



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4095

DATE FILMED 3/19/96 CAMERA NO. 2

CAMERAMAN S.E.S.

26043724217

LAW OFFICES  
**KUBASIAK, CREMIEUX, FYLSTRA & REIZEN**

PROFESSIONAL CORPORATION  
30 NORTH LA SALLE STREET  
SUITE 2700  
CHICAGO, ILLINOIS 60602-2505

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

OCT 20

Telephone (312) 630-9600

Facsimile  
(312) 630-7939

DANIEL J. KUBASIAK

October 19, 1994

MUR 4095

**VIA FEDERAL EXPRESS**

Lawrence Noble, Esq.  
General Counsel  
Federal Election Commission  
999 East Street, NW  
Washington, D.C. 20463

Dear Mr. Noble:

This letter is being sent to you at the request of the Lipinski for Congress Committee (Illinois 3rd Congressional District) and its campaign director, Robert Molaro. Mr. Molaro has become aware of certain actions which appear to benefit the candidacy of Mr. James Nalepa, a candidate for Congress from the 3rd Congressional District of Illinois and which may be violations of Federal election campaign laws.

Mr. Molaro has become aware that on September 9, 1994, The Midway News, a local community newspaper distributed in a portion of the 3rd Congressional District, published a front page article (enclosed herewith) touting Mr. Nalepa's candidacy. Mr. Molaro has also been informed by a member of the Board of Directors of The Midway News that, shortly thereafter, they discovered certain irregularities in the management of the newspaper which caused them to remove the then editor of the paper. A review of the financial records of the paper disclosed that the paper had received a \$5,000 check dated September 6, 1994 from Nalcor Development Corporation, which appears to be signed by "J. Nalepa" and which is characterized on the face of the check as a "loan" (see attached copy of check). According to Mr. Molaro, the paper's board of directors have not discovered any documentation concerning this so-called loan. The \$5,000 payment to The Midway News, three days before the article touting Mr. Nalepa's candidacy, caused the board of directors of the paper to bring this matter to the attention of Mr. Molaro and the Lipinski for Congress Committee.

A review of Mr. Nalepa's Financial Disclosure Statement filed with the Office of the Clerk of the U.S. House of Representatives, dated February 15, 1994, shows that Mr. Nalepa was at that time (and is presumed to still be) a shareholder and a salaried employee of Nalcor Development Corporation (see attached).

26043724218

Lawrence Noble, Esq.

October 19, 1994

Page 2

Mr. Nalepa's campaign disclosure forms (attached hereto) required to be filed, indicate that \$144 was paid to The Midway News on July 1, 1994 for advertising but there is no mention of a \$5,000 contribution from Nalcor Development Corporation or a payment to The Midway News by Nalcor Development Corporation on behalf of Mr. Nalepa's candidacy. Also, campaign disclosure forms (attached hereto) indicate that the Nalepa campaign repaid \$5,000 to James T. Nalepa, the same day as the \$5,000 Nalcor payment to The Midway News.

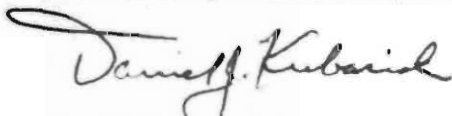
The Lipinski for Congress Committee believes that the \$5,000 payment to The Midway News is a campaign contribution by Nalcor Development Corporation, which should have been disclosed by Mr. Nalepa, and that the corresponding expenditure should have been similarly disclosed. Also, the article touting Mr. Nalepa was, in fact, a communication which should have been accompanied by the appropriate campaign disclosure statement. Additionally, the \$5,000 loan repayment to Mr. Nalepa begs the question, "Did the Nalepa campaign merely move \$5,000 from the campaign fund to Mr. Nalepa, to Nalcor, to The Midway News?" Mr. Molaro and the Lipinski for Congress Committee believe that these actions may be violations of the Federal Election Regulations as set forth Title 11 of the Code of Federal Regulations. On behalf of Mr. Molaro and the Lipinski for Congress Committee, I ask that you investigate this matter and take the appropriate action.

In order to comply with 11 C.F.R. 111.4, I state that I have represented the circumstances regarding this matter as they have been related to me, and that this complaint has been appropriately notarized.

Should you have any questions or comments in regard to this letter, please contact me.

Very truly yours,

KUBASIAK, CREMIEUX, FYLSTRA & REIZEN, P.C.



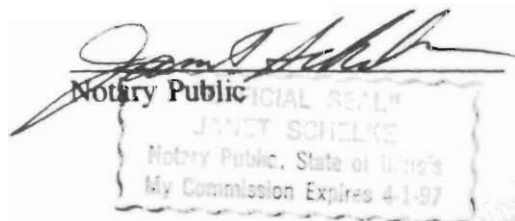
Daniel J. Kubasiak

DJK/ir  
Enclosures

cc: Mr. Robert Molaro

STATE OF ILLINOIS)  
) SS  
COUNTY OF COOK )

Signed and sworn to before me  
this 19th day of October, 1994



Notary Public  
JANET SCHELKE  
Notary Public, State of Illinois  
My Commission Expires 4-1-97

26043724219

*Guaranteed* 7 6 0 4 7 2 4 2 2 0  
NATIONAL DEVELOPMENT CORPORATION  
11 W. MAPLE ST. 3102  
CHICAGO, ILL. 60610  
315

PAY  
TO THE  
ORDER OF

☐ NEW YORK STATE  
☐ UNITED STATES

*Richard [unclear]*  
*Spokane, Washington*  
*For [unclear]*

SAVINGS  
OF AMERICA  
473-07

☐ NATIONAL BANK OF BROOKFIELD

☐ NATIONAL BANK OF BROOKFIELD

FOR

*cash*

*[Signature]*

⑈00183⑈ ⑈071923352⑈ 126004⑈ ⑈000050000⑈

145

SOPHIE



2 6 0 4 3 7 2 4 2 2 1

UNITED STATES HOUSE OF REPRESENTATIVES FINANCIAL DISCLOSURE STATEMENT				FORM B For use by candidates for the office of Member and sole employees	
Period Covered: January 1, 1993 - February 15, 1994					
James T. Malaga					
105 North Catherine					
La Grange, Illinois 60525					
File Status	<input checked="" type="checkbox"/> Candidate for the House of Representatives	State: Illinois	Date of Election: March 15, 1994	Check if Amendment <input type="checkbox"/>	
	<input type="checkbox"/> New officer or employee	Employing Office:			

OFFICE OF RECORDS & COMMUNICATIONS  
105 FEB 17 10 2 57  
OFFICE OF THE CLERK  
U.S. HOUSE OF REPRESENTATIVES

6 FEB 15 1994  
cc

In all sections, please type or print clearly in black ink.

**PRELIMINARY INFORMATION - ANSWER EACH OF THESE QUESTIONS**

Did you or your spouse have "covered" income (i.e., salaries or fees) of more than \$10,000 from any source in the reporting period? If yes, Complete and Attach Schedule I.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Did you take any reportable position on or before the date of filing in the current reporting period? If yes, Complete and Attach Schedule IV.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Did you, your spouse, or a dependent child receive "covered" income of more than \$10,000 in the reporting period or hold any reportable asset worth more than \$1,000 at the end of the period? If yes, Complete and Attach Schedule II.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Did you have any reportable agreement or arrangement with an outside entity? (See instructions on gifts and confidential.) If yes, Complete and Attach Schedule V.	Yes <input type="checkbox"/> No <input type="checkbox"/>
Did you, your spouse, or a dependent child have any reportable family income from 1993 that exceeds the reporting period? If yes, Complete and Attach Schedule III.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Did you receive compensation of more than \$5,000 from a single source in the two year period? If yes, Complete and Attach Schedule VI.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Each question in this part must be answered.		Attach the appropriate schedule for each "Yes" response.	

**EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION - ANSWER EACH OF THESE QUESTIONS**

TRUSTS—Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or a dependent child? (See instructions, page 10.)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
EXEMPTION—Have you excluded from this report any other assets, "uncovered" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption? (See instructions, page 11.)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

**CERTIFICATION - THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED**

This Financial Disclosure Statement is required by the Ethics in Government Act of 1976, as amended (5 U.S.C. app. 5, § 101 et seq.). The Statement will be available to any reporting person upon written application and will be released by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal penalties (See 5 U.S.C. app. 5, § 104 and 18 U.S.C. § 1010).	
SIGNATURE OF REPORTING INDIVIDUAL <i>James T. Malaga</i>	DATE (Month, Day, Year) February 15, 1994

**James T. Malepa**

**SCHEDULE H—ASSETS AND "UNEARNED" INCOME**

On 12/31/2017, I/We John and Mary Smith certify that the information furnished on this form is true and correct. I/We agree that I/We will furnish the same information if asked.

In BLOCK 8, indicate the category of value for each asset listed in Block 7. If you use a valuation method other than fair market value, please specify the method used. If an asset was sold and is included only because it generated income, the value should be "None."

IN BLOCK G, indicate the type and company of vehicle is "lessee" for the current year to the filing date and, separately, the preceding calendar year. List assets and income listed in block A. For 1974s and subsequent years that type will be changed, you may list only the value and indicate "for" or "lessor." You must, however, name the institution holding the DUC.

If you wish to indicate that an asset, income source, or income is that of your spouse or dependent child, you may do so in the column for that purpose on the far left. (If the column is omitted.)

For further information, see instructions, pages 44-45.

Information derived as of the following dates:

Change the water in case of heavy rain

[illegible]

**For additional needs and extended hours, use next page**

Page 1 of 1

## Abstract

7 6 0 4 3 7 2 4 2 2 3

**SCHEDULE V—AGREEMENTS (FOR NEW EMPLOYERS ONLY, NOT CANDIDATES)**

Reporting Individual's Name

James T. Wilson

Indicate the date, parties to, and terms of any agreement or arrangement with respect to future employment, a leave of absence during the period of government service, continuation or deferral of payments by a former or current employer other than the U.S. Government, or continuing participation in an employee welfare or benefit plan established by a former employer. For further information, see instructions, page 22.

Date	Parties To	Terms of Agreement

**SCHEDULE VI—COMPENSATION IN EXCESS OF \$5,000 PAID BY ONE SOURCE**

Report sources of each compensation received by you or your business affiliation for services provided directly by you during the two prior years. This includes the receipt of gifts and customers of any corporation, firm, partnership, or other business enterprise, or any non-profit organization when you directly provided the services generating a fee or payment of more than \$5,000. You need not report the U.S. Government as a source. For further information, see instructions, page 22.

Source Name and Address	Short Description of Service
<i>Example: One Jones &amp; Smith, Washington, D.C. Major University School of One Jones &amp; Smith, Washington, D.C.</i>	<i>Accounting services Local research in computer with scientific application</i>
Superior Health Care Corp., McGraw Park, IL	Military officer recruiting
Dianon Systems, Inc., Stratford, CT	Military officer recruiting
Pfizer, Inc., New York, NY	Military officer recruiting
Pilgrimage Co., Minneapolis, MN	Military officer recruiting
Malcor Development Corp.	Salary

SCHEDULE B -- ITEMIZED DISBURSEMENTS  
 RELEASE FOR CONGRESS C00180377

Page 2 of 17  
 Line Number: 17

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

PAYEE NAME & ADDRESS	PURPOSE/ ELECTION	DATE	AMOUNT
<b>A. RSN Consulting</b>			
Wharton IL 00127	Consulting For: 1994 General	07/01/94	600.00
<b>B. Midway News</b>			
6014 West Archer Chicago IL 60630	Advertising For: 1994 General	07/01/94	140.00
<b>C. Macerola</b>			
600 N. W. HWY 45 LIBERTYVILLE, IL 60069--130	Phone For: 1994 General	07/01/94	177.99
<b>D. MICHIGAN PARK</b>			
	1994-THE DAY For: 1994 General	07/01/94	770.00
<b>E. Parker Cromwell</b>			
122-B Calender Ct Laduege IL 60525	Word Processing For: 1994 General	07/01/94	404.24
<b>F. Staff for Seamus, Inc.</b>			
P.O. Box 1193 Franklin Park IL 60131	T-Shirts For: 1994 General	07/01/94	202.00
<b>G. WHEELER GROUP</b>			
1363 BURNLEY RD WILSON, VA 22101	FOLDERS For: 1994 General	07/01/94	2025.00
<b>H. American Good People</b>			
1775 Sun Lane Vista CA 92084	Advertising For: 1994 General	07/06/94	190.00
<b>I. MICHIGAN PARK</b>			
	Reimbursement For: 1994 General	07/07/94	102.44
<b>J. MICHIGAN PARK</b>			
	EMPLOYEE PAY For: 1994 General	07/07/94	105.00
<b>SUBTOTAL OF DISBURSEMENTS THIS PAGE:</b>			5040.71

E-J-W-C-W-B-U-H-O-E-A

26043724224



Page 2 of 2

PAYEE NAME & ADDRESS	PURPOSE, DESCRIBED	DATE	AMOUNT
A. James T Nelson 105 W Catherine LaGrange IL 60525	Loan Payment For: 1994 General	05/05/94	5000.00

SUMMARY OF DISBURSEMENTS THIS PERIOD: 0000.00

05:01:55M: 12:50

26043724225



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 26, 1994

Daniel J. Kubasiak, Esq.  
Kubasiak, Cromieux, Fylstra & Reizen  
30 North LaSalle St., Suite 2700  
Chicago, IL 60602-2505

RE: MUR 4095

Dear Mr. Kubasiak:

This letter acknowledges receipt on October 20, 1994, of the complaint which you filed on behalf of the Lipinski for Congress Committee and its campaign director, Robert Molaro, alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). The respondent(s) will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 4095. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

*Mary L. Taksar*

Mary L. Taksar, Attorney  
Central Enforcement Docket

Enclosure  
Procedures

96043724226



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 26, 1994

Carol Brian Warhanik, Treasurer  
Nalepa for Congress  
P.O. Box 57  
La Grange, IL 60525

RE: MUR 4095

Dear Ms. Warhanik:

The Federal Election Commission received a complaint which indicates that Nalepa for Congress ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4095. Please refer to this number in all future correspondence.

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

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

96043724227

If you have any questions, please contact Joan McNery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

*Mary L. Taksar*

Mary L. Taksar, Attorney  
Central Enforcement Docket

**Enclosures**

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

96043724228





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

October 26, 1994

James T. Nalepa  
105 W. Catherine  
La Grange, IL 60523

RE:        MUR 4095

Dear Mr. Nalepa:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4095. Please refer to this number in all future correspondence.

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

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

96043724229

If you have any questions, please contact Joan McNery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

*Mary L. Taksar*

Mary L. Taksar, Attorney  
Central Enforcement Docket

**Enclosures**

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

26043724230



**FEDERAL ELECTION COMMISSION**

WASHINGTON, D.C. 20463

October 26, 1994

**Roy Faddis, Registered Agent  
Nalcor Development Corporation  
8901 West 95th Street  
Palos Hills, IL 60465-1011**

**RE: NUR 4095**

**Dear Mr. Faddis:**

The Federal Election Commission received a complaint which indicates that Nalcor Development Corporation may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter NUR 4095. Please refer to this number in all future correspondence.

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

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

96043724231

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

*Mary L. Takser*

Mary L. Takser, Attorney  
Central Enforcement Docket

**Enclosures**

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

26043724232





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 26, 1994

Randy Aderman, Registered Agent  
Midway News  
5824 South Natoma  
Chicago, IL 60638

RE: MUR 4095

Dear Mr. Aderman:

The Federal Election Commission received a complaint which indicates that Midway News may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4095. Please refer to this number in all future correspondence.

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

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

26043724233

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

*Mary L. Taksar*

Mary L. Taksar, Attorney  
Central Enforcement Docket

**Enclosures**

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

96043724234

Law Offices  
Martin, Craig, Chester & Sonnenschein  
55 West Monroe Street  
Chicago, Illinois 60603  
Telephone 312-388-9700  
Fax 312-372-3090

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
Nov 14 12 18 PM '94

JOHN D. PURDY, JR.

November 11, 1994

Mary L. Taksar, Esq.  
Central Enforcement Docket  
Federal Election Commission  
Washington DC 20463

Re: Midway News, Inc.  
MUR 4095

Dear Ms. Taksar:

Randy Aderman, the president and registered agent of Midway News, Inc. has asked me to respond to your letter of October 26. Mr. Aderman has informed me that the following occurred. The Midway News was incorporated on April 26, 1994. The incorporator was Roy M. Koz, whose address is shown as 825 N. Oakley Blvd., Chicago, Illinois 60622. Mr. Aderman and others, including Mr. Koz, invested their personal funds in the venture, which was to be operated by Mr. Koz. Mr. Koz assumed complete day to day control of all operations of the business from the date of incorporation until it ceased operating in late September. During this entire time, he refused to report to or cooperate with the other investors. On September 14, the first meeting of the shareholders was held and officers and directors elected. Mr. Koz was not elected to any office. When the board and officers confronted Mr. Koz following the meeting, he continued his refusal to cooperate. When the board made it clear that he could not continue to operate the enterprise as his sole property as in the past, Mr. Koz refused to continue. When the parties were unable to reach agreement concerning continued operations, he resigned his employment, taking with him the company's computer equipment, mailing lists and many other business records. The company ceased publishing the newspaper and stopped doing business at that time. Mr. Aderman since then has been attempting to use the limited funds remaining in the company's bank account to pay the obligations of the business and to wind up its affairs.

Mr. Aderman was not informed by Mr. Koz as to the sources of company revenues collected by Mr. Koz; he understood these

26043724235

Mary L. Taksar, Esq.  
November 11, 1994  
Page 2

revenues to have been derived from advertising sales. Specifically, he was not aware of the transaction described in the complaint. Neither did Mr. Aderman have any input as to the editorial content of the newspaper. Mr. Koz at the time of the alleged infraction was in sole actual control of the company, the newspaper, its editorial content and all sources of revenue.

While Mr. Aderman and the other officers, of course, will cooperate in the investigation and will make available to the Commission all records of the company in their possession or under their control, I suggest that it would be far more fruitful to discuss these matters with Mr. Koz, who we believe still at the Oakley Blvd. address.

Please contact me if I may be of assistance. The designation of counsel form included with the complaint is out for signature. I will fax it to you as soon as I receive it. I look forward to hearing from you.

Very truly yours,

John D. Buddy, Jr.

jdp/hs  
cc Mr. Aderman

26043724236



Law Offices  
**Martin, Craig, Chester & Sonnenschein**

55 West Monroe Street  
Chicago, Illinois 60603  
Telephone 312-368-9700  
Fax 312-372-3090

NOV 30 12 17 PM '94

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

**JOHN D. PURDY, JR.**

**November 23, 1994**

**Ms. Mary L. Taksar  
Central Enforcement Docket  
Federal Election Commission  
Washington, D.C. 20463**

**Re: Midway News, Inc.  
MUR 4095**

**Dear Ms. Taksar:**

**Enclosed is the original Statement of Designation of Counsel  
executed by Mr. Aderman.**

**Very truly yours,**

**John D. Purdy, Jr.**

**JDPJr:eg  
Enc.**

96043724237

STATEMENT OF DESIGNATION OF COUNSEL

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
12-17 PM '94

MUR 4095

NAME OF COUNSEL: John D. Purdy, Jr.

ADDRESS: 55 West Monroe Street

Suite 1200

Chicago, IL 60603

TELEPHONE: 312-368-9700

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.

MIDWAY NEWS, INC.

11/10/94  
Date

By: Randy Aderman  
Signature

RESPONDENT'S NAME: MIDWAY NEWS, INC.  
Randy Aderman

ADDRESS: 5824 South Watona

Chicago, IL 60638

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: 312-747-1063

96043724238

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION Feb 6 12 10 PM '96

In the Matter of

)  
) Enforcement Priority  
)

**SENSITIVE**

**GENERAL COUNSEL'S REPORT**

**I. INTRODUCTION**

This report is the General Counsel's Report to recommend that the Commission no longer pursue the identified lower priority and stale cases under the Enforcement Priority System.

**II. CASES RECOMMENDED FOR CLOSING**

**A. Cases Not Warranting Further Pursuit Relative to Other Cases Pending Before the Commission**

A critical component of the Priority System is identifying those pending cases that do not warrant the further expenditure of resources. Each incoming matter is evaluated using Commission-approved criteria and cases that, based on their rating, do not warrant pursuit relative to other pending cases are placed in this category. By closing such cases, the Commission is able to use its limited resources to focus on more important cases.

Having evaluated incoming matters, this Office has identified 10 cases which do not warrant further pursuit relative to the other pending cases.<sup>1</sup> A short description of each case and the factors leading to assignment of a relatively

1. These matters are: MUR 4165 (Attachment 2); MUR 4187 (Attachment 3); MUR 4188 (Attachment 4); MUR 4199 (Attachment 5); MUR 4211 (Attachment 6); MUR 4212 (Attachment 7); MUR 4216 (Attachment 8); MUR 4224 (Attachment 9); MUR 4243 (Attachment 10); MUR 4245 (Attachment 11).

26043724239

low priority and consequent recommendation not to pursue each case is attached to this report. See Attachments 2-11. As the Commission requested, this Office has attached the responses to the complaints for the externally-generated matters and the referrals for matters referred by the Reports Analysis Division in instances where this information was not previously circulated. See Attachments 2-11.

### B. Stale Cases

Investigations are severely impeded and require relatively more resources when the activity and evidence are old. Consequently, the Office of General Counsel recommends that the Commission focus its efforts on cases involving more recent activity. Such efforts will also generate more impact on the current electoral process and are a more efficient allocation of our limited resources. To this end, this Office has identified 33 cases that

do not

warrant further investment of significant Commission resources.<sup>2</sup>

2. These matters are: FM 308 (Attachment 12); RAD 94L-29 (Attachment 13); RAD 94L-34 (Attachment 14); RAD 94NF-10 (Attachment 15); RAD 94NF-13 (Attachment 16); MUR 4027 (Attachment 17); MUR 4028 (Attachment 18); MUR 4033 (Attachment 19); MUR 4042 (Attachment 20); MUR 4045 (Attachment 21); MUR 4047 (Attachment 22); MUR 4049 (Attachment 23); MUR 4057 (Attachment 24); MUR 4059 (Attachment 25); MUR 4062 (Attachment 26); MUR 4065 (Attachment 27); MUR 4066 (Attachment 28); MUR 4067 (Attachment 29); MUR 4069 (Attachment 30); MUR 4070 (Attachment 31); MUR 4077 (Attachment 32); MUR 4079 (Attachment 33); MUR 4086 (Attachment 34); MUR 4089 (Attachment 35); MUR 4095 (Attachment 36); MUR 4099 (Attachment 37); MUR 4102 (Attachment 38); MUR 4104 (Attachment 39); MUR 4111 (Attachment 40); MUR 4113 (Attachment 41); MUR 4117 (Attachment 42); MUR 4127 (Attachment 43); and MUR 4132 (Attachment 44).

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Since the recommendation not to pursue the identified cases is based on staleness, this Office has not prepared separate narratives for these cases. As the Commission requested, the responses to the complaints for the externally-generated matters and the referrals for the internally-generated matters are attached to the report in instances where this information was not previously circulated. See Attachments 12-44.

This Office recommends that the Commission exercise its prosecutorial discretion and no longer pursue the cases listed below in Section III.A and III.B effective February 13, 1996. By closing the cases effective February 13, 1996, CED and the Legal Review Team will respectively have the additional time necessary for preparing the closing letters and the case files for the public record.

### III. RECOMMENDATIONS

A. Decline to open a MUR and close the file effective February 13, 1996 in the following matters:

- 1) PM 308
- 2) RAD 94L-29
- 3) RAD 94L-34
- 4) RAD 94NP-10
- 5) RAD 94NP-13

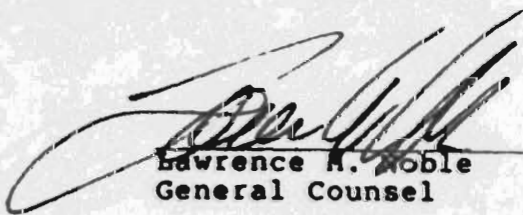
26043724241

B. Take no action, close the file effective February 13, 1996, and approve the appropriate letter in the following matters:

- 1) MUR 4027
- 2) MUR 4028
- 3) MUR 4033
- 4) MUR 4042
- 5) MUR 4045
- 6) MUR 4047
- 7) MUR 4049
- 8) MUR 4057
- 9) MUR 4059
- 10) MUR 4062
- 11) MUR 4065
- 12) MUR 4066
- 13) MUR 4067
- 14) MUR 4069
- 15) MUR 4070
- 16) MUR 4077
- 17) MUR 4079
- 18) MUR 4086
- 19) MUR 4089
- 20) MUR 4095
- 21) MUR 4099
- 22) MUR 4102
- 23) MUR 4104
- 24) MUR 4111
- 25) MUR 4113
- 26) MUR 4117
- 27) MUR 4127
- 28) MUR 4132
- 29) MUR 4165
- 30) MUR 4187
- 31) MUR 4188
- 32) MUR 4199
- 33) MUR 4211
- 34) MUR 4212
- 35) MUR 4216
- 36) MUR 4224
- 37) MUR 4243
- 38) MUR 4245

Date

2/6/96

  
Lawrence A. Noble  
General Counsel

26043724242

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Enforcement Priority ) Agenda Document #X96-13

CORRECTED CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission, do hereby certify that the Commission decided by votes of 4-0 to take the following action in the above-captioned matter:

A. Decline to open a MUR and close the file effective March 5, 1996, in the following matters:

- 1) FM 308
- 2) RAD 94L-29
- 3) RAD 94L-34
- 4) RAD 94MF-10
- 5) RAD 94MF-13

B. Take no action, close the file effective March 5, 1996, and approve appropriate letter in the following matters:

- 1) MUR 4027
- 2) MUR 4028
- 3) MUR 4033
- 4) MUR 4042
- 5) MUR 4045
- 6) MUR 4047
- 7) MUR 4049
- 8) MUR 4057
- 9) MUR 4059

(continued)

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Federal Election Commission  
Certification: Enforcement Priority  
March 6, 1996

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10) MUR 4062  
11) MUR 4063  
12) MUR 4066  
13) MUR 4067  
14) MUR 4069  
15) MUR 4070  
16) MUR 4077  
17) MUR 4079  
18) MUR 4086  
19) MUR 4089  
20) MUR 4095  
21) MUR 4099  
22) MUR 4102  
23) MUR 4104  
24) MUR 4111  
25) MUR 4113  
26) MUR 4117  
27) MUR 4127  
28) MUR 4132  
29) MUR 4165  
30) MUR 4187  
31) MUR 4188  
32) MUR 4199  
33) MUR 4211  
34) MUR 4212  
35) MUR 4216  
36) MUR 4224  
37) MUR 4243  
38) MUR 4245

(continued)



Federal Election Commission  
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Commissioners Aikens, Elliott, McDonald, and Thomas  
voted affirmatively on the above-noted decisions.  
Commissioner McGarry was not present.

Attest:

3/7/96  
Date

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

26043724245



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 7, 1996

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Daniel J. Kubasiak, Esquire  
Kubasiak, Cremieu, Fylstra & Reizen  
30 North LaSalle St., Suite 2700  
Chicago, IL 60602-2505

RE: MUR 4095

Dear Mr. Kubasiak:

On October 20, 1994, the Federal Election Commission received the complaint you filed on behalf of your clients, Lipinski for Congress Committee and Robert Molaro, as Campaign Director alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

After considering the circumstances of this matter, the Commission exercised its prosecutorial discretion to take no action in the matter. This case was evaluated objectively relative to other matters on the Commission's docket. In light of the information on the record, the relative significance of the case, and the amount of time that has elapsed, the Commission determined to close its file in this matter on March 5, 1996. This matter will become part of the public record within 30 days.

The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

*Mary L. Taksar (BTH)*

Mary L. Taksar, Attorney  
Central Enforcement Docket

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW  
DEDICATED TO KEEPING THE PUBLIC INFORMED

26043724246



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 7, 1996

Carol Brian Warhanik, Treasurer  
Nalepa for Congress  
P.O. Box 57  
La Grange, IL 60525

RE: MUR 4095

Dear Ms. Warhanik:

On October 26, 1994, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission exercised its prosecutorial discretion to take no action against Nalepa for Congress and you, as treasurer. This case was evaluated objectively relative to other matters on the Commission's docket. In light of the information on the record, the relative significance of the case, and the amount of time that has elapsed, the Commission determined to close its file in this matter on March 5, 1996.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact the Central Enforcement Docket at (202) 219-3400.

Sincerely,

*Mary L. Taksar (JBT)*

Mary L. Taksar, Attorney  
Central Enforcement Docket

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW  
DEDICATED TO KEEPING THE PUBLIC INFORMED

26043724247



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 7, 1996

James T. Malepa  
105 N. Catherine  
La Grange, IL 60525

RE: MUR 4095

Dear Mr. Malepa:

On October 26, 1994, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission exercised its prosecutorial discretion to take no action against you. This case was evaluated objectively relative to other matters on the Commission's docket. In light of the information on the record, the relative significance of the case, and the amount of time that has elapsed, the Commission determined to close its file in this matter on March 5, 1996.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact the Central Enforcement Docket at (202) 219-3400.

Sincerely,

*Mary L. Taksar (FBH)*  
Mary L. Taksar, Attorney  
Central Enforcement Docket

26043724248





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 7, 1996

Roy Faddis, Registered Agent  
Malcor Development Corporation  
8901 West 95th Street  
Palos Hills, IL 60465-1011

RE: MUR 4095

Dear Mr. Faddis:

On October 26, 1994, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission exercised its prosecutorial discretion to take no action against Malcor Development Corporation. This case was evaluated objectively relative to other matters on the Commission's docket. In light of the information on the record, the relative significance of the case, and the amount of time that has elapsed, the Commission determined to close its file in this matter on March 5, 1996.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact the Central Enforcement Docket at (202) 219-3400.

Sincerely,

*Mary D. Taksar (764)*

Mary D. Taksar, Attorney  
Central Enforcement Docket

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW  
DEDICATED TO KEEPING THE PUBLIC INFORMED

26043724249



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 7, 1996

John D. Purdy, Jr., Esquire  
Martin, Craig, Chester & Sonnenschein  
55 West Monroe Street  
Suite 1200  
Chicago, IL 60603

RE: MUR 4095  
Midway News, Inc.

Dear Mr. Purdy:

On October 26, 1994, the Federal Election Commission notified your client, Midway News, Inc., of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission exercised its prosecutorial discretion to take no action against Midway News, Inc. This case was evaluated objectively relative to other matters on the Commission's docket. In light of the information on the record, the relative significance of the case, and the amount of time that has elapsed, the Commission determined to close its file in this matter on March 5, 1996.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact the Central Enforcement Docket at (202) 219-3400.

Sincerely,

*Mary L. Taksar (JBT)*

Mary L. Taksar, Attorney  
Central Enforcement Docket



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4095

DATE FILMED 3/19/96 CAMERA NO. 2

CAMERAMAN EES

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