



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 3, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Anne Holbach
801 Kenny Way
Las Vegas, Nevada 89107

RE: MUR 2314

Dear Ms. Holbach:

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 order and 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 and order. However, you are required to submit the information within 15 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

If you have any questions, please contact Jonathan Levin, the attorney assigned to this matter, at (202) 376-8200 or (800) 424-9530.

Sincerely,

A handwritten signature in dark ink, appearing to read "Lawrence M. Noble", is written over the typed name and title.

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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MUR 2314

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Anne Holbach
801 Kenny Way
Las Vegas, Nevada 89107

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

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 30th day of
Jun. 1989.

Danny L. McDonald

Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Request (2 pages)

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INSTRUCTIONS

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

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

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

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

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

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1985, to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms below are defined as follows:

"Document" shall mean the copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known or believed by you to exist. The term document includes, but is not limited to, books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

The "NRSC" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents, or attorneys thereof.

The "Santini campaign" or the "Santini Committee" shall mean the committees or other entities for the receipt of contributions for James D. Santini for election to the U.S. Senate in 1986, including, but not limited to, Jim Santini for Senate (his principal campaign committee) and Friends of Jim Santini (the exploratory committee that became Jim Santini for Senate in 1986), including all officers, employees, agents, or attorneys thereof.

The term "general solicitations" means solicitations for contributions or announcements of solicitations for contributions that do not ask the contributor or suggest to the contributor that he or she designate at that time a specific candidate (identified by name or state) to receive the solicitee's contribution. Such solicitations may have preceded, or may have been made by the NRSC in contemplation of, solicitations asking the contributor to designate a specific candidate.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

You are asked to respond to the following interrogatories and request for documents:

A review of the reports of the NRSC for 1985 and 1986 indicates that it passed on contributions from individuals and political action committees to the Santini Committee in the form of NRSC checks and in the form of contributor checks. The reports of the Santini Committee indicate that the NRSC was a "conduit" for \$340,938 in contributions and that the NRSC was an "intermediary" for \$111,893.34 in contributions for a total of \$452,831.34. According to the NRSC, it passed on \$924,006.33 to the Santini Committee, \$537,229.67 in the form of NRSC checks and \$386,776.66 in the form of contributor checks.

1. Explain the discrepancy between the total stated by the NRSC as passing through the NRSC to the Santini campaign and the total reported by the Santini Committee as passing through the NRSC.

The following question pertains to the Direct-To Program, a program implemented by the NRSC which resulted in the contributions referred to above. In this program, the NRSC would solicit individuals and political action committees for contributions. These contributions would be designated by those original contributors (either when the contributions were first sent or subsequently) for specific Republican candidates, including James D. Santini. The NRSC acted as a conduit or intermediary for such contributions, i.e., receiving the contributions and passing them on in the form of the original contributors' checks or an NRSC check.

2. State your knowledge during 1985 and 1986 as to the NRSC's program and/or operations involving the NRSC as a solicitor of contributions and as a conduit or intermediary for contributions from individuals and political action committees to the Santini Committee. Your response should state how such knowledge was obtained and should include, but not be limited to:

a. knowledge of the existence, contents, and meaning of the Direct-To Program Agreement between the NRSC and the Santini campaign (copy enclosed), e.g., the meaning of the phrase "the NRSC's masterfile" and the meaning of the phrase "direct fundraising costs associated with a particular mailing or event" (as opposed to other solicitation costs of the program not associated with a particular mailing or event);

b. knowledge as to the types of NRSC solicitations made, e.g., general solicitations by mail, phone, or at meetings, solicitations asking for the designation by the individual or political action committee of specific candidates (identified by name or state), and phone solicitations to contributors who had already made contributions asking for designation of specific candidates;

c. knowledge as to the frequency and extent of the types of

solicitations discussed in response to 2b, e.g., when and how often such solicitations occurred and the number of persons solicited by the NRSC for contributions to Republican Senatorial campaigns and to the Santini campaign;

d. knowledge of how solicitations were conducted with respect to each of the specific operations of the Direct-To Program, i.e, Direct-To, Direct-To Auto, The Trust Program, Majority '86, and Miscellaneous Conduiting;

e. knowledge as to how contributions were to be passed on to candidates, i.e., either in the form of contributor checks or in the form of NRSC checks cut after redesignation; and

f. knowledge as to the types of costs (e.g., mailing, telephone, travel, computer, labor, costs of setting up the program, costs of general solicitations) and the extent of costs (including amounts ultimately paid or unpaid by the Santini Committee) incurred by the NRSC for the solicitation program.

3. State the most recently known home address and business address of Joan Henderson.

Request for Documents

Provide copies of all documents pertaining to the NRSC's conduit or intermediary operations, including, but not limited to, agreements between the Santini campaign and the NRSC; correspondence between the Santini campaign and the NRSC pertaining to the planning for or actual conduct of such operations; telephone memoranda and internal memoranda pertaining to the planning for or actual conduct of such operations; and Santini campaign forms and correspondence confirming receipt of the contributions.