10-28	130.00 CR	DEPOSIT
10-29	4.00 DR	SERV. CHG. OR BANCLUB CHG.

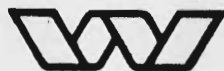
- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
10-18		61.81
10-13	201*	360.00
10-18	203*	56.53
10-19	204	30.00
10-27	205	30.00

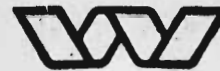
- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
10-19	207*	100.00
10-21	208	33.87
10-29	209	57.37
10-26	210	9.71
10-29	211	6.93

88040713016



western bank of clovis



P.O. BOX 670 • CLOVIS, NEW MEXICO 88101

CLOVIS INVESTIGATION SERVICE
CALED OR DONNA CHANDLER
1919 MILLER
CLOVIS, NM 88101

1011139501
DATE 09-30-82
PAGE 1

PLEASE EXAMINE AT ONCE
CHECK YOUR STATEMENT AND VOUCHERS AND REPORT ANY DISCREPANCY WITHIN TEN DAYS. PLEASE DIRECT
ANY PHONE INQUIRIES REGARDING YOUR ACCOUNT TO (505) 788-1975 / OR WRITTEN INQUIRIES REGARDING
YOUR ACCOUNT TO THE ABOVE ADDRESS.

ACCOUNT NO. 1011139501 WESTERN BANK OF CLOVIS
PREVIOUS BALANCE 08-31-82 33.03
4 DEPOSITS AND CREDITS . 460.00
3 CHECKS AND DEBITS . . . 235.24
CURRENT BALANCE 257.79

- - DAILY BALANCE SUMMARY - -

DATE	BALANCE	DATE	BALANCE
09-01	16.85	09-21	191.83
09-09	26.85	09-23	312.08
09-13	36.85	09-27	261.49
09-14	16.85	09-30	257.79
09-17	216.85		

AVG DAILY BAL FOR PERIOD \$129.16 MIN BAL \$16

- - MISCELLANEOUS DEBITS AND CREDITS - -

DATE	AMOUNT	DESCRIPTION
09-09	100.00 CR	DEPOSIT
09-13	10.00 CR	DEPOSIT
09-17	200.00 CR	DEPOSIT
09-23	150.00 CR	DEPOSIT
09-30	3.70 DR	SERV. CHG. OR BANCLUB CHG.

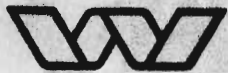
- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
09-01	194	16.18
09-09	195	90.00
09-14	196	20.00
09-23	197	29.75

- CHECKS POSTED -

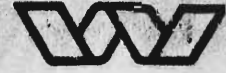
DATE	CHECK NO.	AMOUNT
09-21	198	25.02
09-27	199	21.40
09-27	200	29.19

88040713017



western bank of clovis

P.O. BOX 670 • CLOVIS, NEW MEXICO 88101



CLOVIS INVESTIGATION SERVICE
CALLED OR DONNA CHANDLER
1919 MILLER
CLOVIS, NM 88101

1011139501
DATE 08-31-82
PAGE 1

PLEASE EXAMINE AT ONCE

CHECK YOUR STATEMENT AND VOUCHERS AND REPORT ANY DISCREPANCY WITHIN TEN DAYS. PLEASE DIRECT
ANY PHONE INQUIRIES REGARDING YOUR ACCOUNT TO (505) 768-1878 / OR WRITTEN INQUIRIES REGARDING
YOUR ACCOUNT TO THE ABOVE ADDRESS

ACCOUNT NO. 1011139501 WESTERN BANK OF CLOVIS

PREVIOUS BALANCE	07-30-82	139.77
2 DEPOSITS AND CREDITS		700.00
20 CHECKS AND DEBITS		806.74
CURRENT BALANCE		33.03

- - DAILY BALANCE SUMMARY - -

DATE	BALANCE	DATE	BALANCE
08-03	87.15	08-19	428.71
08-04	37.15	08-20	413.50
08-11	237.15	08-23	388.93
08-13	177.15	08-25	42.93
08-16	73.98	08-30	37.93
08-17	37.17	08-31	33.03
08-18	537.17		

AVG DAILY BAL FOR PERIOD \$161.19 MIN BAL \$37

- - MISCELLANEOUS DEBITS AND CREDITS - -

DATE	AMOUNT	DESCRIPTION
08-11	200.00 CR	DEPOSIT
08-18	500.00 CR	DEPOSIT
08-31	4.90 DR	SERV. CHG. OR BANCLUB CHG.

- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
08-03	170	17.84
08-04	176*	50.00
08-03	177	34.78
08-17	178	25.50
08-17	179	11.31
08-16	180	53.17
08-16	181	50.00
08-13	182	60.00
08-19	183	15.78
08-19	184	20.00

- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
08-19	185	3.54
08-19	186	69.14
08-20	187	3.28
08-20	188	7.77
08-20	189	4.16
08-30	190	5.00
08-23	191	15.85
08-23	192	8.72
08-25	193	346.00



western bank of clovis

P.O. BOX 670 • CLOVIS, NEW MEXICO 88101



CLOVIS INVESTIGATION SERVICE
CALEL OR DONNA CHANDLER
1919 MILLER
CLOVIS, NM 88101

1011139501
DATE 07-30-82
PAGE 1

PLEASE EXAMINE AT ONCE

CHECK YOUR STATEMENT AND VOUCHERS AND REPORT ANY DISCREPANCY WITHIN TEN DAYS. PLEASE DIRECT ANY PHONE INQUIRIES REGARDING YOUR ACCOUNT TO (505) 769-1975 / OR WRITTEN INQUIRIES REGARDING YOUR ACCOUNT TO THE ABOVE ADDRESS

ACCOUNT NO. 1011139501 WESTERN BANK OF CLOVIS

PREVIOUS BALANCE	06-30-82	207.28
4 DEPOSITS AND CREDITS		600.00
20 CHECKS AND DEBITS		667.51
CURRENT BALANCE		139.77

- - DAILY BALANCE SUMMARY - -

DATE	BALANCE	DATE	BALANCE
07-06	207.28	07-20	186.08
07-07	148.98	07-21	166.08
07-09	143.20	07-23	156.79
07-12	51.93	07-26	142.15
07-13	251.93	07-28	242.15
07-14	122.06	07-29	144.67
07-16	99.04	07-30	139.77
07-19	296.38		

AVG DAILY BAL FOR PERIOD \$163.90 MIN BAL \$51

- - MISCELLANEOUS DEBITS AND CREDITS - -

DATE	AMOUNT	DESCRIPTION
07-06	100.00 CR	DEPOSIT
07-13	200.00 CR	DEPOSIT
07-19	200.00 CR	DEPOSIT
07-28	100.00 CR	DEPOSIT
07-30	4.90 DR	SERV. CHG. OR BANCLUB CHG.

- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
07-07	156	36.45
07-07	157	21.85
07-06	158	100.00
07-09	159	5.78
07-12	160	77.78
07-12	161	13.49
07-14	162	7.29
07-14	163	25.78
07-14	164	96.80
07-20	165	55.25

- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
07-21	166	20.00
07-16	167	23.02
07-19	168	2.66
07-20	169	55.05
07-23	171*	3.88
07-26	172	10.31
07-26	173	4.33
07-23	174	5.41
07-29	175	97.48



western bank of clovis



P.O. BOX 670 • CLOVIS, NEW MEXICO 88101

CLOVIS INVESTIGATION SERVICE
CALED OR DONNA CHANDLER
1919 MILLER
CLOVIS, NM 88101

1011139501
DATE 06-30-82
PAGE 2

PLEASE EXAMINE AT ONCE

CHECK YOUR STATEMENT AND VOUCHERS AND REPORT ANY DISCREPANCY WITHIN TEN DAYS. PLEASE DIRECT
ANY PHONE INQUIRIES REGARDING YOUR ACCOUNT TO (505) 766-1975 / OR WRITTEN INQUIRIES REGARDING
YOUR ACCOUNT TO THE ABOVE ADDRESS.

ACCOUNT NO.

1011139501

CONTINUED

- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
06-24	155	10.76

- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
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88040713020



western bank of clovis



P.O. BOX 670 • CLOVIS, NEW MEXICO 88101

CLOVIS INVESTIGATION SERVICE
CALED OR DONNA CHANDLER
1919 MILLER
CLOVIS, NM 88101

1011139501
DATE 06-30-82
PAGE 1

PLEASE EXAMINE AT ONCE

CHECK YOUR STATEMENT AND VOUCHERS AND REPORT ANY DISCREPANCY WITHIN TEN DAYS. PLEASE DIRECT ANY PHONE INQUIRIES REGARDING YOUR ACCOUNT TO (505) 768-1975 / OR WRITTEN INQUIRIES REGARDING YOUR ACCOUNT TO THE ABOVE ADDRESS.

ACCOUNT NO. 1011139501 WESTERN BANK OF CLOVIS

PREVIOUS BALANCE	05-28-82	138.25
7 DEPOSITS AND CREDITS .		1,500.00
22 CHECKS AND DEBITS . . .		1,430.97
CURRENT BALANCE		207.28

- - DAILY BALANCE SUMMARY - -

DATE	BALANCE	DATE	BALANCE
06-01	333.75	06-18	133.65
06-03	241.26	06-21	458.65
06-04	441.26	06-22	400.36
06-07	396.26	06-23	346.44
06-08	287.99	06-24	335.68
06-11	587.99	06-25	535.68
06-15	572.40	06-28	487.93
06-17	333.65	06-30	207.28

AVG DAILY BAL FOR PERIOD \$378.02 MIN BAL \$133

- - MISCELLANEOUS DEBITS AND CREDITS - -

DATE	AMOUNT	DESCRIPTION
06-01	200.00 CR	DEPOSIT
06-04	200.00 CR	DEPOSIT
06-11	300.00 CR	DEPOSIT
06-17	200.00 CR	DEPOSIT
06-21	100.00 CR	DEPOSIT
06-21	300.00 CR	DEPOSIT
06-25	200.00 CR	DEPOSIT
06-30	4.60 DR	SERV. CHG. OR BANCLUB CHG.

- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
06-01	123	4.50
06-03	136*	66.68
06-08	137	67.70
06-03	138	25.81
06-08	139	7.08
06-07	140	45.00
06-08	141	15.51
06-08	142	17.98
06-21	143	25.00
06-15	144	15.59

- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
06-17	145	346.00
06-17	146	17.75
06-22	147	58.29
06-18	148	200.00
06-17	149	75.00
06-28	150	18.00
06-21	151	50.00
06-23	152	53.92
06-28	153	29.75
06-30	154	276.05

38040713021



western bank of clovis

P.O. BOX 670 • CLOVIS, NEW MEXICO 88101



CLOVIS INVESTIGATION SERVICE

CALED OR DONNA CHANDLER

1919 MILLER

CLOVIS, NM 88101

1011139501

DATE 05-28-82

PAGE 2

PLEASE EXAMINE AT ONCE

CHECK YOUR STATEMENT AND VOUCHERS AND REPORT ANY DISCREPANCY WITHIN TEN DAYS. PLEASE DIRECT ANY PHONE INQUIRIES REGARDING YOUR ACCOUNT TO (505) 769-1975 / OR WRITTEN INQUIRIES REGARDING YOUR ACCOUNT TO THE ABOVE ADDRESS.

ACCOUNT NO.

1011139501

CONTINUED

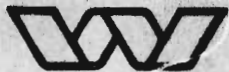
- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
05-14	126	25.00
05-13	127	10.66
05-12	128	6.80
05-20	129	20.00
05-19	130	346.00

- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
05-18	131	9.89
05-21	132	35.26
05-24	133	44.54
05-27	134	51.00
05-25	135	3.44

88040713022



western bank of clovis



P.O. BOX 470 • CLOVIS, NEW MEXICO 88101

CLOVIS INVESTIGATION SERVICE
CALED OR DONNA CHANDLER
1919 MILLER
CLOVIS, NM 88101

1011139501
DATE 05-28-82
PAGE 1

PLEASE EXAMINE AT ONCE

CHECK YOUR STATEMENT AND VOUCHERS AND REPORT ANY DISCREPANCY WITHIN TEN DAYS. PLEASE DIRECT
ANY PHONE INQUIRIES REGARDING YOUR ACCOUNT TO (505) 769-1975 / OR WRITTEN INQUIRIES REGARDING
YOUR ACCOUNT TO THE ABOVE ADDRESS.

ACCOUNT NO. 1011139501 WESTERN BANK OF CLOVIS

PREVIOUS BALANCE	04-30-82	570.91
4 DEPOSITS AND CREDITS		700.00
35 CHECKS AND DEBITS		1,132.66
CURRENT BALANCE		138.25

- - DAILY BALANCE SUMMARY - -

DATE	BALANCE	DATE	BALANCE
05-03	468.19	05-18	482.59
05-05	462.77	05-19	236.59
05-06	411.03	05-20	216.59
05-07	391.85	05-21	281.33
05-10	326.75	05-24	236.79
05-11	264.14	05-25	233.35
05-12	148.82	05-26	216.15
05-13	117.48	05-27	165.15
05-14	492.48	05-28	138.25

AVG DAILY BAL FOR PERIOD \$347.50 MIN BAL \$117

- - MISCELLANEOUS DEBITS AND CREDITS - -

DATE	AMOUNT	DESCRIPTION
05-06	100.00 CR	DEPOSIT
05-14	400.00 CR	DEPOSIT
05-19	100.00 CR	DEPOSIT
05-21	100.00 CR	DEPOSIT
05-28	5.90 DR	SERV. CHG. OR BANCLUB CHG.

- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
05-05	98	5.42
05-03	101*	69.10
05-03	102	33.62
05-11	103	30.52
05-06	104	73.50
05-06	105	69.24
05-12	106	41.71
05-07	108*	17.32
05-10	109	24.00
05-06	110	9.00
05-07	111	1.86
05-12	112	20.00

- CHECKS POSTED -

DATE	CHECK NO.	AMOUNT
05-10	113	2.99
05-13	114	10.68
05-12	115	46.81
05-26	116	17.20
05-11	117	6.13
05-28	118	6.00
05-10	119	38.11
05-11	120	10.00
05-28	121	15.00
05-11	122	9.57
05-11	124*	6.39
05-13	125	10.00

38040713023

Exhibit 5

**CLOVIS INVESTIGATION SERVICE
CALED OR DONNA CHANDLER
1919 MILLER
CLOVIS, NM 88101**

**1011139501
DATE 04-30-82
PAGE 1**

PLEASE EXAMINE AT ONCE
CHECK YOUR STATEMENT AND VOUCHERS AND REPORT ANY DISCREPANCY WITHIN TEN DAYS. PLEASE DIRECT
ANY PHONE INQUIRIES REGARDING YOUR ACCOUNT TO (505) 769-1975 / OR WRITTEN INQUIRIES REGARDING
YOUR ACCOUNT TO THE ABOVE ADDRESS.

ACCOUNT NO. 1011139501 WESTERN BANK OF CLOVIS

PREVIOUS BALANCE 04-13-82 .00
4 DEPOSITS AND CREDITS . 1,195.00
8 CHECKS AND DEBITS . . . 624.09
CURRENT BALANCE 570.91

- - DAILY BALANCE SUMMARY - -			
DATE	BALANCE	DATE	BALANCE
04-14	195.00	04-26	665.81
04-16	495.00	04-27	646.78
04-19	695.00	04-28	574.11
04-20	665.00	04-30	570.91
04-22	240.81		

AVG DAILY BAL FOR PERIOD \$464.59 MIN BAL \$195

- - MISCELLANEOUS DEBITS AND CREDITS - -		
DATE	AMOUNT	DESCRIPTION
04-14	195.00 CR	DEPOSIT
04-16	300.00 CR	DEPOSIT
04-19	200.00 CR	DEPOSIT
04-26	500.00 CR	DEPOSIT
04-30	3.20 DR	SERV. CHG. OR BANCLUB CHG.

- CHECKS POSTED -			- CHECKS POSTED -		
DATE	CHECK NO.	AMOUNT	DATE	CHECK NO.	AMOUNT
04-20		30.00	04-27		19.03
04-22		78.19	04-28		12.30
04-22		346.00	04-28		60.37
04-26		75.00			

38040713024

K-2

Prepared by	Initials	Date
Approved by		

Page 1

Chase Investigation Service

1	2	3	4	5	6	7	8	9	10	11	12	13
Date		Cash for	Total	Cash in	Check #	Check	amount	Person				Balance
1982		Account	Account	Bank		written to	of Check	of Check				
1	April	Total to. Charit - 11				1	Am. Chftm	78 19	Preparation of 1981 Charit Tot			
2	14	1195.00	5.00			2	First Federal	346.00	House Payment			
3	16	300.00				3	Fitzhugh, Kelly + Son	20.00	Unity Bus for investigation service			
4	19	200.00				4	T. G. + Y	19.03	Office supplies for			
5	26	500.00				5	Traveler's Check	6437	Share for family			
6		Total 1195.00	727 500	1200.00		6	A. S. P.	1230	Stipend from for investigation service			
7						7	Cash	75.00	Wear family expense			
8						101	Master Card	69.10	Payment Personal Credit Card			
9						102	Visa	3362	Payment Personal Credit Card			
10							Total	22361				491.39

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

K-5

Prepared by	Initials	Date
Approved by		

Page 4

Date		Cash not	Total	Cash	Check	Amount	Purpose					Balance
1982		Deposited	Deposited	on hand	with \$	of Check	of Check					
1 Sept	Total to Chint - 8			29.13	198	Cash	90.00	Misc Family items				
2 9		100.00			196	Safeway (Cash)	20.00	"				
3 13		10.00	90.00		197	W. Mrs. Rev. Dr.	29.75	grocery receipt for churchy items				
4 17		200.00			198	Medford Store	25.02	Shoes for family				
5 23		150.00	820.00		199	Red Crown	21.40	gasoline				
6	Total	460.00	890.00	1350.00	200	Medford Store	29.19	Shoes for family				
7					201	Cash	Total 215.36					
8												
9												
10												
11												
12												

(200.00 of Cash not deposited
 was deposited in personal bank
 by Personal Bank
 Total deposited 200.00
 Balance from Aug 29.13
 489.13

268.79

8 8 0 4 0 7 1 5 9 2 7

[illegible]

K-3

Chern Chernyagin Service

Prepared by	Initials	Date
Approved by		

Page 2

1	2	3	4	5	6	7	8	9	10	11	12	13
Date	Account	Cash out	Total	Cash in	check #	check	amount	Purpose				Balance
1982		Account	Charges	Bank		with \$	of check	of check				
May												
1					129	Relaxation Charge	20.00	Lunch for Cabl & Down				
2					130	First Festival	946.00	House Payment				
3					131	Pizza well	9.89	ate at Pizza well				
4					132	Calligon water conditng	35.26	Salt for water softener				
5					133	Trans. Fee Bell	44.59	Telephone bill - Home				
6					134	Trans. Fee Home	51.00	Home Receipt Fee - Chern Chernyagin				
7					135	Phone	344	Food				
							Total	1028.59				

3 8 0 4 0 7 1 3 0 2 9

13	June	Total No. Clients - 11		1500.00	144.25	151	Southwestern Public Service	66.68	water + Chat - Home
14	1		200.00			152	Highland Jewell Shop	6.77	clothes for children
15	4		200.00			153	Butter's Bakery	25.91	Food
16	11		300.00			154	Parking	3.08	ate out
17	17		200.00			155	Sandlin	4.50	baby sitting
18	18	Conclude 200.00 Grand Total	500.00			156	Anthony's	15.51	clothes for children
19	21		100.00			157	Proctor Smith Plumbing	17.78	Drugs
20	25		200.00			158	Sander	25.00	baby sitting
21		Total	1500.00		144.25	159	Mr. Ben Worthington	15.59	cleaning for children
22						160	Home Change	5.90	laundry change at bank
23						161	Printing of Checks	5.42	check for christening service
24						162	First Federal	246.00	Home Payment
25						163	Safeway	12.25	Food
26						164	Chase Federal	58.29	Films
27						165	Lincoln Works	2.00	loan to Linda Waley (Donnie's loan)
28						166	Cash	75.00	misc. items for family
29						167	Proctor World	18.00	birthday party for son
30						168	Cash	50.00	birthday gift for son
31						169	Albertson's	53.92	Food
32						170	N.W. Rev. Air	29.75	gross receipt tax - christening service
33						171	James Fortin	276.05	via bank
34						172	Poor Boys	10.76	ate out
35							Total	1438.19	
36									
37									
38	July	Total No. Clients - 6	600.00	600.00	20.96	173	Safeway	36.45	Food
39						174	Highland	21.85	Food
40						175	Cash	1.00	misc. family items
41						176	Poor Boys	5.78	ate out
42						177	Anthony's	77.78	clothes for family
43						178	Home Pizza	13.49	ate out
44						179	Mr. Donnell	7.29	ate out

3 8 0 4 0 7 1 5 0 3 0

K-4

∞

Prepared by	Initials	Date
Approved by		

Page 3

Close churchgoer service

Date	Account	Cash out	Total	Cash	Check	Check	amount	purpose	Balance
July 1982									
2					163	Walgreen	25.78	family attire	
3					164	Safeway	96.80	Food	
4					165	St. Mary's Parish of Rev.	58.25	from parish churchgoer service	
5					166	Sandy Hook	20.00	Building gift - daughter	
6					167	Allstate	27.02	Food	
7					168	Allstate	2.66	Food	
8					169	Woolworth Store	55.05	Shoes for family	
9					170	Donna Duckworth	17.84	Mary Kay (cash - up - Donna)	
10					171	K - Bob	3.88	at out	
11					172	Allstate	10.91	Food	
12					173	Woolworth Store	9.33	Children Book	
13					174	Burger King	5.41	at out	
14					175	Southwest Public Service	97.48	water & Elect. - Home	
15					176	Stucki	50.00	Baby sitting	
16					177	Safeway	34.78	Food	
						Total	765.29		

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43
44

exp

Total no Check - 5

700.00

700.00

74.93

Western Bank

Western Bank

4.00

Laurel Chase - Western Bank

178

N. 2nd St. Div.

25.50

gross receipt 1st 1st - check for income

179

Albany

11.31

Food

180

Albany

53.19

Food

181

Food

500.00

Baby sitting

182

Cash

60.00

misc. family items

183

Fabric

15.78

Material for shirt - Donna

184

Food

20.00

Baby sitting

185

Food

35.00

misc. family items

186

Food

69.19

Food

187

T.G. & Y

3.29

Family items

188

Angie King

7.77

ate out

189

Hobby Club (by day)

4.16

ate out

190

Arnold's Hardware

5.00

Baby sitting

191

K-mart

15.85

family items

192

Albany

3.72

Food

193

First Federal

396.00

House Payment

194

Albany

16.18

Food

Total

720.30

Food

Total check 300.00

Balance from July 450.30

744.93

2 3 0 3 1 7 0 4 8 3

24/3

ROWLEY and PARKER, P.C.

ATTORNEYS AT LAW

P. O. Box 790

Clovis, New Mexico 88101

RECEIVED AT THE FEC

QCC#579

86 MAY 28 A 9: 23

Richard F. Rowley (1908-1980)

Robert S. Hammond (1919-1982)

Richard F. Rowley II

Joe Parker

305 Pike Street

Telephone

(505) 763-4457

May 20, 1986

Federal Election Commission
Washington, D. C. 20463

ATT: Charles Snyder

RE: MUR 2172
Chandler for Congress
Committee and Charles F. Wade,
as Treasurer

Dear Mr. Snyder:

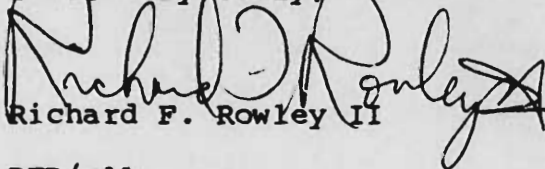
I am enclosing a Statement of Designation of Counsel executed by Charles Wade in connection with the above referenced matter.

Under separate letter of this date I have sent an Affidavit along with attached material prepared by Mr. Chandler responding to the allegations previously made.

Mr. Wade has not responded formally since he was involved strictly with the handling of the campaign funds and working in Mr. Chandler's campaign. Mr. Wade has no information concerning the Clovis Investigation Service since he never received any funds derived from that business nor had any involvement with the handling of those funds. If you would prefer an Affidavit from Mr. Wade to that affect please let me know and I am certain that we can secure one for you very shortly.

If you have any comments, questions or suggestions please advise.

Yours very truly,


Richard F. Rowley II

RFR/all

36 MAY 28 A 11: 07

RECEIVED
GENERAL COUNCIL

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2172

NAME OF COUNSEL: Richard F. Rowley II

ADDRESS: Post Office Box 790

305 Pile

Clovis, New Mexico 88101

TELEPHONE: (505) 763-4457

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

MAY 20 86
Date

Charles Forrest Wade
Signature

RESPONDENT'S NAME: Charles Forrest Wade

ADDRESS: Post Office Box 777

Clovis, New Mexico 88101

HOME PHONE: (505) 762-1919

BUSINESS PHONE: (505) 769-2663

38040713034



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 26, 1986

Mr. Frank Stanley
News Director-KCLV-KCLV-FM
2112 Thornton Street
Clovis, New Mexico 88101

RE: MUR 2172

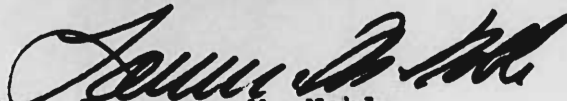
Dear Mr. Stanley:

On May 1, 1986, this Office sent you a series of Interrogatories issued under subpoena and order by the Federal Election Commission. It was required that you submit your answers to the Interrogatories within fifteen days.

To date we have not received your response. Please be advised that unless you submit your answers at once, the Commission may authorize the institution of a civil action to enforce the Commission's subpoena and order.

Sincerely,

Charles N. Steele
General Counsel


By: Lawrence M. Noble
Deputy General Counsel

38040713035

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

In the Matter of
Chandler for Congress Committee
and Charles Wade, as treasurer
Caleb Chandler

MUR 217286 SEP 9 P3:11

GENERAL COUNSEL'S REPORT

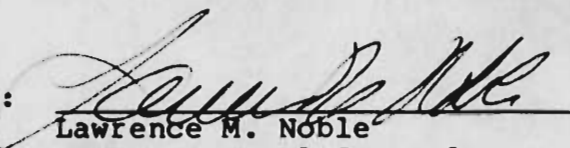
On April 29, 1986, the Commission approved the sending of an order and interrogatories to Frank Stanley, a witness in the above-captioned matter. Mr. Stanley has acknowledged receiving the interrogatories, but has not answered them. As the order previously authorized by the Commission was not used, it is recommended that the Commission issue those interrogatories under order at this time.

RECOMMENDATION

Approve and send the attached order and interrogatories to Frank Stanley.

Charles N. Steele
General Counsel

9/9/86
Date

BY: 
Lawrence M. Noble
Deputy General Counsel

Attachments

1. Order and Interrogatories to Frank Stanley
2. Letter to Frank Stanley

38040713036

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Chandler for Congress Committee)
and Charles Wade, as treasurer)
Caleb Chandler)

MUR 2172

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on September 12, 1986, the Commission decided by a vote of 5-0 to approve and send the order and interrogatories to Frank Stanley as recommended in the General Counsel's Report signed September 9, 1986.

Commissioners Aikens, Elliott, Harris, McDonald and McGarry voted affirmatively for this decision; Commissioner Josefiak did not cast a vote.

Attest:

9-12-86

Date

Marjorie W. Emmons for

Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary: Tues., 9-9-86, 3:11
Circulated on 48 hour tally basis: Wed., 9-10-86, 11:00
Deadline for vote: Fri., 9-11-86, 11:00

88040713037



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 18, 1986

Frank Stanley
News Director - KCLV-KCLV-FM
2112 Thornton Street
Clovis, New Mexico

RE: MUR 2172

Dear Mr. Stanley:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter; but rather a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within fifteen days of your receipt of this subpoena and order.

If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel


By: Lawrence M. Noble
Deputy General Counsel

Enclosure
Subpoena & Order
Questions

38040713038

SENSITIVE

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

86 NOV 13 P4:46

EXECUTIVE SESSION

MUR 2172

DEC 02 1986

In the Matter of)

Chandler for Congress Committee, et al.)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On January 31, 1986, the Office of General Counsel received a referral from the U.S. Department of Justice, Public Integrity Section, concerning an allegation that Caleb Chandler, a candidate for Congress from New Mexico in 1982, had received campaign contributions in the form of funds ostensibly paid to him as compensation for investigative services. The allegation emanated from a statement made to the U.S. Attorney's Office in New Mexico from Frank Stanley, the news director of KCLV-KCLV-FM in Clovis, New Mexico, who claimed to have information that would substantiate the allegation. The Commission therefore voted to open a MUR on April 29, 1986.

At the same time, the Commission issued, under order, a series of interrogatories to Frank Stanley, a witness in the above-captioned matter (See Attachment 1). When Mr. Stanley did not respond in a timely manner, a member of our staff telephoned Mr. Stanley on May 30, 1986. Mr. Stanley gave assurances that he would submit answers on June 2, 1986, explaining that his response had been delayed by an illness in his family. When the answers were still not submitted, this Office sent Mr. Stanley a letter on June 26, 1986 advising him of the possibility of a


38040713039

civil action for enforcement. (Attachment 2). Subsequently, telephone calls were placed by our staff to Mr. Stanley's office on July 16th, July 21st, and August 8th, but those calls were not returned. On September 12, 1986, the Commission voted to re-issue the same order and interrogatories. When Mr. Stanley failed to answer the interrogatories or respond in any manner, an additional telephone call was placed to him on October 15, 1986. He has not returned that call. Accordingly, this Office recommends that the Commission authorize an enforcement suit against Mr. Stanley in the appropriate U.S. District Court.

II. RECOMMENDATION

Authorize the Office of the General Counsel to institute a civil action, pursuant to 2 U.S.C. § 437d(b), seeking subpoena enforcement in the United States District Court against Frank Stanley.

13 Nov. 1986
Date



Charles N. Steele
General Counsel

Attachments

1. Interrogatories and Order
2. Letter to Frank Stanley

88040713040

Attachment 1

Snyder

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Chandler for Congress Committee)
and Charles F. Wade, as treasurer)
Caleb Chandler)

MUR 2172

ORDER TO SUBMIT WRITTEN ANSWERS

To: Frank Stanley
News Director - KCLV-KCLV-FM
2112 Thornton Street
Clovis, New Mexico 88101

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 15 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 17th day of Sept. 1986.

Joan D. Aikens
Joan D. Aikens
Chairman

ATTEST:

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

Attachment
Questions

38040713041

**QUESTIONS
TO
FRANK STANLEY**

Please respond to the following. As used in these questions, the terms listed below are defined as follows:

a. The term "documents" or "records" shall mean, unless otherwise indicated, writings of any kind, including, but not limited to, correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda, and other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, printouts, account statements, ledgers, billing forms, receipts, checks and other negotiable paper and compilations in your possession or control.

b. The term "identify" or "list" with respect to individuals shall mean to give the full name, last known residence address of such individual, and the last known place of business where such individual is or was employed. "Identify" or "list" with respect to other entities shall mean to give the full legal name, last known address of such entity, the entity's principal employee, if any, and the nature of the relationship between that entity and the Chandler for Congress Committee or the Clovis Investigation Services, and the dates of such relationship.

c. The terms "and" and "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these questions any information which may be otherwise construed to be out of its scope.

1. Identify all persons or entities that paid money to the Clovis Investigation Service, without having received any investigative services in exchange for that payment, for the purpose of making a contribution to Caleb Chandler's campaign for Congress or to the Chandler for Congress Committee.
2. List all documents or records that contain evidence that any person, persons, entity, or entities paid money to the Clovis Investigation Service for the purpose of making a contribution in connection with a Federal election, and attach copies of all such documents or records that are in your possession.
3. Describe all dealings, business relationships, professional contacts, or conflicts you have had with Mr. Caleb Chandler or with anyone associated with him.

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Marjorie W. Emmons
Secretary of the Commission



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 3, 1987

Mr. Frank Stanley
1008 West Cathie Drive
Clovis, New Mexico 88101

Re: MUR 2172

Dear Mr. Stanley:

This is to confirm and follow up on our January 13, 1987 telephone conversation regarding the order the Commission previously issued to you on September 17, 1986 in connection with the above-captioned matter.

During our conversation, you acknowledged receipt of the order, which required you to submit written answers to the attached questions within fifteen days, but claimed that you submitted your response to those questions several months ago. As I explained, the Commission, however, has no record of receiving your response. Thus, I informed you that it would be necessary for you to prepare and forward us another response to the questions, which you agreed to do. I then closed the conversation by stating that, after I consulted with my supervisor, I would call you back to discuss the resubmission of your responses to the questions.

Since our original conversation, I have repeatedly attempted to contact you, but to no avail. In this regard, I have left at least two messages with your wife asking you to call. To date, however, you still have not returned any of my calls. Thus, it is unclear whether you still wish to voluntarily cooperate with the Commission in this matter. If you intend to do so, please review the questions,*/ prepare another sworn statement containing

*/ Another copy of the Commission's order and questions, together with photocopy of the September 18, 1986 explanatory cover letter which previously accompanied those documents, is enclosed for your convenience.

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Letter to Frank Stanley
MUR 2172
Page 2

the information solicited therein, and then forward that statement to the Commission at your earliest convenience. Alternatively, if you are able to locate a copy of your original response to the questions, please re-sign that document in the presence of a notary public, have your signature notarized, and then forward it to us as soon as possible. In this regard, please be advised that if I do not receive your responses by February 17th, I will assume that you no longer wish to voluntarily cooperate with the Commission, and will proceed to file the lawsuit which I previously informed you the Commission had authorized to enforce the order.

Thank you in advance for your cooperation in this matter. Should you have any questions or problems, please contact me immediately at (202) 376-5690 or (800) 424-9530.

Sincerely,



Robert W. Bonham, III
Attorney

Enclosures:
as above.

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MWR 2172

RESPONSES TO QUESTIONS

1. I have personal knowledge of the fact that Mr. and Mrs. Ken White, Sr. and Mr. and Mrs. Ken White, Jr. paid money to the Clovis Investigation Services during the 1982 Congressional campaign. Both Ken White, Sr. and Ken White, Jr., who provided documentation to me, stated that the money was paid for the campaign and not for investigative services. The documentation was that which I forwarded to the United States Attorney, in addition to which, the White's maintain cancelled checks and the original documents. The White's maintain an office at 215 Innsdale Terrace in Clovis, NM 88101. Clovis attorney Ted Hartley, P. O. Box 309, Clovis, NM 88101, stated to me that he was invited to a party to solicit business for Clovis Investigation Service and he was told that no services would have to be rendered, that it would be a campaign contribution.

2. Enclosed find copies of an article which appeared in the Albuquerque Journal outlining the system, Mr. Chandler used. All other documentation is in your hands or in the hands of the White's. Other information on Mr. Chandler's campaign funds may be obtained from Mr. Ron Walker, presently under indictment by the United States Government, in the Missouri jurisdiction, and the State of New Mexico. Mr. Walker was president of Midwestern Fuels, Inc. of Joplin, Missouri, that operated ethanol plants in New Mexico. An employee of Mr. Walker's, who declined to be identified, stated that the company increased payroll checks during one pay period for the explicit purpose of making campaign contributions to Mr. Chandler's campaign. Mr. Walker has agreed to cooperate with the State of New Mexico and I assume the United States Attorney.

3. Mr. Chandler is presently the Police Chief for the City of Clovis, New Mexico and a State Senator for the State of New Mexico. I have had conflicts with Mr. Chandler in relation to his "being a lawmaker/law enforcer". To that end, I have had several investigative stories concerning Mr. Chandler including one on travel voucher. I have enclosed a copy of the Albuquerque Journal version of this story. The election campaign records for the Congressional campaign for 1982 were maintained in the State Archives, but were destroyed in 1985. Prior to their destruction, the Albuquerque Journal and the New Mexico Attorney General made copies of the file. The New Mexico Attorney General is somewhat reluctant to look into this matter for two reasons; one, Mr. Chandler is the vice-chairman of the Legislative Finance Committee, which allocates funds to the AG's office, and two, Police Chief Chandler has been involved as an investigator in assisting the AG's office in the prosecution of several cases. I have had no business relationship with Mr. Chandler, Clovis Investigation Service or C&D Trucking Company, (a trucking permit company he has owned in the past) and/or the Clovis News Journal, the local daily newspaper which also assisted with the billing

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procedures for Clovis Investigation Service. As far as having contact with anyone associated with Chief Chandler, my work in the past has had day to day involvement with the Clovis Police Department. As far as contact with anyone associated with Senator Chandler, I do discuss matters with other New Mexico State Legislators, but Senator Chandler refuses to discuss legislative or police matters with me.

DATE:

20 Feb 1987

SIGNED: _____

Curry County
State of New Mexico


Notary Public

Commission Expires: 8-2-87

88040713047

Charged More Than Allowed

NOV 21 1985

By Art Geiselman

JOURNAL STAFF WRITER

CLOVIS — Clovis Police Chief Caleb Chandler submitted a voucher overcharging the city by \$679 for a combined business-vacation trip to Florida last July, according to City Manager Don Clifton.

Clifton said during an interview last week that he halted a \$1,318 payment to Chandler because it would have violated state standards for reimbursement of expense money to public employees.

Chandler, who apparently followed the advice of the city clerk-treasurer in filling out the voucher, eventually received \$639.

A state senator from Curry County, Chandler sought reimbursement for auto mileage to and from Tampa, Fla., where he attended a four-day FBI seminar. The city manager said Chandler was entitled to the amount of a round-trip airline fare.

Chandler also submitted per diem expenses for the more than seven days it took to make the auto trip from Clovis. The city manager said Chandler was entitled to recover living expenses only for the days of the seminar and two days travel time.

Clovis officials said the trip was a combined business-vacation excursion for Chandler, his wife, and possibly other members of his family.

Chandler declined to be interviewed.

But Roy Hagler, city clerk and treasurer, said he advised Chandler how to fill out the voucher after the police chief asked him about "the fairest way" to handle a business-vacation trip to Florida.

"I was in error," Hagler said.

Hagler said Chandler requested this advice several weeks before the trip. Chandler's expense request was dated March 12, records show.

Clifton said he and Mayor Frank Murray signed the advance request in blank as had been the custom before the problem involving Chandler's expenses. Clifton said that practice has been changed.

According to city records,

Chandler billed the city for driving his personal car 3,022 miles at 25 cents a mile.

The conference lasted four days, and Chandler submitted \$50-a-day per-diem expenses for 11 days and 9 hours.

The additional seven days and nine hours, according to Chandler's request for reimbursement, were for expenses during travel time. Per diem is to pay for food and other out-of-pocket expenses during performance of official duties.

Chandler's request amounted to \$755 for auto mileage and \$563 for per diem expenses, a total of \$1,318.

Clifton cut the amount of the chief's per-diem expenses to six days, or \$300, and cut the mileage reimbursement to \$339 — the amount he said it would have cost Chandler to fly round-trip from Clovis to Tampa.

The city manager said Lt. Ramon Jacquez, another city officer attending the FBI session, was paid per diem of \$322. In Jacquez' case, the city prepaid his air fare of about \$218.

Records show Chandler left Clovis July 12 and returned July 23. During this period, according to Clifton, Chandler received his regular salary and put in for 10 hours of vacation time.

In late July, just before the check for \$1,318 was to go to Chandler, Clifton was alerted to a possible problem by an item in a weekly newsletter published by Frank Stanley, a Clovis radio newsmen.

George Elliott, deputy budget director for the Department of Finance and Administration in Santa Fe, said this week that payment of expenses to public employees is covered by state law and department regulations.

Elliott said a public employee using his private car for an out-of-state trip cannot be reimbursed for more than the cost of the trip by coach-class commercial airlines.

He said state law permits per diem payments of up to \$70 a day but sets a maximum of 22 cents a mile for vehicle use. An exception to that rule permits the New Mexico State Police to set its own reimbursement rates for commissioned officers.

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Firms Paid Retainers to Chandler Agency

By Art Geiselman

DEC 11 1985

JOURNAL INVESTIGATIVE REPORTER

CLOVIS — A number of Clovis businessmen paid monthly retainers to a private security firm that State Sen. Caleb Chandler set up to support himself during his unsuccessful congressional campaign in 1982.

Chandler's firm, Clovis Investigation Service, stayed in business seven months and shut down soon after the 2nd Congressional District race was over — and Chandler moved back into his job as deputy police chief.

Chandler, who is now police chief in Clovis, told clients at the time that fees generated by the company would offset the loss of salary he suffered when he was required to take a leave of absence from his job during the campaign.

According to a copy of a contract between Chandler's firm and one Clovis business, \$100-a-month payments were considered a retainer that required no specific services. Any security work requested by the client would be billed at \$25 per hour, after charges exceeded the retainer.

Chandler, who won the Democratic primary but was trounced by Rep. Joe Skeen, R-N.M., in the general election, declined to be interviewed about the company.

Chandler's records show he received \$67,200 in campaign contributions, many coming directly to the campaign from people involved in Clovis-area businesses. Businessmen interviewed said their payments to Chandler's firm were not considered political contributions, but were to be charged off as business expenses.

In a letter to one Clovis Investigation Service client dated Nov. 5, 1982, three days after he was defeated by Skeen, Chandler said:

"I can't thank you enough for helping me by being a customer of the Clovis Investigation Service. Your financial help while I was on leave without pay from the police department has been instrumental during the past few months.

"If I can ever be of assistance to you or your family, please do not hesitate to contact me. All my gratitude, Caleb."

"Thanks for Everything," he added in longhand. The letter was sent on the letterhead of the Caleb Chandler for Congress Committee.

U. S. Attorney William Lutz in Albuquerque confirmed last week that he had received a complaint about Chandler's handling of campaign funds, but refused to say if it was investigated.

Lutz said that if a candidate uses money given to him during a campaign for personal use he must list it in his federal income tax return.

Charles Wade, Chandler's campaign finance chairman, said this week that no money given to Chandler's security company was used in the 1982 campaign.

"The company had nothing to do with the campaign," he said.

Chandler's campaign report filed in Santa Fe and Washington, D.C., shows Chandler and his wife loaned the Caleb Chandler for Congress Committee \$2,500 during the time his firm was receiving payments from businessmen. According to records, the money was borrowed from Citizens Bank of Clovis.

The report also shows Chandler and his finance chairman, Wade, each loaned another \$750 to the campaign committee during this period.

Caleb Chandler



*** for CONGRESS

2508 N. Prince St
Clovis, N.M. 88101

He Puts New Mexico First

(505) 762-3308
(505) 762-5959

November 5, 1982

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Copy of letter State Sen. Caleb Chandler sent to client of his Clovis Investigation Service after unsuccessful 1982 campaign.

to political campaigns, but a businessman can contribute personal funds.

One important factor in determining whether a payment by a businessman is a business expense or campaign contribution is whether the person paying the money received services in return, Eiland said. If so, it would more likely be treated as a business expense.

Ken White Sr., a cattleman and owner of a Clovis commodities firm that sent four checks of \$100 each to Chandler's company in 1982, said last week that he did not receive nor expect any services in return for his payments to Clovis Investigation Service.

"To my knowledge there wasn't any security agency that I know of," White said. "It would be hard to find anything that the agency did."

He said Chandler told him the money was to help Chandler and his family meet expenses during the campaign.

Other customers of the agency described it as a business venture and said Chandler provided services. District Attorney Bill Bonem, who said he was a friend of Chandler's, said "I see nothing

into a contract on April 25, 1982, agreeing to pay Clovis Investigation Service a monthly retainer of \$100. Any actual work would be performed at \$25 per hour, if it exceeded the retainer.

Records show two of White's checks stated the money was for "investigative service for Caleb Chandler during (the) campaign" and another said it was for "Caleb Chandler campaign."

The checks were signed by White's son, Ken White Jr., who said last week he had wanted to make it clear the money was for campaign purposes.

Chandler's campaign records don't show the payments as contributions, but do show personal contributions by the Whites.

The younger White said that only Chandler knows how many businesses contributed to his security company because he lined them up personally.

He said Chandler canceled the contract as soon as the election was over.

The Whites and Chandler have had subsequent disagreements.

In 1984, Ken White Jr., once a strong Chandler supporter, filed a lawsuit against Chandler.

White's mother, Gloria White, has since accused Clovis police of illegally obtaining a copy of a confidential file she had compiled on civil rights complaints against officers. Chandler said officers obtained the copy legally.

Dr. Jacob Moberly, a dentist and close Chandler associate, said Chandler told him he needed a way to make a living during the campaign and that he could provide services.

"I know Caleb performed services for these payments because I went along with him when he drove around checking locks on doors and alarm systems," Moberly said. He also said he thought he had made a direct contribution to the campaign but hadn't contracted with the service.

Al Jolly, business manager of Doc Stewart's auto dealership, said the venture was strictly business.

"He (Chandler) came out at night and checked the cars. I saw a guy with him that he was breaking in (as a security guard)," Jolly said. "They (Chandler's customers) were all up and down the road. But it had no connection with his campaign."

Don Bonner, owner of Bottler's Inc. and board chairman of First Federal Savings and Loan in Clovis, said Chandler planned to have a security patrol while on leave from the city.

"He was to look at the general security of the (bottling) plant. I have contributed to his campaigns in the past. I paid him (for the security services) but I don't remember how much. I don't know when he stopped or why. I just assume it was to provide services I was paying for. I assumed it was to support himself and family while he was without a job. I don't remember signing a contract."

Jim Griffin, publisher of the Clovis News-Journal, said he and many people helped Chandler.

"It was a means of making a living while he was campaigning. One of my girls mailed out statements," Griffin said. "Where did he work? Anywhere I wanted him. Where? That's my business."

Griffin said Chandler paid taxes on the money and said there was no question about legality.

Clovis insurance man Jim Malloy said Chandler provided security services for his office and "checked the place regularly."

"The DA said it was okay. Caleb said it was okay. We charged it off as business expenses, \$100 a month for four or five months," Malloy said. "I'm told Caleb listed it as income."

Ted Hartley, a Clovis lawyer and son of former state Treasurer Earl Hartley, said he didn't sign a contract with Chandler's firm but said he knew what was happening.

"People got together to help him support himself," Hartley said. "My mom (Vora Hartley) didn't sign a contract either but when Caleb first became a senator she helped him with his room in Santa Fe. At that time he was deputy police chief."

Chandler said he was on official leave of absence during the campaign, but City Manager Don Clifton said recently that he could find no record of Chandler's applying for or receiving such a leave from Clifton's predecessor.

City payroll records show that, except for a two-week period, he received no regular salary between April 16 and Nov. 12. The pay for the two weeks plus other work performed on weekends totalled \$3,966.

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On April 28, 1982, Chandler obtained an occupa-
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The report also shows Chandler and his finance chairman, Wade, each loaned another \$750 to the campaign committee during this period.

Fred Eiland, a spokesman for the Federal Election Commission, said federal law prohibits corporations and labor unions from making direct contributions

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stopped or why. services I was paid support himself at job. I don't remember

Jim Griffin, public said he and many

"It was a means campaigning. One moments," Griffin said where I wanted him

Griffin said Chandler said there was no

Clovis insurance provided security "checked the place

"The DA said it We charged it of month for four or

etainers to Chandler Agency

Caleb Chandler

★ ★ ★ *for* CONGRESS

Prince St
N.M. 88101

He Puts New Mexico First

(505) 762-3308
(505) 762-5959

November 5, 1982

"I thank you enough for helping me by being a customer of the Clovis Investigation Service. Your financial help while I was on leave without pay from the police department has been instrumental during the past few months."

"I can ever be of any assistance to you or your family, please do not hesitate to contact me."

All my gratitude,

Caleb
Caleb

Thanks for everything

White's mother, Gloria White, has since accused Clovis police of illegally obtaining a copy of a confidential file she had compiled on civil rights complaints against officers. Chandler said officers obtained the copy legally.

Dr. Jacob Moberly, a dentist and close Chandler associate, said Chandler told him he needed a way to make a living during the campaign and that he could provide services.

"I know Caleb performed services for these payments because I went along with him when he drove around checking locks on doors and alarm systems," Moberly said. He also said he thought he had made a direct contribution to the campaign but hadn't contracted with the service.

Al Jolly, business manager of Doc Stewart's auto dealership, said the venture was strictly business.

"He (Chandler) came out at night and checked the cars. I saw a guy with him that he was breaking in (as a security guard)," Jolly said. "They (Chandler's customers) were all up and down the road. But it had no connection with his campaign."

Don Bonner, owner of Bottler's Inc. and board chairman of First Federal Savings and Loan in Clovis, said Chandler planned to have a security patrol while on leave from the city.

"He was to look at the general security of the (bottling) plant. I have contributed to his campaigns in the past. I paid him (for the security services) but I don't remember how much. I don't know when he stopped or why. I just assume it was to provide services I was paying for. I assumed it was to support himself and family while he was without a job. I don't remember signing a contract."

Jim Griffin, publisher of the Clovis News-Journal, said he and many people helped Chandler.

"It was a means of making a living while he was campaigning. One of my girls mailed out statements," Griffin said. "Where did he work? Anywhere I wanted him. Where? That's my business."

Griffin said Chandler paid taxes on the money and said there was no question about legality.

Clovis insurance man Jim Malloy said Chandler provided security services for his office and "checked the place regularly."

"The DA said it was okay. Caleb said it was okay. We charged it off as business expenses, \$100 a

er State Sen. Caleb Chandler sent to client of his Clovis Investigation Service after



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO:

CHARLES N. STEELE
GENERAL COUNSEL

FROM:

MWE MARJORIE W. EMMONS/JOSHUA MCFADDEN *JM*

DATE:

MARCH 6, 1987

SUBJECT:

MUR 2172 - COMPREHENSIVE INVESTIGATIVE REPORT #1
SIGNED MARCH 4, 1987

The above-captioned matter was received in the Office of the Secretary of the Commission Wednesday, March 4, 1987 at 3:47 P.M. and circulated to the Commission on a 24-hour no-objection basis Thursday, March 5, 1987 at 11:00 A.M.

There were no objections received in the Office of the Secretary of the Commission to the Comprehensive Investigative Report #1 at the time of the deadline.

88040713054

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Chandler for Congress Committee, et al.

)
)
)

MUR 21

COMPREHENSIVE INVESTIGATIVE REPORT #1

On December 2, 1986, the Commission authorized the Office of the General Counsel to file a subpoena enforcement action against Frank Stanley, a witness in the above-captioned matter, to compel Mr. Stanley to submit written responses to three questions previously propounded to him by the Commission.

The litigation attorney assigned to this matter contacted Mr. Stanley to discuss his noncompliance with the Commission's order. During that telephone conversation, Mr. Stanley advised the attorney that he had submitted his responses to the questions several months before. When he was told that the Commission had never received those responses, Mr. Stanley agreed to submit another set of signed and notarized responses to the Commission's questions. The Office of the General Counsel has now received those responses, and, based on our preliminary review, they appear responsive to the Commission's questions. Accordingly, this Office will not file the subpoena enforcement action against Mr. Stanley.

When the Office of the General Counsel has completed its review of both Mr. Stanley's responses to the questions and the additional documentary materials which accompanied them, this

88040713055

Office will make further recommendations to the Commission regarding this matter.

Charles N. Steele
General Counsel

Date 3/4/87

BY:

Lois G. Lerner
Lois G. Lerner
Associate General Counsel

88040713056

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Chandler for Congress Committee)
and Charles Wade, as treasurer)
et al.)

MUR 2172

27 MAY 29
AS: 52

GENERAL COUNSEL'S REPORT

BACKGROUND

On April 29, 1986, the Commission found reason to believe that the Chandler for Congress Committee (the "Committee") and Charles Wade, as treasurer, violated 2 U.S.C. §§ 434 and 441f and 11 C.F.R. § 103.3, and that Caleb Chandler violated 2 U.S.C. § 441f. The basis for these findings was an allegation by Frank Stanley that Mr. Chandler and the Committee accepted as contributions certain payments made to an investigative service established by Mr. Chandler, and that no investigative services were rendered for those payments. The Committee allegedly failed correctly to report those contributions.

The Commission also issued an order and interrogatories to Frank Stanley as a witness in the case. On December 2, 1986, the Commission authorized this Office to file a subpoena enforcement action against Frank Stanley in view of his failure to answer those questions. As this Office reported to the Commission on March 4, 1987, the answers to the questions have now been received. (See Attachment 1).

Mr. Stanley's responses may be summarized as follows.

1. Mr. and Mrs. Ken White, Sr. and Mr. and Mrs. Ken White Jr., allegedly told Mr. Stanley that they paid money to Clovis Investigation Services ("C.I.S."), the investigation

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agency established by Caleb Chandler, during Mr. Chandler's 1982 campaign for Congress and that "the money was paid for the campaign and not for investigative services." The Whites allegedly have documents supporting this allegation. A news article attached to the response states that Ken White, Jr. opposed Mr. Chandler (unsuccessfully) for the State Senate in 1984.

2. Attorney Ted Hartley allegedly told Mr. Stanley that he had attended a party held "to solicit business for" CIS, and was told that no services "would have to be rendered" for payments to CIS, and that such payment "would be a campaign contribution."

3. Midwestern Fuels, Inc ("Midwestern") of Joplin, Mo., which operates ethanol plants in New Mexico, allegedly increased the amount of payroll checks during one pay period "for the explicit purpose of making campaign contributions to Mr. Chandler's campaign." Mr. Ron Walker, who was president of Midwestern, allegedly has information supporting this allegation.

4. Mr. Stanley acknowledges that he has had past conflicts with Mr. Chandler, due to investigative stories he has published in the past, including one alleging that Mr. Chandler had submitted a travel voucher overcharging the City of Clovis.

LEGAL AND FACTUAL ANALYSIS

The statements allegedly made by the Whites and by Mr. Hartley would support the allegations upon which the Commission's findings were based. In addition, Mr. Stanley's

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response raises the possibility that the Whites also violated the statutory section that states that "No person shall make a contribution in the name of another person " 2 U.S.C. § 441f. If the Whites made a payment to CIS, knowing the money would be transferred through a conduit as a contribution to the Committee, they would have made a contribution in the name of another. This Office recommends therefore that the Commission find reason to believe the Whites violated 2 U.S.C. § 441f.

It also appears necessary to determine whether the other persons allegedly involved in these transactions would corroborate the statements made by Mr. Stanley. Therefore, this Office recommends that interrogatories be issued to the Whites, as well as to Mr. Hartley. Since Mr. Hartley was apparently solicited for an illegal contribution but did not make one, this Office regards him as a witness only.

As to the allegations concerning Midwestern, Mr. Stanley's response suggests that the corporation provided employees with extra "pay" so that they could, in effect, act as conduits for the transmission of corporate funds into the Chandler campaign. Under the Federal Election Campaign Act ("the Act"), "it is unlawful for any ... corporation whatever ... to make a contribution or expenditure in connection with any [Federal] election" 2 U.S.C. § 441b. Thus, if Midwestern made contributions to the Committee through its employees, it would have violated 2 U.S.C. § 441b.

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The Act further states that: "No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person." 2 U.S.C. § 441f. If Midwestern made contributions to the Committee in the names of its employees, it would have violated 2 U.S.C. § 441f. This Office therefore recommends that the Commission find reason to believe that Midwestern violated 2 U.S.C. § 441f, and propound the attached questions to that corporation. Once the conduits are identified, this Office will report again with appropriate recommendations. (No recommendation is made concerning the acceptance by the Committee of contributions made by Midwestern in the names of its employees, since the Commission previously found reason to believe the Committee violated 2 U.S.C. § 441f).

RECOMMENDATIONS

1. Find reason to believe Mr. Ken White, Sr. violated 2 U.S.C. § 441f.
2. Find reason to believe Mrs. Ken White, Sr. violated 2 U.S.C. § 441f.
3. Find reason to believe Mr. Ken White, Jr. violated 2 U.S.C. § 441f.
4. Find reason to believe Mrs. Ken White, Jr. violated 2 U.S.C. § 441f.
5. Find reason to believe Midwestern Fuels, Inc. violated 2 U.S.C. §§ 441b and 441f.
6. Approve and send the attached Legal and Factual Analyses.

38040713060

7. Approve and send the attached letter and questions to Mr. and Mrs. Ken White, Sr., Mr. and Mrs. Ken White, Jr., and Midwestern Fuels, Inc.
8. Approve and send the attached order, letter and questions to Ted Hartley.

Date

5/28/57


Lawrence M. Noble
Acting General Counsel

Attachments

1. Response of Frank Stanley
2. Proposed Legal and Factual Analyses
3. Proposed questions to respondents
4. Proposed letters to respondents
5. Proposed order and questions to Ted Hartley
6. Proposed letter to Ted Hartley

38040713061

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Chandler for Congress Committee)
and Charles Wade, as treasurer)
et al.)

MUR 2172

CERTIFICATION

I, Mary W. Dove, recording secretary for the Federal Election Commission executive session on June 9, 1987, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in the above-captioned matter:

1. Find reason to believe Mr. Ken White, Sr. violated 2 U.S.C. § 441f.
2. Find reason to believe Mrs. Ken White, Sr. violated 2 U.S.C. § 441f.
3. Find reason to believe Mr. Ken White, Jr. violated 2 U.S.C. § 441f.
4. Find reason to believe Mrs. Ken White, Jr. violated 2 U.S.C. § 441f.
5. Find reason to believe Midwestern Fuels, Inc. violated 2 U.S.C. §§ 441b and 441f.
6. Approve and send the Legal and Factual Analyses attached to the General Counsel's report dated May 28, 1987.
7. Approve and send the letter and questions attached to the General Counsel's report dated May 28, 1987, to Mr. and Mrs. Ken White, Sr., Mr. and Mrs. Ken White, Jr., and Midwestern Fuels, Inc.
8. Approve and send the order, letter, and questions attached to the General Counsel's Report dated May 28, 1987, to Ted Hartley.

(continued)

38040713062

Federal Election Commission
Certification for MUR 2172
June 9, 1987

Page 2

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

Attest:

6-10-87

Date

Mary W. Dove

Mary W. Dove
Administrative Assistant

38040713063



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 15, 1987

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ted Hartley, Esquire
P.O. Box 309
Clovis, NM 88101

RE: MUR 2172

Dear Mr. Hartley:

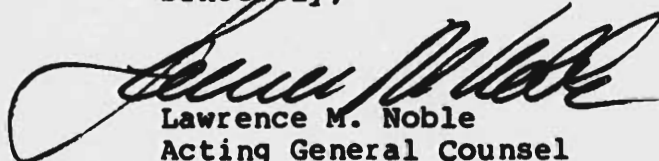
The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached subpoena which requires you to provide certain information, in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

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 assist you in the preparation of your responses to this subpoena. However, you are required to submit the information under oath within 10 days of your receipt of this subpoena.

If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at (202) 376-8200.

Sincerely,


Lawrence M. Noble
Acting General Counsel

Enclosures
Subpoena
Questions

98040713064



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 16, 1987

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Midwestern Fuel Systems, Inc.
413 Virginia Street
Joplin, MO 64801

RE: MUR 2172
Midwestern Fuel
Systems, Inc.

Dear Sir/Madam:

On June 9, 1987, the Federal Election Commission found that there is reason to believe Midwestern Fuel Systems, Inc. violated 2 U.S.C. §§ 441b and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against Midwestern Fuel Systems, Inc. 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, along with answers to the enclosed questions, within 15 days of your 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-

28040713065

Letter to
Midwestern Fuel Systems, Inc.
Page Two

probable cause conciliation after briefs on probable cause have been mailed to the respondent.


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

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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

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

Sincerely,



Scott E. Thomas
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

38040713066



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 16, 1987

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Ken White, Jr.
215 Innsdale Terrace
Clovis, NM 88101

RE: MUR 2172
Mr. Ken White, Jr.

Dear Mr. White:

On June 9, 1987, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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

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Letter to Ken White, Jr.
Page Two

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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 Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Scott E. Thomas
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

38040713068



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 16, 1987

CERTIFIED MAIL - RETURN RECEIPT

Mr. Kenneth Sinks
Registered Agent, Midwestern Fuel Systems, Inc.
1606 Kenwood Circle
Farmington, NM 87401

RE: MUR 2172
Midwestern Fuel Systems, Inc.

Dear Mr. Sinks:

The enclosed notification letter and supporting material, which were returned to us as not deliverable, are being sent to you as registered agent of Midwestern Fuel Systems, Inc. The alleged violations relate to the activities of Midwestern Fuel Systems, Inc. in New Mexico. Please refer to the procedures set forth in the letter and in the other materials in responding to this notification and the attached questions. Your response is due within 15 days of your receipt of this letter.

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

Sincerely,

Lawrence M. Noble
Acting General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure

Notification Letter
Procedures
Designation of Counsel Form
Questions

38040713069



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 16, 1987

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mrs. Ken White, Jr.
215 Innsdale Terrace
Clovis, NM 88101

RE: MUR 2172
Mrs. Ken White, Jr.

Dear Mrs. White:

On June 9, 1987, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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

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Letter to Mrs. Ken White, Jr.
Page Two

probable cause conciliation after briefs on probable cause have been mailed to the respondent.

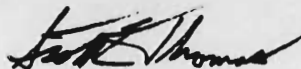
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel is not authorized to give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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

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

Sincerely,



Scott E. Thomas
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

130713071



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 16, 1987

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mrs. Ken White, Sr.
215 Innsdale Terrace
Clovis, NM 88101

RE: MUR 2172
Mrs. Ken White, Sr.

Dear Mrs. White:

On June 9, 1987, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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

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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-

38040713072

Letter to Mrs. Ken White, Sr.
Page Two

probable cause conciliation after briefs on probable cause have been mailed to the respondent.

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If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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

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

Sincerely,



Scott E. Thomas
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

38040713073

GCC 3707

RECEIVED AT THE FEC

Telephone 505/769-2113

87 JUN 26 49:24

Ted L. Hartley
Attorney at Law

912 Colonial Parkway, P. O. Box 309
Clovis, New Mexico 88101

June 23, 1987

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

87 JUN 26 40:52

RECEIVED
OFFICE OF THE
GENERAL COUNSEL

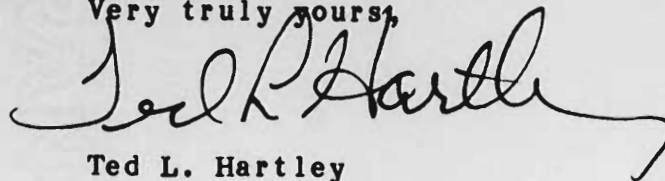
Mr. Lawrence M. Noble
Acting General Counsel
Federal Election Commission
1325 K Street, NW
Washington, D. C. 20463

RE: MUR 2172

Dear Mr. Noble:

I have enclosed my responses to your inquiry on the Federal Election investigation above referenced.

Very truly yours,



Ted L. Hartley

TLH/kh

Enclosure

88040713074

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)
)

MUR 2172

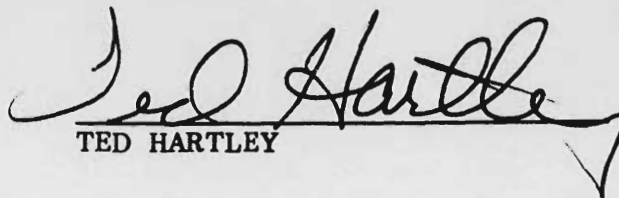
WRITTEN ANSWERS TO QUESTIONS SUBMITTED
TO TED HARTLEY, ESQUIRE

1. None. No person solicited a payment or contribution from me for Clovis Investigation Service.

2. Not applicable. No person solicited any payments.

3. Not applicable. No person solicited any payments.

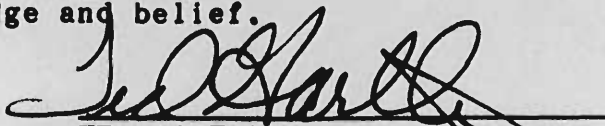
4. I do not remember making any payments or contributions to Caleb Chandler for the 1982 campaign for Congress. I may have contributed to him or to the Chandler for Congress Committee, but I have no independent recollection of this. I would state that I did not make any payment to Clovis Investigation Service for any reason.


TED HARTLEY

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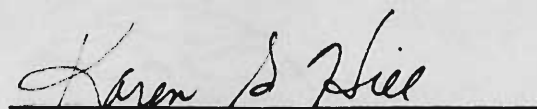
STATE OF NEW MEXICO)
) SS:
COUNTY OF CURRY)

TED HARTLEY, after first being duly sworn, on oath, states that the Written Answers above set forth are true and correct to the best of his knowledge and belief.


TED HARTLEY

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me this 22nd day of June, 1987, by TED HARTLEY.

(S E A L)


NOTARY PUBLIC

My Commission Expires:

April 27, 1989

03040713076

QUESTIONS

1. State whether any person solicited a payment or contribution from you for Clovis Investigation Service. If so, identify the person(s) making such solicitation, and state where, when, and how such solicitation was made.
2. State whether the person making such solicitation stated that no services would be performed for such payment or contribution.
3. State whether the person making such solicitation stated that certain funds paid to Clovis Investigation Service would be used for Caleb Chandler's 1982 campaign for Congress, or would be transferred to the Chandler for Congress Committee. Attach copies of all documents relating to such solicitations.
4. State whether you paid or gave any money to Clovis Investigation Service, Caleb Chandler, or the Chandler for Congress Committee, and, if so, state the purpose and amount of such payments(s) or gift(s).

08040713077

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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MUR 2172

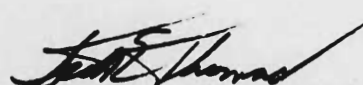
SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Ted Hartley, Esquire
P.O. Box 309
Clovis, NM 88101

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 Order. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals.

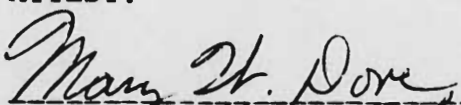
Such answers must be submitted under oath and must be forwarded to the Commission along with the requested documents within 10 days of your receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand on this 12th, day of June, 1987.



Scott E. Thomas, Chairman
Federal Election Commission

ATTEST:



Marjorie W. Emmons
Secretary to the Commission

Attachments
Questions (1 page)

88040713078

Robert Brack
Attorney at Law

17 JUL 21

906 Colonial Parkway
Clovis, New Mexico 88101
505 768-4471

July 1, 1987

Mr. Scott E. Thomas
Chairman
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2172/Mr. Ken White, Sr., Mrs. Ken White, Sr., Mr. Ken
White, Jr., Mrs. Ken White, Jr.

Dear Mr. Thomas:

Your letters dated June 16, 1987, addressed to the four
Respondents, have been referred to my office for response. As
indicated on the enclosed Statement of Designation of Counsel, I
will be representing all four of the Respondents.

Also enclosed is a pleading entitled Answers to Interrogatories
and Requests for Production of Documents with attachments.

While my clients deny any impropriety with regard to this matter,
they may be interested in pursuing preprobable cause
conciliation. Please advise if any additional steps are
necessary to formulize this written request for conciliation.

Please keep me advised of the progress of the investigation.

Sincerely,

Robert Brack
ROBERT BRACK

RB/jh

Enclosures

cc: Mr. Ken White, Sr.
Mr. Ken White, Jr.

03040713079

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2172

NAME OF COUNSEL: Robert Brack


ADDRESS: 906 Colonial Parkway

Clovis, NM 88101

TELEPHONE: 763-4471

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.

7-1-87
Date


Signature

RESPONDENT'S NAME: Ken White, Jr.

ADDRESS: 500 Diamondhead

Clovis, NM 88101

HOME PHONE: 762-2979

BUSINESS PHONE: 762-3336

08040713080

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2172

NAME OF COUNSEL: Robert Brack

ADDRESS: 906 Colonial Parkway

Clovis, NM 88101

TELEPHONE: 763-4471

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.

7-1-87
Date

Mrs. Ken White, Sr.
Signature

RESPONDENT'S NAME: Mrs. Ken White, Sr.

ADDRESS: 500 Diamondhead

Clovis, NM 88101

HOME PHONE: 762-2979

BUSINESS PHONE: 762-3336

88040713081

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2172

NAME OF COUNSEL: Robert Brack

ADDRESS: 906 Colonial Parkway

Clovis, NM 88101

TELEPHONE: 763-4471

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.

7-2-87
Date

Ken White, Sr.
Signature

RESPONDENT'S NAME: Ken White, Sr.

ADDRESS: 500 Diamondhead

Clovis, NM 88101

HOME PHONE: 762-2979

BUSINESS PHONE: 762-3336

28040713082

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2172

NAME OF COUNSEL: Robert Brack

ADDRESS: 906 Colonial Parkway

Clovis, NM 88101

TELEPHONE: 763-4471

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.

7-1-87
Date

Mrs. Ken White, Jr.
Signature

RESPONDENT'S NAME: Mrs. Ken White, Jr.

ADDRESS: 500 Diamondhead

Clovis, NM 88101

HOME PHONE: 762-2979

BUSINESS PHONE: 762-3336

38040713083

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)
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MUR 2172

ANSWERS TO INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

1. State how much money you have paid to Clovis Investigation Service or its officers and agents. Attach copies of all documents relating to such payments.

ANSWER:

Ken White Commodities, Inc., paid a total of \$600.00 to CIS. These funds were for personal expenses, not campaign.

2. Describe what services, if any, you received from Clovis Investigation Service for the payment referred to in question 1.

ANSWER:

We received no services because none were requested. These payments were retainer fees as indicated in the agreement attached. We provided this information to news and law enforcement sources when improprieties were suspected.

3. State whether any money you paid to Clovis Investigation Service was transferred to the Chandler for Congress Committee or to any other person for use in connection with Caleb Chandler's 1982 campaign for Congress. If so, identify the person who made such transfers.

ANSWER:

We have no direct knowledge how the money was used.

4. State whether any person solicited or requested money from you to be paid to Clovis Investigation Service in order that said money would be transferred to the Chandler for Congress

113084

Committee or to any other person for use in connection with Caleb Chandler's campaign for Congress. Describe these solicitations and identify all persons who made such solicitations. Attach copies of all such written solicitations.

ANSWER:

The money was solicited from Ken White, Sr., President of Ken White Commodities, by Caleb Chandler, because as indicated on his letter of appreciation attached, he was "on leave without pay from the police department".

5. State how much money, or anything else of value, if any, individually or jointly with any other person, you contributed, whether by gift, loan, or any other means, directly or indirectly, to the Chandler for Congress Committee. State whether this contribution was in addition to any other payment made to Caleb Chandler's 1982 campaign for Congress through an intermediary, such as Clovis Investigation Service. Attach copies of all documents relating to such contributions.

ANSWER:

Ken and Gala White contributed directly to the campaign as follows:

04-15-82 - \$ 50.00
06-01-82 - \$200.00

Ken White, Sr.
Ken White, Sr.

Mrs. Ken White, Sr.
Mrs. Ken White, Sr.

Ken White, Jr.
Ken White, Jr.

Mrs. Ken White, Jr.
Mrs. Ken White, Jr.

38040713085

STATE OF NEW MEXICO)
COUNTY OF CURRY)

WE, KEN WHITE, SR., MRS. KEN WHITE, SR., KEN WHITE, JR., and MRS. KEN WHITE, JR., being first duly sworn upon our oath, depose and state that we have read the foregoing Answers to Interrogatories, know the contents thereof and that the matters and facts therein contained are true and correct to the best of our knowledge and belief.

Ken White, Sr.
KEN WHITE, SR.

Mrs. Ken White, Sr.
MRS. KEN WHITE, SR.

Ken White, Jr.
KEN WHITE, JR.

Mrs. Ken White, Jr.
MRS. KEN WHITE, JR.

SUBSCRIBED AND SWORN before me this 1st day of July, 1987, by Ken White, Sr., Mrs. Ken White, Sr., Ken White, Jr. and Mrs. Ken White, Jr.

Barbara J. Elliott
Notary Public

(SEAL)

My commission expires:

April 7, 1991

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6-1882

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June 10 19 82

KEN WHITE COMMODITIES
P. O. BOX 1749 762-3336
781 CLOVIS, N.M. 88101

ANK OF CLOVIS

PAY TO THE ORDER OF Clovis Investigation Service \$ 100.00

REGISTERED \$100 and 00 cts

THIS CHECK IS DELIVERED FOR PAYMENT ON THE FOLLOWING ACCOUNTS

Caleb Chandler			

PAID

• 11220121801038 29 901 • 0000010000 •

The Citizens Bank of Clovis
CLOVIS, New Mexico

683

95-121
1122

June 10 19 82

KEN WHITE COMMODITIES
P. O. BOX 1749 762-3336
781 CLOVIS, N.M. 88101

PAID

RECEIVED
TELLER NO. 9
CITIZENS BANK
OF CLOVIS

PAY TO THE ORDER OF Ken White, Sr. \$ 100.00

REGISTERED \$100 and 00 cts

THIS CHECK IS DELIVERED FOR PAYMENT ON THE FOLLOWING ACCOUNTS

Reimbursement for payment to Clovis Investigation Service			

PAID

• 11220121801038 19 901 • 1470000010000 •

The Citizens Bank of Clovis
CLOVIS, New Mexico

KEN WHITE COMMODITIES

P. O. BOX 1749 782-3336

781

CLOVIS, N.M. 88131

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October 6 1982

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DAY
TO THE
ORDER OF

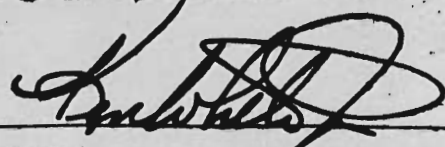
Clovis Investigation Service

\$ 100.00

REGISTERED \$100 and 00 Cts

DOLLARS

Investigation service for Caleb Chandler



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Clovis Investigation
Service
10/11/82

[illegible]


PAID AIR MAIL REG.

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 **KEN WHITE, JR.**
PH. 762-8336
808 DIAMONDHEAD
CLOVIS, N.M. 88101

6-22-82
STMT

JA 1121

6/82 85-121
1122

Calley Chandler for Oregon \$ 200.00
Two hundred & no/100

 **The Bank of America**
Clovis, New Mexico

Ken White

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PAY ANY BANK (P.E.G.)
CLOVIS,
NATIONAL BANK
CLOVIS, NEW MEXICO
95-00 95-00

JUN - 2 82

Ken White
Clovis, New Mexico

KEN WHITE COMMODITIES
P. O. BOX 1749 762-8386
761 CLOVIS, N.M. 88101

572

April 22 19 82 95-121
1122

PAY TO THE ORDER OF Clovis Investigation Service
THE SUM 100 DOLS 00 CTS \$ 100.00
DOLLARS

THIS CHECK IS DELIVERED FOR PAYMENT ON THE FOLLOWING ACCOUNTS

Ken White

00112201218101 038 19 901 0000010000

88040713091

For Deposit Only
10-11139-5

First National Bank of Clovis
Clovis, New Mexico



JOHN WHITE, Co.
P. O. BOX 1749 762-2226
CLOVIS, N.M. 88101

761

568

May 11 19 82

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PAY TO THE ORDER OF Clovis Investigation Service

\$ 100.00

THE SUM 100 DOLLARS 00 CTS

DOLLARS

THIS CHECK IS DELIVERED FOR PAYMENT ON THE FOLLOWING ACCOUNTS

John White

• 11220121801 068 00 401

000000100000

88040713092

For Deposit Only

1011139501

Ken White Commodities
Clovis, New Mexico

KEN WHITE COMMODITIES
P. O. BOX 1749 762-8886
761 CLOVIS, N.M. 88101

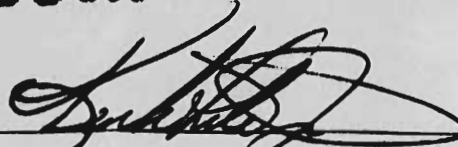
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September 15 1982

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PAY TO THE ORDER OF Clovis Investigation Service \$ 100.00
REGISTERED \$100 and 00 Cts DOLLARS

THIS CHECK IS DELIVERED TO THE ORDER OF
Investigation service for Caleb Chandler



011220121801 038 19 901

000000100000

880040713094

The Deposit Slip
1011139501

Caleb Chandler



*** *for* CONGRESS

2508 N. Prince St.
Clovis, N.M. 88101

He Puts New Mexico First

(505) 762-3308
(505) 762-5959

November 5, 1982

Kenny White
Ken White Commodities, Inc.
Drawer 1749
Clovis, New Mexico 88101

Dear Kenny:

I can't thank you enough for helping me by being a customer of the Clovis Investigation Service. Your financial help while I was on leave without pay from the police department has been instrumental during the past few months.

If I can ever be of any assistance to you or your family, please do not hesitate to contact me.

All my gratitude,

Caleb
Caleb

Thanks for everything

88040713095

AGREEMENT

Date: April 25, 1982

This agreement is made and entered into by and between Caleb Chandler, 1919 Miller, Clovis, New Mexico, doing business as Clovis Investigation Service, his agents and employees, hereinafter referred to as Party of the First Part and Ken White Commodities, Inc. Drexler 1749, Clovis, New Mexico, hereinafter referred to as Party of the Second Part:

Witnesseth, that for and in consideration of the following, covenants the parties hereto agree as follows:

1. Party of the First Part will provide investigation services as requested by Party of the Second Part.

2. "Investigation Services" as used herein include making an investigation for the purpose of obtaining information with reference to: crime or wrongs done or threatened against the United States of America or any state; the identity, habits, conduct, business, occupation, honesty, integrity, credibility, knowledge, trustworthiness, efficiency, loyalty, activity, whereabouts, affiliation, association, transaction, acts, reputation, or character of any person; the location, disposition, or recovery of lost or stolen property; the cause or responsibility for fires, liabilities, losses, accidents or damage or injury to persons or property (ies); or securing evidence to be used before any court, board, officer or investigating committee.

3. Party of the First Part is a private investigator licensed in the State of New Mexico.

4. Party of the Second Part agrees to pay to Party of the First Part the sum of \$100.⁰⁰ per month due and payable on or before the 25th day of each month as a monthly retainer.

5. In consideration of such payment Party of the First Part agrees that his services are retained by Party of the Second Part; that he will accept no conflicting employment adverse to the interests of Party of the Second Part; that when investigative services are required by Party of the Second Part, Party of the First Part will make the same available within twenty-four hours after the request is made.

6. That the fee for such services will be \$25.00 per hour plus actual costs incurred, but that the billing shall be reduced by the amount of the accumulated monthly retainer paid to Party of the First Part by Party of the Second Part.

7. Party of the First Part makes no warranties as to the success of any investigative efforts called for herein.

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Page 2

8. Any party hereto may cancel this agreement at any time by giving notice to the other party. Further this agreement shall be deemed to be cancelled, if Party of the Second Part should fail to make any payment called for herein when due.

Caleb Chandler

Caleb J. Chandler
Party of the First Part

38040713097



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 26, 1987

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Thomas Tierney
Registered Agent, Midwestern Fuel Systems, Inc.
1100 Main Street
Kansas City, MO 64196

RE: MUR 2172
Midwestern Fuel Systems, Inc.

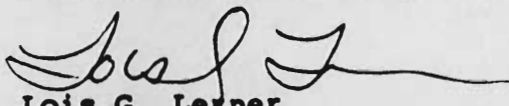
Dear Mr. Tierney:

The enclosed notification letter and supporting material, which were returned to us as not deliverable, are being sent to you as registered agent of Midwestern Fuel Systems, Inc. The alleged violations relate to the activities of Midwestern Fuel Systems, Inc. in New Mexico. Please refer to the procedures set forth in the letter and in the other materials in responding to this notification and the attached questions. Your response is due within 15 days of your receipt of this letter.

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

Sincerely,

Lawrence M. Noble
Acting General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

Enclosure
Notification Letter
Procedures
Designation of Counsel Form
Questions

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Caleb Chandler, et al.)

MUR 2172

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 9, 1987, the Commission voted to find, inter alia, reason to believe that Ken White, Sr., Mrs. Ken White, Sr., Ken White, Jr., and Mrs. Ken White Jr., (hereinafter "the Whites") violated 2 U.S.C. § 441f, and directed interrogatories to the aforesaid respondents. The basis for this finding was that the Whites had made contributions in the name of another to Caleb Chandler and to the Chandler for Congress Committee ("the Committee") and Charles Wade, as treasurer. The contributions were allegedly "laundered" through the Clovis Investigation Service ("CIS"), a detective agency owned by Mr. Chandler when he was a candidate for Congress.

In response to the interrogatories (received July 21, 1987) it was stated that the Whites had made no individual payments to CIS. (It was stated that the Whites had contributed \$250 directly to the Committee. Apparently, this contribution was made by Ken White, Jr. See Attachment 2.) A corporation called Ken White Commodities, Inc. ("the White Corporation") had, however, paid CIS \$600. Respondent Ken White, Sr. is President of the White Corporation. (Mr. White, Sr. personally contributed \$762.50 to the Committee in connection with the Primary election according to Committee reports. See Attachment 2. The same

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report states Ken White, Jr., was employed by "Commodities, Inc." Id.) According to the Whites' response, Mr. Chandler had solicited Ken White, Sr. for said funds, because Chandler was "on leave without pay from the police department." The response also stated that the payment was made "for personal expenses, not campaign," and that the Whites "received no [detective] services because none was requested. These payments were retainer fees...." (See Attachment 1).

It further appears that the White Corporation paid CIS the \$600 in six installments of \$100 each, during the period from April 15, 1982 to September 15, 1982. In one of the foregoing instances, Ken White, Sr. paid the \$100 to CIS and was then reimbursed by the White Corporation.^{*/}

II. LEGAL AND FACTUAL ANALYSIS

Under the Federal Election Campaign Act ("the Act"),

It is unlawful for any ... corporation
whatever ... to make a contribution or
expenditure in connection with any
[Federal] election....

2 U.S.C. § 441b(a). The Act further provides that it is unlawful for "any candidate, political committee, or other person knowingly to accept or receive any contribution prohibited by this section...." Id. Consequently, if the White Corporation

^{*/} In one other instance, the check was paid to CIS from an account held by "Ken White Co" rather than "Ken White Commodities." The response to the interrogatories implies that this money also came from the corporation; if such were not the case, the amount of the corporate contribution would be \$500.

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made a contribution to the Committee, both the donor and recipient would have violated 2 U.S.C. § 441b(a).

The Whites' response stated that the gift was made for "personal expenses and not campaign" purposes. Nonetheless, it was acknowledged that the payment was made because Mr. Chandler needed an income while he was on leave from his job in order to run for Congress. The payment by the White corporation was made to help meet that need. Where payments are made to a candidate for the purpose of influencing a federal election, and not as genuine compensation for services rendered, such payments constitute contributions under the Act. Compare MUR 2002. Thus, it was stated, in response to an advisory opinion request as to whether a candidate could continue to be paid for lobbying services he performed during his campaign, that

The Commission recognized in Advisory Opinion 1977-45 ... that an individual may pursue gainful employment while a candidate for Federal office. In a series of opinions it set forth the following criteria which, if satisfied, would mean that compensation received by a candidate would not qualify as a contribution to the candidate from the employer: (i) the compensation results from bona fide employment genuinely independent of one's candidacy; (ii) the compensation is exclusively in consideration of services performed by the candidate; and (iii) the compensation does not exceed the amount of compensation which would be paid to any other similarly qualified person for the same work over the same period of time. See Advisory Opinions 1977-45, 1977-68 ... and 1978-6....

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AO 1979-74. Applying these standards to the facts presented in the Whites' response, it appears that the compensation was not for any bona fide employment, since no detective services were performed or even expected, nor was the payment independent of the candidacy, since its purpose was to provide Mr. Chandler with an income while he was on leave from his job in order to run for Congress. For the same reasons, the compensation can not be considered "exclusively in consideration of services performed by the candidate." Clearly, the payment from the White Corporation, even if spent for personal and not campaign purposes, freed up other funds for use in the campaign. (Mr. Chandler lent his campaign \$750 and guaranteed a bank loan of \$2,500.) Consequently, the White Corporation made a contribution to the Committee. See MUR 659.

Furthermore, the Whites' characterization of the payment as a "retainer" does not require a different conclusion. In order for compensation paid a candidate not to be a contribution, it must be tied directly to services he performed to earn it. Thus, in an advisory opinion to a candidate who was a partner in a law firm, the Commission stated:

[The] compensation paid to you by your firm is not a contribution within the meaning of the Act insofar as it is paid according to the same compensation scheme followed by you and the firm prior to the onset of your candidate status. Your letter indicates that your compensation from the firm is based at least partially on the number of hours

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you record as client work done by the firm. You have also stated, however, that your compensation from the firm will not decrease this year despite a decrease (due to your campaign) in the number of hours "recorded in client work in the office." Thus it is the opinion of the Commission that to the extent your compensation from the firm is not reduced to reflect the lower number of hours you will work for the firm because of your candidacy, the amount of compensation attributable to that difference is a contribution to your campaign by the general partnership.

AO 1987-6. See also AO 1980-115. The conclusion is clear that compensation paid a candidate must be earned, and any amount paid over and above the amount earned constitutes a contribution. If such is the case with respect to the portion of the earnings in a law firm distributed to a partner in that firm, it must also be true of a payment to a detective/candidate by a client. A "retainer" paid to such a detective for services performed may be considered bona fide compensation; but a "retainer" paid without the performance of any services being required or expected, in order to assist the detective/candidate in meeting his living expenses, is a contribution.

In this instance, the contribution, as stated above, was made by a corporation. Consequently, this Office recommends that the Commission find reason to believe the White Corporation violated 2 U.S.C. § 441b(a), and that the Committee violated the same statute by accepting a corporate contribution. While the

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contribution was actually paid to Mr. Chandler, and not to the Committee, under the Commission's regulations "any candidate who receives a contribution, as defined at 11 C.F.R. § 100.7, ... shall be considered as having received the contribution ... as an agent of such authorized committee(s)." 11 C.F.R. § 102.7(d).

On June 10, 1982, the corporation issued a check for \$100 to Ken White, Sr. as "Reimbursement for payment to Clovis Investigation Service." (Attachment 1, P. 9.) For the reasons set forth above, Mr. White's payment to CIS was in fact a contribution to the Committee. Based on the reimbursement, the actual source of that contribution was the White Corporation. Under the Act, "No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another." 2 U.S.C. § 441f. In this instance, the White Corporation made the contribution in the name of Ken White, Sr., who permitted his name to be used for that purpose. Consequently, it is recommended that the Commission find reason to believe that the White Corporation violated 2 U.S.C. § 441f. (The Commission previously found reason to believe that the Committee and Ken White, Sr., violated 2 U.S.C. § 441f.)

Finally, this Office recommends that the Commission decline to enter into pre-probable cause conciliation with the Whites at this time. Because it is recommended that new findings of reason

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to believe should be made, respondents should have the opportunity to respond to such findings before a determination can be made as to how best to proceed. The violation of 2 U.S.C. § 441b involves only the Committee and the White Corporation, which have not requested pre-probable cause conciliation, rather than by the Whites, who made the request. Because of the unusual circumstances of this case, it seems appropriate to await the response to the new findings before proceeding further, in case that response should further clarify the facts. Also, apart from Ken White, Sr., who may have violated 2 U.S.C. § 441f with respect to the \$100 contribution discussed above, it may prove that the other Whites made no illegal contributions and therefore have nothing to conciliate. This Office will report again with appropriate recommendations after respondents have had their opportunity to respond.

III. RECOMMENDATIONS

1. Find reason to believe that Ken White Commodities, Inc. violated 2 U.S.C. § 441b(a) and 441f.
2. Find reason to believe that the Chandler for Congress Committee and Charles Wade, as treasurer, violated 2 U.S.C. § 441b(a).
3. Decline to enter into pre-probable cause conciliation at this time with Ken White, Sr., Mrs. Ken White, Sr., Ken White, Jr., and Mrs. Ken White, Jr.

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4. Approve the attached letters and legal and factual analyses.

9/28/87
Date

Lawrence M. Noble (L/M)
Lawrence M. Noble
Acting General Counsel

Attachments

1. Letter from Robert Brack
2. Excerpt from the Committee's July Quarterly report
3. Proposed letter to Robert Brack
4. Proposed letter and legal and factual analysis to Ken White Commodities, Inc.
5. Proposed letter and legal and factual analysis to Richard F. Rowley, II.

83040713106



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

MEMORANDUM TO: LAWRENCE M. NOBLE
ACTING GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN *JM*

DATE: OCTOBER 1, 1987

SUBJECT: OBJECTION TO MUR 2172 - General Counsel's Report
Signed September 29, 1987

The above-captioned document was circulated to the
Commission on Wednesday, September 30, 1987 at 11:00 A.M.

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

Commissioner Aikens	_____
Commissioner Elliott	_____ X _____
Commissioner Josefiak	_____
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Thomas	_____

This matter will be placed on the Executive Session
agenda for October 6, 1987.

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

MEMORANDUM TO: LAWRENCE M. NOBLE
ACTING GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN *JM*

DATE: OCTOBER 2, 1987

SUBJECT: OBJECTION TO MUR 2172 - General Counsel's Report
Signed September 29, 1987

The above-captioned document was circulated to the Commission on Wednesday, September 30, 1987 at 11:00 A.M.

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

Commissioner Aikens	_____
Commissioner Elliott	_____ X _____
Commissioner Josefiak	_____
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Thomas	_____ X _____

This matter will be placed on the Executive Session agenda for October 6, 1987.

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

88040713108

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2172
Caleb Chandler, et al.)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of October 6, 1987, do hereby certify that the Commission decided by a vote of 4-2 to take the following actions in MUR 2172:

1. Find reason to believe that Ken White Commodities, Inc. violated 2 U.S.C. § 441b(a) and 441f.
2. Find reason to believe that the Chandler for Congress Committee and Charles Wade, as treasurer, violated 2 U.S.C. § 441b(a).
3. Decline to enter into pre-probable cause conciliation at this time with Ken White, Sr., Mrs. Ken White, Sr., Ken White, Jr., and Mrs. Ken White, Jr.

(continued)

83040713109

Federal Election Commission
Certification for MUR 2172
October 6, 1987

Page 2

4. Approve the letters and legal and factual analyses attached to the General Counsel's September 29, 1987 report.

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

Attest:

10-7-87

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

88040713110



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

20 October 1987

Richard F. Rowley, Esquire
Rowley and Parker
P.O. Box 790
305 Pike
Clovis, New Mexico 88101

RE: MUR 2172
Chandler for Congress
Committee and Charles F.
Wade, as treasurer

Dear Mr. Rowley:

On October 6, 1987, the Federal Election Commission found that there is reason to believe the Chandler for Congress Committee ("Committee") and Charles F. Wade, as treasurer, violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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

In the absence of any additional information demonstrating that no further action should be taken against your clients, 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

111370403

Letter to Richard F. Rowley, Esquire
Page 2

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.

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

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

Sincerely,



Scott E. Thomas
Chairman

Enclosure
Factual and Legal Analysis

P 3 0 4 0 7 1 3 1 1 2



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

20 October 1987

Ken White, President
Ken White Commodities, Inc.
P.O. Box 1749
Clovis, N.M. 88101

RE: MUR 2172
Ken White
Commodities, Inc.

Dear Mr. White:

On October 6, 1987, the Federal Election Commission found that there is reason to believe Ken White Commodities, Inc. violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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

In the absence of any additional information demonstrating that no further action should be taken against Ken White Commodities, Inc., 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.

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Letter to Ken White, President
Page 2

Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

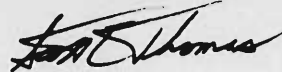
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

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

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

Sincerely,



Scott E. Thomas
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

20 October 1987

Robert Brack, Esquire
906 Colonial Parkway
Clovis, New Mexico 88101

RE: MUR 2172
Ken White, Sr.
Mrs. Ken White, Sr.
Ken White, Jr.
Mrs. Ken White, Jr.

Dear Mr. Brack:

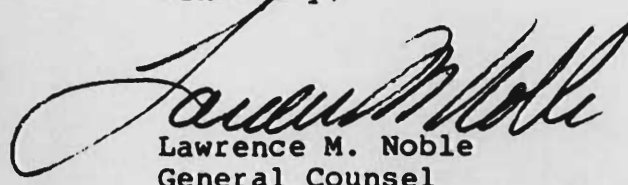
On June 16, 1987, you were notified that the Federal Election Commission found reason to believe that your clients, Mr. and Mrs. Ken White, Sr. and Mr. and Mrs. Ken White, Jr., violated 2 U.S.C. § 441f. On July 1, 1987, you submitted a request to enter into conciliation negotiations prior to a finding 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.

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 Charles Snyder, the attorney assigned to this matter at (202) 376-8200.

Sincerely,


Lawrence M. Noble
General Counsel

88040713115



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

30 October 1987

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Stephen Block
P.O. Box 167
Independence, MO 64051

RE: MUR 2172
Midwestern Fuel Systems, Inc.

Dear Mr. Block:

The enclosed notification letter and supporting material, which were returned to us as not deliverable, are being sent to you as Trustee in Bankruptcy of Midwestern Companies. The alleged violations relate to the activities of Midwestern Fuel Systems, Inc. in New Mexico. Please refer to the procedures set forth in the letter and in the other materials in responding to this notification and the attached questions. Your response is due within 15 days of your receipt of this letter.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

Enclosure
Notification Letter
Procedures
Designation of Counsel Form
Questions

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CCC # 4684

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

87 NOV -2 AM 11:46

Rowley and Parker, P.C.

ATTORNEYS AT LAW
P.O. Box 790
305 Pile Street
Clovis, New Mexico 88101
(505) 763-4457

Richard F. Rowley (1908-1980)
Robert S. Hammond (1919-1982)
Richard F. Rowley II
Joe Parker

Warren F. Frost

October 29, 1987

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

ATT: Charles Snyder:

RE: MUR 2172
Chandler for Congress Committee
and Charles F. Wade, Treasurer

Dear Mr. Snyder:

Pursuant to our recent telephone conversation, I am following up with a letter with some additional observations concerning the conclusions reached in the Factual and Legal Analysis attached to Scott E. Thomas' letter addressed to me dated October 20, 1987.

I know that a copy of the retainer agreement executed by both Mr. Chandler d/b/a Clovis Investigation Service and all of his customers, including Ken White, was attached to our earlier transmittal of documents and letters.

The agreement provided in Paragraph 5 "In consideration of such payment Party of the First Party agrees that his services are retained by Party of the Second Part; that he will accept no conflicting employment adverse to the interests of Party of the Second Part; that when investigative services are required by Party of the Second Part, Party of the First Part will make the same available within twenty-four hours after the request is made." The agreement then goes on to provide that an additional fee of \$25.00 per hour, plus costs, will be charged when those services are actually performed.

As I indicated to you over the telephone, it appears to me that the agreement is very similar to an attorneys retainer agreement. I represent a bank and they pay my office a retainer each month. In addition, I bill for services actually performed as they are performed. The retainer is earned when it is paid but the very nature of a retainer. I agree not to represent

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October 29, 1987

Page -- Two

anybody where there would be a conflict and I make myself available for my client at all times. That is exactly what Mr. Chandler was doing in his agreement and to me his retainer is actually earned when he contractually agrees that he will not accept employment from anybody else where there might be a conflict and makes himself available on a full-time basis.

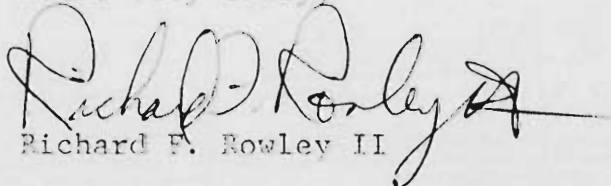
We, therefore, respectfully disagree with the conclusion that the fact that no services were actually performed and that therefore the payment of the money was a contribution and not payment for Mr. Chandler's services. He performed services when he made himself available under the conditions stated in the agreement.

I would also like to remind you of our concern regarding the confidentiality provisions of the act. As I stated, I did not receive Mr. Thomas' letter until the weekend of October 24 and 25 and did not provide copies of it to Mr. Wade or Mr. Chandler until Monday, October 26. Mr. Chandler and Mr. Wade both received calls from Mr. Art Geiselman, Jr., an investigative reporter with the Albuquerque Journal, two or three weeks ago, advising them that he had been informed that the letter was forthcoming from the Federal Election Commission that there was probability that a violation had occurred and he wanted to know what their response was. Somebody is obviously not observing the confidentiality requirement. I do not know that anything can be done about that but I thought that I should point it out for your information.

Also, I would appreciate it if, as we discussed, you would advise me as to when you feel that the time would be proper for us to request pre-probable cause conciliation.

If you have any questions or comments please advise.

Yours very truly,


Richard F. Rowley II

RFR/all

88040713118



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM TO:

LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM:

MWC MARJORIE W. EMMONS/JOSHUA MCFADDEN *JM*

DATE:

NOVEMBER 12, 1987

SUBJECT:

MUR 2172 - COMPREHENSIVE INVESTIGATIVE
REPORT #2
DATED NOVEMBER 9, 1987

The above-captioned matter was received in the Office of the Secretary of the Commission Tuesday, November 10, 1987 at 10:12 A.M. and circulated to the Commission on a 24-hour no-objection basis Tuesday, November 10, 1987 at 4:00 P.M.

There were no objections received in the Office of the Secretary of the Commission to the Comprehensive Investigative Report #2 at the time of the deadline.

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SENSITIVE

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BEFORE THE FEDERAL ELECTION COMMISSION

87 NOV 10 AM 10:12

In the Matter of
Caleb Chandler, et al.

)
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MUR 2172

COMPREHENSIVE INVESTIGATIVE REPORT #2

On June 9, 1987, the Commission found reason to believe that Mr. and Mrs. Ken White, Sr. and Mr. & Mrs. Ken White, Jr., violated 2 U.S.C. § 441f, and that Midwestern Fuels, Inc. violated 2 U.S.C. §§ 441b and 441f. The Commission also issued interrogatories to the foregoing respondents, as well as to Ted Hartley, as a witness. A General Counsel's Report, signed September 29, 1987, discussed the matter respecting the Whites. The present report concerns the other persons involved in the matter.

On June 26, 1986, this Office received a response from Mr. Hartley. He denied all knowledge of the alleged violations involved in this matter.

On June 16, 1987, this Office issued the reason to believe notice and questions to Midwestern Fuel Systems, Inc. at an address in Joplin, Mo., which we believed to be its principal place of business. On June 25, 1987, these materials were returned to us by the Postal Service. This Office then obtained from the Secretary of State of New Mexico, where the alleged violation had occurred, the address of Kenneth Sinks, respondent's registered agent in New Mexico. The notification and questions were mailed to Mr. Sinks on July 10, 1987, along with a cover letter explaining why these materials were directed

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to him. These materials were again returned to us, undelivered, by the Postal Service.

Our staff then obtained, from the Secretary of State of Missouri, the address of respondent's registered agent in that state, Thomas Tierney, of Kansas City, Mo. The enforcement materials and a cover letter were mailed to Mr. Tierney on August 26, 1987. When Mr. Tierney did not respond within the fifteen day period allowed by the terms of the cover letter, a telephone call was placed by a staff member to his office. Mr. Tierney then stated that he was no longer the registered agent of the respondent corporation, and that said corporation was the subject of bankruptcy proceedings in Kansas City, Mo.

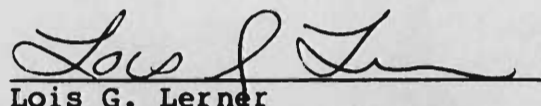
A staff member then called the U.S. Bankruptcy Court for Kansas City, Mo. and obtained the name and address of the Trustee in Bankruptcy of Midwestern Companies (of which respondent is apparently a subsidiary), Mr. Stephen Block of Independence, Mo. A cover letter, the notice, and questions were mailed to Mr. Block on October 30, 1987. This Office will report again with appropriate recommendations once Mr. Block has had an opportunity to respond.

Lawrence M. Noble
General Counsel

Date

11/9/87

By:


Lois G. Lerner
Associate General Counsel

43040713121

Robert Brack
Attorney at Law

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

87 NOV -9 PH 4:04

906 Colonial Parkway
Clover, New Mexico 88716
505 763-4471

RECEIVED
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87 NOV -9 PH 1:29

November 4, 1987

Mr. Scott E. Thomas
Chairman
Federal Election Commission
Washington, D.C. 20463

RE: MUR Matter Under Review - 2172/Ken White Commodities,
Inc.

Dear Mr. Thomas:

As indicated on the enclosed Statement of Designation of Counsel, I have been retained by Mr. Ken White, Sr., as President of Ken White Commodities, Inc., with regard to this matter under review. Mr. White received your letter dated October 20, 1987 on or about October 26, 1987 and made it available to me for response on that date.

Your letter has given my client the opportunity to demonstrate that no action should be taken against Ken White Commodities, Inc. I submit the following factual and legal materials that I believe are relevant to the Commission's consideration of this matter.

While my client, Ken White Commodities, Inc., has admitted paying a retainer to the Clovis Investigation Service for a period of six months during the calendar year 1982, my client denies that such payments constituted contributions or expenditures by a corporation in connection with an election to a political office, as prohibited in 2 USC Section 441b(a). The compensation paid to Clovis Investigation Service resulted from the bona fide employment of that service by my client pursuant to a contract, a copy of which has already been provided to you in previous correspondence. On page 4 of your Federal Election Commission Factual and Legal Analysis forwarded to my client, you indicate that a retainer paid to a detective for services performed may be considered bona fide compensation. Your analysis goes on to suggest that the payment of a retainer without the performance of any services being required, or expected (my emphasis), constitutes a contribution. It was my client's belief, at the time that this contractual arrangement was made, that

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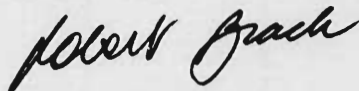
investigative services would be immediately available in the event that my client required such services. If the payments paid to the Clovis Investigative Service were used in order to assist the detective/candidate in meeting his living expenses or to otherwise defray campaign expenses, such application of payments was done without the knowledge or consent of my client.

The Commission has also alleged that my client has violated 2 USC Section 441f of the Federal Election Campaign Act of 1971, as amended. As I understand this particular section of the United States Code, my client is guilty of violating that section only in the event that the client knew that the payments made to the Clovis Investigative Service were made as a subterfuge without any legitimate basis. My client expressly denies that that is the case. If the Clovis Investigative Service's entity was a subterfuge, its creation and maintenance were the brainchild of the candidate, accomplished only with the unwitting assistance of my client and others similarly situated.

My client is more than willing to assist your office in its investigation, as I hope is obvious from our prior candid responses to your inquiries. My client is also interested in pursuing pre-probable cause conciliation if that alternative is considered appropriate by your general counsel. However, my client is not willing to be lumped together with the detective/candidate in a conspiracy to violate the relevant sections of the United States Code or to defraud your Commission.

Please keep me advised of developments. Thank you.

Sincerely,



ROBERT BRACK

RB/be

xc: Ken White, Sr.

03040713123

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2172

NAME OF COUNSEL: Robert Brack

ADDRESS: 906 Colonial Parkway
Clovis, NM 88101

TELEPHONE: (505) 763-4471

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.

KEN WHITE COMMODITIES, INC.

10/26/87
Date

By 

Signature **KEN WHITE**
President

RESPONDENT'S NAME: Ken White

ADDRESS: P.O. Box 1749
Clovis, NM 88101

HOME PHONE: (505) 762-2979

BUSINESS PHONE: (505) 762-3376

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Robert Brack
Attorney at Law

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CCCA 5106

906 Colonial Parkway
Cherry Hill, New Jersey 08011
508 765-4471

January 5, 1988

Mr. Scott E. Thomas
Chairman
Federal Election Commission
Washington, D.C. 20463

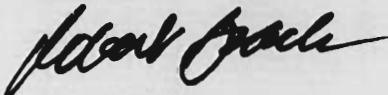
RE: MUR Matter Under Review - 2172/Ken White Commodities,
Inc.

Dear Mr. Thomas:

Pursuant to our telephone conversation of January 4, 1988,
we are interested in pursuing pre-probable cause
conciliation at this time.

I will expect to hear from you. Thank you.

Sincerely,



ROBERT BRACK

RB/be

xc: Ken White, Sr.

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Rowley and Parker, P.C.

ATTORNEYS AT LAW
P.O. Box 790
305 Pile Street
Clovis, New Mexico 88101
(505) 763-4457

600#5152
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88 JAN 19 AM 9:36

Richard F. Rowley (1908-1980)
Robert S. Hammond (1919-1982)
Richard F. Rowley II
Joe Parker
Warren F. Frost

January 12, 1988

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

ATT: Charles Snyder

RE: MUR 2172
Chandler for Congress Committee
and Charles F. Wade, Treasurer

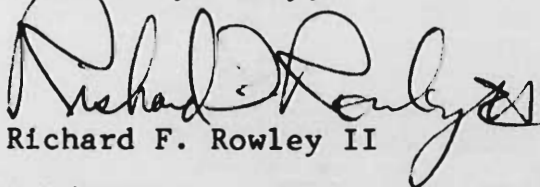
Dear Mr. Snyder:

Pursuant to our telephone conversation on January 5, 1988 I am
renewing our previous request for preprobable cause
conciliation.

I have talked to Mr. Wade and Mr. Chandler and they would like
to resolve the matter if at all possible.

I will await your response.

Yours very truly,


Richard F. Rowley II

RFR/all

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OFFICE OF GENERAL COUNSEL

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CCC # 6341

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FEDERAL ELECTION COMMISSION
MAIL ROOM

DeHardt & Block
ATTORNEYS AT LAW

88 FEB -8 PM 10:41

Jay D. DeHardt
Steven C. Block

200 1/2 North Liberty
P.O. Box 167
Independence, Missouri 64051
(816) 461-3440

February 5, 1988

Mr. Charles Snyder
Federal Election Commission
Washington, DC 20463

Re: MUR 2172
Midwestern Fuel Systems, Inc.

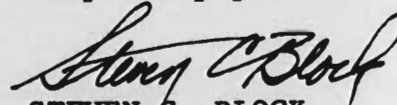
Dear Mr. Snyder:

Please be advised that I am the trustee in bankruptcy for The Midwestern Companies, Inc., bankruptcy case 84-01679-SW-11 currently pending in the United States Bankruptcy Court for the Western District of Missouri. I am a lawyer appointed by the Bankruptcy Court to act as trustee. As trustee, I have no knowledge of any of the matters sent to me or inquired of me as set out in your mailing dated October 30, 1987.

I can tell you that Ron Walker was president of The Midwestern Companies, Inc., between approximately the summer 1983 and the summer of 1984.

Also, please be advised that I have a basement full of documents pertaining to The Midwestern Companies, Inc. and its subsidiaries. I do have some payroll checks. If you or someone at your office is interested in looking at these documents, please contact me at your convenience to set up an appointment to do so.

Very truly yours,


STEVEN C. BLOCK

SCB/lm

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OFFICE OF GENERAL COUNSEL
88 FEB -8 PM 1:33

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BEFORE THE FEDERAL ELECTION COMMISSION

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SECRETARIAT
88 MAR 25 AM 9:47

In the Matter of)

Chandler for Congress Committee and)
Charles Wade, as treasurer)

MUR 2172

Ken White Commodities, Inc., et al.)

SENSITIVE

GENERAL COUNSEL'S REPORT

EXECUTIVE SESSION
APR 05 1988

I. BACKGROUND

On April 29, 1986, the Commission found reason to believe that Chandler for Congress Committee ("the Committee") and Charles Wade, as treasurer, violated 2 U.S.C. §§ 434 and 441f and 11 C.F.R. § 103.3. The Commission also found reason to believe that Caleb Chandler violated 2 U.S.C. § 441f. The basis for these findings was an allegation by Frank Stanley that Mr. Chandler accepted funds from an unidentified person or persons, purportedly for services rendered by the Clovis Investigation Service (hereinafter "CIS") but actually as contributions for Mr. Chandler's campaign for Congress. It appeared therefore that the Committee may have accepted contributions made in the name of another in violation of 2 U.S.C. § 441f, that it may have failed to report receipt of contributions in violation of 2 U.S.C. § 434, and that it may have failed to deposit contributions into its campaign treasury within 10 days in violation of 11 C.F.R. § 103.3. The finding against Mr. Chandler was made on the grounds that he violated 2 U.S.C. § 441f by accepting on behalf of the Committee a contribution made in the name of another.

Interrogatories were sent to Frank Stanley as a witness on September 18, 1986. Due to Mr. Stanley's failure to reply, the

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Commission on December 2, 1986 authorized this Office to file a subpoena enforcement action. This Office succeeded in eliciting Mr. Stanley's response on February 25, 1987.

The information contained in that response resulted in additional findings by the Commission. Specifically, the Commission found reason to believe on June 9, 1987 that Mr. Ken White, Sr., Mrs. Ken White, Sr., Mr. Ken White, Jr., and Mrs. Ken White, Jr. (hereinafter "the Whites") violated 2 U.S.C. § 441f. The basis for these findings was Mr. Stanley's allegation that the Whites paid money to CIS, a detective agency established and controlled by Mr. Chandler during the pendency of his candidacy, so that said funds could be used to assist Mr. Chandler's congressional campaign. In addition, the Commission found reason to believe that Midwestern Fuels, Inc. ("Midwestern") violated 2 U.S.C. §§ 441b and 441f. The basis for this finding was Mr. Stanley's statement that an anonymous employee of Midwestern Fuels, Inc. had told him that the corporation "increased payroll checks during one pay period for the explicit purpose of making campaign contributions to Mr. Chandler's campaign."

In response to interrogatories, the Whites responded that they had not made any individual payments to CIS. They acknowledged, however, that Ken White Commodities, Inc. ("the White corporation"), a New Mexico corporation of which Ken White, Sr. is President, paid CIS \$600. Ken White, Sr., paid \$100 of that amount, and was reimbursed by the White

8040713129

corporation. Consequently, the Commission found reason to believe on October 6, 1987 that the White corporation violated 2 U.S.C. § 441b(a) and 441f. On the same date, the Commission found reason to believe that the Committee violated 2 U.S.C. § 441b(a) by accepting this contribution. Both the White corporation and the Committee claim that this payment was a retainer for investigative or security services. It is acknowledged, however, that CIS did not actually perform any services for the White corporation. Respondents have now requested pre-probable cause conciliation. (Attachments 1-2.)^{1/}

With respect to Midwestern, it was determined that that corporation is in bankruptcy, and, therefore, the reason to believe notification was sent to Steven Block, the trustee in bankruptcy. (See Comprehensive Investigative Report #2, November 9, 1987.) A member of our staff subsequently contacted Mr. Block by telephone. Mr. Block stated that he had no personal knowledge of the alleged violations, which arose out of the 1982 elections, as he had no involvement with Midwestern until he became trustee in bankruptcy in 1985 or 1986. He also said that he had in his possession voluminous payroll records of Midwestern, and that the FBI has reviewed the corporation's

^{1/} As previously reported to the Commission, the Whites requested pre-probable cause conciliation on July 1, 1987. The Commission declined to enter into conciliation "at this time" on October 6, 1987. This Office considers that request now in order, as well as the more recent requests attached to this report.

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records. As for Ron Walker, Midwestern's former chief executive officer, he is now serving a prison term in Leavenworth, having been convicted of tax evasion, racketeering, and violations of securities laws. (Mr. Block later confirmed this conversation by letter dated February 5, 1988. See Attachment 5.)

II. ANALYSIS

With respect to the alleged prohibited contributions by the White corporation, it is undisputed that that corporation paid \$600 to CIS. It was acknowledged that the payment was made because Mr. Chandler needed an income while he was on leave from his job in order to run for Congress. The payment by the White corporation was made to help meet that need. Where payments are made to a candidate for the purpose of influencing a federal election, and not as genuine compensation for services rendered, such payments constitute contributions under the Federal Election Campaign Act ("the Act"). See AO 1979-74; General Counsel's Report in this matter, signed September 29, 1987.

In response to the Commission's finding of reason to believe, respondents argued that the payment, while not connected to the performance of any services, was actually a retainer. The White corporation's counsel stated that it was understood that, because of the payment of the retainer, "investigative services would be immediately available in the event that my client required such services." (Attachment 3.) The Committee's counsel similarly argued that,

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it appears to me that the agreement is very similar to an attorneys [sic] retainer agreement. I represent a bank and they pay my office a retainer each month. In addition, I bill for services actually performed as they are performed. The retainer is earned when it is paid by the very nature of a retainer. I agree not to represent anybody where there would be a conflict and I make myself available for my client at all times. That is exactly what Mr. Chandler was doing....

(See Attachment 4.)

In the view of this Office, however, respondents have failed to demonstrate that the payments to CIS did not result in a contribution under the terms of AO 1979-74, discussed above. The payments in question were not tied to the performance of any services whatever. Furthermore, assuming arguendo that a "retainer" exception to this rule might be found in certain cases, respondents have failed even to make a showing that the payments in question constituted a genuine retainer for services that might be rendered in the future. First, respondents produced no evidence that the White corporation had any need for the services of a detective agency. There has been no showing that said corporation had ever employed such an agency before it contracted with CIS, nor that it engaged another agency following the dissolution of CIS at the conclusion of the congressional campaign. Second, there has been no showing of the purposes for which the White corporation needed to retain CIS's services in

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the provision of security services. Clearly, CIS could provide security to the White corporation and one of that corporation's competitors without any potential conflict of interest on the part of CIS. This would be different in a law firm's representation of two parties with adverse interests. Thus, there is no reason the White corporation had to pay a retainer to CIS to prevent CIS from providing security services to one of the White corporation's competitors. No conflict of interest arises where a company provides security services to two competing businesses.

In short, the responses, in the view of this Office, fail to refute the allegations previously made in this matter. As noted above, respondents have requested pre-probable cause conciliation, and this Office now recommends that the Commission agree to those requests.

Ken White, Sr., however, paid \$100 to CIS and received reimbursement from the White corporation. This contribution was, therefore, actually made by the White corporation, although made in the name of Ken White, Sr. Accordingly, it appears that Ken White, Sr. permitted his name to be used to effect the making of a contribution in the name of another. Accordingly, this Office recommends that the Commission now enter into conciliation with Mr. White.^{2/}

^{2/} With respect to Mrs. Ken White, Sr. and Mr. & Mrs. Ken White, Jr., this Office will prepare appropriate briefs which will be sent to each of these individual respondents.

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On the other hand, it appears the contributions in question should be considered to have been accepted by the Committee and not by Mr. Chandler in his individual capacity. Accordingly, it is recommended that the Commission take no further action against Mr. Chandler for allegedly accepting contributions in violation of 2 U.S.C. § 441f, since he did not, except as an agent of the Committee, accept the contributions in question.

As to Midwestern, there does not appear to be sufficient evidence to justify further pursuit of this investigation. The original allegation by Mr. Stanley was based, not on personal knowledge, but on an assertion by an anonymous employee of the corporation. It does not appear possible to establish the validity of the allegation absent an audit of the corporate records now in the possession of the trustee in bankruptcy. Considering that Midwestern has already been the subject of investigations by the Justice Department and the Securities Exchange Commission, that it is in bankruptcy, and that its former chief executive officer is now serving a term in a federal penitentiary, this Office does not consider this matter to merit the further expenditure of time and resources that would be necessary to verify the allegations of Mr. Stanley's anonymous informant. Accordingly, this Office recommends that the Commission take no further action against Midwestern.

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

The amount of the alleged violation of 2 U.S.C. § 441b was \$600, and the amount of the alleged violation of 2 U.S.C. § 441f

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was \$100. As for the White corporation's alleged violation of 2 U.S.C. §§ 441b and 441f for making a corporate contribution to the Committee in the name of another, it appears appropriate to recommend a penalty equivalent to 50% of the amount of the violation with respect to the violation of 2 U.S.C. § 441b, and \$100 for the violation of 2 U.S.C. § 441f, resulting in a total proposed civil penalty of \$400. In the view of this Office, this penalty is appropriate and consistent with the past Commission actions proposing a penalty equivalent to 50% of the amount in violation. See e.g. MUR 2301, MUR 2025. Due to the small amount of the violation of 2 U.S.C. § 441f, a penalty of \$100 appears appropriate. As to the Committee, it would likewise have violated 2 U.S.C. §§ 441b and 441f for accepting corporate contributions made in the name of another, and should accordingly pay the same penalty (\$400) for those violations. It is further recommended that the Committee pay an additional penalty of \$200 for failing to report receipt of these contributions and for failing to deposit the aforesaid contributions in its official depository. The total recommended penalty to be proposed to the Committee is therefore \$600. This Office also recommends a civil penalty of \$100 for Mr. White's violation of 2 U.S.C. § 441f.

IV. RECOMMENDATIONS

1. Enter into conciliation with the Chandler for Congress Committee and Charles Wade, as treasurer, with Ken White Commodities, Inc., and with Ken White, Sr., prior to a finding of probable cause to believe.
2. Take no further action against Caleb Chandler, and Midwestern Fuels, Inc.

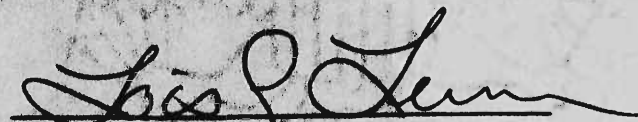
3040713135

3. Approve the attached proposed conciliation agreements and letters.

Lawrence M. Noble
General Counsel

Date 3/24/88

By:


Lois G. Lerner
Associate General Counsel

Attachments

1. Request for conciliation from Chandler for Congress Committee.
2. Request for conciliation from Robert Brack
3. Letter from Robert Brack
4. Letter from Richard F. Rowley
5. Letter from Steven Block
6. Proposed conciliation agreements (3)
7. Letters

Staff Person: Charles Snyder

13040713136



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20541

MEMORANDUM TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN *JM*

DATE: MARCH 30, 1988

SUBJECT: OBJECTIONS TO MUR 2172 - General Counsel's Report
Signed March 24, 1988

The above-captioned document was circulated to the
Commission on Friday, March 25, 1988 at 12:00 P.M.

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

Commissioner Aikens	_____
Commissioner Elliott	_____ X _____
Commissioner Josefiak	_____
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Thomas	_____ X _____

This matter will be placed on the Executive Session
agenda for April 5, 1988.

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

8040713137

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Chandler for Congress Committee)
and Charles Wade, as treasurer) MUR 2172
)
Ken White Commodities, Inc.,)
et al.)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of April 5, 1988, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 2172:

1. Enter into conciliation with the Chandler for Congress Committee and Charles Wade, as treasurer, with Ken White Commodities, Inc., and with Ken White, Sr., prior to a finding of probable cause to believe.
2. Take no further action against Caleb Chandler, and Midwestern Fuels, Inc.
3. Direct the Office of General Counsel to amend the conciliation agreements attached to the General Counsel's report to provide for one conciliation agreement for Ken White Commodities, Inc. and with Ken White, Sr., with a civil penalty of Four Hundred Dollars.

(continued)

83040713138

Federal Election Commission
Certification for MUR 2172
April 5, 1988

Page 2

4. Direct the Office of General Counsel to amend the conciliation agreement with Chandler for Congress Committee and Charles Wade, as treasurer, as discussed in the meeting, and to provide for a civil penalty of Four Hundred Dollars.
5. Direct the Office of General Counsel to send appropriate letters pursuant to the above-noted actions.

Commissioners Aikens, Elliott, Josefiak, McGarry, and Thomas voted affirmatively for the decision; Commissioner McDonald was not present at the time this matter was under consideration.

Attest:

4-7-88

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

8040713139



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 15, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Robert Brack, Esquire
906 Colonial Parkway
Clovis, New Mexico 88101

RE: MUR 2172
Ken White Commodities, Inc.
Mr. & Mrs. Ken White, Sr.
Mr. & Mrs. Ken White, Jr.

Dear Mr. Brack:

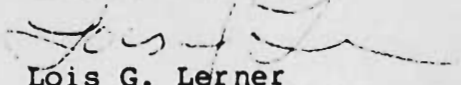
On October 6, 1987, the Federal Election Commission found reason to believe that Ken White Commodities, Inc. violated 2 U.S.C. §§ 441b(a) and 441f. On June 9, 1987, the Commission found reason to believe Ken White, Sr., violated 2 U.S.C. § 441f. At your request, on April 5, 1988, the Commission determined to enter into negotiations directed towards reaching conciliation agreements in settlement of this matter prior to a finding of probable cause to believe.

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

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

By: 
Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

8040713140



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 15, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Richard F. Rowley, II, Esquire
Rowley and Parker
P.O. Box 790
305 Pile Street
Clovis, N.M. 88101

RE: MUR 2172
Caleb Chandler
Chandler for Congress
Committee and Charles F.
Wade, as treasurer

Dear Mr. Rowley:

On April 29, 1986, the Federal Election Commission found reason to believe that the Chandler for Congress Committee and Charles F. Wade, as treasurer ("the Committee") violated 2 U.S.C. §§ 434 and 441f and 11 C.F.R. § 103.3. Also, on October 6, 1987, the Commission found reason to believe the Committee violated 2 U.S.C. § 441b(a). At your request, on April 5, 1988, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

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

Also, on, May 1, 1986, your client, Caleb Chandler, was notified that the Federal Election Commission found reason to believe that he violated 2 U.S.C. § 441f. On, May 20, 1986, you submitted a response to the Commission's reason to believe finding in this matter.

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plm

Letter to Richard F. Rowley, II, Esquire
Page 2

After considering the circumstances of the matter, the Commission determined on April 5, 1988, to take no further action against Caleb Chandler, and closed its file as it pertains to him. The file will be made part of the public record within 30 days after the matter has been closed with respect to all other respondents involved. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

The confidentiality provisions of 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

3040713142



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 15, 1988

Mr. Stephen Block
P.O. Box 167
Independence, MO 64501

RE: MUR 2172
Midwestern Fuel Systems, Inc.

Dear Mr. Block:

On October 30, 1987, you were notified that the Federal Election Commission found reason to believe that Midwestern Fuel Systems, Inc. violated 2 U.S.C. §§ 441b and 441f.

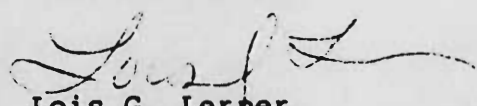
After considering the circumstances of the matter, the Commission determined on April 5, 1988, to take no further action against Midwestern Fuel Systems, Inc. and closed its file as it pertains to Midwestern Fuel Systems, Inc. The file will be made part of the public record within 30 days after the matter has been closed with respect to all other respondents involved. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

The confidentiality provisions of 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

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

Sincerely,

Lawrence M. Noble
General Counsel

By: 
Lois G. Lerner
Associate General Counsel

8040713143

Robert Brack
Attorney at Law

600 # 9272
RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 MAY 11 AM 10:35

906 Colonial Parkway
Cherry Hill, New Jersey 08011
608 768-4471

May 5, 1988

Lawrence M. Noble
General Counsel
Attn: Lois G. Lerner
Associate General Counsel
and Charles Snyder
Federal Election Commission
Washington, D.C. 20463

RE: MUR 2172
Ken White Commodities, Inc.
Mr. and Mrs. Ken White, Sr.
Mr. and Mrs. Ken White, Jr.

Dear Ms. Lerner and Mr. Snyder:

Enclosed is an executed original of a Conciliation Agreement in the referenced matter. Also enclosed is a check drawn on my professional association account in the amount of \$400.00, the amount of the fine set out in paragraph VI of the Conciliation Agreement.

It is my understanding, after discussing this matter with Mr. Snyder on Wednesday, May 4, 1988, that it is your current intention to file a no probable cause brief with the Election Commission with regard to the respondent that is not named in the Conciliation Agreement, Ken White, Jr. If, for any reason, your intention should change with regard to Mr. and Mrs. White, Jr., please let me know. Otherwise, I will be looking forward to receiving a copy of the no probable cause brief and a finding by the Commission that there is no probable cause to proceed as against Mr. and Mrs. White, Jr.

Thank you for your assistance. I appreciate your cooperation in bringing this matter to a close.

Sincerely,

Robert Brack
ROBERT BRACK

RB/be

Enclosure

xc: Ken White, Sr.

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 MAY 13 PM 3:15

8040713144

RECEIVED
FEDERAL ELECTION COMMISSION
88 MAY 13 PM 3:15

ROBERT BRACK, P.A.
ATTORNEY AT LAW
906 COLONIAL PARKWAY
CLOVIS, NEW MEXICO 88101
TELEPHONE: (505) 763-4471

IN PAYMENT FOR

95-107
1122

5214

PAY Four Hundred and No

DOLLARS

DATE	TO THE ORDER OF	CHECK NO.	AMOUNT	
5-4-88	Federal Election Commission	5214	400.00	Ex-White/Fed Elec. Comm

FIRST NATIONAL BANK of Clovis
CLOVIS, NEW MEXICO

ROBERT BRACK, P.A.
GENERAL ACCOUNT

Robert Brack

⑈005214⑈ ⑆112201072⑆ 000035971⑈

CCC # 9272

MEMORANDUM

TO: DEBRA A. TRIMIEW

TO: CECILIA LIEBER

FROM: CECILIA LIEBER

FROM: DEBRA A. TRIMIEW

CHECK NO. 5214 { A COPY OF WHICH IS ATTACHED } RELATING TO

FILE 2172 AND NAME Ken White Commodities, Inc.

(Snyder)
WAS RECEIVED ON 5/13/88. PLEASE INDICATE THE ACCOUNT INTO

WHICH IT SHOULD BE DEPOSITED:

- / ☒ / BUDGET CLEARING ACCOUNT { 95F3875.16 }
- / / CIVIL PENALTIES ACCOUNT { 95-1099.160 }
- / / OTHER _____

SIGNATURE Debra A. Trimiew

DATE 5/16/88

040713145

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
FEDERAL ELECTION COMMISSION
SECRET

68 MAY 24 PM 4:54

In the Matter of

Caleb Chandler for Congress Committee
and Charles F. Wade, as treasurer

MUR 2172

SENSITIVE

GENERAL COUNSEL'S REPORT

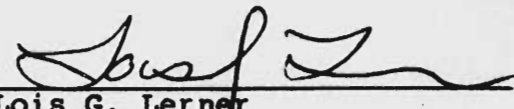
On April 15, 1988, the Commission authorized the commencement of conciliation with the Respondents in the above-captioned Matter prior to a finding of probable cause to believe. The Office of General Counsel has concluded that an extension of the conciliation period by an additional thirty days would facilitate the conclusion of a satisfactory settlement with the Respondents.

Lawrence M. Noble
General Counsel

Date

5/23/88

By:



Lois G. Lerner
Associate General Counsel

Staff Person: Charles Snyder

8040713146

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

88 MAY 31 PM 4:23

In the Matter of

Ken White, Jr. et al.

MUR 2172

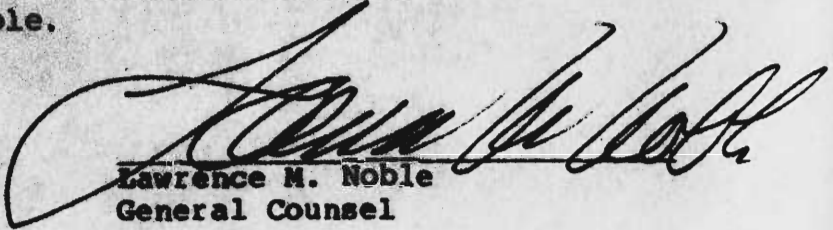
SENSITIVE

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter as to Mrs. Ken White, Sr. and Mr. and Mrs. Ken White, Jr., based on the assessment of the information presently available.

Date

5/31/88


Lawrence M. Noble
General Counsel

3040713147

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
FEDERAL ELECTION COMMISSION

89 JUN -1 AM 9:36

In the Matter of)
Ken White Commodities, Inc.) MUR 2172
Ken White, Sr., President, et al.)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by Robert Brack, the attorney for Ken White Commodities, Inc. and Ken White, Sr., President.

The attached agreement contains no changes from the agreement approved by the Commission on April 5, 1988. A check for the civil penalty has been received.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with Ken White Commodities, Inc. and Ken White, Sr., President.
2. Close the file as to these respondents.
3. Approve the attached letter.

Lawrence M. Noble
General Counsel

Date

5/31/88


Lois G. Lerner
Associate General Counsel

Attachments

1. Conciliation Agreement
2. Photocopy of civil penalty check
3. Letter to Respondents

Staff Person: Charles Snyder

18040713148

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Ken White Commodities, Inc.
Ken White, Sr., President, et al.

MUR 2172

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 3, 1988, the Commission decided by a vote of 5-0 to take the following actions in MUR 2172:

1. Accept the conciliation agreement with Ken White Commodities, Inc. and Ken White, Sr., President, as recommended in the General Counsel's report signed May 31, 1988.
2. Close the file as to these respondents.
3. Approve the letter, as recommended in the General Counsel's report signed May 31, 1988.

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

Attest:

6-3-88

Date

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

Received in the Office of Commission Secretary: Wed., 6-1-88, 9:36
Circulated on 48 hour tally basis: Wed., 6-1-88, 4:00
Deadline for vote: Fri., 6-3-88, 4:00

8040713149

CCC #9487
RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

Rowley and Parker, P.C.

ATTORNEYS AT LAW
P.O. Box 790
305 Pile Street
Clovis, New Mexico 88101
(505) 763-4457

88 JUN -9 AM 9:09

Richard F. Rowley (1908-1980)
Robert S. Hammond (1919-1982)
Richard F. Rowley II
Joe Parker
Warren F. Frost

June 6, 1988

Federal Election Commission
Washington, D. C. 20463

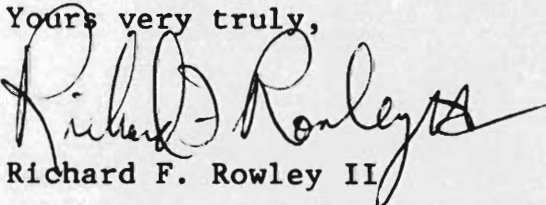
ATT: Lois G. Lerner
Associate General Counsel

RE: MUR 2172
Caleb Chandler
Chandler for Congress
Committee and Charles F.
Wade, as Treasurer

Dear Ms. Lerner:

As per my telephone conversation with Charles Snyder, I am enclosing the executed Conciliation Agreement along with Mr. Wade's check in the amount of \$400.00. Once you have signed off on the Conciliation Agreement I would appreciate it if you would return a fully executed copy to my office.

Yours very truly,


Richard F. Rowley II


RFR/all

Enclosure

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FEDERAL ELECTION COMMISSION
88 JUN 10 PM 1:31

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6
4
0
8
8

CCC # 9487


 **CHANDLER AND WADE**
P. O. BOX 777
CLOVIS, NM 88101

June 6 88

105

95-107
1122

Pay to the order of Federal Election Commission \$ 400.00
Four Hundred Dollars and 00/100-----

 **FIRST NATIONAL BANK**
OF CLOVIS
P.O. BOX 720 762-4741
CLOVIS, NEW MEXICO 88101

Chandler and Wade

⑆112201072⑆001004964⑆ 0105⑈

CCC # 9487

0713151

MEMORANDUM

TO: DEBRA A. TRIMIEW TO: CECILIA LIEBER

FROM: CECILIA LIEBER FROM: DEBRA A. TRIMIEW

CHECK NO. 105 { A COPY OF WHICH IS ATTACHED } RELATING TO

MUR 2172 AND NAME Chandler for Congress Committee
(Snyder)

WAS RECEIVED ON 6/10/88. PLEASE INDICATE THE ACCOUNT INTO

WHICH IT SHOULD BE DEPOSITED:

- / ☒ / BUDGET CLEARING ACCOUNT { 95F3875.16 }
- / / CIVIL PENALTIES ACCOUNT { 95-1099.160 }
- / / OTHER _____

SIGNATURE Debra A. Trimiew DATE 6/13/88

RECEIVED
FEDERAL ELECTION COMMISSION
88 JUN 10 PM 1:31



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 8, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Robert Brack, Esquire
906 Colonial Parkway
Clovis, New Mexico 88101

RE: MUR 2172
Ken White Commodities, Inc.
Ken White, Sr., President

Dear Mr. Brack:

On June 3, 1988, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your clients' behalf in settlement of a violation of 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to Ken White Commodities, Inc. and Ken White, Sr., President. This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

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

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed.

13040713152


plan

Letter to Robert Brack, Esquire
Page 2

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

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

8040713153



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
SECRET

88 JUN -9 PM 4:31

CONFIDENTIAL

June 9, 1988

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

SUBJECT: MUR #2172

Attached for the Commission's review are briefs stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. Copies of these briefs and a letter notifying the respondents of the General Counsel's intent to recommend to the Commission findings of no probable cause to believe were mailed on June 9, 1988. Following receipt of the respondents' reply to this notice, this Office will make a further report to the Commission.

Attachments

- 1-Briefs (3)
- 2-Letter to respondents

88040713154



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 9, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Robert Brack, Esquire
906 Colonial Parkway
Clovis, New Mexico 88101

RE: MUR 2172
Mrs. Ken White, Sr.
Mr. & Mrs. Ken White, Jr.

Dear Mr. Brack:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities the Federal Election Commission, on June 9, 1987, found reason to believe that your clients, Mrs. Ken White, Sr., and Mr. & Mrs. Ken White, Jr., violated 2 U.S.C. § 441f, and instituted an investigation in this matter.

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

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

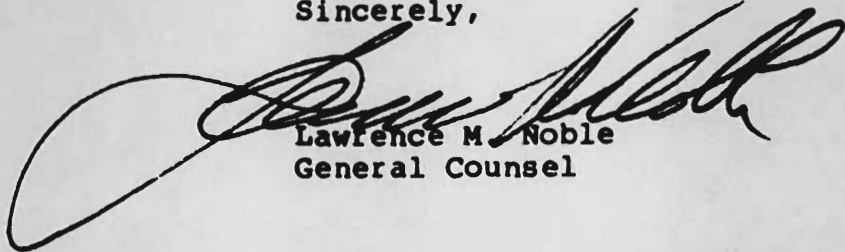
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Letter to Robert Brack
Page 2

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Snyder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Brief

83040713156

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Mrs. Ken White, Jr.

)
)
)

MUR 2172

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

On June 9, 1987, the Commission found reason to believe that Mrs. Ken White, Jr. violated 2 U.S.C. § 441f. The basis for this finding was that it appeared that respondent made a contribution in the name of another to the Chandler for Congress Committee. Subsequently, it was established that the contribution in question was made by Ken White Commodities, Inc. No evidence was found that respondent was involved in the making of a contribution in the name of another to the Chandler for Congress Committee.

II. ANALYSIS

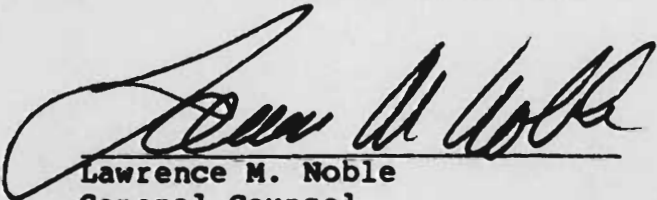
In view of the fact that there was no evidence to support a finding that respondent made a contribution in the name of another to the Chandler for Congress Committee, it does not appear that there is probable cause to believe respondent violated 2 U.S.C. § 441f.

III. GENERAL COUNSEL'S RECOMMENDATION

1. Find no probable cause to believe that Mrs. Ken White, Jr. violated 2 U.S.C. § 441f.

Date

6/8/88


Lawrence M. Noble
General Counsel

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Mrs. Ken White, Sr.

)
)
)

MUR 2172

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

On June 9, 1987, the Commission found reason to believe that Mrs. Ken White, Sr. violated 2 U.S.C. § 441f. The basis for this finding was that it appeared that respondent made a contribution in the name of another to the Chandler for Congress Committee. Subsequently, it was established that the contribution in question was made by Ken White Commodities, Inc. No evidence was found that respondent was involved in the making of a contribution in the name of another to the Chandler for Congress Committee.

II. ANALYSIS

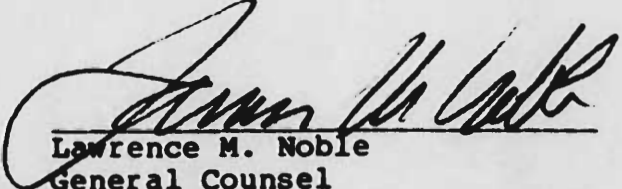
In view of the fact that there was no evidence to support a finding that respondent made a contribution in the name of another to the Chandler for Congress Committee, it does not appear that there is probable cause to believe respondent violated 2 U.S.C. § 441f.

III. GENERAL COUNSEL'S RECOMMENDATION

1. Find no probable cause to believe that Mrs. Ken White, Sr. violated 2 U.S.C. § 441f.

Date

6/14/87


Lawrence M. Noble
General Counsel

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Mr. Ken White, Jr.

)
)
) MUR 2172

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

On June 9, 1987, the Commission found reason to believe that Mr. Ken White, Jr. violated 2 U.S.C. § 441f. The basis for this finding was that it appeared that respondent made a contribution in the name of another to the Chandler for Congress Committee. Subsequently, it was established that the contribution in question was made by Ken White Commodities, Inc. No evidence was found that respondent was involved in the making of a contribution in the name of another to the Chandler for Congress Committee.

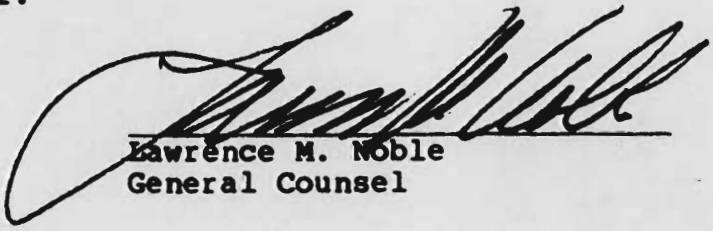
II. ANALYSIS

In view of the fact that there was no evidence to support a finding that respondent made a contribution in the name of another to the Chandler for Congress Committee, it does not appear that there is probable cause to believe respondent violated 2 U.S.C. § 441f.

III. GENERAL COUNSEL'S RECOMMENDATION

1. Find no probable cause to believe that Mr. Ken White, Jr. violated 2 U.S.C. § 441f.

6/12/88
Date


Lawrence M. Noble
General Counsel

3040713159

BEFORE THE FEDERAL ELECTION COMMISSION

88 JUN 27 PM 3:53

In the Matter of)
)
Chandler for Congress Committee)
and Charles Wade, as treasurer)

MUR 2172

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by Richard F. Rowley, the attorney for the Chandler for Congress Committee and Charles Wade, as treasurer.

The attached agreement contains no changes from the agreement approved by the Commission on April 5, 1988. A check for the civil penalty has been received.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with the Chandler for Congress Committee and Charles Wade, as treasurer.
2. Close the file as to these respondents.
3. Approve the attached letter.

Lawrence M. Noble
General Counsel

Date 6/27/88

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

Attachments

1. Conciliation Agreement
2. Photocopy of civil penalty check
3. Letter to Respondents

Staff Assigned: C. Snyder

18040713160

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Chandler for Congress Committee) MUR 2172
and Charles Wade, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 30, 1988, the Commission decided by a vote of 6-0 to take the following actions in MUR 2172:

1. Accept the conciliation agreement with the Chandler for Congress Committee and Charles Wade, as treasurer, as recommended in the General Counsel's Report signed June 27, 1988.
2. Close the file as to these respondents.
3. Approve the letter, as recommended in the General Counsel's Report signed June 27, 1988.

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

Attest:

7-1-88

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Office of the Commission Secretary: Mon., 6-27-88, 3:53
Circulated on a 48-hour tally basis: Tues., 6-28-88, 11:00
Deadline for vote: Thurs., 6-30-88, 11:00

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 7, 1988

Richard F. Rowley, II, Esquire
Rowley and Parker
305 Pile Street
Clovis, New Mexico 88101

RE: MUR 2172
Chandler for Congress
Committee and Charles
Wade, as treasurer

Dear Mr. Rowley:

On June 30, 1988, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your clients' behalf in settlement of a violation of 2 U.S.C. §§ 441b(a) and 441f, provisions of Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to your clients. This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

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

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed.

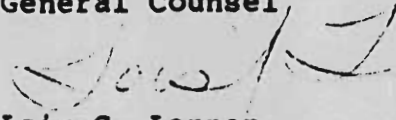
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Letter to Richard F. Rowley, II, Esquire
Page 2

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

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

89040713163

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Ken White, Jr., et al.

MUR 2172

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 9, 1987, the Commission found reason to believe Mrs. Ken White, Sr., and Mr. and Mrs. Ken White, Jr., ("the Whites") violated 2 U.S.C. § 441f. The basis for this finding was an allegation that the Whites made contributions in the name of another to the Chandler for Congress Committee. Subsequently, evidence was found that the contributions in questions were actually made by Ken White Commodities, Inc. and Ken White, Sr., president of said corporation. (Conciliation agreements have since been concluded with said corporation and its president, as well as with the Chandler for Congress Committee and its treasurer.) No evidence was found that the Whites were involved in the making of a contribution in the name of another to the Chandler for Congress Committee.

II. ANALYSIS

(See General Counsel's Brief, signed June 8, 1988.)

Respondents have not filed any briefs in this matter. In view of the lack of evidence that respondents were involved in the making of illegal contributions, it is recommended that the Commission find no probable cause to believe they violated 2 U.S.C. § 441f.

RECEIVED
FEDERAL ELECTION COMMISSION

JUL 26 1988
AM 9:56

EXECUTIVE SESSION
JUL 26 1988
SENSITIVE

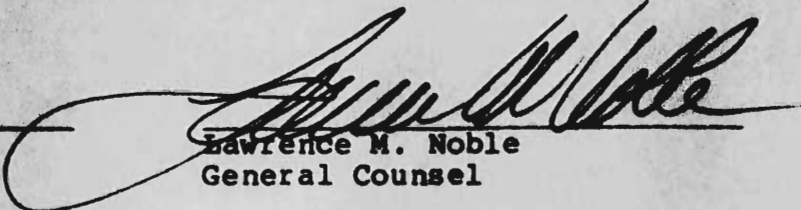
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III. RECOMMENDATIONS

1. Find no probable cause to believe that Mrs. Ken White, Sr., and Mr. and Mrs. Ken White, Jr., violated 2 U.S.C. S 441f.
2. Close the file.
3. Approve the attached letters.

Date

7/11/88


Lawrence M. Noble
General Counsel

Attachments

- 1-Letters to respondents (3)
- 2-Letter to Referring agency

Staff Assigned: Charles Snyder

83040713165

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Ken White, Jr., et al.) MUR 2172

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of July 26, 1988, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2172:

1. Find no probable cause to believe that Mrs. Ken White, Sr., and Mr. and Mrs. Ken White, Jr., violated 2 U.S.C. § 441f.
2. Close the file.
3. Approve the letters attached to the General Counsel's report dated July 11, 1988.

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

Attest:

7-27-88

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 29, 1988

Craig C. Donsanto, Director
Election Crimes Branch
Public Integrity Section
Dept. of Justice
Tenth & Constitution Avenue, N.W.
Washington, D.C. 20570

RE: MUR 2172

Dear Mr. Donsanto:

This is in reference to the matter involving Caleb Chandler, which your office referred to the Federal Election Commission.

On April 29, 1986, the Commission found that there was reason to believe the Chandler for Congress Committee violated 2 U.S.C. §§ 434 and 441f, provisions of the Federal Election Campaign Act of 1971, as amended and 11 C.F.R. § 103.3 of the Commission's regulations, and has now entered into a conciliation agreement in the matter. Further, the Commission found reason to believe on October 6, 1987 that Ken White Commodities, Inc. violated 2 U.S.C. §§ 441b(a) and 441f, and, on June 9, 1987, that Ken White, Sr., violated 2 U.S.C. § 441f. A conciliation agreement has now been entered into with these respondents. Copies of these agreements are enclosed for your information.

In addition, the Commission found reason to believe on June 9, 1987 that Midwestern Fuel, Inc. violated 2 U.S.C. §§ 441b and 441f. On April 5, 1988, the Commission determined to take no further action and closed the file as to that respondent. Finally, on July 26, 1988, the Commission found no probable cause to believe Mrs. Ken White, Sr., and Mr. & Mrs. Ken White, Jr., violated 2 U.S.C. § 441f.

We appreciate your cooperation in helping the Commission meet its enforcement responsibilities under the Federal Election Campaign Act of 1971, as amended.

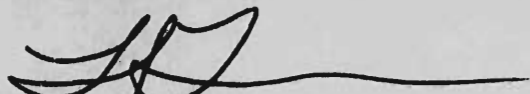
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Letter to Craig C. Donsanto, Esquire
Page 2

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

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

Enclosures
Conciliation Agreements

88040713168

#19272

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Ken White Commodities, Inc.)

Ken White, Sr., President)

MUR 2172

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Ken White Commodities, Inc. and Ken White, Sr., President ("Respondents") violated 2 U.S.C. §§ 441b(a) and 441f.

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

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.

§ 437g(a)(4)(A)(i).

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

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

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

1. Respondent, Ken White Commodities, Inc., is a corporation registered in the state of New Mexico.

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2. Respondent Ken White, Sr., is president of that corporation.

3. Respondents paid \$600 to Caleb Chandler, d/b/a Clovis Investigation Service, during Mr. Chandler's 1982 Congressional election campaign.

4. Respondents made the aforesaid payments to Mr. Chandler to help him meet personal expenses while on leave of absence from his job in order to run for Congress.

5. The payments made by respondents to Caleb Chandler constituted a campaign contribution, since they were made for the purpose of influencing a federal election. 2 U.S.C. § 431(8)(A)(i).

6. The campaign contributions made by respondents were accepted by Mr. Chandler as agent for the Chandler for Congress Committee and Charles Wade, as treasurer (hereinafter the "Committee"). 11 C.F.R. § 102.7(d).

7. Ken White Commodities, Inc. reimbursed Ken White, Sr., for making a \$100 contribution on its behalf to the Committee.

V. 1. Respondents' making a \$600 corporate contribution to the Committee was in violation of 2 U.S.C. § 441b(a).

2. Respondent Ken White Commodities, Inc.'s making a contribution in the name of Ken White, Sr., to the Committee was in violation of 2 U.S.C. § 441f.

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3. Respondent Ken White, Sr.'s permitting his name to be used to effect the making of a contribution in the name of another was in violation of 2 U.S.C. § 441f.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Four Hundred dollars (\$400.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

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

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

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

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

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

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

June 8, 1988
Date

FOR THE RESPONDENTS:

Robert Brack
(Name) ROBERT BRACK
(Position) Attorney for Respondents

May 6, 1988
Date

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Chandler for Congress Committee) MUR 2172
and Charles Wade, as treasurer)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Chandler for Congress Committee and Charles Wade, as treasurer, ("Respondents") violated 2 U.S.C. §§ 434, 441b(a), 441f and 11 C.F.R. § 103.3.

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

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

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

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

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

1. Respondent, Chandler for Congress Committee, is a political committee within the meaning of 2 U.S.C. § 431(4) and was the authorized campaign committee of Caleb Chandler during his campaign for election to the U.S. Congress in 1982.

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2. Respondent, Charles Wade, is the treasurer of Chandler for Congress Committee.

3. Ken White Commodities, Inc., a corporation, paid \$600 to Caleb Chandler, d/b/a Clovis Investigation Service, during the 1982 Congressional election campaign to help him meet personal expenses while on leave of absence from his job in order to run for Congress.

4. The payments made by Ken White Commodities, Inc. to Caleb Chandler constituted campaign contributions to respondents, in that said payments were made for the purpose of influencing a federal election. 2 U.S.C. § 431(8)(A)(i).

5. Caleb Chandler accepted the contributions as the agent of the respondents. 11 C.F.R. § 102.7(d).

6. A part of the aforesaid contributions, amounting to \$100, was received by respondents as made in the name of Ken White, Sr. and not in the name of Ken White Commodities, Inc, which actually made the contribution.

V. 1. Respondents' acceptance of a \$600 contribution from a corporation was in violation of 2 U.S.C. § 441b(a).

2. Respondents' acceptance of a contribution made in the name of another was in violation of 2 U.S.C. § 441f.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Four Hundred dollars (\$400.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

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

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

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Date 7/6/88

FOR THE RESPONDENTS:

(Name) Richard D. Rowley
(Position)

Attorney for Respondents,
Chandler for Congress Committee
and Charles F. Wade, Treasurer

Date 6/6/88

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 29, 1988

Robert Brack Esquire
906 Colonial Parkway
Clovis, New Mexico 88101

RE: MUR 2172
Mrs. Ken White, Sr.
Mr. & Mrs. Ken White, Jr.

Dear Mr. Brack:

This is to advise you that on July 26, 1988, the Federal Election Commission found that there is no probable cause to believe your clients Mrs. Ken White, Sr. and Mr. & Mrs. Ken White, Jr. violated 2 U.S.C. § 441f. Accordingly, the file in this matter has been closed.

This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

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

Sincerely,

LM Noble
Lawrence M. Noble
General Counsel

88040713176



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 29, 1988

Mr. Stephen Block
P.O. Box 167
Independence, MD 64501

RE: MUR 2172
Midwestern Fuel Systems, Inc.

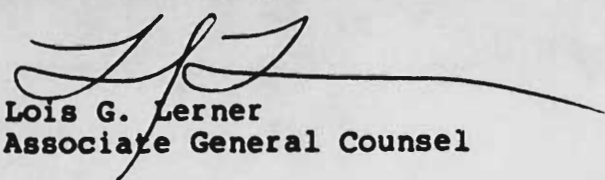
Dear Mr. Block:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

8040713177



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 29, 1988

Richard F. Rowley, II, Esquire
Rowley and Parker
305 Pile Street
Clovis, New Mexico 88101

RE: MUR 2172
Chandler for Congress
Committee and Charles
Wade, as treasurer

Dear Mr. Rowley:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2172

DATE FILMED 8/26/00 CAMERA NO. 2

CAMERAMAN K.A.U.

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