

**DICKSTEINSHAPIRO LLP**

1825 Eye Street NW | Washington, DC 20006-5403  
TEL (202) 420-2200 | FAX (202) 420-2201 | dicksteinshapiro.com

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2011 APR 18 PM 4:53

OFFICE OF GENERAL  
COUNSEL

2011 APR 20 A 9:48

April 18, 2011

**SENSITIVE**

**Confidential**

Christopher Hughey  
Acting General Counsel  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463

PRE-MUR # 518

Re: *Sua sponte* submission on behalf of Mrs. Lisa Maria Falcone

Dear Mr. Hughey:

This *sua sponte* submission on the behalf of Mrs. Lisa Maria Falcone relates to a recent determination by our law firm that during the 2008 election cycle Mrs. Falcone inadvertently exceeded the biennial aggregate contribution limit on giving to political action committees (PACs) and party committees. As will be discussed further below, there are numerous factors that demonstrate the inadvertent nature of the excessive contributions, such as Mrs. Falcone's inexperience in the world of charitable and political giving; lack of awareness of the existence of aggregate contribution limits; and exclusive reliance on an assistant and accountant, neither of whom had campaign finance experience, when dealing with political solicitations.

**Factual Background**

In February of 2011, our law firm was retained to assist Harbinger Capital Partners, LLC ("Harbinger") in responding to various assertions made in a letter to the House Committee on Oversight and Government Reform by the National Legal and Policy Center (NLPC). The letter related to a satellite license granted by the Federal Communications Commission (FCC), and included a discussion regarding campaign contributions made by Philip Falcone, the Senior Managing Director of Harbinger, and his wife, Lisa Maria Falcone, to the Democratic Senatorial Campaign Committee (DSCC).<sup>1</sup>

<sup>1</sup> The NLPC letter contains numerous inaccuracies, mischaracterizations, and baseless assertions related to the satellite licensing issue. The Commission should be aware that the underlying matter is controversial and of much interest to other businesses and government agencies in the communications field.

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During the course of our review of the contribution history of Philip and Lisa Maria Falcone,<sup>2</sup> following our review of the NLPC letter, we determined that during the 2008 election cycle Mrs. Falcone inadvertently exceeded the \$65,500 biennial aggregate contribution limit on giving to political action committees (PACs) and party committees by \$30,400.<sup>3</sup> Because of this, she also exceeded the \$108,200 overall biennial limit by \$15,300.<sup>4</sup>

At the time she made the subject contributions, Mrs. Falcone was new to the political contribution environment and was not aware of the aggregate contribution limits. In consultation with our firm following our involvement with the NLPC letter, Mrs. Falcone first became aware of the aggregate limits and agreed that this matter should be promptly brought to the attention of the Commission and every effort should be made to seek refunds and undo any improper funding she unknowingly caused.

As you can verify, the undersigned contacted Kathleen Guith, Acting Associate General Counsel for Enforcement, on February 14, 2011 to alert her that our firm was handling an apparent excessive contribution matter that almost certainly would lead to a *sua sponte* submission. This occurred within three business days of our firm learning of the excessive contribution problem. Our firm immediately began efforts to secure refunds of the excessive amounts from the four party committees that were the last to receive funds. We then held a meeting with Mark Shankwiler and Peter Blumburg of the Office of General Counsel on February 18, where we provided the specifics of who was involved, and the amounts, dates, and recipients of the excessive contributions. Since then, we have been working further with the recipient committees to obtain refunds. Thus far, we have obtained refunds from the Democratic Senatorial Committee (\$10,000) and the Republican National Committee (\$400). We are optimistic that a refund from the Republican Party of Minnesota (\$10,000) will be arranged eventually.<sup>5</sup>

<sup>2</sup> It should be noted that the questions raised in the NLPC letter regarding contributions by Philip and Lisa Maria Falcone were *not* related to exceeding campaign contribution limits. Indeed, the letter only referenced fully *permissible* contribution activity in the 2009-2010 election cycle.

<sup>3</sup> 2 U.S.C. § 441a(a)(3)(b); 11 C.F.R. § 110.5(b)(ii). For the contribution limits during the 2007-2008 election cycle, see Press Release, Federal Election Commission, "FEC Announces Updated Contribution Limits" (Jan. 23, 2007), available at <http://fec.gov/press/press2007/20070123limits.html>.

<sup>4</sup> 2 U.S.C. § 441a(a)(3); 11 C.F.R. § 110.5(b).

<sup>5</sup> The Republican Party of Minnesota reported a shortage of cash on hand in its last-filed report.

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**The Contributions at Issue**

As is demonstrated in the chart below, during the 2007-2008 election cycle, Lisa Maria Falcone contributed \$95,900 to PACs and party committees,<sup>6</sup> exceeding the biennial aggregate contribution limit of \$65,500 by \$30,400.

Date <sup>7</sup>	Recipient	Amount
4/20/2007	RNC	\$25,000.00
12/10/2007	RNC	\$3,500.00
6/27/2008	DSCC	\$28,500.00
6/27/2008	NRSC	\$28,500.00
7/31/2008	RNC <sup>8</sup>	\$400.00
11/11/08	Republican Party of Minnesota <sup>9</sup>	\$10,000.00
2007/2008	TOTAL	\$95,900.00

For that same 2007-2008 time frame, Mrs. Falcone's overall federal contributions were as follows:

Date	Recipient	Amount
4/20/2007	RNC	\$25,000.00
6/18/2007	John Sununu (primary plus general)	\$4,600.00
6/28/2007	Christopher Dodd	\$2,300.00
6/30/2007	Rudolph Giuliani	\$2,300.00
10/15/2007	Arlen Specter	\$2,300.00
11/8/2007	Richard Durbin (primary plus general)	\$4,600.00
12/10/2007	RNC	\$3,500.00
4/4/2008	Norm Coleman (primary plus general)	\$4,600.00

<sup>6</sup> A \$12,300 contribution to the Coleman-Minnesota Recount Committee was excluded from the charts and calculations because the Commission has advised that contributions to recount funds are not aggregated with other contributions for the purposes of aggregate biennial contribution limits. See Advisory Opinions 2006-24 and 2009-04.

<sup>7</sup> The dates reflect reported receipt dates. All listed transactions are noted in database on FEC website.

<sup>8</sup> On or about July 11, 2008, Mrs. Falcone contributed \$5,000 to McCain Victory 2008, a joint fundraising committee. The following were reported as July 31, 2008 transfers from McCain Victory 2008: \$2,300 to McCain-Palin Compliance Fund, \$2300 to McCain 2008 Inc.(a principal campaign committee), and \$400 to the RNC.

<sup>9</sup> On or about October 29, 2008, Mrs. Falcone contributed \$10,000 to Minnesota-Coleman Victory Committee, a joint fundraising committee. \$10,000 was reported as a November 11, 2008 transfer from the Minnesota-Coleman Victory Committee to the Republican Party of Minnesota.

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5/19/2008	Rahm Emanuel	\$2,300.00
6/27/2008	DSCC	\$28,500.00
6/27/2008	NRSC	\$28,500.00
7/11/2008	McCain Victory 2008 (7/31/08 transfer of \$2300 to McCain-Palin Compliance Fund, \$2300 to McCain 2008 Inc., and \$400 to RNC)	\$5,000.00
10/29/2008	Minnesota-Coleman Victory Committee (11/11/08 transfer to Republican Party of MN)	\$10,000.00
2007/2008	<b>TOTAL</b>	<b>\$123,500.00</b>

**Refund Efforts**

Our firm initiated refund efforts by first contacting representatives of the party committees telephonically.<sup>10</sup> We then sent e-mail messages and, in some cases, hard-copy letters to the recipient committees. See Attachment A, which contains copies of the e-mails and letters. Our contact efforts began on February 16 (two days after our initial conversation with Kathleen Guith, and two days before our meeting with Mark Shankwiler and Peter Blumberg).

Thus far, we have received refunds from the DSCC and the RNC. See Attachment B, which consists of the refund letters and checks. While the Republican Party of Minnesota has indicated in telephone conversation that the refund request will be considered, it is apparent that the committee is short on funds and that actually processing a refund will take some time while more funds are raised.<sup>11</sup> We are still hoping to persuade the NRSC to issue a refund, but this may require some communication from the Commission itself. As the Commission knows, the NRSC is in the midst of litigation brought by representatives of a donor seeking return of \$83,345,<sup>12</sup> so convincing it to part with an additional \$10,000 relating to an excessive contribution from the 2007-2008 election cycle is not a simple matter.

<sup>10</sup> Our approach was to seek refunds from those committees that last received funds. In the case of the DSCC and the NRSC, the receipt date was the same (6/27/08), so we sought an equal amount from each (\$10,000).

<sup>11</sup> The RPM's latest report (covering through January 31, 2011) showed a negative cash on hand balance of \$22,441.06 and outstanding debt owed of \$750,079.01 (report viewed on FEC website 3/17/11).

<sup>12</sup> See Advisory Opinion Request 2011-03 (DSCC et al.), Copy of Janvey Complaint at p. 7, available at <http://saos.nictusa.com/saos/searchao?SUBMIT=ao&AO=3167&START=1169647.pdf>.

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## The Mitigating Circumstances

We urge the Commission to work with us to resolve this matter in a way that is fair to Mrs. Falcone—a novice in the area of political giving who was completely unaware of the aggregate two-year contribution limits of federal law. As the attached declaration of Mrs. Falcone (Attachment C) demonstrates, she:

- Was and remains inexperienced in the world of political contributions;
- Was not aware of the existence of aggregate contribution limits and does not recall receiving any aggregate contribution limit information from committees soliciting funds from her, but rather recalls merely receiving information about the immediate limit on giving to such committees;<sup>13</sup>
- Relied on an assistant and accountant when dealing with political contribution matters, neither of whom was knowledgeable about campaign finance law, and had no basis for realizing she should seek any expert advice regarding the complex campaign finance rules related to contributions, and thus did not receive any advice about contribution limits from her then-assistant or then-accountant;
- Did not know that the \$20,000 check her husband received from the DSCC in 2008 was a refund, or have any substantive conversation with anyone about the check;<sup>14</sup> and
- Agreed that this matter should be promptly brought to the attention of the Commission and every effort should be made to seek refunds.

Mrs. Falcone and her husband Philip had become financially successful in recent years primarily as a result of his work in the investment world.<sup>15</sup> As the Commission can tell from its database of contributors and contributions, significant aggregate donations from the Falcones did not appear until the 2007-2008 election cycle. This supports the declaration of Mrs. Falcone that she had no awareness of the aggregate contribution limits, since she had no prior experience that might have created such awareness.

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<sup>13</sup> For example, see Attachment D for the DSCC invitation and donor card retained in Mrs. Falcone's files, which only describe the \$28,500 limit then applicable to individuals giving to the DSCC.

<sup>14</sup> Apparently, the DSCC became aware that Mr. Falcone himself inadvertently had exceeded the \$65,500 aggregate PAC/party limit for the 2007-2008 cycle, and it promptly issued a \$20,000 refund on 9/3/08 (within about two months of receipt of the contribution involved). As noted, Mrs. Falcone had no discussion with her husband about this and no resulting awareness of the aggregate contribution limits (see Attachment C). We have no information about why the DSCC did not take similar action regarding Mrs. Falcone.

<sup>15</sup> See *Forbes* Profile, Philip Falcone, available at <http://www.forbes.com/profile/philip-falcone>.

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Mrs. Falcone deeply regrets any excessive contributions that she made during the 2007-2008 time frame. Since learning of this problem, Mrs. Falcone has worked with our firm to promptly resolve this with the Commission. She also has indicated that she will not be making any further political contributions until she has gotten professional advice regarding the legality of the transaction.

**Requested Resolution**

Given the foregoing circumstances, Mrs. Falcone respectfully urges the Commission impose no sanctions and close the file. If the staff of the Commission believes that this matter can be resolved through the Alternative Dispute Resolution (ADR) process, we request such disposition.<sup>16</sup> If ADR is not deemed available, we request that the Commission's *sua sponte* procedure involving "Fast Track Resolution" be utilized.<sup>17</sup>

We believe the Commission should not seek to impose a civil penalty against Mrs. Falcone. The activity took place two election cycles ago. The excessive amounts were relatively small from the perspective of the recipient committees.<sup>18</sup> Mrs. Falcone clearly had no knowledge whatsoever about the aggregate contribution limits. There do not appear to be any publicized excessive aggregate contribution cases in recent election cycles when Mrs. Falcone was most active. She urged that this matter be brought to the attention of the Commission, upon learning of the issues involved, even though there is no reason to assume the agency would have otherwise become aware of the excessive contribution situation. The matter came to the attention of this firm and Mrs. Falcone because of the review the firm was conducting of the unrelated assertions made by the NLPC, and we are not aware of any allegations about excessive contributions attributable to Mrs. Falcone (or Mr. Falcone).

On behalf of Mrs. Falcone, we have undertaken prompt, reasonable efforts to secure refunds from the recipient committees. The Commission can appreciate that some refund requests will be more successful than others. The Republican Party of Minnesota is very cash strapped. As noted, the NRSC is fighting a refund request in the courts regarding a fairly large amount. Nonetheless, from Mrs. Falcone's perspective, she has done everything she can to demonstrate to the Commission her good faith and her willingness to correct the situation to the extent possible.

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<sup>16</sup> See Federal Election Commission, *Guidebook for Complainants and Respondents on the FEC Enforcement Process*, Dec. 2009, at 20-21, available at [http://www.fec.gov/em/respondent\\_guide.pdf](http://www.fec.gov/em/respondent_guide.pdf).

<sup>17</sup> *Id.* at 8-9. See also Policy Regarding Self-Reporting of Campaign Finance Violations (Sua Sponte Submissions), 72 Fed. Reg. 16695, 16698 (Apr. 5, 2007).

<sup>18</sup> According to reports on the FEC's website: The NRSC's receipts were \$31,842,934.64 in 2007 and \$62,581,821.89 in 2008. The DSCC's receipts were \$55,450,763.67 in 2007 and \$107,404,071.71 in 2008. The Republican Party of Minnesota's receipts in 2007 were \$3,606,820.65 and in 2008 were \$12,140,581.44. The RNC's receipts were \$85,651,429.31 in 2007 and \$341,907,350.36 in 2008.

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Mrs. Falcone is amenable to signing a settlement agreement laying out the relevant facts and committing herself to full compliance with the contribution limits in the future. Though such agreement will become public and she may suffer some reputational injury as a result, she is willing to take this course of action. We respectfully urge the Commission to follow this approach so this matter can be promptly resolved without protracted use of additional legal resources.

Mrs. Falcone has brought this matter to the Commission's attention because she believes in the rule of law and wants to help correct the inadvertent mistakes she made. We urge the Commission to recognize her unique voluntary compliance efforts and to formulate a resolution without a penalty.

Sincerely,



Scott E. Thomas

**Dickstein Shapiro LLP**



Jennifer L. Carrier

**Dickstein Shapiro LLP**

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11190291725

# Attachment A



**Thomas, Scott**

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**From:** Thomas, Scott  
**Sent:** Wednesday, February 16, 2011 6:36 PM  
**To:** 'rjh@mngop.com'  
**Cc:** Toner, Michael E.  
**Subject:** Request for contribution refund

Ron--

As discussed today during our telephone conversation, it has recently come to our Firm's attention that during the 2007-2008 election cycle Lisa Falcone inadvertently exceeded the \$65,500 aggregate federal contribution limit to PACs and parties.

Lisa Falcone's last contribution to a PAC or party during the 2007-2008 election cycle was \$10,000 to the Minnesota-Coleman Victory Committee on October 29, 2008-- a joint fundraising committee operating for the benefit of the Republican Party of Minnesota. On November 11, 2008, Lisa Falcone's \$10,000 contribution was transferred to the Republican Party of Minnesota.

In order to remedy any campaign finance violations, we are seeking a refund of this contribution from the Republican Party of Minnesota. We regret any inconvenience this may cause. The refund check, made out to Lisa Falcone, should be sent to my attention at the following address:

Dickstein Shapiro LLP  
1825 Eye Street, NW  
Washington DC, 20006  
Attn: Scott Thomas

An official letter will be sent to you shortly as well. Thank you for helping with this situation.

Best regards. --Scott

**Scott E. Thomas**  
Of Counsel  
Dickstein Shapiro LLP  
1825 Eye Street NW | Washington, DC 20006  
Tel (202) 420-2601 | Fax (202) 379-9258  
[thomasscott@dicksteinshapiro.com](mailto:thomasscott@dicksteinshapiro.com)

3/17/2011

11190291726

**Thomas, Scott**

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**From:** Thomas, Scott  
**Sent:** Thursday, February 24, 2011 4:42 PM  
**To:** melias@perkinscole.com  
**Subject:** FW: CONFIDENTIAL: Request for refund of excessive contribution

Marc, a clever associate here noted that I flubbed the reference to one of the parties in the message I sent you the other day (below). I meant to refer to the Republican Party of Minnesota, rather than the Republican Party of Wisconsin in the second paragraph. Sorry.

Do you know if there is any movement on getting the DSCC requested refund to Lisa Falcone?

Thanks for helping with this. —Scott

**Scott E. Thomas**  
 Of Counsel  
 Dickstein Shapiro LLP  
 1825 Eye Street NW | Washington, DC 20006  
 Tel (202) 420-2601 | Fax (202) 379-9258  
[thomasscott@dicksteinshapiro.com](mailto:thomasscott@dicksteinshapiro.com)

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**From:** Thomas, Scott  
**Sent:** Wednesday, February 16, 2011 7:15 PM  
**To:** melias@perkinscole.com  
**Subject:** CONFIDENTIAL: Request for refund of excessive contribution

Marc, as discussed today during our telephone conversation, it has recently come to our Firm's attention that during the 2007-2008 election cycle Lisa Falcone inadvertently exceeded the \$65,500 aggregate federal contribution limit to PACs and parties. In order to remedy any campaign finance violations, we are trying to obtain refunds from the recipient committees, working back from the last contribution according to receipt date.

The total amount that appears excessive for the 2007-2008 period is \$30,400, and we are seeking refunds of \$10,000 from the Republican Party of Wisconsin (reported as 11/11/08 transfer from joint fundraising committee), \$400 from the RNC (reported as 7/31/08 transfer from joint fundraising committee), \$10,000 from the NRSC (reported as part of \$28,500 receipt on 6/27/08), and \$10,000 from the DSCC (reported as part of \$28,500 receipt on 6/27/08).

We regret any inconvenience this may cause. The refund check, made out to Lisa Falcone, should be sent to my attention at the following address:

Dickstein Shapiro LLP  
 1825 Eye Street, NW  
 Washington DC, 20006

3/18/2011

11190291727

Attn: Scott Thomas

An official letter will be sent to you shortly as well. Thank you for helping with this situation.

Best regards. --Scott

Scott E. Thomas  
Of Counsel  
Dickstein Shapiro LLP  
1825 Eye Street NW | Washington, DC 20006  
Tel (202) 420-2601 | Fax (202) 379-9258  
[thomasscott@dicksteinshapiro.com](mailto:thomasscott@dicksteinshapiro.com)

3/18/2011

11190291728

**Thomas, Scott**

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**From:** Thomas, Scott  
**Sent:** Thursday, February 24, 2011 4:30 PM  
**To:** 'scalmorecross@nrsc.org'  
**Subject:** Follow-up on refund matter

Sean, I'm following up on the conversation we had on 2/16. I mentioned then that my firm has a client who exceeded the 2-year limit on contributions to PACs and parties. Specifically, during the 2007-2008 election cycle Lisa Faloone (22 East 67th St., NY, NY) inadvertently exceeded the \$65,500 aggregate federal contribution limit to PACs and parties. In order to remedy any campaign finance violations, we are trying to obtain refunds from the recipient committees, working back from the last contribution according to receipt date.

The total amount that appears excessive for the 2007-2008 period is \$30,400, and we are seeking refunds of \$10,000 from the Republican Party of Wisconsin (reported as 11/11/08 transfer from joint fundraising committee), \$400 from the RNC (reported as 7/31/08 transfer from joint fundraising committee), \$10,000 from the NRSC (reported as part of \$28,500 receipt on 6/27/08), and \$10,000 from the DSCC (reported as part of \$28,500 receipt on 6/27/08).

We regret any inconvenience this may cause. The refund check, made out to Lisa Falcone, should be sent to my attention at the following address:

Dickstein Shapiro LLP  
1825 Eye Street, NW  
Washington DC, 20006  
Attn: Scott Thomas

An official letter will be sent to you shortly as well. Thank you for helping with this situation.

Best regards. -Scott

**Scott E. Thomas**  
Of Counsel  
Dickstein Shapiro LLP  
1825 Eye Street NW | Washington, DC 20006  
Tel (202) 420-2601 | Fax (202) 379-9258  
[thomasscott@dicksteinshapiro.com](mailto:thomasscott@dicksteinshapiro.com)

3/17/2011

11190291729

**Thomas, Scott**

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**From:** Thomas, Scott  
**Sent:** Monday, March 07, 2011 3:36 PM  
**To:** 'hnmorris@ruchq.org'  
**Cc:** Carrier, Jennifer  
**Subject:** Refund request

Heather, following up on our phone conversation just now, it recently came to our Firm's attention that during the 2007-2008 election cycle Lisa Falcone (22 E. 67th St., New York, New York) inadvertently exceeded the \$65,500 aggregate federal contribution limit to PACs and parties. Also, regarding contributions to the RNC, she exceeded the \$28,500 limit on giving to the RNC itself, by \$400. This latter contribution stems from a reported 7/11/08 contribution to McCain Victory 2008 that was then reported as an RNC receipt on 7/31/2008. In order to remedy any campaign finance violations, we are trying to obtain refunds from the recipient committees.

The total amount that appears excessive for the 2007-2008 period is \$30,400, and we are seeking refunds of \$10,000 from the Republican Party of Minnesota (reported as 11/11/08 transfer from joint fundraising committee), \$400 from the RNC (reported as 7/31/08 transfer from joint fundraising committee), \$10,000 from the NRSC (reported as part of \$28,500 receipt on 6/27/08), and \$10,000 from the DSCC (reported as part of \$28,500 receipt on 6/27/08).

Thank you for assisting in this endeavor. We regret any inconvenience this may cause. The refund check, made out to Lisa Falcone, should be sent to my attention at the following address:

**Scott E. Thomas**  
Of Counsel  
Dickstein Shapiro LLP  
1825 Eye Street NW | Washington, DC 20006  
Tel (202) 420-2601 | Fax (202) 379-9258  
[thomasscott@dicksteinshapiro.com](mailto:thomasscott@dicksteinshapiro.com)

3/17/2011

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**DICKSTEINSHAPIRO<sub>LLP</sub>**

1825 Eye Street NW | Washington, DC 20006-5403  
TEL (202) 420-2200 | FAX (202) 420-2201 | dicksteinshapiro.com

February 28, 2011

**Confidential**

Sean Cairncross  
Chief Counsel  
National Republican Senatorial Committee  
425 Second Street NE  
Washington, DC 20002

Dear Sean:

As discussed during our telephone conversations on February 16, 2011, and February 25, 2011, and in an e-mail on February 24, 2011, it has recently come to our Firm's attention that during the 2007-2008 election cycle our client, Lisa Falcone, inadvertently exceeded the \$65,500 aggregate federal contribution limit to PACs and Parties.

In order to remedy any campaign finance violations, we are trying to obtain refunds from the recipient committees, working back from the last contribution according to receipt date.

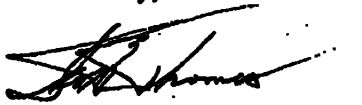
The total amount that appears excessive for the 2007-2008 period is \$30,400. We are seeking refunds of \$10,000 from the Republican Party of Minnesota (reported as 11/11/08 transfer from joint fundraising committee), \$400 from the RNC (reported as 7/31/08 transfer from joint fundraising committee), \$10,000 from the NRSC (reported as part of \$28,500 receipt on 6/27/08), and \$10,000 from the DSCC (reported as part of \$28,500 receipt on 6/27/08).

We regret any inconvenience this may cause. The NRSC's refund check, made out to Lisa Falcone, should be sent to my attention at the following address:

Dickstein Shapiro LLP  
1825 Eye Street, NW  
Washington DC, 20006  
Attn: Scott Thomas

Please do not hesitate to contact me if you have any questions.

Sincerely,

  
Scott Thomas  
(202) 420-2601 direct dial

11190291731

**DICKSTEINSHAPIRO LLP**

1825 Eye Street NW | Washington, DC 20006-5403  
TEL (202) 420-2200 | FAX (202) 420-2201 | dicksteinshapiro.com

February 25, 2011

**Confidential**

Marc Elias  
Perkins Coie LLP  
700 Thirteenth Street N.W.  
Washington, D.C. 20005-3960

Dear Marc:

As discussed during our telephone conversation on February 16, 2011, and follow-up e-mail, it has recently come to our Firm's attention that during the 2007-2008 election cycle our client, Lisa Falcone, inadvertently exceeded the \$65,500 aggregate federal contribution limit to PACs and Parties.

In order to remedy any campaign finance violations, we are trying to obtain refunds from the recipient committees, working back from the last contribution according to receipt date.

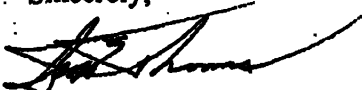
The total amount that appears excessive for the 2007-2008 period is \$30,400. We are seeking refunds of \$10,000 from the Republican Party of Minnesota (reported as 11/11/08 transfer from joint fundraising committee), \$400 from the RNC (reported as 7/31/08 transfer from joint fundraising committee), \$10,000 from the NRSC (reported as part of \$28,500 receipt on 6/27/08), and \$10,000 from the DSCC (reported as part of \$28,500 receipt on 6/27/08).

We regret any inconvenience this may cause. The DSCC's refund check, made out to Lisa Falcone, should be sent to my attention at the following address:

Dickstein Shapiro LLP  
1825 Eye Street, NW  
Washington DC, 20006  
Attn: Scott Thomas

Please do not hesitate to contact me if you have any questions.

Sincerely,



Scott Thomas  
(202) 420-2601 direct dial

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**DICKSTEINSHAPIRO<sub>LLP</sub>**

1825 Eye Street NW | Washington, DC 20006-5403  
TEL (202) 420-2200 | FAX (202) 420-2201 | dicksteinshapiro.com

February 25, 2011

**Confidential**

Ron Huettl  
Finance Director  
Republican Party of Minnesota  
525 Park Street, Suite 250  
St. Paul, MN 55103

Dear Ron:

As discussed during our telephone conversation on February 16, 2011, and follow-up e-mail, it has recently come to our Firm's attention that during the 2007-2008 election cycle our client, Lisa Falcone, inadvertently exceeded the \$65,500 aggregate federal contribution limit to PACs and Parties.

Lisa Falcone's last contribution to a PAC or Party during the 2007-2008 election cycle was \$10,000 to the Minnesota-Coleman Victory Committee on October 29, 2008. On November 11, 2008, Lisa Falcone's \$10,000 contribution was transferred to the Republican Party of Minnesota.

In order to remedy any campaign finance violations, we are seeking a full refund of this contribution from the Republican Party of Minnesota. We regret any inconvenience this may cause. The refund check, made out to Lisa Falcone, should be sent to my attention at the following address:

Dickstein Shapiro LLP  
1825 Eye Street, NW  
Washington DC, 20006  
Attn: Scott Thomas

Please do not hesitate to contact me if you have any questions.

Sincerely,



Scott Thomas  
(202) 420-2601 direct dial

11190291733



# Attachment B

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**DICKSTEINSHAPIRO LLP**

1825 Eye Street NW | Washington, DC 20006-5403  
TEL (202) 420-2200 | FAX (202) 420-2201 | dicksteinshapiro.com

March 17, 2011

Robin Roger  
General Counsel  
Harbinger Capital Partners LLC  
450 Park Avenue  
30th Floor  
New York, NY 10022

Dear Robin:

Enclosed please find the refund from the Republican National Committee which we had requested on behalf of Lisa Falcone. Please let us know if you have any follow-up questions.

Sincerely,



Scott E. Thomas

ST/kbb  
Enclosure

REPUBLICAN NATIONAL COMMITTEE 06/10  
CONTRIBUTION ACCT  
310 FIRST STREET SE  
WASHINGTON, DC 20003-1885

1005  
15-154/540

DATE 3/14/2011

PAY TO THE ORDER OF Mrs. Lisa Falcone \$ 400.00

Four Hundred & No/100 DOLLARS



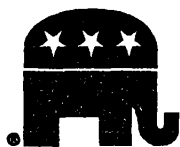
BRANCH BANKING AND TRUST COMPANY  
1-800-BANKBBAT BBAT.com

FOR Refund

*Ar*

*ber*

11190291735



REPUBLICAN  
NATIONAL  
COMMITTEE

March 14, 2011

Mrs. Lisa Falcone  
Attention: Scott E. Thomas Of Counsel  
Dickstein Shapiro LLC  
1825 Eye Street, N.W.  
Washington, D.C. 20006

Dear Mrs. Falcone:

Enclosed is your \$400 check from the Republican National Committee (RNC).

We were informed by our legal department that you have exceeded your 2007-2008 FEC donation giving limit by this amount.

Thank you for your support.

Sincerely,

Crystal R. Johnson, Director  
Membership Services, RNC

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**DICKSTEINSHAPIRO<sup>LLP</sup>**

1825 Eye Street NW | Washington, DC 20006-5403  
TEL (202) 420-2200 | FAX (202) 420-2201 | dicksteinshapiro.com

March 7, 2011

Robin Roger  
General Counsel  
Harbinger Capital Partners LLC  
450 Park Avenue  
30th Floor  
New York, NY 10022

Dear Robin:

Enclosed please find the refund from the Democratic Senatorial Campaign Committee that we had requested on behalf of Lisa Falcone. Please let us know if you have any follow-up questions.

Sincerely,



Scott E. Thomas

ST/kbb  
Enclosure

11190291737

Democratic Senatorial  
Campaign Committee

Vendor No: FALCONE, LI  
Lisa Falcone

Check No: 349

February 28, 2011

Reference	Invoice Date	Invoice Description	Net Amount Paid
2008 CONTRIB. REFUN	02/28/11	Invoice 2008 Contribution Refund	10,000.00
Total:			10,000.00

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Democratic Senatorial Campaign Committee

Washington, DC 20540

Phone: (202) 225-2222

Fax: (202) 225-2222

Internet: www.dsc.org

E-mail: dsc@dc.democrats.org

Web: www.democrats.org

Twitter: @democrats

Facebook: Democrats

LinkedIn: Democrats

Google+: Democrats

YouTube: Democrats

Instagram: Democrats

SoundCloud: Democrats

Spotify: Democrats

Apple Music: Democrats

Amazon Music: Democrats

Google Play Music: Democrats

YouTube Music: Democrats

Netflix: Democrats

Hulu: Democrats

Amazon Prime Video: Democrats

Netflix: Democrats

Hulu: Democrats

Amazon Prime Video: Democrats

Netflix: Democrats

Hulu: Democrats

Amazon Prime Video: Democrats

Netflix: Democrats

Hulu: Democrats

Amazon Prime Video: Democrats

Netflix: Democrats

Hulu: Democrats

Amazon Prime Video: Democrats

Netflix: Democrats

Hulu: Democrats

Amazon Prime Video: Democrats

Netflix: Democrats

# Attachment C

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**BEFORE THE FEDERAL ELECTION COMMISSION**

***In the Matter of Lisa Maria Falcone***

**DECLARATION OF LISA FALCONE**

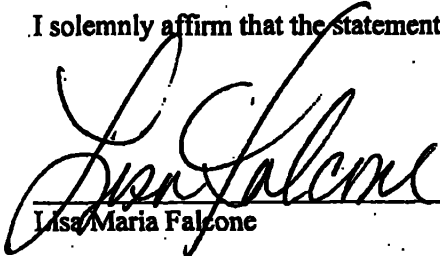
I, Lisa Maria Falcone, under penalty of perjury, hereby declare the following to be true and accurate to the best of my knowledge and belief:

1. My husband (Philip Falcone) and I became financially successful in recent years as a result of his investment work at Harbinger Capital Partners and its predecessor company.
2. We both received numerous solicitations for charitable and political contributions during the 2007-2008 time period. I was relatively inexperienced in the world of charitable and political giving at the time I made my first contributions, but, due to our improved financial situation at the time, I wanted to be helpful if the requests seemed reasonable.
3. My recollection is that the political contribution solicitation materials (invitations and donor reply cards) contained information about the amount requested and, usually, some reference to how much could be contributed to the particular committee. I do not recall any information in such materials about two-year aggregate contribution limits.
4. Until February 2011, I had no awareness whatsoever of any aggregate two-year contribution limits. I rely on advisors when dealing with financial matters. During the 2007-2008 period, I was not being advised by anyone who indicated that he or she had knowledge or expertise regarding campaign finance law. I did not seek such expertise because I was not aware of the existence of the complex campaign finance rules related to contributions. The assistant I employed and the accountant our family used (both of whom are no longer working with us) gave no sign of having knowledge in this area, and never mentioned the existence of relevant laws. Therefore, I did not even think about seeking advice of any campaign finance law expert.
5. I do not recall any information coming to my attention in 2008 regarding the \$20,000 check received from the Democratic Senatorial Campaign Committee (DSCC). I now recall generally being aware of the \$20,000 check being received, but I had no awareness of the particular reason for the check, and certainly had no awareness of any two-year aggregate contribution limit issue. I do not recall any conversations with anyone, including my husband, about the reason for this check being received. I have recently become aware that this check related to a \$20,000 amount reported by the DSCC as a refund to my husband.

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- 11190291741
6. I only became aware of the two-year aggregate contribution limit recently, as the lawyers helping my husband's business brought to my attention that I had exceeded the limits for 2007-2008.
  7. When I became aware of having exceeded the two-year aggregate contribution limit for the 2007-2008 timeframe, I agreed that this matter should be promptly brought to the attention of the Federal Election Commission and that every effort should be made to seek refunds.
  8. I am very sorry I exceeded the limits. I really had no idea about the aggregate limits. I assumed that I just had to stay within whatever limit the soliciting group mentioned in the invitation materials when I made my contributions, and no one told me otherwise. I hope that by bringing this to the Commission's attention and trying to get refunds where possible, I demonstrate my respect for the law and my intention to follow it carefully in the future.

I solemnly affirm that the statements in this document are true.

  
\_\_\_\_\_  
Lisa Maria Falcone

4/14/11  
\_\_\_\_\_  
Date

Subscribed and sworn to before me this 14 day of April, 2011

  
\_\_\_\_\_  
Notary Public, State of New York  
My commission expires on June 22, 2013

STELLA BENDER  
Notary Public - State of New York  
No. 01BE0208193  
Qualified in New York County  
My Commission Expires June 22, 2013



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# Attachment D

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# **Philip Falcone**

invites you to join

## **Senator Chuck Schumer**

DSCC Chair and Democratic Caucus Vice Chair

## **Senator Bob Menendez**

DSCC Vice Chair

## **Senator Kent Conrad    Senator Ron Wyden**

For a dinner to benefit the

## **Democratic Senatorial Campaign Committee**

**Monday, June 23<sup>rd</sup>**

**7:30pm – 9:30pm**

**The Four Seasons Restaurant**

**99 East 52 Street**

**New York**

**\$10,000 per individual**

**(\$28,500 maximum contribution)**

To RSVP or for questions, please contact Kelly at (212) 532-2266 or [glynn@dsc.org](mailto:glynn@dsc.org)

**Contributions to the DSCC are not tax deductible for federal income tax purposes**

**Paid for by the Democratic Senatorial Campaign Committee, [www.dsc.org](http://www.dsc.org)  
and not authorized by any candidate or candidate's committee.**

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\_\_\_\_\_ Yes, I would like to attend Philip Falcone's dinner on Monday, June 23<sup>rd</sup>.  
Enclosed is my contribution for \$\_\_\_\_\_.

I am unable to attend but would like to support the DSCC with a contribution of \$\_\_\_\_\_.

Please make your contribution payable to the:  
**Democratic Senatorial Campaign Committee**  
and mail with this completed form to:

Democratic Senatorial Campaign Committee  
509 Madison Avenue, Suite 1902  
New York, NY 10022

Or fax this form to (202) 969-0378

For questions, please contact Kelly at (212) 532-2266 or [glynn@dsc.org](mailto:glynn@dsc.org)

☐ Visa

☐ American Express

☐ MasterCard

Card Number: \_\_\_\_\_ Exp: \_\_\_\_\_

Name on Card \_\_\_\_\_

Signature \_\_\_\_\_

Federal law requires us to use our best efforts to collect and report the name, mailing address, occupation, and name of employer for individuals whose contributions exceed \$200 in a calendar year.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Occupation: \_\_\_\_\_ Employer: \_\_\_\_\_

Work Phone: \_\_\_\_\_ Home Phone: \_\_\_\_\_

Fax: \_\_\_\_\_ Email: \_\_\_\_\_

The DSCC is a national party committee formed by the Democratic members of the U.S. Senate to help raise funds to provide services for Democratic U.S. Senate incumbents and candidates throughout the country. The DSCC can accept donations from individuals up to \$28,500 per calendar year and from PAC's up to \$15,000 per calendar year. Under federal law, the DSCC may contribute up to \$39,900 per election cycle to candidates for the U.S. Senate.

**Corporate Contributions are prohibited**

**Contributions to the DSCC are not tax deductible for federal income tax purposes**

Paid for by the Democratic Senatorial Campaign Committee, [www.dsc.org](http://www.dsc.org)  
and not authorized by any candidate or candidate's committee.