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COMMISSION

July 20, 2011

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Federal Election Commission  
Office of General Counsel  
999 E. Street, NW  
Washington, DC 20463

AOR 2011-16

OFFICE OF GENERAL  
COUNSEL

**Re: Advisory Opinion Request**

Dear Commissioners:

I am writing in my capacity as Treasurer of Dimension4, Inc. PAC (the Committee). I respectfully request an advisory opinion from the Federal Election Commission (FEC) as to whether it is permissible for the D4 Senior Management Fund (the Fund) to pay back a loan made by the Committee to Dimension4, Inc. (the Corporation)

**General Information about the Corporation**

The Corporation provides intelligent graphic conversion services and its main source of revenue comes from government contracts with a small amount from commercial contracts. The Corporation currently has 45 employees, is privately owned with 131 common shareholders and 13 preferred shareholders and is governed by a Board of Directors. There is no overlap between the board governing the Committee and the Corporation's Board of Directors.

**General Information about the Fund**

The Fund was established by 7 officers of the Corporation for the main purpose of making charitable contributions. The Fund has a non-interest bearing checking account with each individual's name, social security number and any officer can withdraw money from the account at any time. The Fund is not a legal entity for tax purposes and does not file an income tax return. The Fund is not under the auspices of the Corporation and is not governed by the Corporation's by-laws, articles of incorporation, or any other corporate governing document. There is no writing memorializing the purpose of the Fund or how decisions over the use of the Fund's assets are to be made. It is strictly funded by the current officers and the Corporation has never given money to the Fund. The Fund was started in 2006 by 6 officers at that time, 5 of the original remain and two more have joined. None of the 7 officers are foreign nationals. Although the Corporation does not advertise or publicize the Fund, it is open to any employee.

**General Information about the Committee**

The Committee has been in existence since 2004 and has received contributions from 54 individuals, ranging from \$5 to \$2500, all these contributions have been within the legal annual requirements of PAC contributions. Since inception over \$35,000 has been given to political candidates running for office, again all contributions have been with legal campaign requirements.

**Factual Background**

The Corporation needed to resolve a temporary cash flow problem and borrowed \$26,000 from the Committee. Prior to borrowing the money in the summer of 2010 I called the FEC's general number to ask if the Committee could loan money to the Corporation. I was told that the Committee is allowed to do anything with the money that is legally permissible by law and the money can not be used to influence a federal election. No thought was given to how the Committee would be repaid. On August 24, 2010 the Committee loaned the Corporation \$26,000.00. There is no formal written agreement or other writing memorializing the terms of the loan, the intent of the parties was that the loan would be repaid to the Committee by year end. On December 22, 2010 the Committee received a letter from the FEC, which is also attached for your easy reference. Under number 2, it states "that while repayment of the principal amount of such loan is not considered a contribution by the debtor to the lender Committee, repayments must be comprised of permissible funds subject to the prohibitions of 11 CFR Section 110.4(a) and Part 114." I called Nicole Della Reeco to get guidance on the repayment of the loan by the Corporation. After several phone calls over a 4 month period, I was told the Corporation can not use their funds to pay back the loan. My question then became how can the Committee get reimbursed for the outstanding loan? I asked if the Fund could pay back the Committee loan on behalf of the Corporation. I was instructed by Ms. Recco to submit a request for an advisory opinion. The Corporation is and has been ready to pay back the loan.

**Conclusion**

Based on the forgoing, I respectfully request that the Commission confirm that the Fund can reimburse the Committee for the loan it made to the Corporation. It is not the intent of the Corporation to influence the Committee in any way but to simply pay back the loan. The Fund would like to reimburse the Committee \$26,000 and after this event the Corporation would reimburse the Fund \$26,000. If this is not acceptable what means does the Committee have of reimbursement for the loan?

Please contact me if you need any additional information regarding this request.

Sincerely,



Deborah D'Angelo

Treasurer

360-478-9700 ext. 1443



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

December 22, 2010

Deborah D'Angelo, Treasurer  
Dimension4 Inc PAC  
423 Pacific Avenue  
Bremerton, WA 98337

**Response Due Date:**  
**January 26, 2011**

Identification Number: C00401091

Reference: October Quarterly Report (7/1/10-9/30/10)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 2 items:

✓ 1. Your report discloses a disbursement(s) on Schedule B to "Dimension4, Inc." that has not been recorded on Line 27 for Loans Made. Loans made must also be reflected on Schedule C. Please amend your report to clarify this discrepancy. 2 U.S.C. §434(b)(4)

→ 2. Schedule B discloses a loan in the amount of \$26,000 made to "Dimension4, Inc." According to 11 CFR §100.52(b)(1), any loan made by a political committee is subject to the limitations outlined in 11 CFR part 110. Please be advised that while repayment of the principal amount of such a loan is not considered a contribution by the debtor to the lender committee, the repayments must be comprised of permissible funds subject to the prohibitions of 11 CFR §110.4(a) and Part 114

**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1139.

Sincerely,

*Nicole DellaRocco*

Nicole Della Rocco  
Senior Campaign Finance Analyst  
Reports Analysis Division