

TERMINATION AGREEMENT

THIS AGREEMENT, is made this 30<sup>th</sup> day of October, 1986  
by and between the following parties:

G.B. COMPUTER SERVICES, INC.,  
A Virginia Corporation  
whose mailing address is P. O. Box 1891,  
Chesapeake, Virginia 23320

(hereinafter referred to as "G.B."),

-and-

THE FREEDOM COUNCIL  
A Virginia non-profit corporation,  
whose principal office is located at  
850 Greenbrier Circle  
Chesapeake, Virginia 23320

(hereinafter referred to as "TFC")

WHEREAS, the parties hereto entered into a certain  
Administrative Services Agreement dated August 1, 1985 and as  
amended April 1, 1986; and

WHEREAS, the parties hereto desire to terminate the  
aforesaid Administrative Services Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES  
HEREIN CONTAINED, IT IS AGREED AS FOLLOWS:

C0848

96043753824

I.

The parties hereto agree that the Administrative Services Agreement by and between them is terminated effective 31<sup>st</sup> day of October, 1986.

II.

The parties hereto agree in consideration of the termination of the aforescribed Administrative Services Agreement, agree as follows:

- a) TFC agrees to pay GB the sum of Three Hundred and Ten Thousand Dollars, \$310,000.
- b) TFC agrees to pay said sum in monthly installments of \$60,000 beginning November 1, 1986, until fully paid.

III.

As of the effective date of this Agreement, the parties hereto shall be relieved of the performance of all requirements arising under the aforescribed Agreement of August 1, 1985. Each party hereto does forever release, acquit and discharge each other from any and all actions, causes of action, claims, demands, damages, costs, expenses and compensation on account of, or in any way growing out of, the aforescribed contract as amended from the beginning of time or that may hereafter arise.

C0849

96043753825



IV.

RECORDS AND INVENTORY

G.B. shall return on or before the 31<sup>st</sup> day of October, 1986 to TFC, all records, data processing files, mailing lists, information, inventory, payroll, and any and all other records and reports including financial reports. The parties heretoshall effectuate all documentation and transfer all data in order to promptly carry out the intent and purposes of this Agreement.

V.

INDEMNIFICATION

The parties hereto agree to indemnify and hold each other harmless from any and all actions rising out of their relationship regarding the aforescribed contract.

VI.

ENTIRE AGREEMENT

This Agreement comprises the entire understanding between the parties and there are no other agreements or representation except as contained herein. Any modifications hereto shall be writing and signed by the parties.

VII.

LAW

This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia.

00850

960437538226

VIII.

AUTHORIZATION

This Agreement is entered into with the knowledge and approval of the respective Boards of Directors of each party and is in compliance with their Articles of Incorporation and By-Laws.

IX.

BINDING EFFECT

This agreement and all the terms and provisions thereof shall be binding upon the parties hereto both individually and corporately as well as their representatives, successors and assigns.

IN WITNESS WHEREOF, this Agreement has been executed as the date and year first above set forth.

Attest:

G.B. COMPUTER SERVICES, INC.,  
A Virginia Corporation

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

Attest:

THE FREEDOM COUNCIL, by  
A Virginia Not-For-Profit  
Corporation

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

C0851

96043753827

TERMINATION AGREEMENT

THIS AGREEMENT, is made this \_\_\_\_\_ day of October, 1986  
by and between the following parties:

G.B. COMPUTER SERVICES, INC.,  
A Virginia Corporation  
whose mailing address is P. O. Box 1891,  
Chesapeake, Virginia 23320

(hereinafter referred to as "G.B."),

-and-

THE FREEDOM COUNCIL FOUNDATION, d/b/a THE NATIONAL LEGAL  
FOUNDATION

A Virginia non-profit corporation,  
whose principal office is located at  
6477 College Park Square, Suite 306  
Virginia Beach, Virginia 23464

(hereinafter referred to as "NLF")

WHEREAS, the parties hereto entered into a certain  
Administrative Services Agreement dated August 1, 1985 and any  
amendments or superseding agreements; and

WHEREAS, the parties hereto desire to terminate the  
aforesaid Administrative Services Agreement;

C0852

96043753828

96043753829

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES  
HEREIN CONTAINED, IT IS AGREED AS FOLLOWS:

I.

The parties hereto agree that the Administrative  
Services Agreement by and between them is terminated effective  
\_\_\_\_ day of \_\_\_\_\_, 1986.

II.

The parties hereto agree in consideration of the  
termination of the aforescribed Administrative Services  
Agreement, agree as follows:

- a) WLF agrees to pay G.B. the sum of Seven Thousand  
and Two Hundred Dollars, \$7,200.
- b) WLF agrees to pay said sum in one installment  
within 15 days of the execution of this Agreement.

III.

As of the effective date of this Agreement, the parties  
hereto shall be relieved of the performance of all requirements  
arising under the aforescribed Agreement of August 1, 1985.

C0853

960475380

Each party hereto does forever release, acquit and discharge each other from any and all actions, causes of action, claims, demands, damages, costs, expenses and compensation on account of, or in any way growing out of, the aforescribed contract as amended from the beginning of time to the present or that may hereafter arise.

IV.

RECORDS AND INVENTORY

G.B. shall return on or before the \_\_\_\_ day of \_\_\_\_\_, 1986 to WLF, all records, data processing files, mailing lists, information, inventory, payroll, and any and all other records and reports including financial reports. All equipment that is now presently in the possession of WLF including telephone, computer terminals, etc., shall be the property of WLF and G.B. shall provide appropriate documentation to transfer title. The parties hereto shall effectuate all documentation and transfer all data in order to promptly carry out the intent and purposes of this Agreement.

V.

INDEMNIFICATION

The parties hereto agree to indemnify and hold each other harmless from any and all actions rising out of their relationship regarding the aforescribed contract.

C0854

VI.

ENTIRE AGREEMENT

This Agreement comprises the entire understanding between the parties and there are no other agreements or representation except as contained herein. Any modifications hereto shall be writing and signed by the parties.

VII.

LAW

This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia.

VIII.

AUTHORIZATION

This Agreement is entered into with the knowledge and approval of the respective Boards of Directors of each party and is in compliance with their Articles of Incorporation and By-Laws.

IX.

BINDING EFFECT

This agreement and all the terms and provisions thereof shall be binding upon the parties hereto both individually and corporately as well as their representatives, successors and assigns.

C0855

96043753831

IN WITNESS WHEREOF, this Agreement has been executed as  
the date and year first above set forth.

G.B. COMPUTER SERVICES, INC.,  
A Virginia Corporation

Attest:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

Attest:

THE NATIONAL LEGAL FOUNDATION  
A Virginia Not-For-Profit  
Corporation

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

C0856



Date 5/30/86

Personnel Pat Gurney

Phone number 424-0288

Louise Means



24, 1922

[illegible]



NO. NAV-44  
 DATE 5/30/86  
 F.O.B. \_\_\_\_\_  
 VIA \_\_\_\_\_  
 TERMS \_\_\_\_\_

TO: Allied Office Supply  
815 Poplar Hall Drive  
Norfolk, VA 23502

SHIP TO: The Freedom Council  
c/o GB Computer Services, Inc.  
2133 Smith Ave. Door A  
Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1		10538	1AM lift off tape - correction	18.90		
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

55.38

DATE RECEIVED AND DISPOSITION

ORDERED BY \_\_\_\_\_

06043753834

LIFE INSURANCE COMPANY OF NORTH AMERICA  
a CIGNA company

PO BOX 8500 KNO - FARMINGTON, TN 37428

GROUP PREMIUM REPORT



POLICYHOLDER G.B Computer Services

POLICY NUMBER 60-9481

DIVISION Freedom Council

PREMIUM DUE DATE MAY 1986

STOP LOSS ☐ GEX-  
POLICY NUMBER ☐ GEL

SERVICE OFFICE

INSURANCE COVERAGE		1 TOTAL FROM LINE 4 ON PREVIOUS REPORT	2 ADDITIONS SINCE LAST REPORT	3 TERMINATIONS SINCE LAST REPORT	4 TOTAL IN FORCE ON PREMIUM DUE DATE	5 RATE	6 CURRENT PREMIUM DUE	7 BACK ADJUSTMENTS	8 PREMIUM DUE
BASIC LIFE	NUMBER OF EMPLOYEES	49	4		53	PER \$1,000			
	AMOUNT OF INSURANCE	2,553,760	56,000		2,609,760	.31	809.10		\$ 809.10
SUPPLEMENTAL LIFE	NUMBER OF EMPLOYEES					PER \$1,000			
	AMOUNT OF INSURANCE								
DEPENDENT LIFE	NUMBER OF EMPLOYEES AND DEPENDENTS					PER \$1,000			
ACCIDENTAL DEATH AND DISMEMBERMENT	NUMBER OF EMPLOYEES	49	4		53	PER \$1,000			
	AMOUNT OF INSURANCE	2,553,760	56,000		2,609,760	.04	104.40		\$ 104.40
SICKLE DISABILITY	NUMBER OF EMPLOYEES	53	2		53	PER \$10			
	AMOUNT OF INSURANCE	14,733.22	323.08		15,056.30	.50	752.80		\$ 752.80
SPECIFIC STOP LOSS	NUMBER OF EMPLOYEES ONLY					PER \$1,000			
	NUMBER OF EMPLOYEES AND DEPENDENTS					PER \$1,000			
MEDICAL CONVERSION	NUMBER OF EMPLOYEES ONLY					PER \$1,000			
	NUMBER OF EMPLOYEES AND DEPENDENTS					PER \$1,000			

SEE THE REVERSE SIDE OF THIS FORM FOR INSTRUCTIONS

TOTAL PREMIUM DUE \$ 1,666.30

MAKE CHECKS PAYABLE TO LINA

*[Signature]*

Director of Human Resources May 31, 1985

5 8 2 5 1 2 0 9 6

LIFE INSURANCE COMPANY OF NORTH AMERICA  
1800 ARCH STREET  
PHILADELPHIA, PENNSYLVANIA 19101

GROUP PREMIUM REPORT

Frederick  
Council

POLICYHOLDER GB Computer Services POLICY NUMBER BK-2384  
PREMIUM DUE DATE June 1986  
PREMIUM DUE FOR PERIOD OF June 1 1986 TO June 30 1986  
MONTH DATE YEAR MONTH DATE YEAR

1 Maximum number of insured individuals during the premium period

45

2 Maximum insured payroll per individual for the premium period

\$ 7500.700

If commissions are considered as part of insured payroll, include Full amount of commissions earned in Line 3

3 Total Insured Payroll

\$ 97,378

4 Premium Rate per \$100 of insured payroll

\$ 7.59

5 Premium Due (Result of 3 x 4) (Make Check Payable to INA)

\$ 574.66

Bryony A. Hail  
CERTIFIED BY

Director - Admin. Reserve  
TITLE

June 30, 1986  
DATE

9 6 0 4 3 7 5 3 8 7



# CONNECTICUT GENERAL LIFE INSURANCE COMPANY

Field and Account Services  
Group Insurance Operations  
Hartford, Connecticut 06152

## MONTHLY PREMIUM REPORT

GROUP DENTAL INSURANCE

Account No. 0515348

Policyholder Q.B. Computer Services

Division Freedom Councils

Report Due June 1 1986  
Month Day Year

No. Emps	No. Deps	No. Emps	No. Deps
15	1		
12	1		
27	2		

1. Number of insured employees on first of month.

2. Premium rate

3. Premium (1 x 2)

REMARKS

TOTAL PREMIUM \$ 1273

CGF 56-001 (Rev. 4-20-77)

LIFE INSURANCE COMPANY OF NORTH AMERICA  
1609 ARCH STREET  
PHILADELPHIA, PENNSYLVANIA 19101

GROUP PREMIUM REPORT

Freedom  
Council

POLICYHOLDER G.O. Computer Services POLICY NUMBER BK-2384  
PREMIUM DUE DATE JUNE 1986  
PREMIUM DUE FOR PERIOD OF JUNE 1 1986 TO JUNE 30 1986  
MONTH DATE YEAR MONTH DATE YEAR

1. Maximum number of insured individuals during the premium period

45

2. Maximum insured payroll per individual for the premium period

\$ 7500.70

If commissions are considered as part of insured payroll, include 0 amount of commissions earned in Line 3

3. Total Insured Payroll

\$ 97,378

4. Premium Rate per \$100 of insured payroll

\$ .59

5. Premium Due (Result of 3 x 4) (Make Check Payable to NA)

\$ 574.66

Barbara A. DeWitt  
CERTIFIED BY

Director of Human Resources  
TITLE

June 30, 1986  
DATE

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12580  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-8081

CUSTOMER INVOICE

INVOICE DATE				CUSTOMER ORDER NUMBER		DEPARTMENT
482599	02/19/86	90425	02/24/86	20152	02	
						20

TO

O B COMPUTER SERVICE, INC.  
\*\*\*\*\*  
\*\*\*\*\* C. O. D. ONLY \*\*\*\*\*  
\*\*\*\*\*  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

ATTN: CANNOT READ

QUANTITY		DESCRIPTION		UNIT PRICE	AMOUNT
4	EA	4	08134	07503 "COLUMN WRITE" COLUMNAR	3.152 12.61
				SUBTOTAL	12.61
				4.000% VIRGINIA SALES TAX	0.50 13.11
THANK YOU					

PLEASE PAY FROM THIS INVOICE - PAYMENT DUE 30 DAYS FROM INVOICE DATE.

SHIP TO BOX 12580 NORFOLK, VA. 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date.

When cash returned merchandise subject to restocking charge.

PLEASE PAY  
THIS AMOUNT

13.11

REMITTANCE COPY MUST BE RETURNED WITH PAYMENT

6 8 2 5 7 2 0 9 6



GARSON  
FORM 3030

CARBON  
REQUIRED

# PURCHASE ORDER

TRIPPLICATE

## PURCHASE ORDER

NO	20-153
DATE	2/19/86
F.O.B.	
VIA	
TERMS	

TO: Arthur Brown and Co.  
2 West 46th St.  
New York, NY 10036

SHIP TO: The Freedom Council  
c/o GB Computer Services, Inc.  
2133 Smith Ave. Door A.  
Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	5		10" Haberule	6.00		30.00
2						
3						
4						
5						
6						
7						
8			Order Phoned in to Sandy by Wendy 2/29/86			
9			To be shipped C.O.D.			
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

DATE RECEIVED AND INVOICES PASSED FOR PAYMENT

COB66

4694175380



## A P O W E N I T E M R E P O R T

-----VENDOR-----		VENDOR BALANCE	VALID DISCOUNTS	VENDOR NET	-----AGED VENDOR NET-----							
NO	NAME/TERMS				CURRENT	31 - 60	61 - 90	OVER 90				
051460 Express Printing Net 30		216.72	.00	216.72	.00	216.72	.00	.00				
VCN-NO	DET-DATE	P/D-NO	INV-NO	INV-DATE	DUE-DATE	DSC-DATE	DSC-ACCT	INV-AMT	AMT-PAID	VALID-DSC	INV-NET	AGE
1714	12/01/85			12/01/85	12/01/85	12/01/85	N/A	216.72	.00	.00	216.72	29
050550 Federal Express Corp Net 30		226.50	.00	226.50	226.50	.00	.00	.00	.00	.00	.00	.00
VCN-NO	DET-DATE	P/D-NO	INV-NO	INV-DATE	DUE-DATE	DSC-DATE	DSC-ACCT	INV-AMT	AMT-PAID	VALID-DSC	INV-NET	AGE
1422	12/01/85			12/01/85	12/01/85	12/01/85	N/A	66.00	.00	.00	66.00	12
1425	12/01/85			12/01/85	12/01/85	12/01/85	N/A	15.50	.00	.00	15.50	27
1429	12/01/85			12/01/85	12/01/85	12/01/85	N/A	65.00	.00	.00	65.00	21
1440	12/01/85			12/01/85	12/01/85	12/01/85	N/A	46.00	.00	.00	46.00	21
1441	12/01/85			12/01/85	12/01/85	12/01/85	N/A	16.50	.00	.00	16.50	22
1442	12/01/85			12/01/85	12/01/85	12/01/85	N/A	16.50	.00	.00	16.50	21
070250 GE Computer Services, Inc Net 30		1,956.97	.00	1,956.97	.00	1,956.97	.00	.00	.00	.00	.00	.00
VCN-NO	DET-DATE	P/D-NO	INV-NO	INV-DATE	DUE-DATE	DSC-DATE	DSC-ACCT	INV-AMT	AMT-PAID	VALID-DSC	INV-NET	AGE
1265	11/01/85		10	11/01/85	11/01/85	11/01/85	N/A	96,267.27	96,334.24	.00	1,956.97	55
070900 Siemens Net 30		119.78	.00	119.78	.00	119.78	.00	.00	.00	.00	.00	.00
VCN-NO	DET-DATE	P/D-NO	INV-NO	INV-DATE	DUE-DATE	DSC-DATE	DSC-ACCT	INV-AMT	AMT-PAID	VALID-DSC	INV-NET	AGE
1259	11/01/85			11/01/85	11/01/85	11/01/85	N/A	84.78	.00	.00	84.78	47
1260	11/01/85			11/01/85	11/01/85	11/01/85	N/A	35.00	.00	.00	35.00	47
050100 Chico News Net 30		600.00	.00	600.00	600.00	.00	.00	.00	.00	.00	.00	.00
VCN-NO	DET-DATE	P/D-NO	INV-NO	INV-DATE	DUE-DATE	DSC-DATE	DSC-ACCT	INV-AMT	AMT-PAID	VALID-DSC	INV-NET	AGE
467	12/01/85			12/01/85	12/01/85	12/01/85	N/A	600.00	.00	.00	600.00	9
050100 Chico News Net 30		25.00	.00	25.00	.00	25.00	.00	.00	.00	.00	.00	.00
VCN-NO	DET-DATE	P/D-NO	INV-NO	INV-DATE	DUE-DATE	DSC-DATE	DSC-ACCT	INV-AMT	AMT-PAID	VALID-DSC	INV-NET	AGE
1017	12/01/85			12/01/85	12/01/85	12/01/85	N/A	25.00	.00	.00	25.00	21



FREDERICKSON, INC.  
SPECIAL ACCOUNT  
835 GREENWICH CIRCLE, SUITE 101  
CHESAPEAKE, VA 22029

155

October 24 1985

PAY TO THE  
ORDER OF

GB Computer Services, Inc.

\$ 50,000.00

Fifty thousand and 00/100

DOLLARS

DOMINION  
BANK

Headquarters, Va. 22029

FOR

Computer

⑈000155⑈•⑈051401328⑈

55228484⑈

96043753842

C0868

96043753843

**ALLIED**

WAREHOUSE OFFICE PRODUCTS

815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 481-8881

PICKING UNK

ORDER NUMBER 0675	ACCOUNT NUMBER 90425	SALES CODE 53	CUSTOMER PURCHASE ORDER NO 40-008	SALESMAN 02	TAX 1T	CODE	ORDER DATE 10/22/85	ZONE 13	DEPARTMENT 40
----------------------	-------------------------	------------------	--------------------------------------	----------------	-----------	------	------------------------	------------	------------------

SPECIAL

SEND TO

SHIP TO (SAME UNIT IS SHOWN BELOW)


 G H COMPUTER SERVICE, INC.  
P O BOX 2442  
CHESAPEAKE, VA 23320

 NATIONAL PERSPECTIVE INSTITUTE  
850 GREENBRIER CIRCLE  
SUITE 502  
CHESAPEAKE VA 23320
WILL CALL ☐C.O.D. ☐
 returned for  
refund - 15,000 less words and twice the size

BACK ORDER	QUANTITY ORDERED	QUANTITY SHIPPED	UNIT	BIN LOCATION	STOCK CODE	DESCRIPTION		
2	3	(1)	EA	D-13	02001	90 WEBSTER'S VEST POCKET DICTIONARY, 12/CT	1.98	5.94
	(2)		EA	D-13	02005	73 WEBSTER'S INSTANT WORD GUIDE, 10/CS (ALIAS: B5-H1529)	2.36	4.72
	(1)		EA	K-08	02002	9 WEBSTER'S NINTH NEW COLLEGIATE DICTIONARY, 10/CS	13.558	13.558
	(1)		BX	H-03	06113	91525 PENDAFLEX HANGING FOLDER LETTER SIZE, 25/BX, 10 BX/CS (4152-1/5)		
NOTE: THE FOLLOWING SPECIAL ITEM(S) ARE ON ORDER & WILL BE SHIPPED AS SOON AS POSSIBLE								
	1		EA		B5-H15063	DICTIONARY, COLLEGE, W/IND	12.76	12.76
			EA		B5-H05070	DICTIONARY, WEBSTER, HDCVR	11.96	23.92
			EA		B5-H01020	ROGETS THESAURUS	9.56	28.68

ALL INSTRUCTIONS

1

PLEASE INSERT NUMBER OF PIECES RECEIVED



RECEIVED BY

DATE

 NEW RETAIL COUNTER HOURS 8:30 THRU 4:30  
SPECIAL ORDER ITEMS ARE SUBJECT TO A RESTOCKING CHARGE IF RETURNED

 4 ALL CLAIMS FOR SHORTAGES OR DISCREPANCIES MUST BE MADE WITHIN 3 DAYS  
NO MERCHANDISE TO BE RETURNED WITHOUT OUR CONSENT

PACKING SLIP

COBES

0

ENDORSE

THE FREEDOM COUNCIL, INC.

CHECK NO.

INVOICE NO.	YOUR INV. NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
1884		5/1/86				40,000.00
6704						

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
800-40 GREENWAY CIRCLE, SUITE 101  
CHESAPEAKE, VA 22020

DOMINION BANK  
NORFOLK, VA 23501

001804

POSTY PROGRAM AND 00/100

ON COMPUTER SERVICES, INC.  
P.O. BOX 2442  
CHESAPEAKE, VA

CHECK NO.	CHECK DATE	VERIFIER NO.
1804	07/31/86	070250

CHECK AMOUNT
\$40,000.00

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

\*001804\* \*051401328\*

55234857\*

4 8 3 5 7 4 0 9 6

C0871

26043753845

LIFE INSURANCE COMPANY OF NORTH AMERICA  
a CIGNA company

3,4351

GROUP PREMIUM REPORT

PO BOX 8500 KYD • PHILADELPHIA PA 19128

CIGNA

POLICYHOLDER GB Computer Services

POLICY NUMBER 60-9404

DIVISION Freedom Council

PREMIUM DUE DATE June 30, 1986

STOP LOSS POLICY NUMBER ☐ GEX-  
☐ GEL-

SERVICE OFFICE \_\_\_\_\_

INSURANCE COVERAGE		1 TOTAL FROM LINE 4 ON PREVIOUS REPORT	2 ADDITIONS SINCE LAST REPORT	3 TERMINATIONS SINCE LAST REPORT	4 TOTAL IN FORCE ON PREMIUM DUE DATE	5 RATE	6 CURRENT PREMIUM DUE	7 BACK ADJUSTMENTS	8 PREMIUM DUE
BASIC LIFE	NUMBER OF EMPLOYEES	53	-	(8)	45	PER \$1,000			
	AMOUNT OF INSURANCE	2,609,760	-	(534,000)	2,055,760	.31	\$ 637.36		\$ 637.36
SUPPLEMENTAL LIFE	NUMBER OF EMPLOYEES					PER \$1,000			
	AMOUNT OF INSURANCE								
DEPENDENT LIFE	NUMBER OF EMPLOYEES WITH DEPENDENTS					PER EE			
ACCIDENTAL DEATH AND DISMEMBERMENT	NUMBER OF EMPLOYEES	53	-	(8)	45	PER \$1,000			
	AMOUNT OF INSURANCE	2,609,760		(534,000)	2,055,760	.04	\$ 82.24		\$ 82.24
WEEKLY DISABILITY	NUMBER OF EMPLOYEES	53	-	(8)	45	PER \$10			
	AMOUNT OF INSURANCE	15,056.30		3,196.15	11,860.15	.50	\$ 593.00		\$ 593.00
SPECIFIC STOP LOSS	NUMBER OF EMPLOYEES ONLY					PER EE			
	NUMBER OF EMPLOYEES WITH DEPENDENTS					PER EE			
MEDICAL CONVERSION	NUMBER OF EMPLOYEES ONLY					PER EE			
ANNUAL AGGREGATE STOP LOSS									

SEE THE REVERSE SIDE OF THIS FORM FOR INSTRUCTIONS

TOTAL PREMIUM DUE \$ 1312.60

MAKE CHECKS PAYABLE TO LINA

[Signature]  
SIGNATURE OF POLICYHOLDER'S REPRESENTATIVE

[Signature]  
TITLE Reserve

June 30, 1986  
DATE

JR REF. NO.	YOUR INV. NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
6704-200						\$5,000.00

THE FREEDOM COUNCIL, INC.  
 MAIN ACCOUNT  
 825-M GREENBRIAR CIRCLE, SUITE 101  
 CHESAPEAKE, VA 23320

DOMINION BANK  
 NORFOLK, VA 23501

001404

88-132  
 514

CHECK NO	CHECK DATE	VENDOR NO
1404	6/13/86	070250

CHECK AMOUNT
\$5,000.00

Five thousand and 00/100

PAY  
 TO THE  
 ORDER OF

GB Computer Services, Inc.

AUTHORIZED SIGNATURE

001404 051401328

55234867

9 6 0 4 3 7 5 3 8 4 7

#001037# 0051401328# 55234867#

VENDOR		THE FREEDOM COUNCIL, INC.				
INVOICE NO.	YOUR INV NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
116-200	GROUP INSURANCE					\$18,409.47

116-200

GROUP INSURANCE

*Handwritten:* 4-17-86

CHECK NO.		CHECK DATE	VENDOR NO.
98-128		4/14/86	
CHECK AMOUNT		\$18,409.47	

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

001037

DOMINION BANK  
NORFOLK, VA 23501

THE FREEDOM COUNCIL, INC.  
MAIN ACCOUNT  
225-A GREENBANK CIRCLE, SUITE 101  
CHESAPEAKE, VA 23089

CB Computer Services, Inc.

AV  
O THE  
FROM OF

Eighteen thousand four hundred nine and 47/100

00879



CARBONLESS  
FORM 3030



CARBON  
REQUIRED

PURCHASE ORDER  
TRIPlicate

PURCHASE ORDER

NO. 20-200  
DATE 4/1/66  
F.O.B. \_\_\_\_\_  
VIA \_\_\_\_\_  
TERMS \_\_\_\_\_

TO: Clair Lingenfelter

SHIP TO: The Freedom Council  
c/o GB Computer Services, Inc.  
2133 Smith Ave. Door A  
Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING

DATE REQUIRED

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	16 hrs		work on Freedom Report	20/hr		320.00
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

DATE RECEIVED AND INVOICES PASSED FOR PAYMENT

COB80



0

CHECK

THE FREEDOM COUNCIL, INC.

CHECK NO.	YOUR REF NO.	ISSUE DATE	ISSUE AMOUNT	AMOUNT PAID	NET CHECK AMOUNT
-----------	--------------	------------	--------------	-------------	------------------

04-200

\$44,000.00

*Handwritten signature and date 4-15-86*

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
800-H STREET, SUITE 101  
CHESAPEAKE, VA 23060

DOMINION BANK  
HUNTERS CREEK, VA 23061

814

001011

CHECK NO.	CHECK DATE	VENDOR NO.
001011	4/4/86	070250

CHECK AMOUNT
\$44,000.00

Forty-four thousand and 00/100

THE  
FROM OF

Computer Services, Inc.

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

001011 051401328

55234867

64835734096

00881



ADMINISTRATIVE SERVICES AGREEMENT

THIS AGREEMENT is made and entered into on April 1, 1986, by and between THE FREEDOM COUNCIL (hereinafter referred to as "TFC"), a Virginia non-profit corporation, whose principal office is located at 850 Greenbrier Circle, Suite G, Chesapeake, Virginia 23320, and GB COMPUTER SERVICES, INC., a Virginia corporation, (hereinafter referred to as "Contractor"), whose mailing address is PO Box 1891, Chesapeake, Virginia 23320.

This Agreement is intended to be a modification of the Agreement signed by and between the parties hereto on August 1, 1985.

1. SERVICES TO BE RENDERED. Contractor agrees to provide the following services for the benefit of TFC:

a. General administration of TFC personnel records, payroll and general accounting (for internal purposes only), purchasing activities, and other general administrative services requested by TFC.

b. Administration of the promotion of TFC to the general public in the areas of direct marketing, including direct mail, telemarketing, contributor list management, copying, printing, and warehousing.

c. Administration of computer services for internal recordkeeping, etc.

d. The design, creation or writing of promotional pieces, whether for publishing, broadcast, or other form of distribution.

2. EXCLUSIONS FROM SERVICES. The services to be rendered by Contractor do not include:

a. Ultimate decisions pertaining to the hiring and firing of all TFC employees, wage and salary levels of all TFC employees, the nature and extent of any employee benefits, purchasing decisions, preparation of financial statements for other than internal use and tax return preparation.

b. The solicitation of major gifts from corporations, foundations and individuals; special events such as rallies, meetings, fund-raisers and receptions designed to promote TFC interests or raise funds. A major gift is defined as a one-time gift of \$500.00 or more. This paragraph shall in no way limit Contractor's direct mail services under 1 (b) above.

3. RECORDS, FILES AND INFORMATION. All services rendered by Contractor for TFC shall also be subject to each of the following conditions:

a. All services shall be rendered exclusively for the benefit of TFC, its employees and authorized agents. Contractor shall not in any way commingle its computer records, filing, or other information systems used to render the services contemplated herein with any other computer records, filing or other information systems owned, used or controlled by Contractor or any other person than TFC. Nothing here shall prohibit Contractor from using the same computer to provide similar services to other clients.

b. TFC, through its authorized agents, shall at all times have complete and free access to all records, files, data or other information maintained by Contractor on behalf of TFC.

c. All records, files, data, or other information held or maintained by Contractor on behalf of TFC shall at all times be the exclusive property of TFC notwithstanding Contractor's rendition of services relating thereto, and shall not be used, sold, destroyed or otherwise disposed of except on behalf of TFC pursuant to its prior written instructions.

d. All records, files, data, or other information held or maintained by Contractor on behalf of TFC are confidential, secret and proprietary in nature, and Contractor shall actively prohibit the copying, transmission or disclosure of any of such information, by any means whatsoever, except as necessary for the rendition of services contemplated herein or otherwise as TFC may direct in writing. Any unauthorized "leaking" of such information which becomes known to the Contractor shall be immediately reported to TFC.

e. Contributor list management is defined as Contractor maintaining TFC contributor list(s) on its computer; updates of the list(s) by Contractor as necessary; and the utilization of the list(s) by Contractor as approved or directed by TFC.

4. FEES FOR SERVICES. TFC shall pay to Contractor compensation for Contractor's services in the following manner:

a. During the period from August 1, 1985, through July 31, 1986 only, TFC shall pay to Contractor a monthly payment equal to Twenty-Five Thousand (\$25,000.00) Dollars per month. TFC shall pay One-Hundred-Fifty-Thousand (\$150,000.00) Dollars of this payment in advance upon execution of this Agreement and Twenty-Five Thousand (\$25,000.00) Dollars per month on the 1st day of each month from August 1, 1985, up to and including January 1, 1986.

*Handwritten:*  
Paid 150K in July 86  
during 150K not paid

b. In addition to the sum set forth in paragraph 4(a) above, the Contractor shall submit to IFC an invoice on or before the 15th day of each month itemizing the expenses, or total cost of operation (administrative and operational), incurred by Contractor for the preceding month in order for Contractor to provide the services described herein. The expenses shall be determined based on generally accepted accounting principles and shall consist of cash and accrued expenditures. Furthermore, no single expense or operational costs shall vary more than 25% from "Estimated Cost" as shown on the variable budget agreed to and jointly derived by the Contractor and IFC prior to the time such expense was incurred without the express written consent of IFC. For the months up to and including July, 1986, IFC shall pay to Contractor the invoiced expenses plus 70% within fifteen (15) days after they are submitted. For the months of August, 1986 through July, 1988, IFC shall pay to Contractor the invoiced expenses plus 15% within fifteen (15) days after they are submitted.

Anything to the contrary herein notwithstanding, the payment of any invoiced expenses shall not be deemed conclusive that such expenses were incurred and an annual review shall be made between IFC and Contractor of all invoices submitted. Any discrepancies between expenses invoiced, expenses incurred, and payments made shall be adjusted accordingly.

5. REPORTS. Contractor acknowledges and agrees that it will, in a timely manner, complete and submit every reasonable report and supply all information requested from time to time by IFC.

6. INDEPENDENT CONTRACTOR. Contractor acknowledges and agrees that during the term of this Agreement, and any extension or renewal thereof, it is an independent contractor only and not an employee of IFC.

7. TERMINATION. This Agreement shall commence on April 1, 1986, and shall terminate on July 31, 1988.

8. CONFIDENTIALITY. Commencing on the date first set forth above and continuing in perpetuity thereafter, Contractor shall forever keep confidential all information supplied by IFC or developed by Contractor in the course of its performance of the services hereunder. This includes, but shall not be limited to, membership lists, donor lists, accounting information, financial procedures, business records and data, fundraising and operational procedures, and all other information given to or developed by Contractor.

9. EXCLUSIVE SERVICES. The Contractor shall provide the exclusive services of ITC described in paragraph one above. ITC shall not contract with or allow any other person or entity other than the Contractor to perform such services.

10. NOTICE. Notice hereunder shall be considered properly given on the date of mailing if mailed in an addressed envelope, first class postage prepaid, to the party receiving notice at the address first shown above for that party. Either party hereto may change the address for notice by informing the other party in writing of the notifying party's new address.

11. WAIVER. No waiver of any breach of the performance of any provision set forth in this Agreement shall constitute a waiver of any subsequent or prior breach of performance of the same or of a different provision of this Agreement.

12. INUREMENT AND LIABILITY. Every obligation and duty herein provided for shall be binding upon the successors of each of the parties hereto, and every right and privilege herein provided for shall inure to the benefit of the assigns and successors of each of the parties hereto; provided that Contractor shall not assign this Agreement or delegate duties hereunder without the prior written approval of ITC, which may be arbitrarily withheld.

13. GOVERNING LAW. All questions regarding the validity, interpretation, performance, and enforcement of the terms and provisions of this Agreement shall be governed by the laws of the Commonwealth of Virginia.

14. INTEGRATION, MERGER AND AMENDMENT. The terms and provisions set forth in this written document constitute the entire agreement between the parties hereto, and no provision or statement, express or implied, which is not set forth herein shall be deemed or considered a part of this Agreement. This Agreement may only be amended in writing by a separate document signed by each party hereto, and each such written amendment shall be merged into and shall become a part of this contract.

IN WITNESS WHEREOF, the parties hereto have signed  
and executed this Agreement on the date first shown above.

CS COMPUTER SERVICES, INC.

By: George Jordan  
George Jordan, President

THE FREEDOM COUNCIL

By: [Signature]

9 6 0 4 3 7 5 3 8 5 5

THE FREEDOM COUNCIL, INC  
MAIN ACCOUNT  
825 M GREENBRIAR CIRCLE SUITE 101  
CHESAPEAKE VA 23320

DOMINION BANK  
NORFOLK VA 23501

001130

CHECK NO	CHECK DATE	AMOUNT
001130	5/16/86	070250

Five thousand and 00/100

\$5,000.00

PAY TO THE ORDER OF  
GSI Computer Services, Inc.

*Handwritten signature*  
GSI Computer Services, Inc.

⑈001130⑈ ⑆051401328⑆

55234867⑈

⑈0000500000⑈



NOKN-100  
 DATE 7/9/86  
 R.O.B.  
 VIA  
 TERMS

TO: Allied Office Supply  
 815 Poplar Hall Drive  
 Norfolk, VA 23502

SHIPTO: The Freedom Council  
 c/o GB Computer Services, Inc  
 2133 Smith Ave. Door A  
 Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1		05624	10 x 15 clasp envelopes			
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

DATE RECEIVED AND REPORTED  
 ORDERED BY

96043753856

OUR REF NO	YOUR INV NO	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
6704-200						\$50,000.00

THE FREEDOM COUNCIL, INC.  
MAIN ACCOUNT  
825-M GREENBRIAR CIRCLE SUITE 101  
CHESAPEAKE, VA 23320

DOMINION BANK  
NORFOLK, VA 23501

001509

98-132  
514

CHECK NO	CHECK DATE	VENDOR NO
001509	3/17/86	070250

CHECK AMOUNT
\$50,000.00

Fifty thousand and 00/100

PAY  
TO THE  
ORDER OF

GB Computer Services, Inc.

AUTHORIZED SIGNATURE

⑈001509⑈ ⑆051401328⑆ 55234867⑈



NO. \_\_\_\_\_  
 DATE 5/3/86  
 F.O.B. \_\_\_\_\_  
 VIA \_\_\_\_\_  
 TERMS \_\_\_\_\_

TO: Allied Office Supply  
815 Poplar Hall Dr.  
Norfolk, VA 23502

SHIP TO: The Freedom Council  
c/o GS Computer Services, Inc.  
2133 Smith Ave. Door A  
Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	1 bx	BA	06114	Letter size hanging folder (blue)	10.17	10.17
2	6 ea	BA	13113	60 min. Micro cassettes	4.76	28.56
3	3 bx		09902	Phone message pads	17.82/bx	53.46
4	1 ea		09907	phone message pad	approx: 3.80	3.80
5						
6					sub total	95.99
7					tax:	3.83
8					Total:	99.82
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

DATE RECEIVED AND DISPOSITION

ORDERED BY

# MEMO

to: Freedom Council Administrative Support: Barbara Amos, Carolyn Brodie,  
Wanda Ellen, Barbara Lillard, Theresa Hines, Jane Pendergrast  
copy to:  
from: Pat Greiner, Receptionist  
subject: Office Procedure for Ordering Supplies  
date: February 1986

It has been appointed to me to be responsible to this office and to GB Services to process orders for office supplies of a general nature.

Each secretary should have at her desk two supply books from Allied Office Supplies, Inc. One is black and white and lists items that are kept on stock in the Allied warehouse. The other thicker more colorful catalog lists items that have to be specially ordered.

Items ordered from the black and white catalog take generally from 2-3 days after GB places the order. Items that have to be specially ordered or are on back order will take generally from 5-10 working days to be delivered.

ALL orders from this office must be authorized by Jerry Strohkorb. If Jerry is not available to sign than Louise Manno will authorize. ALL orders must be placed by myself through the proper procedure outlined by GB Services. I must notify them when and if I will be away from the office for any period of time. If the assignment falls to you then you must fill out the attached form accordingly and have Jerry/Louise sign it, forwarding the order form to Wendy VanGent at GB Services.

Brvan Davis will oversee this operation and need only be called if Wendy is not available. Do not call any orders into Wendy she will not receive them.

Friday noon is the deadline for receiving your orders. Place your completed form and put it in my top tray on my desk. I will then transfer your order to GB's Purchase Order form which they use to process your supply request.

Wendy has requested that RUSH orders be discouraged. If the staff that you serve anticipates using particular items in quantity she said GB is able to store them for us. Please encourage your staff to think ahead as much as possible. GB is working at the same personnel level as we are so there are few hands to do many

Memo: Office Procedure for Ordering Supplies

jobs. By following the suggested procedures we assure good working relationships with each other and with GB Services.

If we are in need of Xerox paper the same procedure applies and it will take 3 working days to fill that order. When GB receives our order by Friday evening mail, then for supplies such as Xerox paper, we will receive that item by Wednesday of the following week. General items from Allied warehouse will be received within that week also. No new orders will be added after the Friday noon deadline.

If your staff people use items from the day runner please make sure we order enough to last a long time.

As always, thank you so much for your help and suggestions. May God bless the work of our hands.



96043753800

### **PURCHASE ORDER REQUEST**

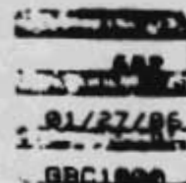
# Custom Business Graphics

COMPANY  
Combining Ideas With Products

2000 W. MAIN ST.  
MIDLAND, TEXAS 79701

## INVOICE

032175  
6601-200



G B COMPUTER SERVICES, INC  
P.O. BOX 2442  
CHESAPEAKE VA 23320

G B COMPUTER SERVICES, INC  
P.O. BOX 2442  
CHESAPEAKE VA 23320

SHIP TO	ORDER NO	TERMS
CHESAPEAKE VA	01-01692 3	NET 30 DAYS

22	22	C	FREEDOM COUNCIL P/R CHECKS	7.500	165.0
0	0		CK 9570 DG	.000	.0
			FREIGHT		6.1

*PK 5/1/86 V-1957 21484*  
*#1220*  
*#53148*  
*(353.76 + 177.72)*  
*7/18/86*

165.00 .00 6.10 6.00 .00 .00 177.70

A FINANCE CHARGE OF 1% PER MONTH (ANNUAL PERCENTAGE RATE OF 12%) WILL BE ADDED TO ALL INVOICES NOT PAID WITHIN 30 DAYS OF INVOICE DATE

00894

9 6 0 4 6 7 5 3 8 6 2

# Custom Business Graphics

COMPANY  
Combining Ideas With Products

INVOICE

6601-200

032175

668  
01/27/86  
GBC1000

G B COMPUTER SERVICES, INC  
P.O. BOX 2442  
CHESAPEAKE VA 23320

G B COMPUTER SERVICES, INC  
P.O. BOX 2442  
CHESAPEAKE VA 23320

ORDER NO	SHIP VIA	ORDER NO	TERMS
01-01467	3	NET 30 DAYS	

33	33	C	THE FREEDOM COUNCIL-MAIN ACCT CH 9570 2C DG	9.876	325.91
			FREIGHT		14.71

V=1954  
2-14-84  
2125 1/2 1/2 1/2  
GBC1000

325.91	14.71	13.04	1.00	1.00	355.66
--------	-------	-------	------	------	--------

A FINANCE CHARGE OF 1% PER MONTH (ANNUAL PERCENTAGE RATE OF 12%) WILL BE ADDED TO ALL INVOICES  
NOT PAID WITHIN 30 DAYS OF INVOICE DATE

C0885

06040753803

August 24, 1985

To: George Border

From: Steve Davis

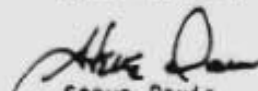
Subject: 1) Warehousing Freedom Council, Freedom Foundation Supplies, Flyers ect.  
2) Processing Mail for Freedom Council, Freedom Foundation

On Thursday, August 23, 1985 a meeting was held with Jerry Strohkorb, Bryan Davis, Bill James, Steve Raiford and Steve Davis concerning the subjects mentioned above. The following were agreed upon.

- 1) Starting Monday, August 26, 1985 GB Computer Services Inc. will assemble and centrally locate in 2133 Smith Avenue. All mailing material and supplies related to the Freedom Council and Freedom Foundation will have a physical inventory taken by or before Friday, August 30. Perpetual records will be taken and copies sent to Bryan Davis and Bill James. Each will have a inventory that will be updated monthly. Steve Raiford will be responsible to make sure all material is organized and deadlines are met.
- 2) Starting no later than Monday, September 9, GB Computer Services Inc. will start picking up, sorting and distributing mail for the Freedom Council and Freedom Foundation. Steve Raiford has been given the responsibility for notifying the post office. A GB Computer Services Inc. employer will be physically at CBN's mail room to over see the processing until GB Computer Services Inc. has thier own mail room completed. GB Computer Services Inc. will make 2 mail runs daily, one in the morning and one in the afternoon.

In regards to donations being sent into the Freedom Council and Freedom Foundation, Donna Manning (GB Computer Services Inc. employer) will make copies of all checks. The checks will then be sent to Dominion National Bank for daily deposits. The details on controls and particulars will be worked out between Steve Davis and Jerry Strohkorb on how Data Entry will be handled.

Best Regards,

  
Steve Davis

Controller, GB Computer Services Inc.

cc: Jerry Strohkorb  
Bill James  
Bryan Davis  
Freedom Foundation  
Steve Raiford

00000

96043753804



FUNCTIONAL USE ONLY

NO. 20-172  
 DATE 4/21/86  
 F.O.B.  
 VIA  
 TERMS

TO: Allied Office Supply  
 815 Poplar Hall Drive  
 Norfolk, VA 23502

SHIP TO: The Freedom Council  
 c/o GB Computer Services, Inc.  
 2133 Smith Ave. Door A  
 Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1		4DMS	H1-313-121M Heavy Duty staples	2.85	11.40	11.40
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

11.92

DATE RECEIVED AND DISPOSITION

ORDERED BY

26043753805

### PURCHASE ORDER REQUEST

NO. \_\_\_\_\_  
 DATE 4/21/86  
 F.O.B. \_\_\_\_\_  
 VIA \_\_\_\_\_  
 TERMS \_\_\_\_\_

TO: Allied Office Supply  
 515 Poplar Hall Drive  
 Norfolk, VA 23502

SHIP TO: The Freedom Council  
 c/o GB Computer Services, Inc.  
 2133 Smith Ave. Door A  
 Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1		H1-313-1214	heavy duty staples	2.85	11.40	11.40
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

11.92

DATE RECEIVED AND INVOICES PASSED FOR PAYMENT

ORDERED BY

96043753867

REF NO	YOUR INV NO	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
4-200						\$15,000.00

THE FREEDOM COUNCIL, INC.  
 MAIN ACCOUNT  
 825-M GREENBRIAR CIRCLE SUITE 101  
 CHESAPEAKE VA 23320

DOMINION BANK  
 NORFOLK, VA 23501  
 88-132  
 514

001053

CHECK NO	CHECK DATE	VENDOR NO
001053	4/21 '86	070250

CHECK AMOUNT
\$15,000.00

Fifteen thousand and 00/100

GE Computer Services, Inc.

AUTHORIZED SIGNATURE

⑈001053⑈ ⑆051401328⑆ 55234867⑈

ADMINISTRATIVE SERVICES AGREEMENT

THIS AGREEMENT is made and entered into on April 1, 1986, by and between NATIONAL PERSPECTIVES INSTITUTE (hereinafter referred to as "NPI"), a Virginia non-profit corporation, whose principal office is located at 860 Greenbrier Circle, Suite 502, Chesapeake, Virginia 23320, and GS COMPUTER SERVICES, INC., a Virginia corporation, (hereinafter referred to as "Contractor"), whose mailing address is PO Box 1891, Chesapeake, Virginia 23320.

This Agreement is intended to be a modification of the Agreement signed by and between the parties hereto on August 1, 1985.

1. SERVICES TO BE RENDERED. Contractor agrees to provide the following services for the benefit of NPI:

a. General administration of NPI personnel records, payroll and general accounting (for internal purposes only), purchasing activities, and other general administrative services requested by NPI.

b. Administration of the promotion of NPI to the general public in the areas of direct mail, telemarketing, contributor list management, printing, and warehousing.

c. Administration of computer services for internal recordkeeping, etc.

d. The design, creation or writing of promotional pieces, whether for publishing, broadcast, or other form of distribution.

2. EXCLUSIONS FROM SERVICES. The services to be rendered by Contractor do not include:

a. Ultimate decisions pertaining to the hiring and firing of all NPI employees, wage and salary levels of all NPI employees, the nature and extent of any employee benefits, purchasing decisions, preparation of financial statements for other than internal use and tax return preparation.

b. The solicitation of major gifts from corporations, foundations, and individuals; special events such as rallies, meetings, fund-raisers and receptions designed to promote NPI interests or raise funds. A major gift is defined as a one-time gift of \$500.00 or more. This paragraph shall in no way limit Contractor's direct mail services under 1(b) above.

96043753809

96043753870

3. RECORDS, FILES AND INFORMATION. All services rendered by Contractor for NPI shall also be subject to each of the following conditions:

a. All services shall be rendered exclusively for the benefit of NPI, its employees and authorized agents. Contractor shall not in any way commingle its computer records, filing, or other information systems used to render the services contemplated herein with any other computer records, filing or other information systems owned, used or controlled by Contractor or any other person than NPI. Nothing here shall prohibit Contractor from using the same computer to provide similar services to other clients.

b. NPI, through its authorized agents, shall at all times have complete and free access to all records, files, data or other information maintained by Contractor on behalf of NPI.

c. All records, files, data, or other information held or maintained by Contractor on behalf of NPI shall at all times be the exclusive property of NPI notwithstanding Contractor's rendition of services relating thereto, and shall not be used, sold, destroyed or otherwise disposed of except on behalf of NPI pursuant to its prior written instructions.

d. All records, files, data, or other information held or maintained by Contractor on behalf of NPI are confidential, secret and proprietary in nature, and Contractor shall actively prohibit the copying, transmission or disclosure of any of such information, by any means whatsoever, except as necessary for the rendition of services contemplated herein or otherwise as NPI may direct in writing. Any unauthorized "leaking" of such information which becomes known to the Contractor shall be immediately reported to NPI.

e. Contributor list management is defined as Contractor maintaining NPI contributor list(s) on its computer; update of the list(s) by Contractor as necessary; and the utilization of the list(s) by Contractor as approved or directed by NPI.

4. FEES FOR SERVICES. NPI shall pay to Contractor compensation for Contractor's services in the following manner:

a. The sum of Thirty-Thousand Dollars six months after the date of this Agreement.

b. In addition to the sum set forth in (a) above, the Contractor shall submit to NPI an invoice on or before the 15th day of each month itemizing the expenses (administrative and operational) incurred by Contractor for the preceding month



9 6 0 4 3 7 5 3 8 / 1

in order for Contractor to provide the services described herein. The expenses shall be determined based on generally accepted accounting principles and shall consist of cash and accrued expenditures. Furthermore, no single expense shall vary more than 25% from "Estimated Cost" as shown on the variable budget agreed to and jointly derived by the Contractor and NPI prior to the time such expense was incurred without the express written consent of NPI. For the months up to and including July, 1986, NPI shall pay to Contractor the invoiced expenses plus 20% within fifteen (15) days after they are submitted. For the months of August, 1986 through July, 1987, NPI shall pay to Contractor the invoiced expenses plus 15% within fifteen (15) days after they are submitted. For the months of August, 1986 through July, 1988, NPI shall pay to Contractor the invoiced expenses plus 15% within fifteen (15) days after they are submitted.

Anything to the contrary herein notwithstanding, the payment of any invoiced expenses shall not be deemed conclusive that such expenses were incurred and an annual review shall be made between NPI and Contractor of all invoices submitted. Any discrepancies between expenses invoiced, expenses incurred, and payments made shall be adjusted accordingly.

5. REPORTS. Contractor acknowledges and agrees that it will, in a timely manner, complete and submit every reasonable report and supply all information requested from time to time by NPI.

6. INDEPENDENT CONTRACTOR. Contractor acknowledges and agrees that during the term of this Agreement, and any extension or renewal thereof, it is an independent contractor only and not an employee of NPI.

7. TERMINATION. This Agreement shall commence on April 1, 1986, and shall terminate on July 31, 1988.

8. CONFIDENTIALITY. Commencing on the date first set forth above and continuing in perpetuity thereafter, Contractor shall forever keep confidential all information supplied by NPI or developed by Contractor in the course of its performance of the services hereunder. This includes, but shall not be limited to, membership lists, donor lists, accounting information, financial procedures, business records and data, fund-raising and operational procedures, and all other information given to or developed by Contractor.

9. EXCLUSIVE SERVICES. The Contractor shall provide the exclusive services of NPI described in paragraph one above. NPI shall not contract with or allow any other person or entity other than the Contractor to perform such services.



10. NOTICE. Notice hereunder shall be considered properly given on the date of mailing if mailed in an addressed envelope, first class postage prepaid, to the party receiving notice at the address first shown above for that party. Either party hereto may change the address for notice by informing the other party in writing of the notifying party's new address.

11. WAIVER. No waiver of any breach of the performance of any provision set forth in this Agreement shall constitute a waiver of any subsequent or prior breach of performance of the same or of a different provision of this Agreement.

12. INUREMENT AND LIABILITY. Every obligation and duty herein provided for shall be binding upon the successors of each of the parties hereto, and every right and privilege herein provided for shall inure to the benefit of the assigns and successors of each of the parties hereto; provided that Contractor shall not assign this Agreement or delegate duties hereunder without the prior written approval of NPI, which may be arbitrarily withheld.

13. GOVERNING LAW. All questions regarding the validity, interpretation, performance, and enforcement of the terms and provisions of this Agreement shall be governed by the laws of the Commonwealth of Virginia.

14. INTEGRATION, MERGER AND AMENDMENT. The terms and provisions set forth in this written document constitute the entire agreement between the parties hereto, and no provision or statement, express or implied, which is not set forth herein shall be deemed or considered a part of this Agreement. This Agreement may only be amended in writing by a separate document signed by each party hereto, and each such written amendment shall be merged into and shall become a part of this contract.

IN WITNESS WHEREOF, the parties hereto have signed and executed this Agreement on the date first shown above.

GB COMPUTER SERVICES, INC.

By: George L. Border

George Border, President

NATIONAL PERSPECTIVES INSTITUTE

By: Harry Ralph Curry

Harry Ralph Curry  
President

"The Full Service Company"



GB COMPUTER SERVICES, INC. INVOICE #51

September 16, 1986

The Freedom Council  
850 Greenbrier Circle  
Suite G  
Chesapeake, VA 23320

Per our agreement dated September 1, 1985, please find our billing  
for GB Computer Services, Inc. for services rendered from August  
16 through September 15, 1986.

TOTAL DUE \$71,373.14

070280

09/16/86

V-4458  
10-1-86

6703-280

\$71,373.14

960437538/3

THE FREEDOM COUNCIL  
Billing for Services Rendered  
August 16 through September 15, 1986

INVOICE #51

Allocation of expenses in relation to work performed	\$53,037.57
15% Service Agreement	7,955.64
Direct Expenses:	
Va. Dept. of Taxation	1,305.40
Oklahoma Empl. Secur. Comm.	272.91
NC Tax Commission	1,334.30
Computer	10,563.28
	<u>13,475.89</u>
TOTAL	74,469.10
Deduct:	
Credit from postage received	-1,152.96
Reduced for work performed for Eimskip	<u>-1,943.00</u>
TOTAL DUE	71,373.14

C0913

960437538/4

9 6 0 4 3 7 5 3 8 / 5

INVOICE

Nº 13615

J P S  
JONES PRINTING SERVICE, INC.

1911 SPARROW ROAD • CHESAPEAKE VIRGINIA 23320 • TELEPHONE: (804) 424 5214  
Sept. 15, 1986

G.B. Computer Services  
P.O. Box 2442  
Chesapeake, Va. 23320

Del. Ticket #'s 14895 9/5/86  
14972 9/11/86

500 - for Each card business cards for "The Freedom Council", for Joseph  
R. McAuliffe, and Kerry B. Moody, printed in red, blue and black  
inks on white cambric cover stock, 2 x 3 1/2 trimmed and embossed  
red and blue inks only.....\$90.00  
5,000 - 9 x 12 envelopes for Va. Beach, printed in blue and red inks on  
white open end catalog stock.....475.00  
500 - Employee Action Notice Form, printed in black ink on w/c/p/g 4  
part carbonless stock, 7 1/2 x 8 1/2 trimmed and padded.....180.25  
745.25  
Tax.....29.81  
\$775.06

101575  
09/15/86  
6603-200  
V-2412-25-87  
\$775.06  
Thank You.

PLEASE PAY FROM INVOICE NO STATEMENT WILL BE SENT  
NET TERMS 30 DAYS FROM DATE OF INVOICE

9 6 0 4 3 7 5 3 8 / 6

13615

# JONES PRINTING SERVICE, INC.

1911 SPARROW ROAD • CHESAPEAKE, VIRGINIA 23320 • TELEPHONE (804) 424 5214  
Sept. 15, 1986

G.B. Computer Services  
P.O. Box 2442  
Chesapeake, Va. 23320

*Freedom Council*

Del. Ticket #s 14895 9/5/86  
14972 9/11/86

500 - for each card business cards for "The Freedom Council", for Joseph R. McLaughlin, and Kerry B. Moody, printed in red, blue and black inks on white cumbric cover stock, 2 x 3 1/2 trimmed and embossed red and blue inks only.....	\$90.00
5,000 - 9 x 12 envelopes for Va. Beach, printed in blue and red inks on white open end catalog stock.....	475.00
500 - Employee Action Notice Form, printed in black ink on w/c/p/g 4 part carbonless stock, 7 1/2 x 11 1/2 trimmed and padded.....	100.25
	<u>745.25</u>
Tax.....	29.81
	<u>\$775.06</u>

Thank You.

PLEASE PAY FROM INVOICE. NO STATEMENT WILL BE SENT.  
NET TERMS 30 DAYS FROM DATE OF INVOICE.

THE LEEUWEN COUNCIL, INC.  
 MAIN ACCOUNT  
 825 M GREENBRIAR CIRCLE SUITE 101  
 CHESAPEAKE VA 23320

DOMINION BANK  
 NORFOLK VA 23501  
~~00132~~  
 514

001456

Sixty-two hundred fifty and 00/100

PAY  
 TO THE  
 ORDER OF CB Computer Services, Inc.

⑈001456⑈ ⑆051401328⑆

55234867⑈

⑈00000625000⑈

CHECK NO.	CHECK DATE	VE NUMBER
	9/5/86	

CHECK AMOUNT
\$6,250.00

*[Signature]*  
 AUTHORIZED SIGNATURE

77835134096

## PURCHASE ORDER

 NO. 20-165  
 DATE 3/12/86  
 F.O.B.  
 VIA  
 TERMS

 TO: Allied Office Supply  
 815 Poplar Hall Dr.  
 Norfolk, VA 23502

 SHIP TO: The Freedom Council  
 c/o GB Computer Services, Inc.  
 2133 Smith Ave. Door A  
 Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	24ea	00722	3 ring 1" black binders	1.52	3.48	36.48
2	24	00707	Index 5 tab clear	.57	13.04	13.68
3	10ea	C9907	Tel. message books	3.96	49.50	39.60
4	20 rxs	P1-0X9001-P	3-holed copier paper	6.20		124.00
5						
6					sub total:	213.76
7					tax:	8.55
8					Total:	222.31
9						
10						
11						
12			ordered by phone 3/12/86 by Wendy			
13						
14						
15						
16						
17						
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19						
20						

103105

DATE RECEIVED AND INVOICES PASSED FOR PAYMENT

ORDERED BY



NO. \_\_\_\_\_  
 DATE 3/11/86  
 F.O.B. \_\_\_\_\_  
 VIA \_\_\_\_\_  
 TERMS \_\_\_\_\_

TO: Business Resource Center  
5265 Providence rd.  
Virginia Beach, VA 23464

SHIP TO: The Freedom Council  
c/o GB Computer Services, Inc.  
2133 Smith Ave. Door A  
Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	3		NEC Pinwriter P5 ribbons	15.00		45.00
2				Tax:		1.80
3				Total:		46.80
4						
5						
6						
7						
8						
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11						
12			Ordered by phone 3/11/86 (wvq)			
13						
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20						

DATE RECEIVED AND DISPOSITION	ORDERED BY <u>[Signature]</u>

960437538/9



**CARBONLESS  
FORM 3830**



**CARBON  
REQUIRED**

**PURCHASE ORDER  
TRIPPLICATE**

**PURCHASE ORDER**

NO. 20-165  
 DATE 3/12/66  
 F.O.B. \_\_\_\_\_  
 VIA \_\_\_\_\_  
 TERMS \_\_\_\_\_

TO: Allied Office Supply  
815 Poplar Hall Dr.  
Norfolk, VA 23502

SHIP TO: The Freedom Council  
c/o GB Computer Services, Inc.  
2133 Smith Ave. Door A  
Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	24ea	OC722	3 ring 1" black binders	1.52	36.48	36.48
2	24	OC707	Index 5 tab clear	.57	13.68	13.68
3	10ea	OC907	Tel. message books	3.96	49.50	39.60
4	20 rns	P1-UX90C1-P	3-holed copier paper	6.20		124.00
5						
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20						

sub total: 213.76

tax: 6.55

Total: 222.31

ordered by phone 3/12/66 by memo

DATE RECEIVED AND INVOICES PASSED FOR PAYMENT

C0920

450875380

DATE 3/13/86

F.O.B.

VA

TAXES

TO: Allied Office Supply

815 Poplar Hall Dr.

Norfolk, VA 23502

SHIP TO:

The Freedom Council

c/o GB Computer Services, Inc.

3133 Smith Ave. Suite A

Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING:

DATE RECEIVED

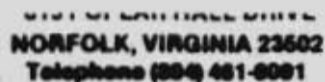
QUANTITY	RECEIVED	BOOK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	2400	00722	3 ring 1" black binders	1.52	3.2	34.48
2	24	00707	Index 5 tab clear	.57	5.0	13.68
3	1000	09907	Tel. message books	3.96	1.0	39.60
4	20 rps	FI-0X9001-2	3-noled copier paper	6.20		124.00
5						
6				sub total:		213.76
7				tax:		8.55
8				Total:		222.31
9						
10						
11						
12			ordered by phone 3/12/86 by Mandy			
13						
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DATE RECEIVED AND REMITTANCE				ORDERED BY		

FORM 3000

TRIPlicate  
RECEIVING COPY

LITHO IN U.S.A.

00921



**SPECIAL**

G B COMPUTILN SERVCE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXX  
CHICAGO, ILL 60601

1. The first condition is that the
 2. second condition is that the
 3. third condition is that the
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 79. seventy-ninth condition is that the
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 87. eighty-seventh condition is that the
 88. eighty-eighth condition is that the
 89. eighty-ninth condition is that the
 90. ninetieth condition is that the
 91. ninety-first condition is that the
 92. ninety-second condition is that the
 93. ninety-third condition is that the
 94. ninety-fourth condition is that the
 95. ninety-fifth condition is that the
 96. ninety-sixth condition is that the
 97. ninety-seventh condition is that the
 98. ninety-eighth condition is that the
 99. ninety-ninth condition is that the
 100. hundredth condition is that the

COD ☐

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RECEIVED BY

DATE \_\_\_\_\_

## PACKING

**SPECIAL ORDER ITEMS ARE SUBJECT TO A POSTPONING CHANGE IF RETURNED**

7 6 5 4 3 2 1

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12500  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-8081

CUSTOMER INVOICE

485294	03/05/84	90425	03/10/84	20-159	02	DEPARTMENT 20
--------	----------	-------	----------	--------	----	------------------

TO

O B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

				UNIT PRICE	AMOUNT
1	4 EA	0 13113	543-MC-40 MICRO-DICTATING	4.763	0.00
2	1 BX	1 06114	4152-1/5-BLU PENDAFLEX HANGING	10.913	10.91
3	1 EA	1 09907	4006 PHONE CALL RECORD BOOK	4.95	4.95
4	15 EA	15 09902	23-020 TELEPHONE MESSAGE BOOK	3.92	58.80
SUBTOTAL					74.66
4.000% VIRGINIA SALES TAX				2.99	77.65

PLEASE PAY FROM THIS INVOICE - PAYMENT DUE 30 DAYS FROM INVOICE DATE.  
PAY TO BOX 12500 NORFOLK, VA 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date

All non-stock returned merchandise subject to restocking charge

PLEASE PAY  
THIS AMOUNT

77.65

REMITTANCE COPY-MUST BE RETURNED WITH PAYMENT

8 0 8 2 5 / 2 4 0 9 4

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12599  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-8091

CUSTOMER INVOICE

INVOICE NO.	INVOICE DATE	CUSTOMER ORDER NO.	QUANTITY	UNIT PRICE	AMOUNT	DEPARTMENT
483287	03/05/86	90425	03/10/86	20-157	02	20

TO

Q B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

QTY	UNIT	ITEM NO.	DESCRIPTION	UNIT PRICE	AMOUNT
1	EA	0 13113	543-MC-60 MICRO-DICTATING	4.763	0.00
2	1 BX	1 06110	753-1/3 MANILA FILE FOLDER	6.45	6.45
3	1 BX	1 06117	91535 PENDAFLEX HANGING FOLDER	7.62	7.62
----- SUBTOTAL -----				>	14.07
4.000% VIRGINIA SALES TAX				0.56	14.63

PLEASE PAY FROM THIS INVOICE • PAYMENT DUE 30 DAYS FROM INVOICE DATE.  
PAYMENT TO BOX 12599 NORFOLK, VA. 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date  
All non stock returned merchandise subject to restocking charge

PLEASE PAY  
THIS AMOUNT

14.63

INVOICE

4 8 3 2 8 7 1 0 9



# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12599  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-6091

CUSTOMER INVOICE

INVOICE NO.	INVOICE DATE	INVOICE TYPE	INVOICE NUMBER	INVOICE TYPE	DEPARTMENT
485294	03/05/86	90425	03/10/86	20-159	02
					20

TO

O B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

QTY	UNIT	ITEM NUMBER	DESCRIPTION	UNIT PRICE	AMOUNT
1	EA	0 13113	543-MC-60 MICRO-DICTATING	4.763	0.00
2	BX	1 06114	4152-1/5-BLU PENDAFLEX HANGING	10.913	10.91
3	EA	1 09907	4006 PHONE CALL RECORD BOOK	4.95	4.95
4	15 EA	15 09902	23-020 TELEPHONE MESSAGE BOOK	3.92	58.80
SUBTOTAL					74.66
4.000% VIRGINIA SALES TAX				2.99	77.65

PLEASE PAY FROM THIS INVOICE - PAYMENT DUE 30 DAYS FROM INVOICE DATE.  
PAYMENT TO BOX 12599 NORFOLK, VA. 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date.  
All non-stock returned merchandise subject to restocking charge

PLEASE PAY  
THIS AMOUNT

77.65

INVOICE

5 1 8 8 5 2 7 1 0 9 6



# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12500  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-8081

CUSTOMER INVOICE

INVOICE NUMBER	INVOICE DATE	CUSTOMER ORDER NUMBER	QUANTITY	DEPARTMENT
485287	03/05/86	90425	03/10/86 20-157	02
				20

TO

O B COMPUTER SERVICE, INC.  
P. O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

QTY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT
1	EA	0 13113 543-MC-60 MICRO-DICTATING	4.763	0.00
2	BX	1 06110 753-1/3 MANILA FILE FOLDER	6.45	12.90
3	BX	1 06117 91535 PENDAFLEX HANGING FOLDER	7.62	22.86
SUBTOTAL				14.07
6.000% VIRGINIA SALES TAX				0.56
				14.63

PLEASE PAY FROM THIS INVOICE - PAYMENT DUE 30 DAYS FROM INVOICE DATE.

REMIT TO BOX 12500 NORFOLK, VA 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date.

All non-stock returned merchandise subject to restocking charge.

PLEASE PAY  
THIS AMOUNT

14.63

REMITTANCE COPY-MUST BE RETURNED WITH PAYMENT

### **PURCHASE ORDER REQUEST:**

NO. 10-103  
 DATE 3/7/86  
 F.O.B. \_\_\_\_\_  
 VA \_\_\_\_\_  
 TERMS \_\_\_\_\_

TO: Allied Office Supply  
 815 Poplar Hall Dr.  
 Norfolk, VA 23502

SHIP TO: The Freedom Council  
 c/o CS Computer Services, Inc.  
 2133 Smith Ave. Door A  
 Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	1 bx	10927	Quinn Printer Ribbon	56.10	52.26	56.10
2				tax:		2.24
3				Total:		58.34
4						
5						
6						
7						
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54.37

DATE RECEIVED AND INVOICES PASSED FOR PAYMENT

ORDERED BY: \_\_\_\_\_

NO. \_\_\_\_\_  
 DATE 7/7/86  
 F.O.B. \_\_\_\_\_  
 VIA \_\_\_\_\_  
 TERMS \_\_\_\_\_

TO: The Standard Register Company  
 149 Business Park Dr.  
 Virginia Beach, VA 23462

SHIP TO: The Freedom Council  
 Attention: Steve Raiford  
 c/o GB Computer Services, Inc.  
 2133 Smith Ave. Door A  
 Chesapeake, Va 23320

LEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	1000		Expense Reports	35.60/M		35.60
2						
3						
4						
5			** VERIFICATION Ordered by phone 3/6/86			
6						
7						
8						
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DATE RECEIVED AND DISPOSITION \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 ORDERED BY \_\_\_\_\_

26043753889

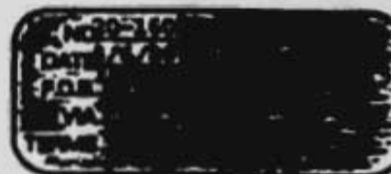


CARBONLESS  
FORM 3830

CARBON  
REQUIRED

PURCHASE ORDER  
TRIPPLICATE

PURCHASE ORDER



TO: IBM  
7 Commercial Place  
Norfolk, VA 23510

SHIP TO: The Freedom Council  
c/o GB Computer Services, Inc.  
2133 Smith Ave. Door A  
Chesapeake, VA 23320  
Attention: Kathy Morris

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

QUANTITY	RECEIVED	STOCKING NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1			IBM Operations Manual for PS/38	173.25		173.25
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
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19						
20						

IMPORTANT  
OUR ORDER NUMBER MUST APPEAR ON INVOICES AND  
PACKAGES. ACKNOWLEDGE IF UNABLE TO SHIP ON TIME.

*Handwritten signature*

C0930

PURCHASE ORDER

REQUESTION

NO.	
DATE	
F.O.B.	
BY VIA	
TERMS	

TO: IBM  
2 Commercial Place  
Norfolk, VA. 23510

TFC  
SHIP TO: IBM Corp. INC.

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	1		IBM OPERATIONS MANUAL	173.25	1	173.25
2			IBM PS/38			
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14			(114. 114. 114.)			
15			(FOR TFC.)			
16						
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19						
20						

IMPORTANT

OUR ORDER NUMBER MUST APPEAR ON INVOICES AND PACKAGES. ACKNOWLEDGE IF UNABLE TO SHIP ON TIME.







# ALLIED

WAREHOUSE OFFICE PRODUCTS

815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 481-8891

ORDER NUMBER	ACCOUNT NUMBER	SALES CODE	CUSTOMER PURCHASE ORDER NO	SALESMAN	TAX	CODE	ORDER DATE	ZONE	LET PART
48528781	90425	53	20-157	62	11		03.05.86	13	50

SPECIAL



ORDER

SOLD TO

G B COMPUTER SERVICE, INC  
P O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO SAME UNLESS SHOWN BELOW

FREEDOM CORP. II  
2133 SMITH AVE  
DOOR A  
CHESAPEAKE VA 23320

WILL CALL ☐

C.O.D. ☐

25  
00  
00  
00

Q.D.	BACK ORDER	QUANTITY ORDERED	QUANTITY SHIPPED	UNIT	BIN LOCATION	STOCK CODE	DESCRIPTION		
		2	11	EA	E-49	13113	543-PL-60 MICRO-DI 1A11143 CASSETTE, 60 MIN. 5/8" x 20"	4	76

9 888 GIVE PICKER TO CARD.

PLEASE INSERT NUMBER OF PIECES RECEIVED ☐

THANK YOU FOR YOUR ORDER  
SPECIAL ORDER ITEMS ARE SUBJECT TO A RESTOCKING CHARGE IF RETURNED

RECEIVED BY *[Signature]*  
ALL CLAIMS FOR SHORTAGES OR DISCREPANCIES MUST BE MADE WITHIN 3 DAYS  
NO MERCHANDISE TO BE RETURNED WITHOUT OUR CONSENT

DATE *5/11*  
PAL RING

8 4 8 2 9 1 7 1 0 9 0

# ALLIED

WAREHOUSE OFFICE PRODUCTS

815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 481-0001

ORDER NUMBER 48529481	ACCOUNT NUMBER 40425	SALES CODE 53	CUSTOMER PURCHASE ORDER NO 73-127	SALESMAN COT	TAX 11	CODE	ORDER DATE 03/03/85	TIME 1:3	DATE 1985
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SPECIAL  
☐  
ORDER

SOLD TO  
G B COMPUTER SERVICE, INC  
P O BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO SAME UNLESS SHOWN BELOW

FREEDOM COUNCIL  
2133 SMITH AVE  
BOX A  
CHESAPEAKE, VA 23320

WILL CALL ☐

COD ☐

NO	BACK ORDER	QUANTITY ORDERED	QUANTITY SHIPPED	UNIT	BIN LOCATION	STOCK CODE	DESCRIPTION		
			17	EA	E-49	13113	543-HC-60 MICRO-DICTATING CASSETTE, 60 MIN. 5/10/80	4	76

SPECIAL INSTRUCTIONS: #3888 GIVE PICKER TO CARTIL

PLEASE INSERT NUMBER OF PIECES RECEIVED ☐

THANK YOU FOR YOUR ORDER  
SPECIAL ORDER ITEMS ARE SUBJECT TO A RESTOCKING CHARGE IF RETURNED!

RECEIVED BY: *[Signature]*  
ALL CLAIMS FOR SHORTAGES OR DISCREPANCIES MUST BE MADE WITHIN 3 DAYS  
NO MERCHANDISE TO BE RETURNED WITHOUT OUR CONSENT

DATE: 3/11/85  
PACKED

4 7 8 8 9 7 0 9 6

IM #37



MEMORANDUM

TO: Pat Robertson  
COPY TO: Jerry Curry  
FROM: George Border  
SUBJECT: GB Computer Services, Inc.  
DATE: November 5, 1985

I'm pleased to announce to you that we have made large strides toward accomplishing your charge to me. To wit, to develop a private organization to provide Administrative, Marketing, and Computer services to The Freedom Council, The Freedom Council Foundation, National Perspective Institute, and The Committee For Freedom. I will address the progress to date for each area.

Administrative Services

This functional area has been removed from CBN. Mail delivery, personnel, payroll, accounting, purchasing, banking, donor support (mail opening) functions are being accomplished by GBCS. We have also moved NPI and TFC to new offices. GBCS leased space in the former CBN Greenbrier I. We were able to get the space for much less than NPI, TFC, or CBN personnel. Steve Smith was very helpful.

Marketing Services

This functional area is being accomplished in different ways. The warehousing, mail processing, mailing, and premium fulfillment are being accomplished by GBCS. The fundraising/development is being attended to by TFC and CBN. Most of the major mailings are being dropped by GBCS. I advertised for a heavy weight as per agreement by Jerry Curry, Bob Partlow and myself but have held off interviewing until the direction from current planning becomes firm.

Computer Services

According to plan, we began doing TFC data entry functions to the CBN computer from our remote location. We have been hampered somewhat because we are unable to query the Praise Data base. At the present time, the mail with money must be entered by CBN and all other entries are accomplished by GBCS.

C0935

96043753895

To accomplish the required computer support, we reviewed several options. We selected the System 38 because:

- it was at a reasonable price, \$415,000 for the required hardware and software. We negotiated a loan with the bank for 60% of the cost at one-quarter point over prime.
- the System 38 is a relational data base computer using the latest technology
- we can network the systems, allowing a large growth potential
- the System 38 is easy to program and maintain

In simple terms, we can start small with required growth potential and the flexibility to meet almost any application as they occur.

#### Staffing

We have hired people as required. Some of our staff formerly worked at CBN. We have been blessed with talent in all areas. The one thing we all have in common is the desire to be used of the Lord and support Pat Robertson.

If our clients meet their contractual obligations to us, we will be able to provide quality services in all the designated areas.

Almost without exception, the personnel of CBN, TFC, TFCF, and NPI have been very helpful.

If you have any questions or comments, please call.

*George*

# MEMO



C O N F I D E N T I A L

to: Greg Jackson  
copy to:  
from: Steve Davis  
subject: Merger of GB and TFC  
date: July 21, 1986

On Friday, July 18, I was instructed by George to put together a merger. In my conversation with George, the following steps were listed:

1. CBN pay GB \$75,000 a year for five years, in return \$25,000 of that \$75,000 would be given back in the form of a contribution.
2. TFC and CBN make GB free, without recourse, of all obligations at the bank for equipment purchased which is approximately \$300,000 at this date.
3. TFC and CBN assume responsibility and make GB free and harmless of any leases contracted by GB in regards to rental space for offices, computer locations and warehousing. That TFC and GB would agree upon a market price to ask for his home and TFC and CBN would be responsible for paying interest on that home until sold.
4. TFC becomes owner of all GB capital assets as well as liabilities.

Greg, in regards to a deal and agreement, I feel this is a good agreement for both sides. TFC will be saving, over a period of two years, \$250,000 in income with a reduction of staff at GB. This gives George what he asks for, 1/2 of what he would have made, makes him free and harmless of what he has incurred since living here.

In regards to the \$75,000, George stated to me that he would consider the net \$50,000 salary each year for five years a consulting fee and would come to Virginia Beach quarterly if his expenses were paid.

96043753897

	<u>GB</u> <u>MONTHLY</u>	<u>GB</u> <u>YEARLY</u>	<u>FC</u> <u>MONTHLY</u>	<u>FC</u> <u>YEARLY</u>
Payroll	<del>\$41,888.89</del>	<del>\$502,825.96</del>	\$ 94,711.61	\$1,136,539.30
Warehouse/Computer Rental 10,000 sq. ft.	2,708.33	32,499.96		
Office Rental	2,174.95	26,099.40	6,884.00	82,608.00
Note Payment	11,858.61	142,303.32		
VEPCO	1,502.44	18,029.28		
Other	205.00	2,460.00		
IBM Maintenance	2,400.00	28,800.00		
Insurance	826.64	9,919.68	2,419.58	29,034.96
Payroll Expense	10,462.83	125,553.96	23,677.90	284,134.80
	245.00		352.81	4,233.72
Phone	725.00	8,700.00	2,499.45	29,993.40
Auto Expense	1,600.00	19,200.00	636.00	7,632.00
Gas	200.00	2,400.00	60.00	720.00
Legal	100.00	1,200.00	100.00	1,200.00
Miscellaneous	200.00	2,400.00	500.00	6,000.00
Travel/Entertainment	300.00	3,600.00	16,000.00	192,200.00
Ground Maintenance	150.00	1,800.00		
	<u>\$77,510.13</u>	<u>\$927,181.56</u>	<u>\$147,841.35</u>	<u>\$1,774,295.18</u>
	<u>16,700.13</u>			
Profit 20%	<u>X 15,453.03</u>	<u>185,442.00</u>		
	<u>\$92,963.16</u>	<u>\$1,112,623.56</u>	<u>\$147,841.35</u>	<u>\$1,774,295.18</u>
	<u>SAVINGS</u>			
Payroll	\$ 7,410.28	\$ 88,923.36		
Auto Expense	1,000.00	12,000.00		
Payroll Expense	1,852.57	22,230.84		
20% Profit	<u>15,453.03</u>	<u>185,442.00</u>		
	<u>\$25,715.88</u>	<u>\$ 308,596.20</u>		
FC Rent	6,884.00	82,608.00		
GB Telephone	970.00	11,640.00		
	<u>\$33,569.88</u>	<u>402,844.20</u>		
		<u>X 2</u>		
Saving Remainder of Contract To GB		<u>\$ 805,688.40</u>		
		<u>250,000.00</u>		
Net Saving for Remainder of Contract		<u>\$ 555,688.40</u>		

- ① move FC to GB
- ① leave current FC. save month. say with Jan & 7000
- ② new case - 33 claim cable rent to ship pay for 38



# ALLIED

WAREHOUSE OFFICE PRODUCTS

815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 401-0881

FILE #	CHECKER	PACKER
17	mm	

ORDER NUMBER	ACCOUNT NUMBER	SALES CODE	CUSTOMER PURCHASE ORDER NO	SALESMAN	TAX	CODE	ORDER DATE	ZONE	DEPOS
493459	90425	53	20-171	02	11		04/21/86	11	20

SPECIAL



SOLD TO

G B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO SAME UNLESS SHOWN BELOW

FREEDOM CORP. II  
2134 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

WILL CALL ☐

C.O.D. ☐

ATTN: HENDY

NO	BACK ORDER	QUANTITY ORDERED	QUANTITY SHIPPED	UNIT	BIN LOCATION	STOCK CODE	DESCRIPTION		
1		100	100	EA	S-01	00105	27-100 ADD ROLLS, 2 1/4", 100/CS		
2		1	1	EA	Y-06	01002	CORK BULLETIN BOARD, HARDWOOD FRAME, 24" X 36"	21.18	21.1
3		1	1	EA		ILLS PRICE LIST	MAIL STOCK CATALOG	0.00	0.00

SPECIAL INSTRUCTIONS

PLEASE INSERT NUMBER OF PIECES RECEIVED ☐

RECEIVED BY

S. S. [Signature]

ALL CLAIMS FOR SHORTAGES OR DISCREPANCIES MUST BE MADE WITHIN 3 DAYS  
NO MERCHANDISE TO BE RETURNED WITHOUT OUR CONSENT

DATE

4/2

RECEIVED BY

SPECIAL ORDER ITEMS ARE SUBJECT TO A RESTOCKING CHARGE IF RETURNED

THANK YOU FOR YOUR ORDER

6688575090



# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12580  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 481-0001

CUSTOMER INVOICE

490499	04/21/84	90425	04/24/84	20-171	02	DEPARTMENT 20
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TO

O B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

ATTN : WENDY

1	100 EA	100	00105	27-100 ADD ROLLS, 2 1/4", 100/CB	0.28	28.00
2	EA	1	01002	CORK BULLETIN BOARD, HARDWOOD	21.188	21.19
3	EA	1	ILLB PRICE LIST	SMALL STOCK CATALOG	0.00	0.00
SUBTOTAL						49.19
VIRGINIA SALES TAX					1.97	51.16
THANK YOU						

PLEASE PAY THIS INVOICE WITHIN 30 DAYS FROM INVOICE DATE.

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date.

All non-stock returned merchandise subject to restocking charge.

PLEASE PAY  
THIS AMOUNT

51.16

REMITTANCE COPY MUST BE RETURNED WITH PAYMENT

00949

00689/10000



WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12580  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-8081

CUSTOMER INVOICE

PAGE 2

493454	04/21/86	90425	04/24/86	20-169	02	DEPARTMENT 20
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TO

O B COMPUTER SERVICE, INC  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE  
DOOR A  
CHESAPEAKE VA 23320

ATTN : WENDY

				UNIT PRICE	AMOUNT
10	*NOTE*	THE FOLLOWING SPECIAL ITEM(S) WILL BE SHIPPED AS SOON AS POSSIBLE			
1	EA	J2-83160-7	MAP. US. FOLDED	2.95	0.00
SUBTOTAL					133.31
4.000% VIRGINIA SALES TAX				5.33	138.64

PLEASE PAY FROM THIS INVOICE - PAYMENT DUE 30 DAYS FROM INVOICE DATE.

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date.

All non-stock returned merchandise subject to restocking charge.

PLEASE PAY  
THIS AMOUNT

138.64

INVOICE

1006857100000

ADMINISTRATIVE SERVICES AGREEMENT

*Draft*

THIS AGREEMENT is made and entered into on April 1, 1986, by and between THE FREEDOM COUNCIL (hereinafter referred to as "TFC"), a Virginia non-profit corporation, whose principal office is located at 850 Greenbrier Circle, Suite G, Chesapeake, Virginia 23320, and GS COMPUTER SERVICES, INC., a Virginia corporation, (hereinafter referred to as "Contractor"), whose mailing address is PO Box 1891, Chesapeake, Virginia 23320.

This Agreement is intended to be a modification of the Agreement signed by and between the parties hereto on August 1, 1985.

1. SERVICES TO BE RENDERED. Contractor agrees to provide the following services for the benefit of TFC:

a. General administration of TFC personnel records, payroll and general accounting (for internal purposes only), purchasing activities, and other general administrative services requested by TFC.

b. Administration of the promotion of TFC to the general public in the areas of direct mailing, including direct mail, telemarketing, contributor list management, caging, printing, and warehousing.

c. Administration of computer services for internal recordkeeping, etc.

d. The design, creation or writing of promotional pieces, whether for publishing, broadcast, or other form of distribution.

2. EXCLUSIONS FROM SERVICES. The services to be rendered by Contractor do not include:

a. Ultimate decisions pertaining to the hiring and firing of all TFC employees, wage and salary levels of all TFC employees, the nature and extent of any employee benefits, purchasing decisions, preparation of financial statements for other than internal use and tax return preparation.

b. The solicitation of major gifts from corporations, foundations, and individuals; special events such as rallies, meetings, or fund raisers or receptions designed to promote TFC interest or raise funds. A major gift is defined as a one-time gift of \$500.00 *from a major donor*

96043753903

3. RECORDS, FILES AND INFORMATION. All services rendered by Contractor for TFC shall also be subject to each of the following conditions:

a. All services shall be rendered exclusively for the benefit of TFC, its employees and authorized agents. Contractor shall not in any way commingle its computer records, filing, or other information systems used to render the services contemplated herein with any other computer records, filing or other information systems owned, used or controlled by Contractor or any other person than TFC. Nothing here shall prohibit Contractor from using the same computer to provide similar services to other clients.

b. TFC, through its authorized agents, shall at all times have complete and free access to all records, files, data or other information maintained by Contractor on behalf of TFC.

c. All records, files, data, or other information held or maintained by Contractor on behalf of TFC shall at all times be the exclusive property of TFC notwithstanding Contractor's rendition of services relating thereto, and shall not be used, sold, destroyed or otherwise disposed of except on behalf of TFC pursuant to its prior written instructions.

d. All records, files, data, or other information held or maintained by Contractor on behalf of TFC are confidential, secret and proprietary in nature, and Contractor shall actively prohibit the copying, transmission or disclosure of any of such information, by any means whatsoever, except as necessary for the rendition of services contemplated herein or otherwise as TFC may direct in writing. Any unauthorized "leaking" of such information which becomes known to the Contractor shall be immediately reported to TFC.

~~6-14-86 TFC Contract signed~~  
4. FEES FOR SERVICES. TFC shall pay to Contractor compensation for Contractor's services in the following manner:

a. During the period from August 1, 1985, through July 31, 1986 only, TFC shall pay to Contractor a monthly payment equal to Twenty-Five Thousand (\$25,000.00) Dollars per month. TFC shall pay One-Hundred-Fifty-Thousand (\$150,000.00) Dollars of this payment in advance upon execution of this Agreement and Twenty-Five Thousand (\$25,000.00) Dollars per month on the 1st day of each month from August 1, 1985, up to and including January 1, 1986.

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b. In addition to the sum set forth in paragraph 4(a) above, the Contractor shall submit to TFC an invoice on or before the 15th day of each month itemizing the expenses, or total cost of operation (administrative and operational), incurred by Contractor for the preceding month in order for Contractor to provide the services described herein. The expenses shall be determined based on generally accepted accounting principles and shall consist of cash and accrued expenditures. Furthermore, no single expense or operational costs shall vary more than 25% from "Estimated Cost" as shown on the variable budget agreed to and jointly derived by the Contractor and TFC prior to the time such expense was incurred without the express written consent of TFC. For the months up to and including July, 1986, TFC shall pay to Contractor the invoiced expenses plus 20% within fifteen (15) days after they are submitted. For the months of August, 1987 through July, 1988, TFC shall pay to Contractor the invoiced expenses plus 15% within fifteen (15) days after they are submitted.

Anything to the contrary herein notwithstanding, the payment of any invoiced expenses shall not be deemed conclusive that such expenses were incurred and an annual review shall be made between TFC and Contractor of all invoices submitted. Any discrepancies between expenses invoiced, expenses incurred, and payments made shall be adjusted accordingly.

5. REPORTS. Contractor acknowledges and agrees that it will, in a timely manner, complete and submit every reasonable report and supply all information requested from time to time by TFC.

6. INDEPENDENT CONTRACTOR. Contractor acknowledges and agrees that during the term of this Agreement, and any extension or renewal thereof, it is an independent contractor only and not an employee of TFC.

7. TERMINATION. This Agreement shall commence on April 1, 1986, and shall terminate on July 31, 1988.

8. CONFIDENTIALITY. Commencing on the date first set forth above and continuing in perpetuity thereafter, Contractor shall forever keep confidential all information supplied by TFC or developed by Contractor in the course of its performance of the services hereunder. This includes, but shall not be limited to, membership lists, donor lists, accounting information, financial procedures, business records and data, fundraising and operational procedures, and all other information given to or developed by Contractor.



9. EXCLUSIVE SERVICES. The Contractor shall provide the exclusive services of TFC described in paragraph one above. TFC shall not contract with or allow any other person or entity other than the Contractor to perform such services.

10. NOTICE. Notice hereunder shall be considered properly given on the date of mailing if mailed in an addressed envelope, first class postage prepaid, to the party receiving notice at the address first shown above for that party. Either party hereto may change the address for notice by informing the other party in writing of the notifying party's new address.

11. WAIVER. No waiver of any breach of the performance of any provision set forth in this Agreement shall constitute a waiver of any subsequent or prior breach of performance of the same or of a different provision of this Agreement.

12. INUREMENT AND LIABILITY. Every obligation and duty herein provided for shall be binding upon the successors of each of the parties hereto, and every right and privilege herein provided for shall inure to the benefit of the assigns and successors of each of the parties hereto; provided that Contractor shall not assign this Agreement or delegate duties hereunder without the prior written approval of TFC, which may be arbitrarily withheld.

13. GOVERNING LAW. All questions regarding the validity, interpretation, performance, and enforcement of the terms and provisions of this Agreement shall be governed by the laws of the Commonwealth of Virginia.

14. INTEGRATION, MERGER AND AMENDMENT. The terms and provisions set forth in this written document constitute the entire agreement between the parties hereto, and no provision or statement, express or implied, which is not set forth herein shall be deemed or considered a part of this Agreement. This Agreement may only be amended in writing by a separate document signed by each party hereto, and each such written amendment shall be merged into and shall become a part of this contract.

96043753905

IN WITNESS WHEREOF, the parties hereto have signed  
and executed this Agreement on the date first shown above.

GB COMPUTER SERVICES, INC.

By: \_\_\_\_\_  
George Borden, President

THE FREEDOM COUNCIL

By: \_\_\_\_\_

96043753906



final copy

ADMINISTRATIVE SERVICES AGREEMENT

THIS AGREEMENT is made and entered into on April 1, 1986, by and between THE FREEDOM COUNCIL (hereinafter referred to as "TFC"), a Virginia non-profit corporation, whose principal office is located at 850 Greenbrier Circle, Suite G, Chesapeake, Virginia 23320, and GB COMPUTER SERVICES, INC., a Virginia corporation, (hereinafter referred to as "Contractor"), whose mailing address is PO Box 1891, Chesapeake, Virginia 23320.

This Agreement is intended to be a modification of the Agreement signed by and between the parties hereto on August 1, 1985.

1. SERVICES TO BE RENDERED. Contractor agrees to provide the following services for the benefit of TFC:

a. General administration of TFC personnel records, payroll and general accounting (for internal purposes only), purchasing activities, and other general administrative services requested by TFC.

b. Administration of the promotion of TFC to the general public in the areas of direct marketing, including direct mail, telemarketing, contributor list management, caging, printing, and warehousing.

c. Administration of computer services for internal recordkeeping, etc.

d. The design, creation or writing of promotional pieces, whether for publishing, broadcast, or other form of distribution.

2. EXCLUSIONS FROM SERVICES. The services to be rendered by Contractor do not include:

a. Ultimate decisions pertaining to the hiring and firing of all TFC employees, wage and salary levels of all TFC employees, the nature and extent of any employee benefits, purchasing decisions, preparation of financial statements for other than internal use and tax return preparation.

b. The solicitation of major gifts from corporations, foundations and individuals; special events such as rallies, meetings, fund-raisers and receptions designed to promote TFC interests or raise funds. A major gift is defined as a one-time gift of \$500.00 or more. This paragraph shall in no way limit Contractor's direct mail services under 1 (b) above.

96043753907

3. RECORDS, FILES AND INFORMATION. All services rendered by Contractor for TFC shall also be subject to each of the following conditions:

a. All services shall be rendered exclusively for the benefit of TFC, its employees and authorized agents. Contractor shall not in any way commingle its computer records, filing, or other information systems used to render the services contemplated herein with any other computer records, filing or other information systems owned, used or controlled by Contractor or any other person than TFC. Nothing here shall prohibit Contractor from using the same computer to provide similar services to other clients.

b. TFC, through its authorized agents, shall at all times have complete and free access to all records, files, data or other information maintained by Contractor on behalf of TFC.

c. All records, files, data, or other information held or maintained by Contractor on behalf of TFC shall at all times be the exclusive property of TFC notwithstanding Contractor's rendition of services relating thereto, and shall not be used, sold, destroyed or otherwise disposed of except on behalf of TFC pursuant to its prior written instructions.

d. All records, files, data, or other information held or maintained by Contractor on behalf of TFC are confidential, secret and proprietary in nature, and Contractor shall actively prohibit the copying, transmission or disclosure of any of such information, by any means whatsoever, except as necessary for the rendition of services contemplated herein or otherwise as TFC may direct in writing. Any unauthorized "leaking" of such information which becomes known to the Contractor shall be immediately reported to TFC.

e. Contributor list management is defined as Contractor maintaining TFC contributor list(s) on its computer; update of the list(s) by Contractor as necessary; and the utilization of the list(s) by Contractor as approved or directed by TFC.

4. FEES FOR SERVICES. TFC shall pay to Contractor compensation for Contractor's services in the following manner:

a. During the period from August 1, 1985, through July 31, 1986 only, TFC shall pay to Contractor a monthly payment equal to Twenty-Five Thousand (\$25,000.00) Dollars per month. TFC shall pay One-Hundred-Fifty-Thousand (\$150,000.00) Dollars of this payment in advance upon execution of this Agreement and Twenty-Five Thousand (\$25,000.00) Dollars per month on the 1st day of each month from August 1, 1985, up to and including January 1, 1986.

96043753909

b. In addition to the sum set forth in paragraph 4(a) above, the Contractor shall submit to TFC an invoice on or before the 15th day of each month itemizing the expenses, or total cost of operation (administrative and operational), incurred by Contractor for the preceding month in order for Contractor to provide the services described herein. The expenses shall be determined based on generally accepted accounting principles and shall consist of cash and accrued expenditures. Furthermore, no single expense or operational costs shall vary more than 25% from "Estimated Cost" as shown on the variable budget agreed to and jointly derived by the Contractor and TFC prior to the time such expense was incurred without the express written consent of TFC. For the months up to and including July, 1986, TFC shall pay to Contractor the invoiced expenses plus 20% within fifteen (15) days after they are submitted. For the months of August, 1986 through July, 1988, TFC shall pay to Contractor the invoiced expenses plus 15% within fifteen (15) days after they are submitted.

Anything to the contrary herein notwithstanding, the payment of any invoiced expenses shall not be deemed conclusive that such expenses were incurred and an annual review shall be made between TFC and Contractor of all invoices submitted. Any discrepancies between expenses invoiced, expenses incurred, and payments made shall be adjusted accordingly.

5. REPORTS. Contractor acknowledges and agrees that it will, in a timely manner, complete and submit every reasonable report and supply all information requested from time to time by TFC.

6. INDEPENDENT CONTRACTOR. Contractor acknowledges and agrees that during the term of this Agreement, and any extension or renewal thereof, it is an independent contractor only and not an employee of TFC.

7. TERMINATION. This Agreement shall commence on April 1, 1986, and shall terminate on July 31, 1988.

8. CONFIDENTIALITY. Commencing on the date first set forth above and continuing in perpetuity thereafter, Contractor shall forever keep confidential all information supplied by TFC or developed by Contractor in the course of its performance of the services hereunder. This includes, but shall not be limited to, membership lists, donor lists, accounting information, financial procedures, business records and data, fundraising and operational procedures, and all other information given to or developed by Contractor.

9. EXCLUSIVE SERVICES. The Contractor shall provide the exclusive services of TFC described in paragraph one above. TFC shall not contract with or allow any other person or entity other than the Contractor to perform such services.

10. NOTICE. Notice hereunder shall be considered properly given on the date of mailing if mailed in an addressed envelope, first class postage prepaid, to the party receiving notice at the address first shown above for that party. Either party hereto may change the address for notice by informing the other party in writing of the notifying party's new address.

11. WAIVER. No waiver of any breach of the performance of any provision set forth in this Agreement shall constitute a waiver of any subsequent or prior breach of performance of the same or of a different provision of this Agreement.

12. INDEMNITY AND LIABILITY. Every obligation and duty herein provided for shall be binding upon the successors of each of the parties hereto, and every right and privilege herein provided for shall inure to the benefit of the assigns and successors of each of the parties hereto; provided that Contractor shall not assign this Agreement or delegate duties hereunder without the prior written approval of TFC, which may be arbitrarily withheld.

13. GOVERNING LAW. All questions regarding the validity, interpretation, performance, and enforcement of the terms and provisions of this Agreement shall be governed by the law of the Commonwealth of Virginia.

14. INTEGRATION, MERGER AND AMENDMENT. The terms and provisions set forth in this written document constitute the entire agreement between the parties hereto, and no provision or statement, express or implied, which is not set forth herein shall be deemed or considered a part of this Agreement. This Agreement may only be amended in writing by a separate document signed by each party hereto, and each such written amendment shall be merged into and shall become a part of this contract.

IN WITNESS WHEREOF, the parties hereto have signed  
and executed this Agreement on the date first shown above.

CS COMPUTER SERVICES, INC.

By: \_\_\_\_\_  
George Border, President

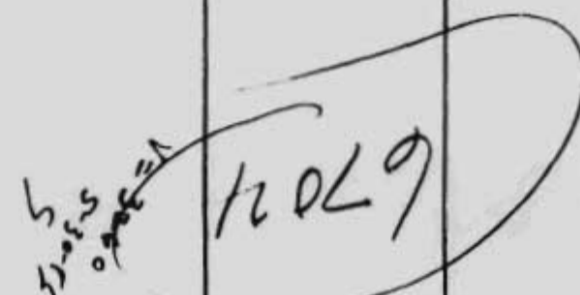
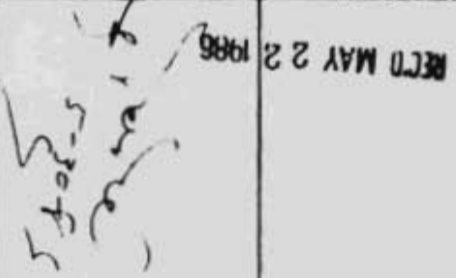
THE FREEDOM COUNCIL

By: \_\_\_\_\_

96043753911

000

ENDOR

IN REF NO	YOUR INV NO	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
04-200						\$5,000.00
<div style="text-align: center;">  </div>						
<div style="text-align: center;">  </div>						

CHECK TWO

THE FREEDOM COUNCIL, INC

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
888-M OBERLIN CIRCLE, SUITE 101  
CHESAPEAKE, VA 22030

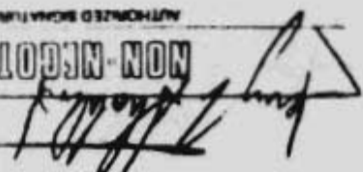
DOMINION BANK  
NORFOLK, VA 23501

001130

CHECK NO	CHECK DATE	VERNOR NO
001130	5/16/86	070250

CHECK AMOUNT
\$5,000.00

NON-NEGOTIABLE  
AUTHORIZED SIGNATURE



CB Computer Services, Inc.

Five thousand and 00/100

001130 051401320 55234870

9 6 0 4 3 7 5 3 9 1 2

00956



ENDOR

THE FREEDOM COUNCIL, INC

CHECK NO

070250

001675

R REF. NO	YOUR INV NO	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
3447	26-A	02/28/86	40,000.00	34,506.19	.00	34,506.19
3587	36	05/22/86	76,264.88	493.81	.00	493.81
CHECK TOTAL						35,000.00

67041-

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT

885-M GREENHAWK CIRCLE, SUITE 101  
CHESAPEAKE, VA 23320DOMINION BANK  
NORFOLK, VA 2350188-132  
514

001675

CHECK NO	CHECK DATE	VENUE NO
001675	07/08/86	070250

CHECK AMOUNT

\$\*\*\*35,000.00

THIRTY-FIVE THOUSAND AND 00/100 DOLLARS\*\*\*\*\*

GB Computer Services, Inc  
P O Box 2442  
Chesapeake, Va

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

⑈001675⑈ ⑈051401328⑈

55234867⑈

21625754096



00222

616

CHECK NO	CHECK DATE	VI NIK (M NO)
	12/19/86	

\$514.00

Five hundred fourteen and 00/100

**CS Computer Services**

**PAY  
TO THE  
ORDER OF**

**AUTHORIZED SIGNATURE**

1000051400

9 6 0 4 3 7 5 3 9 1 4

THE FREEDOM COUNCIL, INC.  
 MAIN ACCOUNT  
 825-M GREENBERRYMAN CIRCLE, SUITE 101  
 CHESAPEAKE, VA 23320

DOMINION BANK  
 NORFOLK, VA 23501  
 66-127  
 814

002217

Five hundred sixty-three and 00/100

PAY  
 TO THE  
 ORDER OF CB Computer Services, Inc.

CHECK NO	CHECK DATE	VERIFIED BY
	12/11/86	

CHECK AMOUNT
\$563.00

*W. J. Dean*  
 AUTHORIZED SIGNATURE

#002217# #051401328# 55234867# #0000056300#

1 2 3 4 5 6 7 8 9 0

5 1 6 3 5 7 3 4 0 9 6

# THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
838-44 GREENBUSH CIRCLE, SUITE 101  
CHESAPEAKE, VA 23320

DOMINION BANK  
NORFOLK, VA 23501  
8-138  
514

002221

CHECK NO	CHECK DATE	WEIXER NID
	12/19/86	

CHECK AMOUNT
\$65,400.00

Sixty-five thousand four hundred and 00/100

PAY  
TO THE  
ORDER OF

GB Computer Services, Inc.

*[Signature]*  
AUTHORIZED SIGNATURE

#002221# 0514013280

55234867#

#00065400000#

91635724096

C0961

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
800-M GRESHAM CIRCLE, SUITE 101  
CHESAPEAKE, VA 23030

DOMINION BANK  
HONOLULU, VA 23001

002216

814

CHECK NO	CHECK DATE	VERIFIED BY
	12/11/86	

CHECK AMOUNT
\$10,296.47

Ten thousand two hundred ninety-six and 47/100

PAY  
TO THE  
ORDER OF

GB Computer Services, Inc.

*[Signature]*  
AUTHORIZED SIGNATURE

⑈002216⑈ ⑆051401328⑆

55234867⑈

⑈0001029647⑈

71635134096

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
825-M GREENWICH CIRCLE, SUITE 101  
CHESAPEAKE, VA 23320

DOMINION BANK  
NORFOLK, VA 23501  
BR-132  
514

002213

CHECK NO	CHECK DATE	VERIFICATION NO
	12/10/86	

CHECK AMOUNT
\$65,400.00

Sixty-five thousand four hundred and 00/100

PAY  
TO THE  
ORDER OF

GB Computer Services, Inc.

*Robert W. Smith*  
AUTHORIZED SIGNATURE

#002213# #0514013281

55234867#

#0006540000#

81635734096

THE FREEDOM COUNCIL, INC.

CHECK NO.

INSTR. NO.	YOUR INV. NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
114-200		PROVIDENT INSURANCE - OCTOBER 1986				\$3,878.57
5714						

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT

685-14 GREENSBORO CIRCLE, SUITE 101

GREENSBORO, VA 22389

DOMINION BANK  
NORFOLK, VA 23501

001495

6-158  
514

CHECK NO.	CHECK DATE	VENUE NO.
	10/21/86	

CHECK AMOUNT
\$3,878.57

Thirty eight hundred seventy-eight and 57/100

CS Computer Services, Inc.

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

00014950 00514013280

552348570

61635734096

C0962





# INVOICE

13951

## JONES PRINTING SERVICE, INC.

1911 SPARROW ROAD • CHESAPEAKE, VIRGINIA 23320 • TELEPHONE (804) 424 5214  
(Oct. 1<sup>st</sup>, 1986)

G.H. COMPUTER SERVICES  
P.O. Box 2442  
Chesapeake, Va. 23320

*Station (continued)*  
Incl. Ticket # 15095 9/19/86

500 - Purchase of equipment, printed in black ink on w/c/p 1 part carbonless  
sheet, 8 1/2 x 11..... \$13.50  
Tax..... 4.51  
Total..... \$18.01

Thank you.

PLEASE PAY FROM SERVICE AND STATEMENT WILL BE SENT  
NET TERMS 30 DAYS FROM DATE OF SERVICE.

1263574096

00000

THE FREEDOM COUNCIL, INC.

CHECK NO.

INSTR. NO.	YOUR INV. NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
INSURANCE			5114-3, 26704-22, 957.04 323.07			\$26,280.11

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
88-11 GREENBUSH CIRCLE, SUITE 101  
CHESAPEAKE, VA 23320

DOMINION BANK  
NEWPORT, VA 23601

001478

88-128  
814

CHECK NO.	CHECK DATE	VENDOR NO.
	10/2/86	

Twenty six thousand two hundred eighty and 11/100

CHECK AMOUNT
\$26,280.11

Computer Services, Inc.

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

0001478# 0051401328#

55234867#

22635727096

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12599  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-8091

CUSTOMER INVOICE

INVOICE NUMBER	INVOICE DATE	CUSTOMER ORDER NUMBER	QUANTITY	DEPARTMENT
51145681	07/30/86	90425	08/11/86	20189
			02	
				20

TO

G B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME LINE FOR ORDER AFTER FIRST)

FREEDOM COUNCIL  
2133 SMITH AVE  
DOOR A  
CHESAPEAKE VA 23320

ATTN: WENDY

QUANTITY	ITEM NUMBER	DESCRIPTION	UNIT PRICE	AMOUNT
12 EA	12 09152	R68-A PENTEL HI-ROLLER PEN	0.623	7.48
		SUBTOTAL		7.48

PLEASE PAY FROM THIS INVOICE - TERMS: NET DUE UPON PRESENTATION.  
SENT TO BOX 12599 NORFOLK, VA. 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date.  
All non-stock returned merchandise subject to restocking charge.

PLEASE PAY  
THIS AMOUNT

7.48

INVOICE

8 2 6 8 9 7 2 4 0 9 6

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12580  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-8001

CUSTOMER INVOICE

INVOICE NUMBER	INVOICE DATE	CUSTOMER ORDER NUMBER	ALLIED	DEPARTMENT
48528781	03/05/86 90425	03/13/86 20-157	02	20

TO

O B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME OR DIFFERENT ADDRESS BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
4 EA	6 13113 543-MC-60 MICRO-DICTATING	4.763	28.58
SUBTOTAL			28.58
4.000% VIRGINIA SALES TAX			1.14
			29.72

PLEASE PAY BY 15 DAYS FROM INVOICE DATE.

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date.

All non-stock returned merchandise subject to restocking charge.

PLEASE PAY  
THIS AMOUNT

29.72

REMITTANCE COPY-MUST BE RETURNED WITH PAYMENT

4 2 6 8 5 7 5 3 9 2 4

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12500  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-8091

CUSTOMER INVOICE

484163	03/11/84	90425	03/13/84	20163	02	DEPARTMENT 20
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TO

O B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

ATTN : CANNOT READ

		ATTN : CANNOT READ		
QTY	ITEM NO	DESCRIPTION	UNIT PRICE	AMOUNT
4 EA	10927	B3100-01 GUN MULTI-STRIKE IV	8.713	52.28
		SUBTOTAL		52.28
		4.000% VIRGINIA SALES TAX	2.09	54.37
THANK YOU				
PLEASE PAY THIS AMOUNT				
54.37				

PLEASE PAY FROM THIS NUMBER - PAYMENT DUE 30 DAYS FROM INVOICE DATE.  
REMIT TO BOX 12500 NORFOLK, VA 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date  
All non-stock returned merchandise subject to restocking charge

PLEASE PAY  
THIS AMOUNT

REMITTANCE COPY MUST BE RETURNED WITH PAYMENT

5 2 6 2 5 7 2 4 0 9 6



# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12599  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 481-6091

CUSTOMER INVOICE

10  
11  
12  
13  
14

INVOICE NUMBER	INVOICE DATE	CUSTOMER ORDER NUMBER	SALESMAN	SHIP VIA	DEPARTMENT
48529481	03/05/84 90425	03/13/84 20-159	02		20

TO

Q B COMPUTER SERVICE, INC.  
P. O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

QUANTITY	UNIT	ITEM NUMBER	DESCRIPTION	UNIT PRICE	AMOUNT
6	EA	13113	543-MC-60 MICRO-DICTATING	4.763	28.58
SUBTOTAL					28.58
4.000% VIRGINIA SALES TAX				1.14	29.72

PLEASE PAY FROM THIS INVOICE - PAYMENT DUE 30 DAYS FROM INVOICE DATE.

MENT TO BOX 12599 NORFOLK, VA. 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date

All non-stock returned merchandise subject to restocking charge

PLEASE PAY  
THIS AMOUNT

29.72

INVOICE

9 7 6 8 9 1 1 0 9 8

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12500  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-0081

CUSTOMER INVOICE

INVOICE NUMBER		INVOICE DATE		CUSTOMER ORDER NUMBER		DEPARTMENT	
486447		03/12/84		90425		03/13/84 20-163	
						02	
						20	

TO

O B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE  
DOOR A  
CHESAPEAKE VA 23320

ATTN : WENDY

ITEM				QUANTITY		UNIT PRICE		AMOUNT	
1	24	EA	24	00722	08201 RING BINDER, 1", BLACK	1.52		36.48	
2	24	ST	24	00707	K118911CL RING BINDER INDEX	0.57		13.68	
3	10	EA	10	09907	4006 PHONE CALL RECORD BOOK	4.95		49.50	
*NOTE* THE FOLLOWING SPECIAL ITEM(S) WILL BE SHIPPED AS SOON AS POSSIBLE						6.20		0.00	
4	20	RM		P1-0X9801-P	PAPER, ZERO, WE, 8, 9X11, 200				
SUBTOTAL								99.66	
6.0003 VIRGINIA SALES TAX						3.99		103.65	

PLEASE PAY FROM THIS INVOICE \* PAYMENT DUE 30 DAYS FROM INVOICE DATE  
NEW 10 BOX 12500 NORFOLK, VA 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date

All non-stock returned merchandise subject to restocking charge

PLEASE PAY  
THIS AMOUNT

103.65

REMITTANCE COPY-MUST BE RETURNED WITH PAYMENT

1 7 6 8 5 7 5 0 9 6

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12500  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-8001

CUSTOMER INVOICE

48529481	03/05/84	90425	03/13/86	20-159	02	DEPARTMENT 20
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TO

G B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

			UNIT PRICE	AMOUNT
EA	13113	543-MC-60 MICRO-DICTATING	4.763	28.58
SUBTOTAL				28.58
4.000% VIRGINIA SALES TAX			1.14	29.72

THANK YOU

PLEASE PAY FROM THIS INVOICE - PAYMENT DUE 30 DAYS FROM INVOICE DATE.  
SEND TO BOX 12500 NORFOLK, VA. 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date  
All non-stock returned merchandise subject to restocking charge

PLEASE PAY  
THIS AMOUNT

29.72

REMITTANCE COPY-MUST BE RETURNED WITH PAYMENT

8 2 6 2 5 1 1 0 9 6

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12500  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 481-8091

CUSTOMER INVOICE

INVOICE DATE: 03/13/84						DEPARTMENT
486163	03/11/84	90425	03/13/84	20163	02	20

TO

O B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

ATTN : CANNOT READ

ITEM NO.		DESCRIPTION		UNIT PRICE	AMOUNT
EA	10927	83100-01 GUN MULTI-STRIKE IV		8.713	52.28
		SUBTOTAL		->	52.28
		4.000% VIRGINIA SALES TAX		2.09	54.37

PLEASE PAY FROM THIS INVOICE - PAYMENT DUE 30 DAYS FROM INVOICE DATE.

SENT TO BOX 12500 NORFOLK, VA. 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date

All non-stock returned merchandise subject to restocking charge

PLEASE PAY  
THIS AMOUNT

54.37

INVOICE

67685711056

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12599  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-8091

CUSTOMER INVOICE

ORDER NO.	ORDER DATE	QUANTITY	UNIT PRICE	TOTAL	DEPARTMENT
48528781	03/05/84	90425	03/13/84	20-157	02
					20

TO

G B COMPUTER SERVICE, INC.  
P. O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNITS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

QTY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT
6	EA	6 13113	543-MC-60 MICRO-DICTATING	4.763
				28.58
			SUBTOTAL	28.58
			4.000% VIRGINIA SALES TAX	1.14
				29.72

PLEASE PAY FROM THIS INVOICE \* PAYMENT DUE 30 DAYS FROM INVOICE DATE.

MENT TO BOX 12599 NORFOLK, VA 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date

All non stock returned merchandise subject to restocking charge

PLEASE PAY  
THIS AMOUNT

29.72

INVOICE

0 6 8 9 1 3 6 9 0

00972

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12589  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-8001

CUSTOMER INVOICE

486447	03/12/84	90428	03/13/84	20-145	02	DEPARTMENT 20
--------	----------	-------	----------	--------	----	------------------

TO

G B COMPUTER SERVICE, INC.  
P. O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

ATTN : WENDY

QUANTITY		UNIT PRICE		EXTENDED		AMOUNT
24	EA	24	00722	05201 RING BINDER, 1", BLACK	1.52	36.48
24	BT	24	00707	K118511CL RING BINDER INDEX	0.57	13.68
10	EA	10	09907	4006 PHONE CALL RECORD BOOK	4.95	49.50
*NOTE* THE FOLLOWING SPECIAL ITEM(S) WILL BE SHIPPED AS SOON AS POSSIBLE						
20	RM		P1-0X9001-P	PAPER, XERO, HE, 8.5X11, 200	4.20	0.00
SUBTOTAL						99.66
4.000% VIRGINIA SALES TAX					3.99	103.65

PAID BY DEBIT CARD - PAYMENT DUE 30 DAYS FROM INVOICE DATE

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date

All non-stock returned merchandise subject to restocking charge

PLEASE PAY  
THIS AMOUNT

103.65

INVOICE

1 9 6 2 5 7 2 4 0 9 6



0000

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12599  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 461-6091

CUSTOMER INVOICE

⊕

00976

INVOICE NUMBER	INVOICE DATE	CUSTOMER ORDER NUMBER	SALESMAN	DEPARTMENT
478745	01/30/86	90425	02	20

TO

SHIP TO (SAME UNIT NUMBER AS ORDER)

O B COMPUTER SERVICE, INC.  
P O BOX 2442  
CHESAPEAKE, VA 23320

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

ATTN - GREGORY

ITEM NUMBER	DESCRIPTION	UNIT PRICE	AMOUNT
1 4 ST 4 06016	94420 PENDAFLEX FRAMES, LETTER	3.472	13.89
*NOTE* THE FOLLOWING SPECIAL ITEM(S) WILL BE SHIPPED AS SOON AS POSSIBLE			
2 2 EA R1-21602	STAMPER, ROTARY, RECVD, DTR	39.95	0.00
SUBTOTAL			13.89
4.000% VIRGINIA SALES TAX			14.45

PLEASE PAY FROM THIS INVOICE - PAYMENT DUE 30 DAYS FROM INVOICE DATE.

SHIP TO BOX 12599 NORFOLK, VA. 23502

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date.

All non stock returned merchandise subject to restocking charge.

PLEASE PAY  
THIS AMOUNT

14.45

INVOICE

2 6 8 9 7 7 0 9 6



6704-200						\$20,000.00
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THE FREEDOM COUNCIL, INC.  
MAIN ACCOUNT  
888-M BREWSTER CIRCLE SUITE 101  
CHESAPEAKE VA 23820

DOMINION BANK  
NORFOLK VA 23501  
00-120  
\$14

000514

CHECK NO	CHECK DATE	VENDOR NO
000514	1/27/86	070250

Twenty thousand and 00/100

CHECK AMOUNT
\$20,000.00

PAID  
TO THE  
ORDER OF

GB Computer Services, Inc.

APPROVED SIGNATURE

#000514# 4051401328C 55234867#

96043753933

C0977



LIFE INSURANCE COMPANY OF NORTH AMERICA  
a CIGNA company

GROUP PREMIUM REPORT

PO BOX 8500 KNO • PHILADELPHIA, PA 19108



POLICYHOLDER G8 Computer Services POLICY NUMBER Co 7404

DIVISION Personnel PREMIUM DUE DATE 1-1-86 STOP LOSS ☐ GEX-  
POLICY NUMBER ☐ GEL-

SERVICE OFFICE

INSURANCE COVERAGE		1 TOTAL FROM LINE 4 ON PREVIOUS REPORT	2 ADDITIONS SINCE LAST REPORT	3 TERMINATIONS SINCE LAST REPORT	4 TOTAL IN FORCE ON PREMIUM DUE DATE	5 RATE	6 CURRENT PREMIUM DUE	7 BACK ADJUSTMENTS	8 PREMIUM DUE
BASIC LIFE	NUMBER OF EMPLOYEES	35	-	-	35	PER \$1,000			
	AMOUNT OF INSURANCE	1,768,000	8,000		1,776,000	.31	550.56		4 550.56
SUPPLEMENTAL LIFE	NUMBER OF EMPLOYEES					PER \$1,000			
	AMOUNT OF INSURANCE								
DEPENDENT LIFE	NUMBER OF EMPLOYEES					PER \$1			
	AMOUNT OF INSURANCE								
ACCIDENT DEATH AND DISMEMBERMENT BENEFIT	NUMBER OF EMPLOYEES	35	-	-	35	PER \$1,000			
	AMOUNT OF INSURANCE	1,768,000	8,000		1,776,000	.04	71.04		6 71.04
SICKLEAVE BENEFIT	NUMBER OF EMPLOYEES	35	-	-	35	PER \$10			
	AMOUNT OF INSURANCE	10,199.99	46.15		10246.14	.50	512.30		4 512.30
SPECIFIC STOP LOSS	NUMBER OF EMPLOYEES ONLY					PER \$1			
	NUMBER OF EMPLOYEES AND DEPENDENTS					PER \$1			
MEDICAL CONVEYANCE	NUMBER OF EMPLOYEES ONLY					PER \$1			
	NUMBER OF EMPLOYEES AND DEPENDENTS					PER \$1			
TOTAL PREMIUM DUE									

SEE THE REVERSE SIDE OF THIS FORM FOR INSTRUCTIONS

TOTAL PREMIUM DUE

\$ 1133.90

MAKE CHECKS PAYABLE TO CIGNA

5 6 8 8 1 2 4 0 9 6

LIFE INSURANCE COMPANY OF NORTH AMERICA  
a CIGNA company

GROUP PREMIUM REPORT

PO. BOX 8500 KID - PHILADELPHIA, PA 19108



POLICYHOLDER CB Computer Services

POLICY NUMBER Co 7404

DIVISION Personnel Services

PREMIUM DUE DATE 1-1-84

STOP LOSS ☐ GLX  
POLICY NUMBER ☐ GEL

SERVICE OFFICE

INSURANCE COVERAGE		1 TOTAL FROM LINE 4 OR PREVIOUS REPORT	2 ADDITIONS SINCE LAST REPORT	3 DEDUCTIONS SINCE LAST REPORT	4 TOTAL IN FORCE ON PREMIUM DUE DATE	5 RATE	6 CURRENT PREMIUM DUE	7 BACK ADJUSTMENTS	8 PREMIUM DUE
BASIC LIFE	NUMBER OF EMPLOYEES	35	-	-	35	PER \$1,000			
	AMOUNT OF INSURANCE	1,768,000	8,000		1,776,000	.31	550.56		4,550.56
SUPPLEMENTAL LIFE	NUMBER OF EMPLOYEES					PER \$1,000			
	AMOUNT OF INSURANCE								
DEPENDENT LIFE	NUMBER OF EMPLOYEES					PER \$1			
	AMOUNT OF INSURANCE								
ACCIDENTAL DEATH AND DISMEMBERMENT	NUMBER OF EMPLOYEES	35	-	-	35	PER \$1,000			
	AMOUNT OF INSURANCE	1,768,000	8,000		1,776,000	.04	71.04		6,71.04
HEALTH DISABILITY	NUMBER OF EMPLOYEES	35	-	-	35	PER \$10			
	AMOUNT OF INSURANCE	10,149.99	46.15		10,246.14	.50	512.30		4,512.30
SPECIAL LIFE	NUMBER OF EMPLOYEES					PER \$1			
	AMOUNT OF INSURANCE								
SPECIAL LIFE	NUMBER OF EMPLOYEES					PER \$1			
	AMOUNT OF INSURANCE								
SPECIAL LIFE	NUMBER OF EMPLOYEES					PER \$1			
	AMOUNT OF INSURANCE								

SEE THE REVERSE SIDE OF THIS FORM FOR INSTRUCTIONS

TOTAL PREMIUM DUE

\$ 1,133.90

MAKE CHECKS PAYABLE TO CIGNA

9 6 0 4 3 7 5 3 9 6

# MEMO

to: GB Mail Dept.  
copy to:  
from: Maureen Garrett  
subject: UPS mailing  
date: July 15, 1986

Please would you insure for \$150 the enclosed set of slides and audio cassette, and mail by UPS to

Mrs. Catherine Millard  
Christian Heritage Tours, Inc.  
7808 Daybreak Court  
Alexandria, VA 22306

Thank you.

96043753937

UR REF NO	YOUR INV NO	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
.704-200						\$5,000.00

THE FREEDOM COUNCIL, INC.  
 MAIN ACCOUNT  
 825-M GREENBRIAR CIRCLE SUITE 101  
 CHESAPEAKE VA 23320

DOMINION BANK  
 NORFOLK, VA 23501  
 88-132  
 514

001105

CHECK NO	CHECK DATE	VENDOR NO
001105	5/5/86	070250

CHECK AMOUNT
\$5,000.00

Five thousand and 00/100

PAY  
 TO THE  
 ORDER OF

GB Computer Services, Inc.

*Lois D. Brown*  
 AUTHORIZED SIGNATURE

⑈001105⑈ ⑆051401328⑆ 55234867⑈



"The Full Service Company"



GB COMPUTER SERVICES, INC. INVOICE #52

October 15, 1986

The Freedom Council  
850 Greenbrier Circle  
Suite G  
Chesapeake, VA 23320

Per our agreement dated September 1, 1985, please find our billing  
for GB Computer Services, Inc. for services rendered from September 16  
through October 15, 1986.

TOTAL DUE \$103,323.91

96043753939

THE FREEDOM COUNCIL

Billing for Services Rendered

September 16 through October 15, 1986

INVOICE #52

Allocation of expenses in relation to  
work performed

\$68,936.11

15% Service Agreement

10,340.41

Direct Expenses:

Provident Life & Acc. Ins.	3,878.57
Commonwealth of VA	425.00
MCI	1,023.51
Computer	20,872.60

26,199.60

Postage

970.92  
106,447.12

Deduct:

Money earned for services performed for Eimskip

-2,053.00

Refund from software company for overpayment

-1,070.21

TOTAL DUE

\$103,323.91

96043753940

BILL OF LABOR BY TRAVIS U. TAYLOR

LABELING @ \$12.00 PER TROUS.	\$480.00	40,000
LABOR @ \$8.00 PER HOUR	\$68.00	8.5
SET-UP CHARGE	\$15.00	
	<hr/>	
TOTAL AMOUNT DUE	\$563.00	

MAKE CHECK PAYABLE TO: TRAVIS U. TAYLOR I

14  
2 16  
2217

PD by  
S.B. Computer Svc  
12/1/86

26043753941

*GP Computer Services*

UNITED MEDICAL	\$ 1,812.90
BC/BS	1,220.72
CONNECTICUT GEN.	2,329.00
INA	839.57
LINA	1,982.98
HMO PLUS	756.65
HEALTH AMERICA	670.45
VA DEPT. OF TAXATION	1,112.82
SOVRAN BANK	3,601.80
GB PAYROLL	10,370.99
IRS	<u>1,582.23</u>

\$26,280.11

*PK*  
*10/6/86*  
*#1478*

"The Full Service Company"



GB COMPUTER SERVICES, INC. INVOICE #46

August 15, 1986

The Freedom Council  
850 Greenbrier Circle  
Suite G  
Chesapeake, VA 23320

Per our agreement dated September 1, 1985, please find our billing for  
GB Computer Services, Inc. for services rendered from July 16 through  
August 15, 1986.

TOTAL DUE \$138,405.73

0304753943

THE FREEDOM COUNCIL

Billing for Services Rendered

July 16 through August 15, 1986

INVOICE #46

Allocation of expenses in relation to work performed thru July 31	62,992.19
---	-----------

Allocation of expenses in relation to work performed thru August 15	30,899.02
---	-----------

20% Service Agreement of July 31 allocation	12,598.44
---	-----------

15% Service Agreement of August 15 allocation	4,634.85
---	----------

Direct Expenses:

Postmaster	6,250.00	
Postmaster	4,500.00	
Va. Employment Comm.	98.08	
Michigan Dept. of Revenue	3,253.13	
N.C. Tax Commission	1,122.83	
Fla. Unemploy. Comp. Fund	370.53	
LA Dept. of Revenue	153.44	
Office of Employ. Security	28.61	
Dept. of Industrial Relations	35.31	
Texas Employ. Comm.	316.05	
Va. Dept. of Taxation	1,316.45	17,444.43

Postage	11,779.80
---------	-----------

TOTAL AMOUNT DUE	140,348.73
------------------	------------

Reduced for work performed for Eimskip	1,943.00
--	----------

GRAND TOTAL	\$138,405.73
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96043753944

"The Full Service Company"



GB COMPUTER SERVICES, INC. INVOICE # 43

July 16, 1986

The Freedom Council  
850 Greenbrier Circle  
Suite G  
Chesapeake, VA 23320

Per our agreement dated September 1, 1985, please find  
our billing for GB Computer Services, Inc. for services  
rendered from June 16 thru July 15, 1986.

TOTAL DUE \$109,772.61

070250

07/16/86

6703-200

✓ ~ 3823  
7-24-86

109772.61

96043753945



100 100 100  
 100 100 100  
 100 100 100

1995-1996

42.25

[illegible]

3-2785

10. DUE DATE \_\_/\_\_/\_\_

12. DISC DATE   /  /  

14. DISC AMT \_\_\_\_\_

**AMOUNT**

(43) 10

Confidential

C1032

"The Full Service Company"



GB INVOICE #11

November 15, 1985

Freedom Council Foundation  
825-M Greenbrier Circle Drive  
Chesapeake, Virginia 23320

Per our agreement dated August 1, 1985, please find our billing  
for GB Computer Services, Inc. for services rendered for the  
month of October 1985.

TOTAL \$3,665.66

Post Office Box 2442 • Chesapeake, Virginia 23320 • Phone (804) 424-1155

C1033

96043753947

"The Full Service Company"



THE FREEDOM COUNCIL FOUNDATION  
Billing for Services Rendered  
October 16 through November 15, 1985

INVOICE #11

Telephone monthly cost	\$ 69.87
Allocation of expenses in relation to work performed	2,984.85
20% Service Agreement	<u>610.94</u>
TOTAL	\$3,665.66

96043753948

ADMINISTRATIVE SERVICES AGREEMENT

OLD  
CONTRACT  
NOT  
EXECUTED

THIS AGREEMENT is made and entered into as of August 1, 1985, by and between THE FREEDOM COUNCIL (hereinafter referred to as "TFC"), a Virginia non-profit corporation, whose principal office is located at 825 Greenbrier Circle, Suite 101, Chesapeake, Virginia 23320, and GS COMPUTER SERVICES, INC., a Virginia corporation, (hereinafter referred to as "Contractor"), whose mailing address is P.O. Box 1891, Chesapeake, Virginia 23320.

1. SERVICES TO BE RENDERED. Contractor agrees to provide the following services for the benefit of TFC:

a. General administration of TFC personnel, records, payroll and general accounting (for internal purposes only), purchasing activities, and other general administrative services requested by TFC.

b. Administration of the promotion of TFC to the general public, including development and marketing activities, such as advertising, fundraising, direct mailing, contributor list management, printing, art work, and warehousing.

c. Administration of computer services for internal recordkeeping, etc.

2. EXCLUSIONS FROM SERVICES. The services to be rendered by Contractor do not include the following activities, which remain under the exclusive control of TFC:

a. The hiring and firing of all TFC employees, wage and salary levels of all TFC employees, the nature and extent of any employee benefits, purchasing decisions, preparation of financial statements for other than internal use and tax return preparation.

b. The design, creation or writing of promotional pieces, whether for publishing, broadcast, or other form of distribution.

c. The establishment or maintenance of any supplementary, complementary, or substantially identical administrative systems, records, files or data by TFC.

d. Any other services which TFC may designate in a signed writing to be excluded from the terms of this Agreement, which exclusions shall not affect the fees for services specified herein. No services other than those described herein shall be performed by Contractor for TFC by reason of this Agreement.

3. RECORDS, FILES AND INFORMATION. All services rendered by Contractor for TFC shall also be subject to each of the following conditions:

Agency  
Contract  
is necessary

no change

96043753949

a. All services shall be rendered exclusively for the benefit of TFC, its employees and authorized agents. Contractor shall not in any way commingle its computer, records, filing, or other information systems used to render the services contemplated herein with any other computer, records, filing or other information systems owned, used or controlled by Contractor or any other person than TFC.

b. TFC, through its authorized agents, shall at all times have complete and free access to all records, files, data or other information maintained by Contractor on behalf of TFC. Contractor hereby waives any liens, claims of ownership or authorship or right to otherwise restrict such access by TFC for any reason whatsoever.

c. All records, files, data, or other information held or maintained by Contractor on behalf of TFC shall at all times be the exclusive property of TFC notwithstanding Contractor's rendition of services relating thereto, and shall not be used, sold, destroyed or otherwise disposed of except on behalf of TFC pursuant to its prior written instructions.

d. All records, files, data, or other information held or maintained by Contractor on behalf of TFC are confidential, secret and proprietary in nature, and Contractor shall actively prohibit the copying, transmission or disclosure of any of such information, by any means whatsoever, except as necessary for the rendition of services contemplated herein or otherwise as TFC may direct in writing. Any unauthorized "leaking" of such information which becomes known to the Contractor shall be immediately reported to TFC.

4. FEE FOR SERVICES. TFC shall pay to Contractor compensation for Contractor's services in the following manner:

a. During the period from August 1, 1985, through July 31, 1986 only, TFC shall pay to Contractor a monthly retainer equal to Twenty-Five Thousand (\$25,000.00) Dollars per month. TFC shall pay One-Hundred-Fifty-Thousand (\$150,000.00) Dollars of this retainer in advance upon execution of this Agreement and Twenty-Five Thousand (\$25,000.00) Dollars per month on the 1st day of each month from August 1, 1985, up to and including January 1, 1986.

b. In addition to the sum set forth in paragraph 4(a) above, the Contractor shall submit to TFC an invoice on or before the 15th day of each month itemizing the expenses incurred by Contractor for the preceding month in order for Contractor to provide the services described herein. The expenses shall be determined based on generally accepted accounting principles and shall consist of cash expenditures less depreciation. Furthermore no single expense shall vary more than 10% from the "Estimated Expense Cost" furnished at the beginning of each year by Contractor to TFC without the express written consent of TFC.

C1037

6043753950

\$50,000 paid  
1/10/86  
interim payment

15-970  
For the months up to and including July, 1986 TFC shall pay to Contractor the invoiced expenses plus 20% within fifteen (15) days after they are submitted. For the months of August, 1986 through July, 1987, TFC shall pay to Contractor the invoiced expenses plus 10% within fifteen (15) days after they are submitted. For the months of August, 1987 through July, 1988, TFC shall pay to Contractor the invoiced expenses plus 5% within fifteen (15) days after they are submitted. 2-10%

Anything to the contrary herein notwithstanding, the payment of any invoiced expenses shall not be deemed conclusive that such expenses were incurred and an annual review shall be made between TFC and Contractor of all invoices submitted. Any discrepancies between expenses invoiced, expenses incurred, and payments made shall be adjusted accordingly.

5. REPORTS. Contractor acknowledges and agrees that it will, in a timely manner, complete and submit every report and supply all information requested from time to time by TFC.

6. INDEPENDANT CONTRACTOR. Contractor acknowledges and agrees that during the term of this Agreement, and any extension or renewal thereof, it is an independant contractor only and not an employee of TFC.

7. TERMINATION. This Agreement shall commence on August 1, 1985, and shall terminate on July 31, 1988.

8. CONFIDENTIALITY. Commencing on the date first set forth above and continuing in perpetuity thereafter, Contractor shall forever keep confidential all information supplied by TFC or developed by Contractor in the course of its performance of the services hereunder. This includes, but shall not be limited to, membership lists, donor lists, accounting information, financial procedures, business records and data, fundraising and operational procedures, and all other information given to or developed by Contractor.

9. NOTICE. Notice hereunder shall be considered properly given on the date of mailing if mailed in an addressed envelope, first class postage prepaid, to the party receiving notice at the address first shown above for that party. Either party hereto may change the address for notice by informing the other party in writing of the notifying party's new address.

10. WAIVER. No waiver of any breach of the performance of any provision set forth in this Agreement shall constitute a waiver of any subsequent or prior breach of performance of the same or of a different provision of this Agreement.

11. INUREMENT AND LIABILITY. Every obligation and duty herein provided for shall be binding upon the successors of each of the parties hereto, and every right and privilege herein provided for shall inure to the benefit of the assigns and

successors of each of the parties hereto; provided that Contractor shall not assign this Agreement or delegate duties hereunder without the prior written approval of TFC, which may be arbitrarily withheld.

12. GOVERNING LAW. All questions regarding the validity, interpretation, performance, and enforcement of the terms and provisions of this Agreement shall be governed by the laws of the Commonwealth of Virginia.

13. INTEGRATION, MERGES AND AMENDMENT. The terms and provisions set forth in this written document constitute the entire agreement between the parties hereto, and no provision or statement, express or implied, which is not set forth herein shall be deemed or considered a part of this Agreement. This Agreement may only be amended in writing by a separate document signed by each party hereto, and each such written amendment shall be merged into and shall become a part of this contract.

IN WITNESS WHEREOF, the parties hereto have signed and executed this Agreement on the date first shown above.

GB COMPUTER SERVICES, INC.

THE FREEDOM COUNCIL

By: 157 GB  
George Border, President

By: 157 RGP  
Robert G. Partlow  
Executive Director

C1039

96043753952



# MEMO

to: Staff  
copy to:  
from: Maureen Garrett  
subject: Chapel  
date: April 23, 1986

The persons scheduled to lead music and speak at our chapel today are not able to make it. I encourage you to take in chapel at either GB (Greg Kebart, speaker) or NPI (Peter Stepan from CBN-U, speaker). Or if you want to go to CBN, immediately after chapel in the WOSC, Car Witten (our speaker yesterday) will teach a Jewish dance class.

We will have chapel as usual tomorrow with Diane Johnson leading music and Curt Louckes speaking.

C1041

2604375393

0 0 0 0 0

FROM

THE FREEDOM COUNCIL, INC.

CHECK NO.

REF NO.	YOUR INV NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
704-20			6704	<del>6704</del>		\$5,000.00

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
88-4 UNIVERSITY CIRCLE, SUITE 101  
CHESAPEAKE, VA 23089

DOMINION BANK  
NORFOLK, VA 23501

001404

CHECK NO.	CHECK DATE	VENUE NO.
1404	6/13/86	070250

CHECK AMOUNT
\$5,000.00

Five thousand and 00/100

Computer Services, Inc.

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

0001404 0051401328

55234857

4 6 6 5 7 3 4 0 9 6

"The Full Service Company"



GB COMPUTER SERVICES, INC. INVOICE #52

October 15, 1986

The Freedom Council  
850 Greenbrier Circle  
Suite G  
Chesapeake, VA 23320

Per our agreement dated September 1, 1985, please find our billing  
for GB Computer Services, Inc. for services rendered from September 16  
through October 15, 1986.

TOTAL DUE \$103,323.91

9604375395

THE FREEDOM COUNCIL  
Billing for Services Rendered  
September 16 through October 15, 1986

INVOICE #52

Allocation of expenses in relation to work performed		\$68,936.11
15% Service Agreement		10,340.41
Direct Expenses:		
Provident Life & Acc. Ins.	3,878.57	
Commonwealth of VA	425.00	
MCI	1,023.51	
Computer	20,872.60	26,199.68
Postage		970.92
		<u>106,447.12</u>
Deduct:		
Money earned for services performed for Eimskip		-2,053.00
Refund from software company for overpayment		<u>-1,070.21</u>
TOTAL DUE		\$103,323.91

C1044

96043753956



VENDOR

THE FREEDOM COUNCIL

4C

CHECK NO.

COUN REF NO	YOUR INV NO	INVOICE DATE	INVOICE AMOUNT	DATE PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
6704-200						\$60,000.00

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
825-M OVERSHAW CIRCLE, SUITE 101  
CHESAPEAKE, VA 23320

000526

DOMINION BANK  
HUNTERS CREEK, VA 23061

8-137

514

CHECK NO	CHECK DATE	VENDOR NO
000526	2/3/86	070250

Sixty thousand and 00/100

CHECK AMOUNT
\$60,000.00

Computer Services, Inc.

*[Signature]*  
**NON-NEGOTIABLE**  
AUTHORIZED SIGNATURE

000526 051401328

55234867

96043753959

FREEDOM COUNCIL, INC. SPECIAL ACCOUNT 805 OAKLEIGH CIRCLE, SUITE 101 CHESAPEAKE, VA 23320		175
PAY TO THE ORDER OF	G B Computer Services, Inc.	NOV. 7 1985
Forty one hundred twenty and 10/100		\$ 4,120.30
DOMINION BANK Member FDIC		DOLLARS
FOR Services Rendered for TFCF		Louise B. Tragno
⑈000178⑈-⑈054406328⑈		55224840

C1047



RUN DATE: 07/08/86

The Freedom Council

PAGE 0004

ACCOUNTS PAYABLE CHECK REGISTER

CHECK NO	DATE	VENDOR NO NAME	VOUCHER NO	INVOICE NO DATE	AMOUNT PAID	DISCOUNT TAKEN	CHECK AMOUNT
			3325	12122884 05/29/86	30.00	.00	30.00
			3345	53946816 05/31/86	22.00	.00	22.00
			CHECK TOTALS:		314.00	.00	314.00
1674	07/08/86	061860 The Freeman Companies	3472	0661222 04/18/86	306.43	.00	306.43
			CHECK TOTALS:		306.43	.00	306.43
1675	07/08/86	070250 CB Computer Services, Inc	3447	26-A 02/28/86	34,506.19	.00	34,506.19
			3587	36 05/22/86	493.81	.00	493.81
			CHECK TOTALS:		35,000.00	.00	35,000.00
1676	07/08/86	080560 The Hertz Corp.	3498	22886514 05/15/86	50.33	.00	50.33
			CHECK TOTALS:		50.33	.00	50.33
1677	07/08/86	081540 Holiday Inn	3574	06/24/86	2,219.83	.00	2,219.83
			CHECK TOTALS:		2,219.83	.00	2,219.83
1678	07/08/86	101575 Jones Printing Service	2965	12007 04/11/86	2,842.92	.00	2,842.92
			3100	12260 04/21/86	4,106.96	.00	4,106.96
			3101	12289 04/30/86	848.64	.00	848.64
			3208	12326 04/30/86	339.82	.00	339.82
			3485	12486 05/09/86	56.94	.00	56.94
			CHECK TOTALS:		8,195.28	.00	8,195.28
1679	07/08/86	101595 Junttila Studios, Inc	2749	enc5072 03/15/86	235.00	.00	235.00
			CHECK TOTALS:		235.00	.00	235.00
1680	07/08/86	120155 Lanning Office Equipment	3082	1847 05/06/86	.89	.00	.89
			3083	1847 05/06/86	42.89	.00	42.89
			CHECK TOTALS:		43.78	.00	43.78
1681	07/08/86	120960 Claire Lingenfelter	2712	04/07/86	397.00	.00	397.00
			2838	04/15/86	440.00	.00	440.00
			CHECK TOTALS:		837.00	.00	837.00

64010

0 9 6 2 5 7 8 4 0 9 6

# MEMO C O N F I D E N T I A L

to: Greg Jackson  
copy to:  
from: Steve Davis  
subject: Merger of GB and TFC  
date: July 21, 1986

On Friday, July 18, I was instructed by George to put together a merger. In my conversation with George, the following steps were listed:

1. CEN pay GB \$75,000 a year for five years, in return \$25,000 of that \$75,000 would be given back in the form of a contribution.
2. TFC and CEN make GB free, without recourse, of all obligations at the bank for equipment purchased which is approximately \$300,000 at this date.
3. TFC and CEN assume responsibility and make GB free and harmless of any leases contracted by GB in regards to rental space for offices, computer locations and warehousing. That TFC and GB would agree upon a market price to ask for his home and TFC and CEN would be responsible for paying interest on that home until sold.
4. TFC becomes owner of all GB capital assets as well as liabilities.

Greg, in regards to a deal and agreement, I feel this is a good agreement for both sides. TFC will be saving, over a period of two years, \$250,000 in income with a reduction of staff at GB. This gives George what he asks for, 1/2 of what he would have made, makes him free and harmless of what he has incurred since living here.

In regards to the \$75,000, George stated to me that he would consider the net \$50,000 salary each year for five years a consulting fee and would come to Virginia Beach quarterly if his expenses were paid.

C1050

96043753901

96043753902

	<u>GB</u> <u>MONTHLY</u>	<u>GB</u> <u>YEARLY</u>	<u>FC</u> <u>MONTHLY</u>	<u>FC</u> <u>YEARLY</u>
Payroll	\$41,851.33	\$502,215.96	\$ 94,711.61	\$1,136,539.30
Warehouse/Computer Rental 10,000 sq. ft.	2,708.33	32,499.96		
Office Rental	2,174.95	26,099.40	6,884.00	82,608.00
Note Payment	11,858.61	142,303.32		
VEPCO	1,502.44	18,029.28		
Other	205.00	2,460.00		
IBM Maintenance	2,400.00	28,800.00		
Insurance	826.64	9,919.68	2,419.58	29,034.96
Payroll Expense	10,462.83	125,553.96	23,677.90	284,134.80
	245.00		352.81	4,233.72
Phone	725.00	8,700.00	2,499.45	29,993.40
Auto Expense	1,600.00	19,200.00	636.00	7,632.00
Gas	200.00	2,400.00	60.00	720.00
Legal	100.00	1,200.00	100.00	1,200.00
Miscellaneous	200.00	2,400.00	500.00	6,000.00
Travel/Entertainment	300.00	3,600.00	16,000.00	192,200.00
Ground Maintenance	150.00	1,800.00		
	<u>\$77,510.13</u>	<u>\$927,181.56</u>	<u>\$147,841.35</u>	<u>\$1,774,295.18</u>
Profit 20%	<u>15,453.03</u>	<u>185,442.00</u>		
	<u>\$92,963.16</u>	<u>\$1,112,623.56</u>	<u>\$147,841.35</u>	<u>\$1,774,295.18</u>
	<u>SAVINGS</u>			
Payroll	\$ 7,410.28	\$ 88,923.36		
Auto Expense	1,000.00	12,000.00		
Payroll Expense	1,852.57	22,230.84		
20% Profit	<u>15,453.03</u>	<u>185,442.00</u>		
FC Rent	\$25,715.88	\$ 308,596.20		
GB Telephone	6,884.00	82,608.00		
	970.00	11,640.00		
	<u>\$33,569.88</u>	<u>402,844.20</u>		
		<u>X 2</u>		
Saving Remainder of Contract To GB		<u>\$ 805,688.40</u>		
		<u>250,000.00</u>		
Net Saving for Remainder of Contract		<u>\$ 555,688.40</u>		

C1051

# GB COMPUTER SERVICES, INC.

## BUDGET PROJECTION

Salaries and Wages	5413,900.00
Insurance - Benefits	71,673.00
Payroll Expense	49,668.00
Utilities	15,000.00
Phone	14,000.00
Insurance - General	2,400.00
Office Rent	25,773.00
Warehouse	37,500.00
Ground Maintenance	1,500.00
Entertainment	3,600.00
Travel	5,200.00
Auto Expense	7,200.00
Depreciation	100,000.00
Legal	5,600.00
Audit	5,200.00
Maintenance	28,000.00
Temporary Help	10,100.00
Consulting Fees	60,000.00
Miscellaneous Expense	1,200.00
Contributions	1,200.00
<b>TOTAL</b>	<b>5858,714.00</b>

### Capital Expenditures

Computer Cost	415,000.00
Software	20,000.00
Mailing Machines, etc.	105,000.00
Desk, Furniture, Rug, etc.	10,000.00
Remodeling Computer Room	2,000.00
<b>Total Capital Exp.</b>	<b>552,000.00</b>
Down Payment to Bank	40%
(5210,000 advance due from TFC, TFCF, NPI)	<u>220,800.00</u>
Balance to Finance at Bank (See Note)	5331,200.00

### Cash Flow Projection

Monthly Expenses projection	5858,716.00	
Minus Depreciation	100,000.00	17-
Old Bank Note for equipment	<u>120,000.00</u>	
<b>Total</b>	<b>5638,716.00 ÷ 12 =</b>	<b>573,226.00</b>
Add monthly profit as agreed		<u>514,646.00</u>
<b>Monthly Expenses</b>		<b>587,672.00</b>

KGGK

GE Computer Services, Inc.  
BALANCE SHEET  
AS OF 08/31/86

## ASSETS

## CURRENT ASSETS

CASH		
Sovran Operating Account	\$	(87,950.78)
Sovran Payroll Account		4,747.46
SOVRAN INVESTMENT ACCOUNT		5,000.00
Petty Cash		200.00
TOTAL CASH	\$	(78,003.32)

## ACCOUNTS RECEIVABLE

A/R Freedom Council	\$	210,543.68
A/R Freedom Foundation		5,955.74
A/R National Perspective Inst.		15,273.93
A/R Other		3,518.15
TOTAL ACCOUNTS RECEIVABLE	\$	235,291.50

## OTHER ASSETS

Advances Other	\$	1,450.21
TOTAL OTHER ASSETS	\$	1,450.21

TOTAL CURRENT ASSETS \$ 158,738.39

## FIXED ASSETS

Furniture & Fixtures	\$	13,378.39
Office Equipment		75,658.22
Mail Equipment		88,797.30
Computers/Software		504,914.43
Accum. Deprec. Furn. & Fixture		(1,070.27)
Accum. Deprec. Office Equip.		(10,129.74)
Accum. Deprec. Mail Equipment		(12,991.72)
Accum. Deprec. Computer/Software		(55,875.34)

TOTAL FIXED ASSETS \$ 602,681.27

TOTAL ASSETS \$ 761,419.66

C1053

LIABILITIES  
CURRENT LIABILITIES

ACCOUNTS PAYABLE

Accounts Payable - Trade	\$	15,000.00
Accounts Payable Sovran		290,123.07
Accounts Payable - FICA		30,826.68
Accounts Payable - FIT		17,587.34
Accounts Payable - SIT		6,946.18
Accts Payable emp/ee St With		2,054.42
Accounts Payable - Retirement		6,613.04
Accounts Payable - LEAFund		(300.00)

TOTAL ACCOUNTS PAYABLE \$ 368,850.73

OTHER LIABILITIES

employee asst fund	\$	315.00
Accrued FUTA		2,387.59
Advance from G Border		(65,000.00)
Accrued Expenses		(2,192.95)

TOTAL OTHER LIABILITIES \$ 65,509.64

TOTAL CURRENT LIABILITIES \$ 434,360.37

LONG TERM LIABILITIES

TOTAL LONG TERM LIABILITIES \$ .00

TOTAL LIABILITIES \$ 434,360.37

CAPITAL ACCOUNTS

Paid In Capital - Stock	\$	2,200.00
Cumulative Profit (Loss)		136,553.59
Net Income (Loss)		188,305.70

TOTAL CAPITAL \$ 327,059.29

TOTAL LIABILITIES AND CAPITAL \$ 761,419.66

05/02/86

The Freedom Council

INSURANCE TYPE	AMOUNT	MAKE CHECK PAYABLE TO:
BCBS	6792.36	BCBS
HMO +	540.75*	HMO +
Health America	243.80	GB Computer Services
United Medical	651.30	GB Computer Services
Dental	1414.00	GB Computer Services
LINA	1630.55	GB Computer Services
INA	<u>627.76</u>	GB Computer Services
	<u>11900.52</u>	

\*180.25 National Legal Foundation

C1055

96043753906



0

VENOR

THE FREEDOM COUNCIL, INC.

CHECK NO

IN REG. NO.	YOUR INV NO	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
3823		7/16/86	6708	50,000.00		

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
88-14 GREENSBORO CIRCLE, SUITE 101  
OVERLAND PARK, VA 22080

DOMINION BANK  
NORFOLK, VA 23501  
66-138  
814

002051

CHECK NO	CHECK DATE	VENOR NO
0051	08/30/86	070250

CHECK AMOUNT
850,000.00

FIFTY THOUSAND AND 00/100 DOLLARS

2700 GS COMPUTER SERVICES, INC.  
VENOR

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

#002051# 4051401328# 55234867#

7 0 6 3 5 7 3 4 0 9 6

## PURCHASE ORDER

NO.	20-144
DATE	2/12/86
P.O.#	
VIA	
TERMS	

TO: Allied Office Supply  
815 Poplar Hall Dr.  
Norfolk, VA 23502

SHIP TO: The Freedom Council  
c/o GB Computer Services, Inc.

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED: - -

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	4	10838	Lift off Tape	18.90	108.00	75.60
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

ordered 10838 5-12-86 108.00

70.76

DATE RECEIVED AND INVOICES PASSED FOR PAYMENT

ORDERED BY

9694753908

**PAPER  
COMPANY**

G B COMPUTER SERVICES  
2133 SMITH AVE  
CHESAPEAKE VA 23220

MAIL REMITTANCE TO  
POST OFFICE BOX 7254  
NORFOLK, VA. 23509-0254  
(804)-857-0161

NUMBER	30-038785
ORDER	863127
DATE	12/23/85

6 2000  
10/10/2000  
11/11/2000

INSTRUCTIONS ATTN GREG KERBERT

DATE SHIPPED 12/23/85	SHIPPED VIA BESTWAY	CUSTOMER # & NO	ACCOUNT 999998	Johnson 016	# OF	TYPE SALE CHANGE
--------------------------	------------------------	-----------------	-------------------	----------------	------	---------------------

QUANTITY	UNIT	DESCRIPTION	TAX	AMOUNT
500	EA	4 X 4 X 15 RSC 275 BROWN PLAIN BOXES		490.00
22007				245.00

ORDERED BY RAY AND DAVIS  
IFC.

2.45

NO CLAIMS WILL BE ALLOWED AFTER  
PAPER HAS BEEN CUT OR PRINTED

PLEASE PAY BY INVOICE NO  
MONTHLY STATEMENT RENDERED

**PAY THIS AMOUNT**

**245.00**

C1058

96043753910

1. TRX TYPE B VOUCHER 1653  
 2. VENDOR C43951  
 3. DIST DATE 12/23/15 10. DUE DATE 1/1/16  
 4. P/O NO \_\_\_\_\_ 12. DISC DATE 1/1/16  
 8. NON-DISC \_\_\_\_\_ 14. DISC AMT \_\_\_\_\_

22-56  
 72

ACCT-NO	ACCOUNT NAME	AMOUNT
4424 222	<u>Supplies</u>	<u>245.00</u>
---	---	---
---	---	---
---	---	---



# PURCHASE ORDER

20-135

Virginia Beach, VA 23466-0001

PLEASE ACKNOWLEDGE ORDER &amp; ADVISE SHIP DATE

DATE 1/14/86

TO

Dillard Paper Company

P.O. Box 7254

Norfolk, VA 23509

## PLEASE SHIP TO X BLOCK INDICATED

☐ CBN Center  
Indian River Road &  
Centerville Turnpike  
Virginia Beach, VA 23463☐ The Freedom Council  
825 Greenbrier Circle  
Chesapeake, VA 23320☐ CBN  
2133 Smith Ave. Bldg. #1  
Rear Door #4  
Chesapeake, VA 23320☐ CBN  
821 Live Oak Dr.  
Chesapeake, VA 23320

OUR PURCHASE ORDER NUMBER MUST  
APPEAR ON ALL CORRESPONDENCE,  
INVOICES, PACKING SLIPS, AND PACKAGE,  
OR DELAY IN PAYMENT COULD RESULT.

TERMS		F O B		DATE WANTED		PROMISED DATE		SHIP VIA	
ITEM NO	QTY	CBN ACCOUNT CODE	VENDOR PART NUMBER	DESCRIPTION		UNIT PRICE		TOTAL	
	500		ZZ007	4 x 4 x 15 RSC 275 Brown Plain Boxes		490.00		245.00	
invoice #: 30-038785									
invoice date: 12/23/85									
Ordered by Bryan Davis, The Freedom Council									

PLEASE RENDER INVOICES IN DUPLICATE TO:  
THE FREEDOM COUNCIL  
ATTN: ACCOUNTS PAYABLE  
VIRGINIA BEACH, VA 23466

PURCHASE ORDER

PURCHASING MANAGER

WHITE-VENDOR/BLUE-ACKNOWLEDGEMENT/GREEN-ACCOUNTING/CANARY-REQUISITION/PINK-PURCHASING/GOLDENROD-RECEIVING

C1060

THE FREEDOM COUNCIL, INC.

676256

MAIN ACCOUNT  
825 M GREENBURY CIRCLE SUITE 101  
CHESAPEAKE VA 23320

6704-200

DOMINION BANK  
NORFOLK, VA 23501

1528

514

CHECK NO	CHECK DATE	VENDOR NO
	12/13/85	

CHECK AMOUNT
\$50,000.00

Fifty thousand and 00/100

PAY  
TO THE  
ORDER OF  
G B Computer Services, Inc.

*Henry L. Hester*  
*James A. Hester*  
AUTHORIZED SIGNATURE

#001528# #051401328#

55225280#

#0005000000#

C1061

2 / 6 3 5 7 2 4 0 9 6

96043753973



HOUSE OFFICE PRODUCTS

815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 481-8081

PICKING ORDER

USER NUMBER	ACCOUNT NUMBER	SALES CODE	CUSTOMER PURCHASE ORDER NO	SALESMAN	TAX	CODE	ORDER DATE	ZONE	DEPARTMENT
172	901425	53	30-110	02	1T		11/19/85	13	30

SPECIAL

SOLD TO

SHIP TO (SAME UNLESS SHOWN BELOW)

WILL CALL ☐

G B COMPUTER SERVICE, INC.  
P O BOX 2442  
CHESAPEAKE, VA 23320

FREEDOM COUNCIL FOUNDATION  
825-M GREENBRIER CIRCLE  
CHESAPEAKE VA 23320

C.O.D. ☐

ATTN: HENDY/424-1155

BACK ORDER	QUANTITY ORDERED	QUANTITY SHIPPED	UNIT	BIN LOCATION	STOCK CODE	DESCRIPTION		
	(2)		BX	C-08	03903	LP-030 PLASTICLIPS 500/BX ASST COLORS	6.375	12.75
	(3)		ST	C-11	04911	2512-BK LETTER TRAY RISERS BLACK. 6 ST/CS	1.95	5.85
	(1)		BX	D-41	03901	ID-1 #1 IDEAL BUTTERFLY CLAMP LARGE. 12/BX. 144/CT. 12 OR/CS	0.78	0.78
	(2)		BX	E-05	07403	RLL-5-DB FILE FOLDER LABEL DK BLUE. 250/BX. 12 BX/CT 6 CT/CS		
	(2)		BX	F-36	07404	RLL-5-ON FILE FOLDER LABEL GREEN. 250/BX. 12 BX/CT 6 CT/CS		
	(2)		BX	F-43	07461	FF-3-ON FILE FOLDER LABEL SHEETS. GREEN. 248/BX. 6 BX/CT 16 CT/CS	2.485	4.97
	(2)		BX	F-45	07472	FF-3-DB FILE FOLDER LABEL SHEETS. DK BLUE. 248/BX. 6 BX/CT 16 CT/CS	2.485	4.97

INSTRUCTIONS

1

RECEIVED ☐

CONTINUE

ALL ORDER ITEMS ARE SUBJECT TO A RESTOCKING CHARGE IF RETURNED

FOR DISCREPANCIES MUST BE MADE WITHIN 3 DAYS  
RETURNED WITHOUT OUR CONSENT

PACKING SLIP

C1062



96043753974

HOUSE OFFICE PRODUCTS

NORFOLK, VIRGINIA 23504

Telephone (804) 481-8081

ORDER NUMBER	ACCOUNT NUMBER	SALES CODE	CUSTOMER PURCHASE ORDER NO	SALESMAN	TAX	CODE	ORDER DATE	ZONE	DEPARTMENT
5772	901425	53	30-110	02	1T		11/19/85	13	30

SPECIAL



ORDER

SOLD TO

G H COMPUTER SERVICE, INC.  
P O BOX 2442  
CHESAPEAKE, VA 23320

SHIP TO SAME UNLESS SHOWN BELOW

FREEDOM COUNCIL FOUNDATION  
825-M GREENBRIER CIRCLE  
CHESAPEAKE VA 23320

WILL CALL ☐C.O.D. ☐

ATTN: MENDY/424-1155

BACK ORDER	QUANTITY ORDERED	QUANTITY SHIPPED	UNIT	BIN LOCATION	STOCK CODE	DESCRIPTION		
	7		EA	G-52	09005	3557-1 VELVET PENCIL, SOFT 12/BX, 120 DZ/CS (10001)	0.137	9.864
	24		EA	H-19	09152	R68-A PENTEL HI-ROLLER PEN BLACK, 12/BX, 48 DZ/CS	0.623	14.952
	1		EA	J-36	00725	05205 RING BINDER, 1", GREEN 12/CS	2.982	2.982
	12		ST	K-05	00709	K1188 RING BINDER INDEX 8 INSERTABLE CLEAR TABS 11 X 8 1/2, 18/BX, 144/CS		
	1		EA	K-18	00735	05402 RING BINDER, 3", BLUE 12/CS	9.55	9.55
	3		EA	L-06	04909	2511-86 LETTER SIZE LTR TRAY BLACK/WALNUT, 6/CS	6.00	30.00
	2		EA	S-04	01202	36003 CLIPBOARD, LETTER SIZE 12/CT, 6 DZ/CS		
	3		BX	T-02	06104	752-1/3 MANILA FILE FOLDER LETTER SIZE, 100/BX, 500/CS		

TOTAL INSTRUCTIONS

PLEASE INSERT NUMBER OF PIECES RECEIVED ☐

RECEIVED BY

CONTINUED

SPECIAL ORDER ITEMS ARE SUBJECT TO A RESTOCKING CHARGE IF RETURNED

ALL CLAIMS FOR SHORTAGES OR DISCREPANCIES MUST BE MADE WITHIN 3 DAYS  
NO MERCHANDISE TO BE RETURNED WITHOUT OUR CONSENT

PACKING SLIP

C1063

26043753975



AREHOUSE OFFICE PRODUCTS

815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 481-8081

ORDER NUMBER 15772	ACCOUNT NUMBER 2114	SALES CODE 53	CUSTOMER PURCHASE ORDER NO. 30-110	SALESMAN 02	TAX 1T	CODE	ORDER DATE 11/19/85	ZONE 13	DEPARTMENT 30
-----------------------	------------------------	------------------	---------------------------------------	----------------	-----------	------	------------------------	------------	------------------

SPECIAL  
☐  
ORDER

SHIPPED TO:

U S COMPUTER SERVICE, INC.  
P O BOX 2442  
CHESAPEAKE VA 23320

SHIP TO (NAME UNLESS SHOWN BELOW)

FREEDOM COUNCIL FOUNDATION  
425-M GREENBRIER CIRCLE  
CHESAPEAKE VA 23320

WILL CALL ☐

C.O.D. ☐

ATTN: NENDY/424-1155

BACK ORDER	QUANTITY ORDERED	QUANTITY SHIPPED	UNIT	BIN LOCATION	STOCK CODE	DESCRIPTION		
	1		BX	U-03	06113	91525 PENDAFLEX HANGING FOLDER LETTER SIZE, 25/BX, 10 BX/CS (4152-1/5)		
NOTE: THE FOLLOWING SPECIAL ITEM(S) ARE ON ORDER & WILL BE SHIPPED AS SOON AS POSSIBLE							21.00	21.00
	1		EA		K1-27342	DESK PAD, BN, 20X36, PANL.F		

SPECIAL INSTRUCTIONS

\*\*\*\*\* CUSTOMER PICK-UP \*\*\*\*\*

PLEASE INSERT NUMBER OF PIECES RECEIVED ☐

RECEIVED BY *W. L. AKA*

DATE 11-19-85

SPECIAL ORDER ITEMS ARE SUBJECT TO A RESTOCKING CHARGE IF RETURNED

CLAIMS FOR SHORTAGES OR DISCREPANCIES MUST BE MADE WITHIN 3 DAYS  
NO MERCHANDISE TO BE RETURNED WITHOUT OUR CONSENT

PACKING SLIP

C1064

"The Full Service Company"



GB INVOICE #12

November 15, 1985

The Freedom Council  
850 Greenbrier Circle  
Suite G  
Chesapeake, Virginia 23320

Per our agreement dated August 1, 1985, please find our billing  
for GB Computer Services, Inc. for services rendered for the  
month of October 1985.

TOTAL \$98,293.27

Post Office Box 2442 • Chesapeake Virginia 23320 • Phone (804) 424-1155

C1065

960437539/6

"The Full Service Company"



THE FREEDOM COUNCIL  
Billing for Services Rendered  
October 16 through November 15, 1985

INVOICE #12

Telephone Monthly Cost	\$ 192.96
Allocation of expenses in relation to work performed	56,712.10
20% Service Agreement	11,381.01
Postage from Oct. 16 through Nov. 15, 1985	<u>30,007.20</u>
TOTAL	\$98,293.27

Post Office Box 2442 • Chesapeake Virginia 23320 • Phone (804) 424-1155

C1066


9604375397

# MEMO

to: Steve Raiford, G.B. Computer Services  
copy to: Jerry Strohkorb  
from: Bob Skolrood  
subject: Freedom Council Foundation mail  
date: 10-14-85

We would like to receive all mail directed to the Freedom Council Foundation at our offices at the earliest possible date. If it would involve responses that necessitate services beyond our capabilities, such as mailing premiums, etc., we will then provide you with the addresses and the materials. My memo is directed mainly at the fact that our letters regarding the Renton brief had been over on your premises and we had a great deal of difficulty understanding why we hadn't gotten a better response. We need to have the immediate input.

Thank you for your help.



Robert K. Skolrood

BS/crc

C1068

960487539/8

RECEIVED: 08/28/86

The Freedom Council

# ACCOUNTS PAYABLE CHECK REGISTER

CHECK		VENDOR		VOUCHER	INVOICE		AMOUNT	DISCOUNT	CHECK
NO	DATE	NO	NAME	NO	NO	DATE	PAID	TAKEN	AMOUNT
1981	08/29/86	030268	CIN Continental	4234		07/31/86	40,000.00	.00	40,000.00
CHECK TOTALS:							40,000.00	.00	40,000.00
<i>Check # 1982 Paid 9/2/86</i>									
1982	08/29/86	031539	Communications Corp Amer	3589	6041737	04/28/86	15,295.26	.00	15,295.26
CHECK TOTALS:							15,295.26	.00	15,295.26
1983	08/29/86	070250	GB Computer Services, Inc	3590		06/01/86	19,771.07	.00	19,771.07
				3823	43	07/16/86	25,220.93	.00	25,220.93
CHECK TOTALS:							45,000.00	.00	45,000.00
GRAND TOTALS:							100,295.26	.00	100,295.26
3 REGULAR CHECKS									
0 NON-A/P CHECKS									
0 MANUAL CHECKS									
0 VOID CHECKS									
3 CHECKS TOTAL									

C1071

6 1 6 2 5 1 2 4 0 9 6

0 6 0 4 3 7 5 3 9 0

#001524# 0051401328# 55234867#

THE FREEDOM COUNCIL, INC. MAIN ACCOUNT 825-M GREENWAY CIRCLE, SUITE 101 CHEESAPEAKE, VA 23320		001524 DOMINION BANK NORFOLK, VA 23501	
001524 CHECK NO. 070250 CHECK DATE 3/21/86 VENDOR NO. 070250		CHECK AMOUNT \$10,000.00	
NON-NEGOTIABLE AUTHORIZED SIGNATURE			

31	20	01/20/86	99,547.26	10,000.00	.00	\$10,000.00
REF NO	YOUR INV NO	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT

THE FREEDOM COUNCIL, INC.

ENDOM 070250

CHECK NO

C1072



# Ask Mr Foster Universal Travel Inc

Travel Service Since 1888



408 E. INDEPENDENCE BOULEVARD  
VIRGINIA BEACH, VIRGINIA 23462

TELEPHONE (804) 480-8848  
TOLL FREE: 1-800-388-2788

Hours: Mon-Fri 9-6/Also Open Sat 10-3

*OK*

TERMS: Due upon receipt. Please pay by invoice. No statement will be rendered unless specifically requested. A late charge of 1 1/2% per month, which is an annual percentage rate of 18%, will be added to all accounts outstanding over fifteen days.

INVOICE/ITINERARY

CUSTOMER COPY

DATE OF ORDER: 11/11/86  
DATE OF DEPARTURE: 11/11/86  
CHECK NO: 11111111

CONNECTIONS  
FOR CHARGE  
DOT 111111111111  
NOT OK

FROM	TO	CARRIER	FLIGHT	DATE	DEPARTS	ARRIVES	STAT
24 MAR 86		60321012	CUSTOMER NO	000101			
REFUND FOR UNUSED AIRLINE TICKET						TOTAL REFUND \$0.00	
DOCUMENT REF 79529027502				INVOICE REF 60321012			
1. TRX TYPE B				VOUCHER <u>2621</u> <i>4-3-86</i>			
2. VENDOR <u>222452</u>				3			
3. DIST DATE <u>11/11/86</u>				10. DUE DATE <u>1/1/87</u>			
4. P/O NO <u>-----</u>				12. DISC DATE <u>1/1/87</u>			
5. NON-DISC <u>-----</u>				14. DISC AMT <u>-----</u>			
DOT-NO		ACCOUNT NAME		1.00			
<u>5252 500</u>		<u>air</u>		<u>(52.00) Credit</u>			
<u>---</u>		<u>---</u>		<u>---</u>			
<u>---</u>		<u>---</u>		<u>---</u>			
<u>---</u>		<u>---</u>		<u>---</u>			

RECONFIRM RETURNING AND CONTINUING RESERVATIONS 72 HOURS IN ADVANCE FOR INTERNATIONAL FLIGHTS AND SUGGEST 48 HOURS IN ADVANCE FOR DOMESTIC FLIGHTS. CAUTION: TICKETS HAVE VALUE IF UNUSED. PLEASE RETURN FOR CREDIT OR REFUND.

C1073

96043753901

96043753902

INVOICE

N° 11753

J P S  
JONES PRINTING SERVICE, INC.

1911 SPARROW ROAD • CHESAPEAKE, VIRGINIA 23320 • TELEPHONE (804) 424 5214  
March 14, 1986

GB Computer Services  
P.O. Box 2442  
Chesapeake, Va. 23320

200 - Weekly Reporting Form - Call & Mileage, printed in black ink on  
w/c/p 3 part carbonless stock, 8 1/2 x 11 padded and drilled.....\$58.00  
Tax..... 2.32  
\$60.32

111575  
600.100  
✓ = 2746  
4-15-85  
✓

Thank You.

PLEASE PAY FROM INVOICE NO STATEMENT WILL BE SENT  
NET TERMS 30 DAYS FROM DATE OF INVOICE

C1074

VENDOR 070250

## THE FREEDOM COUNCIL, INC

CHECK NO

OUR REF NO	YOUR INV NO	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
1931	20	01/20/86	99,547.26	10,000.00	.00	\$10,000.00

## THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
825-M GREENBRIAR CIRCLE, SUITE 101  
CHESAPEAKE, VA 23320

DOMINION BANK  
NORFOLK, VA 23501

05-132  
514

001524

CHECK NO	CHECK DATE	VENDOR NO
001524	3/21/86	070250

CHECK AMOUNT

\$10,000.00

Ten thousand and 00/100

PAY  
TO THE  
ORDER OF

GB Computer Services, Inc.  
P. O. Box 2442  
Chesapeake, VA 23320

*Louise A. Mann*  
AUTHORIZED SIGNATURE

⑈001524⑈ ⑆051401328⑆

55234867⑈

C1075



UNRECORDED  
FORM 3830

CARBON  
REQUIRED

TRIPlicate

PURCHASE ORDER

NO. 20-156  
DATE 2/21/86  
F.O.B.  
VIA  
TERMS

TO: Julie Schmidt

SHIP TO: The Freedom Council  
c/o GB Computer Services, Inc.  
P.O. Box 3443  
Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1			Work completed for Freedom Report for April 20.00/yr			
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

DATE RECEIVED AND INVOICES PASSED FOR PAYMENT

C1076

7 6 7 4 7 5 3 9 4 4

**THE FREEDOM COUNCIL, INC.**

MAIN ACCOUNT  
825-M GREENHAWK CIRCLE SUITE 101  
CHESAPEAKE VA 23020

DOMINION BANK  
MOBILE VA 23001  
514

000508

CHECK NO	CHECK DATE	VI NUMBER
000508	1/21/86	070250

CHECK AMOUNT
\$81,500.00

Eighty one thousand five hundred and 00/100

GB Computer Services, Inc.

PAY  
TO THE  
ORDER OF

*Henry T. Hubbard*  
AUTHORIZED SIGNATURE

⑈000508⑈ ⑆051401328⑆

55234867⑈

⑈0008150000⑈

50635754096



"The Full Service Company"



GB COMPUTER SERVICES, INC. INVOICE #20

January 20, 1986

The Freedom Council  
850 Greenbrier Circle  
Suite G  
Chesapeake, Virginia 23320

Per our agreement dated August 1, 1985, please find our billing for GB  
Computer Services, Inc. for services rendered for the month of December  
1985.

TOTAL \$99,547.26

2-14-86  
3

1. TRY TYPE P  
2. VENDOR 020250  
3. DIST DATE 01-14-86  
4. P/O NO  
5. NON-DISC

1981

	ADJ.
6788 200 - May Service	- 22,587.26
---	---
---	---
---	---

96043753987



THE FREEDOM COUNCIL

Billing for Services Rendered

December 16, 1985 through January 15, 1986

INVOICE #20

Telephone monthly cost	192.96
Allocation of expenses in relation to work performed	74,847.25
20% Service Agreement	14,969.45
Direct Expenses: Postmaster Comm. Corp. of Amer. Postmaster Price Club	8,020.70
Postage	<u>1,489.90</u>
TOTAL	\$99,547.26

C1083

96043753908



20.179

### PURCHASE ORDER REQUEST

date May 2, 1986

Personne: Udo Grieser

Phone number 4124-0388

12

[illegible]

## STATEMENT



# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

530 E. INDEPENDENCE BOULEVARD • SUITE 102  
VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE (804) 450-3548

*Pa*  
*2/6/86*  
*#182*

Account No. 000701

IN FREEDOM COUNCIL  
ACCOUNT C/O G.B. COMPUTERS  
WITH 2133 SMITH STREET  
CHESAPEAKE, VA 23320

Date 01/19/86

Amount Enclosed \$

Please detach the top portion and remit with payment.

		Amount
REVIOUS BALANCE		13032.00
AYMENTS RECEIVED THIS PERIOD		
PAYMENT RECEIVED 11/06/85		10522.00
PAYMENT RECEIVED 11/11/85		1376.00
PAYMENT RECEIVED 12/17/85		7080.00
PAYMENT RECEIVED 01/16/86		1138.00
UTSTANDING INVOICES FROM PRIOR PERIOD		
9/ 3/85 50830311A BECK/MARY JO		190.00
8528444812		
9/ 4/85 50904251A BELL/M		196.00
8528444819 DCA/ORF/DCA		
9/ 5/85 50905238A RIDLEY/CAROLYN		390.00
8528444821		
9/ 6/85 50906261A BRUNO/TOM		148.00
8528444831		
9/ 7/85 50907203A NIEDERCORN/JOHN		360.00
8528444833 LAX/ORF		
9/ 7/85 50907204A NELIS/MIKE		607.00
8528444834		
9/ 9/85 50909215A ALLEN/BOB		278.00
8528444841 OAK/DNT/PSP/LAX/OAK		
9/10/85 50910210A RUSTEN/MIKE		400.00
8528444847 SFO/MSP/SFO		
9/11/85 50911242A BRUNO/TOM		188.00
7604679149 ORF/LGA/SYR/LGA/ORF		
9/19/85 50918217A MINARD/DICK		93.00
7604797962 ORF/DCA		
9/27/85 50927019A MINARD/DICK		120.00
8957122332		
CURRENT	30-60 DAYS	60-90 DAYS
OVER 90 DAYS	PLEASE PAY THIS AMOUNT THANK YOU	
		TOTAL DUE

C1085

96043753990

## STATEMENT



# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

538 S. INDEPENDENCE BOULEVARD • SUITE 102  
VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE (804) 480-2544

Account No. 000701

IN FREEDOM COUNCIL  
ACCOUNT C/O G.B. COMPUTERS  
WITH 2133 SMITH STREET  
CHESAPEAKE, VA 23320

Date 01/19/86

Amount Enclosed \$

Please detach the top portion and remit with payment.

Invoice Number	Amount
9/27/85 50927020A SHERWOOD/GLEN 8957122331	420.00
9/27/85 50926210A DAVIS/DOUG 7604798213 ORF/ORD/OMA/STL/DRF	488.00
0/7/85 51007207B KELLY/DOUG PREPAID CHARGE	10.00
0/10/85 51009246A GONZALEZ/J 7604798771 ORD/STL/ORD	69.00
0/10/85 51009245A GONZALEZ/J 7604798770 ORF/ORD/LAX	350.00
0/10/85 51009244A GONZALEZ/JOSE 7604798769 LAX/EWR/DRF	169.00
INVOICES POSTED THIS PERIOD	
0/17/85 51017209A KELLY/DOUG 7604799186-187 ORF/ORD/MSP/DEN/CPR/BZN/HLN	509.00
0/17/85 51017209B KELLY/DOUG PREPAID CHARGE	10.00
0/17/85 51017238A BLADES/LARRY 8527705002	139.00
0/18/85 51017292A MOORE/RAY 7604799274 ORF/PIT/CMH/IND/DRF	399.00
0/23/85 51023229A KELLY/DOUG 8527705025 HLN/PDX/GEG/HLN	389.00
0/28/85 51028010A SKOLROON/ROBERT A.I. CAR RENTA	39.80
0/28/85 51028011A MINARD/RICHARD A.I. CAR RENTA	83.91
0/28/85 51028236A CURRY/JERRY 7604799583 ORF/DTW/LAN	178.00
0/28/85 51028249A CURRY/JERRY 7604799592 DTW/PIT/DRF	189.00
0/28/85 51028224A VEGH/MARCUS 8527705037 CMH/PIT/IAD/DTW/CMH	224.00
CURRENT	30-60 DAYS
	60-90 DAYS
	OVER 90 DAYS
PLEASE PAY THIS AMOUNT THANK YOU	
TOTAL DUE	

C1086

96043753991

## STATEMENT



# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

530 S. INDEPENDENCE BOULEVARD • SUITE 102  
VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE (804) 480-3548



IN FREEDOM COUNCIL  
ACCOUNT C/O G.B. COMPUTERS  
WITH 2133 SMITH STREET  
CHESAPEAKE, VA 23320

Account No. 000701

Date 01/19/86

Amount Enclosed \$

Please detach the top portion and remit with payment.

			Amount
0/29/85	51029243A	LEE/P	139.00
	8527705047	ORF/DTW	
0/29/85	51029219A	JACKSON/GREG	178.00
	8527705046	TPA/IAD/TPA	
0/30/85	51030211A	CURRY/JERRY	229.00
	7611931065	DFW/ORF	
0/30/85	51030223A	BRUND/TOM	180.00
	7611931076	ORF/PHL/ORF	
0/30/85	51030238A	BRUND/TOM	158.00
	7611931097	ORF/LGA/ORF	
0/30/85	51030210A	MCKINNEY/JERRY	990.00
	8527705049	PDX/ORD/ORF/ORD/PDX	
0/30/85	51030213A	BOWMAN/TOM	328.00
	8527705051	BFD/PIT/PHL/PIT/BFD	
0/30/85	51030208A	JUDKINS/ROGER	448.00
	8527705050	OKC/ORD/ORF/ATL/OKC	
0/30/85	51030251A	JACKSON/GREG	208.00
	8527705053	DCA/ORF/DCA	
0/31/85	51030260A	FLOE/ROB	449.00
	7611931120-121	ORF/PIT/GRR/MSP/ORD/ORF	
1/ 1/85	51101248A	MCCORMACK/BILLIE	225.00
	8527705064	SHV/DFW/SHV	
1/ 1/85	51101233A	BECK/MARY JO	109.00
	8527705054	DCA/ORF	
1/06/85	3222 A	51011240 VOID	- 186.00
	7604799126	ORF/LGA/ORF	
1/06/85	3222 A	51007264 298.00 CANCELLED	- 288.00
	7604799186-187	ORF/ORD/MSP/DEN/CPR/BZN/HLN	
1/ 5/85	51105216A	MOORE/RAY	426.00
	7613245337	ORF/ATL/CHA/ATL/ORF	
1/ 7/85	51107208B	FLOE/ROB	15.00
	PREPAID		
1/ 7/85	51107228A	MINARD/DICK	114.00
	8527705078	ORF/IAD	

CURRENT

30-60 DAYS

60-90 DAYS

OVER 90 DAYS

PLEASE  
PAY THIS AMOUNT  
THANK YOU

TOTAL DUE

C1087

96043753992

## STATEMENT



# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

530 S. INDEPENDENCE BOULEVARD • SUITE 102  
VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE 804/480-3548



Account No. 000701

IN FREEDOM COUNCIL  
ACCOUNT C/O G.B. COMPUTERS  
WITH 2133 SMITH STREET  
CHESAPEAKE, VA 23320

Date 01/19/86

Amount Enclosed \$

Please detach the top portion and remit with payment.

Invoice Number	Description	Amount
1/ 7/85 51107209A 8527705076	FLOE/ROB	513.00
1/ 8/85 51108225A 7613245507	BECK/MARY JO ORF/DTW/ORF	378.00
9/10/85 50909213A	MINARD/DICK	310.00
9/11/85 50911209A	SHERWOOD/GLEN	420.00
1/13/85 51113215A 8527705097	JACKSON/G TPA/ATL/GSP/HGS/ATL/TPA	200.00
1/15/85 51115002A NATIONAL CAR	DAVIS/DOUG	150.44
1/15/85 51115003A NATIONAL CAR	BRUND/THOMAS	228.60
1/15/85 51115004A NATIONAL CAR	BRUND/THOMAS	159.06
1/15/85 51115005A NATIONAL CAR	BRUND/THOMAS	105.13
1/15/85 51115006A NATIONAL CAR	GONZALES/JOSE	198.78
1/15/85 51115039A 8957645328	MINARD/DICK	99.00
1/15/85 51115040A 8957645323	FLOE/ROB	498.00
1/22/85 51122212A 7614332804-805	WALTERS/DAVID ORF/ATL/PHX/DSM/TUL/ORD/ORF	1250.00
1/22/85 51122246A 7614332844-845	DUNKER/BARBARA DCA/PIT/PBI/DTW/LAN/DTW/IAD	693.00
1/22/85 51122231A 8527705144	JACKSON/GREG TPA/MIA/FLL/TPA	120.00
1/25/85 51125239A 8527705147	WALTERS/DAVID PHX/MCI/DSM	145.00
1/26/85 51126204A 7614332919	BECK/MARY JO ORF/DTW/PIT/ORF	278.00
1/26/85 51126250A 7614332969-970	WALTERS/DAVID ORF/ORD/LAN/ORD/DSM/ORD/ORF	690.00

CURRENT

30-60 DAYS

60-90 DAYS

OVER 90 DAYS

PLEASE  
PAY THIS AMOUNT  
THANK YOU

TOTAL DUE

C1088

96043753933



## STATEMENT



# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

535 S. INDEPENDENCE BOULEVARD • SUITE 102  
VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE 804-450-3544

Account No. 000701

IN FREEDOM COUNCIL  
ACCOUNT C/O G.B. COMPUTERS  
WITH 2133 SMITH STREET  
CHESAPEAKE, VA 23320

Date 01/19/86

Amount Enclosed \$

Please detach the top portion and remit with payment.

Date		Description		Amount
1/27/85	51127201A	JAMES/KAREN		307.00
	7614332978	ORF/PIT/ORD/ORF		
1/27/85	51127238A	FLOE/ROB		285.00
	7614361834	ORF/CLT/RDU/CLT/ORF		
1/27/85	51127246A	KELLY/DOUG		424.00
	8527705154	HLN/SLC/SEA/SLC/HLN		
1/27/85	51127243A	JACKSON/GREG		421.00
	8527705153	TPA/ATL/MOB/BHM/ATL/TPA		
1/29/85	51129223A	PINSKY/RICHARD		380.00
	8527705159	TLH/PBI/TPA/APF/MIA/TLH		
1/29/85	51129009A	FLOE/ROB		129.00
	8957645333			
2/04/85	2222	A PMT ON ACCOUNT		10177.00
	8528444812			
1/01/85	51101027A	BECK/MARY JO		90.00
2/ 2/85	51202224A	HARTIS/PATTY		90.00
	7614361896	ORF/DCA		
2/ 2/85	51202225A	DUNKER/BARBARA		520.00
	7614361897-898	IAD/ATL/TLH/PBI/ATL/IAD		
2/ 2/85	51202204A	MCCORMACK/BILL		217.00
	8527705160	SHV/MSY/SHV		
2/ 3/85	51203212A	MOORE/RAY		273.00
	7614361924	ORF/CLT/ORF		
2/ 3/85	51203214A	BRUND/TOM		158.00
	7614361929	ORF/LGA/ORF		
2/ 4/85	51204223A	KELLY/DOUG		404.00
	8527705171	HLN/BIL/DEN/BIL/HLN		
2/ 5/85	51205255A	DUNKER/BARBARA		199.00
	8527705175	DCA/ORF/DCA		
2/ 6/85	51206247A	KELLY/DOUG		819.00
	8527705183	HLN/SLC/ABQ/DEN/FSD/MSP/HLN		
2/ 6/85	51206231A	SMITH/SHEPARD		109.00
	8527705182	ORF/DCA		
2/ 6/85	51206218A	JACKSON/GREG		393.00
	8527705179	TPA/ATL/CHS/GSP/CLT/TPA		

CURRENT

30-60 DAYS

60-90 DAYS

OVER 90 DAYS

PLEASE  
PAY THIS AMOUNT  
THANK YOU

TOTAL DUE

C1089

96043753994



## STATEMENT



## UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

530 S. INDEPENDENCE BOULEVARD • SUITE 102  
VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE (804) 480-3646



IN FREEDOM COUNCIL  
ACCOUNT C/O G.E. COMPUTERS  
WITH 2133 SMITH STREET  
CHESAPEAKE, VA 23320

Account No. 000701

Date 01/19/86

Amount Enclosed \$

Please detach the top portion and remit with payment.

Date	Invoice Number	Reference	Amount
2/ 6/85	51206018A	KELLY/DOUG	- 493.00
	8957120339		
2/ 6/85	51206019A	FLOE/ROB	- 285.00
	8957120341		
2/ 7/85	51206256A	PALAGONIA/JIM	173.00
	8527705187	ROC/LGA/ROC	
2/ 9/85	51209234A	FLOE/ROB	236.00
	7614362140	ORF/RDU/CLT/ORF	
2/ 9/85	51209243A	BRUND/TOM	79.00
	7614362152	ORF/LGA	
2/ 9/85	51209223A	PINSKY/DUNKER	117.00
	8527705194	MCO/FBI	
2/ 9/85	51209211A	DUNKER/BARBARA	113.00
	8527705192	TLH/TPA	
2/ 9/85	51209210A	PINSKY/RICHARD	232.00
	8527705191	TLH/TPA/FBI/TLH	
2/ 9/85	51209225A	KELLY/DOUG	999.00
	8527705195	HLN/SLC/ABQ/DEN/FSD/DEN/PDX-GLG	
2/10/85	51210208A	MOORE/RAY	180.00
	7614362169	ORF/DCA/ORF	
2/10/85	51210209A	DAVIS/BRIAN	180.00
	7614362170	ORF/DCA/ORF	
2/10/85	51210216A	DUNKER/BARBARA	95.00
	8527705197	FBI/DCA	
2/10/85	51211231A	BRUND/TOM	164.00
	8527705202	ALB/GRF/PIT/GRF	
2/11/85	51211230A	WALTERS/DAVID	468.00
	7614362221	ORF/CLT/AVL/ATL/GRF	
2/12/85	51212023A	DAVIS/BRIAN	- 180.00
	8957645246		
2/13/85	51213223A	WALTERS/DAVID	322.00
	7614362314	ORF/CLT/AVL/CLT/GRF	
2/13/85	51213251A	FLOE/ROB	1187.50
	7614362340-341	ORF/ATL/MSP/MEM/FFN/ATL/DFW-GRF	

CURRENT

30-60 DAYS

60-90 DAYS

OVER 90 DAYS

PLEASE  
PAY THIS AMOUNT  
THANK YOU

TOTAL DUE

## STATEMENT



# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

 530 S. INDEPENDENCE BOULEVARD • SUITE 102  
 VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE (804) 480-3548


Account No. 00701

 IN FREEDOM COUNCIL  
 ACCOUNT C/O G.E. COMPUTERS  
 WITH 2133 SMITH STREET  
 CHESAPEAKE, VA 23320

Date 01/19/86

Amount Enclosed \$

Please detach the top portion and remit with payment

Date	Invoice Number	Reference	Amount
2/16/85	512162204	FLOE/ROB	180.00
	7614362386	DRF/DCA/DRF	
2/16/85	512162214	JAMES/BILL	180.00
	7614362387	DRF/DCA/DRF	
2/16/85	512162254	BRUNO/TOM	287.00
	7614362404	DRF/LGA/BUF/PIT/DRF	
2/16/85	512162294	PALAGONIA/JIM	288.00
	8527705218	ROC/DCA/DRF/PHL/ROC	
2/16/85	512162494	JACKSON/GREGG	516.00
	8527705219	TPA/ATL/SHV/ATL/TPA	
2/18/85	512182214	CHAPMAN/AL	295.00
	8527705229	BDL/BUF/SYR/BDL	
2/18/85	512182414	HOUSE/ANNE	109.00
	8527705234	DCA/DRF	
2/19/85	512182504	DUNKER/BARBARA	99.00
	7614362499	DRF/DCA	
2/20/85	512202164	FLOE/ROB	1131.50
	7614362530-531	DRF/ATL/MSP/MEM/PEN/ATL/DFW-DRF	
2/20/85	512200174	DUNKER/BARBARA	- 693.00
	8956293902		
2/20/85	512200184	DUNKER/BARBARA	- 290.00
	8956293903		
2/20/85	512200194	KELLY/DOUG	- 804.00
	8956293908		
2/20/85	512200204	WALTERS/DAVID	- 190.00
	8956293912		
2/20/85	512200214	WALTERS/DAVID	- 130.00
	8956293911		
2/20/85	512200224	WALTERS/DAVID	- 161.00
	8956293910		
2/20/85	512200234	FLOE/ROB	- 1187.50
	8956293913		
2/20/85	512200304	BORDER/GEORGE	- 189.00
	8956293901		

CURRENT

30-60 DAYS

60-90 DAYS

OVER 90 DAYS

 PLEASE  
 PAY THIS AMOUNT  
 THANK YOU

TOTAL DUE

C1091

## STATEMENT



# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

520 S. INDEPENDENCE BOULEVARD • SUITE 102  
VIRGINIA BEACH, VIRGINIA 23452 • TELEPHONE (804) 480-3548

Account No. 000701

IN  
ACCOUNT  
WITH

88 BAYVIEW COUNTRY  
1111 G.W. DOWNEY DR  
1111 G.W. DOWNEY DR  
1111 G.W. DOWNEY DR  
1111 G.W. DOWNEY DR

Date 01/19/85

Amount Enclosed \$

Please detach the top portion and remit with payment

Date	Invoice Number	Reference	Amount
2/17/85	1222	152 51120222-51118238VOID	966.00
8527705142		BOYAN/BOYAN/BOYAN	
2/27/85	512270014	BRUND/TUCKER	88.31
		NATIONAL CAR	
2/27/85	512270014	BRUND/TUCKER	166.42
		NATIONAL CAR	
2/27/85	512270009	BRUND/TUCKER	145.86
		NATIONAL CAR	
2/27/85	512270044	BOYAN/TUCKER	92.46
		NATIONAL CAR	
2/27/85	512270054	MINARD/RICHARD	266.67
		NATIONAL CAR	
2/27/86	601022514	PHOAS/DOH	346.00
8527705262		LAX/DOH/DOH/LAX	
2/27/86	601022514	DOH/DOH/DOH	1015.00
8527705263		DOH/DOH/DOH/DOH/DOH	
2/27/86	601030124	KELLY/DOH	409.00
8956293927			
2/27/86	601070084	MOODY/KERRY	234.00
8527705276		BOB/DOH/BOB	
2/27/86	601082484	MOODY/TERRY	105.00
8527705285		DOH/DOH	
2/27/86	601082644	WALTERS/DAVID	180.00
7614361948		DOH/DOH/DOH	
2/11/86	601062204	KELLY/DOH	505.00
8527705267			
2/11/86	601070014	JACKSON/DOH	407.00
8527705274		TRAVEL/DOH/ATL/ATL	

INSURE PROPER CREDIT. PLEASE REFERENCE INVOICES YOU ARE PAYING

CURRENT

30-60 DAYS

60-90 DAYS

OVER 90 DAYS

PLEASE  
PAY THIS AMOUNT  
THANK YOU

TOTAL DUE

3172.72

- 2136.30

7745.72

5572.00

7459.44

C1092

## STATEMENT



# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

520 S. INDEPENDENCE BOULEVARD • SUITE 102  
VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE (804) 480-3846



IN G.B. COMPUTERS  
ACCOUNT 2133 SMITH STREET  
WITH CHESAPEAKE, VA 23320

Account No. 000706

Date 01/19/86

Amount Enclosed \$

Please detach the top portion and remit with payment.

	Reference	Amount
REVIOUS BALANCE		1013.00
PAYMENTS RECEIVED THIS PERIOD		
PAYMENT RECEIVED 11/06/85		1013.00
OUTSTANDING INVOICES FROM PRIOR PERIOD		
INVOICES POSTED THIS PERIOD		
1/22/85 51121202A GONZALES/JOSE	41-7	180.00
7613245995 ORF/DCA/ORF		
2/16/85 51216219A BORDER/GEORGE		189.00
7614362385 ORF/DCA/ORF		
2/16/85 51216222A LOUCKES/KURT		180.00
7614362388 ORF/DCA/ORF		
INSURE PROPER CREDIT. PLEASE REFERENCE INVOICES YOU ARE PAYING		
CURRENT	30-60 DAYS	60-90 DAYS
.00	359.00	180.00
OVER 90 DAYS		PLEASE
.00		PAY THIS AMOUNT
		THANK YOU
		TOTAL DUE
		549.00

C1093

96043753928

## STATEMENT



# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

520 S. INDEPENDENCE BOULEVARD • SUITE 102  
VIRGINIA BEACH, VIRGINIA 23452 • TELEPHONE (804) 480-3546



Account No. 000107

IN NATIONAL LEGAL FOUNDATION  
ACCOUNT COLLEGE PARK SHOPPING CENTER  
WITH ATRIUM BUILDING SUITE 309  
VA, BEACH, VA 23462

Date: 1/19/86

Amount Enclosed \$

Please detach the top portion and remit with payment

Date	Invoice Number	Reference	Amount
PREVIOUS BALANCE			.00
PAYMENTS RECEIVED THIS PERIOD			
		PAYMENT RECEIVED 12/27/85	180.00
OUTSTANDING INVOICES FROM PRIOR PERIOD			
INVOICES POSTED THIS PERIOD			
1/29/85 511292014	5104000/808		375.00
7514361838	ORF/ATL/ORF		
1/6/86 501022042	DAVIS/DOUG		488.00
7514362575	ORF/ORD/OMA/ORD/ORF		
INSURE PROPER CREDIT. PLEASE REFERENCE INVOICES YOU ARE PAYING			

CURRENT	30-60 DAYS	60-90 DAYS	OVER 90 DAYS
488.00	375.00	.00	.00

PLEASE  
PAY THIS AMOUNT  
THANK YOU

TOTAL DUE  
863.00

C1094

8604 / 539 / 9

## STATEMENT



## UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

520 S. INDEPENDENCE BOULEVARD • SUITE 102  
VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE (804) 480-3546



IN NATIONAL PROSPECTIVE  
ACCOUNT GB COMPUTER SERVICES  
WITH 2133 SMITH STREET  
CHESAPEAKE, VA 23320

Account No. 000708

Date 01/19/86

Amount Enclosed \$

Please detach the top portion and remit with payment.

Number	Reference	Amount
REVIOUS BALANCE		186.00
AYMENTS RECEIVED THIS PERIOD		
	PAYMENT RECEIVED 10/28/85	186.00
	PAYMENT RECEIVED 11/27/85	1045.00
	PAYMENT RECEIVED 01/01/86	178.00
UTSTANDING INVOICES FROM PRIOR PERIOD		
NVOICES POSTED THIS PERIOD		
0/29/85 51029235A AC/E/L		180.00
7611931036 DCA/ORF/DCA		
0/31/85 51017296A NUTTLE/MARC		132.50
MARRIOTT DULLA		
1/ 1/85 51101236A PINCKNEY/THOMAS		208.00
9527705055 DCA/ORF/DCA		
2/30/85 51230207A NIEDERCORN/JOHN		198.00
7614362652 ORF/PIT/LAX/PIT/ORF		
1/ 9/86 60108262A CURRY/JERRY		180.00
7614362946 ORF/DCA/ORF		

INSURE PROPER CREDIT. PLEASE REFERENCE INVOICES YOU ARE PAYING

CURRENT	30-60 DAYS	60-90 DAYS	OVER 90 DAYS	PLEASE PAY THIS AMOUNT THANK YOU	TOTAL DUE
378.00	.00	320.50	.00		598.50

C1095

96043754000



# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

488 S. INDEPENDENCE BOULEVARD  
VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE (804) 480-3548

TOLL FREE 1-800-368-3781



FREEDOM COUNCIL  
C/O G.B. COMPUTERS  
2133 SMITH STREET  
CHESAPEAKE, VA 23320

BRUNDTOM

FDP CHARGE  
DOC  
AGT CR

FROM	TO	CARRIER	FLIGHT INCLASS	DATE	DEPART	ARRIVE	STAT
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NATIONAL CAR RENTAL

EAST SUMMIT

1000 1000 1000 1000 1000 1000

TRX TYPE B

VOUCHER 2+25 3-2+25

UNITOP 211452

1. L.S. DATE 02 02 84

10. DUE DATE 1/1/84

4. F.O.N. ---

11. DATE 1/1/84

8. NON-DISC ---

ACCT-NO

ACCOUNT NAME

AMOUNT

5251 202

Auto

84.22

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TERMS: Due upon receipt. Please pay by invoice. No statement will be rendered unless specifically requested. A late charge of 1 1/4% per month, which is an annual percentage rate of 18%, will be added to all accounts outstanding over fifteen days.  
NOTE: Tickets are negotiable. If part or entire ticket not used, ticket must be returned to obtain credit.

INVOICE

C1096

96043754001





# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

488 E. INDEPENDENCE BOULEVARD  
VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE (804) 488-3546

TOLL FREE: 1-800-388-3788

FREEDOM COUNCIL  
C/O G.B. COMPUTERS  
2133 SMITH STREET  
CHESAPEAKE, VA 23320

MINARD/RICHARD

FOP CHARGE  
DOC  
AGT CR

FROM TO CARRIER FLIGHT #/CLASS DATE DEPART ARRIVE STAT

NATIONAL CAR RENTAL  
11/07/85-11/07/86  
NORFOLK, VA  
COPY OF RENTAL AGREEMENT ATTACHED

VOUCHER 2426 3-27-85

1. TRX TYPE R
2. VENDOR 211452
3. DIST DATE 12/12/86
4. F.O. NO. \_\_\_\_\_
5. MONTH DISC. \_\_\_\_\_
10. DUE DATE 1/1/87
12. DISC DATE 1/1/87
14. DISC AMT. \_\_\_\_\_

ACCT-NO	ACCOUNT NAME	AMOUNT
<u>5258 CR</u>	<u>Auto Rental</u>	<u>166.50</u>
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TERMS: Due upon receipt. Please pay by invoice. No statement will be rendered unless specifically requested. A late charge of 1 1/2% per month, which is an annual percentage rate of 18%, will be added to all accounts outstanding over fifteen days.  
NOTE: Tickets are negotiable. If part or entire ticket not used, ticket must be returned to obtain credit.

INVOICE

C1097

96043754002



# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

488 S INDEPENDENCE BOULEVARD  
VIRGINIA BEACH, VIRGINIA 23452 • TELEPHONE (804) 490-3546

TOLL FREE 1-800-368



CBN FREEDOM COUNCIL  
C/O G.B. COMPUTERS  
2133 SMITH STREET  
CHESAPEAKE, VA 23320

MINARD/RICHARD

FOP CHARGE  
DOC  
AGT CM

FROM 28 OCT 85 TO 51028011 CARRIER CUSTOMER NO 000701  
FLIGHT #/CLASS DATE DEPART ARRIVE STAT

AMERICAN INTERNATIONAL CAR RENTAL  
NORFOLK, VA  
THREE DAYS  
COPY OF RENTAL AGREEMENT ATTACHED

TOTAL INVOICE \$5.91

TERMS Due upon receipt. Please pay by invoice. No statement will be rendered unless specifically requested. A late charge of 1 1/2% per month which is an annual percentage rate of 18% will be added to all accounts outstanding over fifteen days.  
NOTE Tickets are negotiable. If part or entire ticket not used, ticket must be returned to obtain credit.

ITINERARY

C1101

96043754003



# WE FEATURE FORDS

FINAL PRICE SUBJECT TO AUDIT  
MINIMUM RENTAL ONE DAY PLUS MILEAGE  
IF VEHICLE CHECKED OUT AT ANY POINT OTHER  
THAN ORIGINAL RENTING CITY AN INTERCITY  
CHARGE MAY BE ADDED  
CUSTOMER RESPONSIBLE FOR PARKING &  
TRAFFIC VIOLATIONS  
RENTER WILL BE PROSECUTED IF VEHICLE IS  
NOT RETURNED WHEN DUE BACK

3455 AVENUE CORPUS  
Norfolk, VA 23513  
804-855-1921  
Norfolk Int'l Airport  
Norfolk, VA 23518  
804-853-7881  
2630-A Airline Blvd.  
Portsmouth, VA 23701  
804-423-8881

## UNIVERSAL RENTAL AGREEMENT SIDE 2

No. **A 1047092**

ALTERNATIVE  
VEHICLE NO.

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# UNIVERSAL TRAVEL

OF VIRGINIA BEACH, INC.

488 S. INDEPENDENCE BOULEVARD  
VIRGINIA BEACH, VIRGINIA 23462 • TELEPHONE (804) 460-3548

TOLL FREE 1-800-368-3786

SKOLROON/ROBERT

CBN FREEDOM COUNCIL  
C/O G.B. COMPUTERS  
2133 SMITH STREET  
CHESAPEAKE, VA 23320

FOP CHARGE  
DOC  
AGT CM

28 OCT 85

51028010

CUSTOMER NO 000701

FROM

TO

CARRIER

FLIGHT #/CLASS

DATE

DEPART

ARRIVE STAT

AMERICAN INTERNATIONAL CAR RENTAL  
HUNTSVILLE, AL  
ONE DAY  
AIR REF INVOICE #50807211

TOTAL INVOICE 39.90

TERMS: Due upon receipt. Please pay by invoice. No statement will be rendered unless specifically requested. A late charge of 1 1/2 % per month, which is an annual percentage rate of 18%, will be added to all accounts outstanding over fifteen days.  
NOTE: Tickets are negotiable. If part or entire ticket not used, ticket must be returned to obtain credit.

ITINERARY

C1103

95043754005



WE FEATURE FORDS  
RENTAL ONE DAY PLUS MILEAGE  
CHECKED IN AT ANY POINT OTHER  
CHARGE MAY BE ADDED  
CUSTOMER RESPONSIBLE FOR PARKING &  
TRAFFIC VIOLATIONS  
RENTER WILL BE PROSECUTED IF VEHICLE  
RETURNED WHEN DUE BACK

LUDWIG AL 35758  
TEL (205) 772-3178  
DOWNTOWN HUNTSVILLE  
830-2805  
DECATUR LOCATION  
355-8335

ALTERNATIVE SIDE 2

CTN 1410	ALTERNATIVE
4775771	
T 91 10	
HUNTSVILLE	
HUNTSVILLE, AL	
HUNTSVILLE	
DATE AND TIME	
IN	
DATE AND TIME	
OUT	
MILEAGE IN	21160
MILEAGE OUT	21130
30	29 1/2
30	145 1/2
40620411	41 1/2
17011E	
USE OF THIS VEHICLE RESTRICTED TO ALABAMA	
AX	
MC	
DC	
CB	
23452	
READ THE TERMS AND CONDITIONS ON PAGE 1 (OTHER AND PAGE 2 OF THIS AGREEMENT AND AGREE THERE TO. ORIZE AMERICAN INTL. TO PROCESS A CREDIT CARD IF ANY, FOR CHARGES INCURRED HEREUNDER.	
INVOICE COPY	

C1104

# MEMO

to: Steve Davis of G.B. Services  
copy to: file  
from: Kelly Byrd  
subject: Mailing costs  
date: Dec. 9, 1985

I need to know the cost per piece for mailings - with quantity breakdowns (i.e. state newsletters, etc.).

It is imperative that I have this information by thursday (12-12-85) morning.

Please send by PRIORITY MAIL.

Thank you!

KB:kjw



C1105

96043754007



96043754008

**ALLIED**

HOUSE OFFICE PRODUCTS

815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 481-8881PAGE 2  
FILLER CHECKER PICKER NO. ORDER

ITEM NUMBER	ACCOUNT NUMBER	SALES CODE	CUSTOMER PURCHASE ORDER NO.	SALESMAN	TAX	CODE	ORDER DATE	ZONE	DEPARTMENT
22	90425	53	40-010	02	1T		11/12/85	19	40

FISCAL

SOLD TO

SHIP TO (SAME UNLESS SHOWN BELOW)

WILL CALL ☐

ORDER

O B COMPUTER SERVICE, INC.  
P O BOX 2442  
CHESAPEAKE, VA 23320NATIONAL PERSPECTIVE INSTITUTE  
860 GREENBRIER CIRCLE  
SUITE 502  
CHESAPEAKE VA 23320C.O.D. ☐

ITEM NUMBER	QUANTITY ORDERED	QUANTITY SHIPPED	UNIT	BIN LOCATION	STOCK CODE	DESCRIPTION	ATTN: S. DAVIS			
	1	1	EA	M-08	06306	OL24-BK ROLDEX V-GLIDE FILE BLACK. 6/CT. 12/CS		13.035	13.035	
	1	1	EA	1-12	05306	BL83 BLOTTER PAPER. GREEN 24" X 38" (24-093)		1.027	1.027	
* THE FOLLOWING SPECIAL ITEM(S) ARE ON ORDER & WILL BE SHIPPED AS SOON AS POSSIBLE										
	1		EA		B1-BK2-00	DIARY, MO, TEL/ADD, 8X12		3.55	3.55	

INSTRUCTIONS

PLEASE INSERT NUMBER OF PIECES RECEIVED ☐

RECEIVED BY

DATE

ALL ORDER ITEMS ARE SUBJECT TO BEST PRICE GUARANTEE. ALL CLAIMS FOR SHORTAGES OR DISCREPANCIES MUST BE MADE WITHIN 3 DAYS. NO MERCHANDISE TO BE RETURNED WITHOUT OUR CONSENT.

PACKING SLIP

C1106



# MEMO

to: Bryan Davis  
copy to:  
from: Gwyn Leach  
subject: Cassettes of "The Freedom Report" in the Warehouse  
date: November 8, 1985

I'd like to request GB Services put together the remaining cassette boxes of "The Freedom Report." I realize Bill James had asked for 300 of them to be put together by next weekend, so perhaps at the same time they could put together the rest of the boxes there.

We'd like to have them together and kept in the warehouse for future use.

Any questions, please call, (or write).

Thanks, Bryan.

  
Gwyn Leach

GL:bl

C1107

96043754009

## ADMINISTRATIVE SERVICES AGREEMENT

THIS AGREEMENT is made and entered into as of August 1, 1985, by and between THE FREEDOM COUNCIL (hereinafter referred to as "TFC"), a Virginia non-profit corporation, whose principal office is located at 825 Greenbrier Circle, Suite 101, Chesapeake, Virginia 23320, and GB COMPUTER SERVICES, INC., a Virginia corporation, (hereinafter referred to as "Contractor"), whose mailing address is P.O. Box 1891, Chesapeake, Virginia 23320.

1. SERVICES TO BE RENDERED. Contractor agrees to provide the following services for the benefit of TFC:

a. General administration of TFC personnel records, payroll and general accounting (for internal purposes only), purchasing activities, and other general administrative services requested by TFC.

b. Administration of the promotion of TFC to the general public, including development and marketing activities, such as advertising, fundraising, direct mailing, contributor list management, printing, art work, and warehousing.

c. Administration of computer services for internal recordkeeping, etc.

d. The design, creation or writing of promotional pieces, whether for publishing, broadcast, or other form of distribution.

2. EXCLUSIONS FROM SERVICES. The services to be rendered by Contractor do not include:

Ultimate decisions pertaining to the hiring and firing of all TFC employees, wage and salary levels of all TFC employees, the nature and extent of any employee benefits, purchasing decisions, preparation of financial statements for other than internal use and tax return preparation.

3. RECORDS, FILES AND INFORMATION. All services rendered by Contractor for TFC shall also be subject to each of the following conditions:

a. All services shall be rendered exclusively for the benefit of TFC, its employees and authorized agents. Contractor shall not in any way commingle its computer records, filing, or other information systems used to render the services contemplated herein with any other computer records, filing or other information systems owned, used or controlled by Contractor or any other person than TFC. Nothing herein shall prohibit Contractor from using the same computer to provide similar

services to other clients.

b. TFC, through its authorized agents, shall at all times have complete and free access to all records, files, data or other information maintained by Contractor on behalf of TFC.

c. All records, files, data, or other information held or maintained by Contractor on behalf of TFC shall at all times be the exclusive property of TFC notwithstanding Contractor's rendition of services relating thereto, and shall not be used, sold, destroyed or otherwise disposed of except on behalf of TFC pursuant to its prior written instructions.

d. All records, files, data, or other information held or maintained by Contractor on behalf of TFC are confidential, secret and proprietary in nature, and Contractor shall actively prohibit the copying, transmission or disclosure of any of such information, by any means whatsoever, except as necessary for the rendition of services contemplated herein or otherwise as TFC may direct in writing. Any unauthorized "leaking" of such information which becomes known to the Contractor shall be immediately reported to TFC.

4. FEES FOR SERVICES. TFC shall pay to Contractor compensation for Contractor's services in the following manner:

a. During the period from August 1, 1985, through July 31, 1986 only, TFC shall pay to Contractor a monthly payment equal to Twenty-Five Thousand (\$25,000.00) Dollars per month. TFC shall pay One-Hundred-Fifty-Thousand (\$150,000.00) Dollars of this payment in advance upon execution of this Agreement and Twenty-Five Thousand (\$25,000.00) Dollars per month on the 1st day of each month from August 1, 1985, up to and including January 1, 1986.

b. In addition to the sum set forth in paragraph 4(a) above, the Contractor shall submit to TFC an invoice on or before the 15th day of each month itemizing the expenses (administrative and operational) incurred by Contractor for the preceding month in order for Contractor to provide the services described herein. The expenses shall be determined based on generally accepted accounting principles and shall consist of cash and accrued expenditures. Furthermore no single expense shall vary more than 25% from "Estimated Cost" as shown on the variable budget agreed to and jointly derived by the Contractor and TFC prior to the time such expense was incurred without the express written consent of TFC. For the months up to and including July, 1986 TFC shall pay to Contractor the invoiced expenses plus 20% within fifteen (15) days after they are submitted. For the months of August, 1986 through July, 1987, TFC shall pay to Contractor the invoiced expenses plus 15% within fifteen (15) days after they are submitted. For the months of

August, 1987 through July, 1988, TFC shall pay to Contractor the invoiced expenses plus 18% within fifteen (15) days after they are submitted.

Anything to the contrary herein notwithstanding, the payment of any invoiced expenses shall not be deemed conclusive that such expenses were incurred and an annual review shall be made between TFC and Contractor of all invoices submitted. Any discrepancies between expenses invoiced, expenses incurred, and payments made shall be adjusted accordingly.

5. REPORTS. Contractor acknowledges and agrees that it will, in a timely manner, complete and submit every reasonable report and supply all information requested from time to time by TFC.

6. INDEPENDANT CONTRACTOR. Contractor acknowledges and agrees that during the term of this Agreement, and any extension or renewal thereof, it is an independent contractor only and not an employee of TFC.

7. TERMINATION. This Agreement shall commence on August 1, 1985, and shall terminate on July 31, 1988.

8. CONFIDENTIALITY. Commencing on the date first set forth above and continuing in perpetuity thereafter, Contractor shall forever keep confidential all information supplied by TFC or developed by Contractor in the course of its performance of the services hereunder. This includes, but shall not be limited to, membership lists, donor lists, accounting information, financial procedures, business records and data, fundraising and operational procedures, and all other information given to or developed by Contractor.

9. EXCLUSIVE SERVICES. The Contractor shall provide the exclusive services of TFC described in paragraph one above. TFC shall not contract with or allow any other person or entity other than the Contractor to perform such services.

10. NOTICE. Notice hereunder shall be considered properly given on the date of mailing if mailed in an addressed envelope, first class postage prepaid, to the party receiving notice at the address first shown above for that party. Either party hereto may change the address for notice by informing the other party in writing of the notifying party's new address.

11. WAIVER. No waiver of any breach of the performance of any provision set forth in this Agreement shall constitute a waiver of any subsequent or prior breach of performance of the same or of a different provision of this Agreement.

12. INDEMNITY AND LIABILITY. Every obligation and duty herein provided for shall be binding upon the successors of

96043754012

provided for shall inure to the benefit of the assigns and successors of each of the parties hereto; provided that Contractor shall not assign this Agreement or delegate duties hereunder without the prior written approval of TFC, which may be arbitrarily withheld.

13. GOVERNING LAW. All questions regarding the validity, interpretation, performance, and enforcement of the terms and provisions of this Agreement shall be governed by the laws of the Commonwealth of Virginia.

14. INTEGRATION, MERGER AND AMENDMENT. The terms and provisions set forth in this written document constitute the entire agreement between the parties hereto, and no provision or statement, express or implied, which is not set forth herein shall be deemed or considered a part of this Agreement. This Agreement may only be amended in writing by a separate document signed by each party hereto, and each such written amendment shall be merged into and shall become a part of this contract.

IN WITNESS WHEREOF, the parties hereto have signed and executed this Agreement on the date first shown above.

GB COMPUTER SERVICES, INC.

THE FREEDOM COUNCIL

By:

George F. B.  
George Border, President

By:

R. Partlow  
Robert G. Partlow  
Executive Director

158

**IN CONCRETE, THERE IS NO SUCH THING AS A FREE LUNCH.**

OSWALD, VA 22131

October 29 10 85

333

**5** **21,400.00**

DOLLARS

Twenty one thousand four hundred and 00/1000

# DOMINION

11-11-11

**Hallings/Melchior Telephone**

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552284847

C1115

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## West End Printing Company

1101 Athens Ave. Richmond, Virginia 23227, Phone: (804) 262-8631

**Sold To:** The Freedom Council  
C/O G.B. Computer Services, Inc.  
2133 Smith Avenue  
Chesapeake, Virginia 23320  
Attn: Steve Raiford

**Shipped To:**

**SAME**

DATE	JOB NO.	CUSTOMER JOB NO.	SHIPPED VIA	TERMS:	
7-31-86	7661	20-190	R & E Hauling	NET 30 DAYS	
QUANTITY	DESCRIPTION			UNIT PRICE	AMOUNT
58,400 BILLED FOR: 57,000	Title: 8 Page Newsletter  TYPESETTING CHARGES  ALTERATIONS AND CHANGES			\$64.04 M	\$3650.28  \$ 35.00  \$ 71.50
RECEIVED BY _____ DATE _____				SUB TOTAL:	\$3756.78
				TAX	\$150.27
				TOTAL	\$3907.05

TERMS: Net 30 Days - 1 1/4% Service Charge After First 30 Days

C1117

96043754015



9 6 0 4 3 7 5 4 0 1 6

RECORD DATE: 10/01/86

The Freedom Council

PAGE:

## ACCOUNTS PAYABLE CHECK REGISTER

CHECK		VENDOR		VOUCHR	INVOICE		AMOUNT	DISCOUNT	CHECK
NO	DATE	NO	NAME	NO	NO	DATE	PAID	TAKEN	AMOUNT
2051	09/30/86	070250	GB Computer Services, Inc	3823	43	07/16/86	50,000.00	.00	50,000.00
CHECK TOTALS:							50,000.00	.00	50,000.00
GRAND TOTALS:							50,000.00	.00	50,000.00

1 REGULAR CHECKS  
 0 NON-A/P CHECKS  
 0 MANUAL CHECKS  
 0 VOID CHECKS  
 1 CHECKS TOTAL

KKKK 070250

002051

3823 43

07/16/86 109,772.61

50,000.00

.00

50,000.00

CHECK TOTAL

50,000.00

C1119

002051 09/30/86 070250

FIFTY THOUSAND AND 00/100 DOLLARS\*\*\*\*\*

\$\$\$50,000.00

GB Computer Services, Inc  
P O Box 2442  
Chesapeake, Va

KKKK

9 6 0 4 3 7 5 4 0 1 7

DATE 2/14/86  
 F.O.B. \_\_\_\_\_  
 VIA \_\_\_\_\_  
 TERMS \_\_\_\_\_

TO: MOH Corporation  
Two Northside 75  
Atlanta, GA 30342  
Attention: Peter Collins

SHIP TO: The Freedom Council  
c/o GB Computer Services, Inc.  
2133 Smith Ave. Door A  
Chesapeake, VA 23320

PLEASE SHIP THE FOLLOWING:

DATE REQUIRED:

ORDERED	RECEIVED	STOCK NUMBER	DESCRIPTION	PRICE	PER	AMOUNT
1	1		Smart Aleck			775.00
2						
3						
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19						
20						

Shipping: Approx. 10.00

Approx Totals: 185.00

DATE RECEIVED AND DISPOSITION

ORDERED BY \_\_\_\_\_

96043754018

9 6 0 4 3 7 5 4 0 1 9

FREEDOM COUNCIL, INC.

SPECIAL ACCOUNT  
825 GREENBERG CIRCLE, SUITE 101  
CHESAPEAKE, VA 23320

175

11/7

NOV. 7 1985

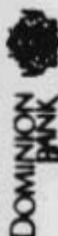
PAY TO THE  
ORDER OF

G B Computer Services, Inc.

\$ 4,120.30

Forty one hundred twenty and 30/100

DOLLARS



Domestic Va. 21041

FOR SERVICES RENDERED

for TFCF

*Louise R. Mayo*  
*James L. Mayo*

⑆00017⑈⑆⑆⑆051401328⑆

55226840

⑆0000412030⑆

C1121

# MEMO

to: Greg Jackson  
copy to: Curt Louckas  
from: Kelly Byrd, Ray Moore *can CAD*  
subject: Reorder - Replenish of TFC Stock at GB Services  
date: September 3, 1986

1. As you are aware, our TFC stock is getting critically low at GB Services. At our last inventory in mid-August, we discovered some items had been depleted such as Freedom File #1 and the Pastor's Brochure.
2. Curt is aware of this situation as well and is awaiting your directions.
3. We recommend immediate approval of the final copy of the Pastor's Brochure so it can be reprinted immediately. The Pastor's Brochure copy is in your possession.
4. Further, we recommend an assessment of TFC literature needs for the next six months to one year in consultation with Curt and the national office staff. Curt should be in charge of this project. Recommend meeting with Curt and Bill James to determine Bill's guidance on writing of church coordinator brochure which needs to be printed along with our other reprints.
5. Also an evaluation of potential video (VHS) needs for the field would be in order.

C1123

96043754020

9 6 0 4 3 7 5 4 0 2 1

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
825 M GREENHILL CHURCH LARTE 103  
CHESAPEAKE VA 23060

DOMINION BANK  
NORFOLK VA 23501

68 132  
514

001154

CHECK NO.	001154	CHECK DATE	5/23/86	AT THE TIME OF DEPOSIT	070250
-----------	--------	------------	---------	------------------------	--------

CHECK AMOUNT	57,500.00
--------------	-----------

Twenty-five hundred and 00/100

CB Computer Services, Inc.

PAY TO THE ORDER OF

*Frederick A. Thomas*  
FREDERICK A. THOMAS  
AUTHORISED SIGNATURE

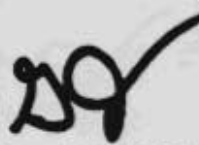
0000750000

55234867

001154 051401328

C1124

# MEMO

to: Bob Slosser  
copy to:  
from: Greg Jackson   
subject: GB Computer Services Billing  
date: July 8, 1986

Thought you should have a copy of the most recent billing from  
GB Computer Services, Inc.

GJ:lm  
Enc.

96043754022

C1125



THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT  
825-W GREENBRIAR CIRCLE SUITE 101  
CHESAPEAKE VA 21020

DOMINION BANK  
NORFOLK VA 23501

UU2U33

66.132  
518

CHEQ NO	CHEQ DATE	VT FIDELITY
002035	09/18/86	070250

CHEQ AMOUNT  
\$\*\*\*20,000.00

TWENTY THOUSAND AND 00/100 DOLLARS\*\*\*\*\*

GB Computer Services, Inc  
P O Box 2442  
Chesapeake, Va

*[Signature]*  
AUTOMATICALLY DEPOSITED

PAY  
TO THE  
ORDER OF

#002035# #051401328#

55234867#

#0002000000#

3 2 0 4 5 7 5 4 3 0 0 9 9



August 6, 1986

Mr. Carl Horn  
The Freedom Council  
1201 East Boulevard  
Charlotte, NC 28302

Dear Carl,

As part of GB Computer Services' MCI Corporate Account for your long distance service, I want to take this opportunity to advise you and your co-workers on how to use the service. Please distribute the enclosed brochures to the direct dial long distance users and credit card users.

To make a long distance call, simply dial 1 and the long distance number, wait for a tone and then dial in your two digit account code. If you already have accounting codes assigned, you may use the same ones. If not, please assign two digit accounting codes to all employees making long distance calls from your location. Please send a copy of your list of assigned codes to Louise Manno at The Freedom Council main office.

To make an MCI credit card service call, simply dial 950-1022, (or 800-624-1022 in some areas) wait for a tone, dial 0 + number you want to call, wait for a tone, then dial your authorization number.

If there are any questions please call me at (804) 424-1155 or please call John Metzger, our MCI Corporate Account Manager at (804) 623-0298. If John isn't in, please ask for Cynthia Martin or Jennifer Price.

Kindest regards,

cc: Louise Manno  
Enclosures as noted.

96043754024

## INVOICE

INVOICE DATE	INVOICE NUMBER	PAGE
3-10-55	362126	1

BUSINESS RESOURCES CENTER, INC.  
5265 PROVIDENCE ROAD, SUITE 403  
VIRGINIA BEACH, VIRGINIA 23464

TELEPHONE (804) 487-0104

SOLD TO

Jefferson College  
3500 FULTON  
P.O. BOX 2442  
CHESBROUGH, VA 23020  
804-424-1155

SHIP TO

2133 Smith

23320

ORDER NO.	ORDER DATE	CUSTOMER NO.	SALES- MAN	PURCHASE ORDER NO.	SHIP VIA	SHIP DATE	TERMS
			SLR	25-144 VERBAL ORDER	DELIVERED	3-10-55	CIE JTD RECEIPT

QUANTITY ORDERED	QUANTITY SHIPPED	QUANTITY BACK ORD.	ITEM NO.	ITEM DESCRIPTION	UNIT PRICE	EXTENDED PRICE
3	3	0		REC P-5 RIBBONS	15.00 EA	45.00

SALE AMOUNT	45.00
MISC. CHARGES	
SALES TAX	1.00
FREIGHT	
TOTAL	46.00
PAYMENT REC'D	
BALANCE DUE	

C1128

4041 / 54025

# ALLIED

WAREHOUSE OFFICE PRODUCTS

P.O. BOX 12588  
815 POPLAR HALL DRIVE  
NORFOLK, VIRGINIA 23502  
Telephone (804) 481-8081

CUSTOMER INVOICE

C1129

INVOICE NUMBER	INVOICE DATE	CUSTOMER ORDER NUMBER	DEPARTMENT
48644781	03/12/86 90425	03/14/86 20-165	02
			20

TO

O B COMPUTER SERVICE, INC.  
P.O. BOX 2442  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
CHESAPEAKE, VA 23320

SHIP TO (SAME UNLESS INDICATED BELOW)

FREEDOM COUNCIL  
2133 SMITH AVE.  
DOOR A  
CHESAPEAKE VA 23320

ATTN : WENDY

QTY	UNIT	DESCRIPTION	PRICE	AMOUNT
20	RM	20 P1-0X9001-P	PAPER, XERO, WE. B. 5X11, 208	6.20 124.00
SUBTOTAL				124.00
4.000% VIRGINIA SALES TAX			4.96	128.96

PLEASE PAY WITHIN 30 DAYS FROM INVOICE DATE.

A charge of 2% per month will be added to any balance outstanding after 30 days from invoice date

All non-stock returned merchandise subject to restocking charge

PLEASE PAY  
THIS AMOUNT

128.96

REMITTANCE COPY-MUST BE RETURNED WITH PAYMENT

9 2 0 4 5 7 - 4 0 2 6

THE FREEDOM COUNCIL, INC.

MAIN ACCOUNT

825-M GREENBRIAR CIRCLE, SUITE 101  
CHESAPEAKE, VA 23020

0101250

DOMINION BANK  
HOMEROCK, VA 23061

1520

CHECK NO	CHECK DATE	VENDOR NO
	12/11/85	

CHECK AMOUNT
\$15,000.00

Fifteen thousand and 00/100

PAY  
TO THE  
ORDER OF

G B Computer Services, Inc.

*Henry C. Thomas*  
*Thomas C. Thomas*  
AUTHORIZED SIGNATURE

001520 051401328

55225280

10001500000

C1130

12045154096

DATE: 07/21/86

The Freedom Council

PAGE 0001

C1131

ACCOUNTS PAYABLE CHECK REGISTER

CHECK		VENDOR		VOUCHER		INVOICE		AMOUNT PAID	DISCOUNT TAKEN	CHECK AMOUNT
NO	DATE	NO	NAME	NO	NO	DATE	DATE			
1734	07/21/86	070250	GB Computer Services, Inc	3587	36	05/22/86		15,000.00	.00	15,000.00
CHECK TOTALS:								15,000.00	.00	15,000.00
GRAND TOTALS:								15,000.00	.00	15,000.00

1 REGULAR CHECKS  
 0 NON-A/P CHECKS  
 0 JUNEAL CHECKS  
 0 VOID CHECKS  
 1 CHECKS TOTAL

9 6 0 4 5 7 5 4 0 2 8

WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

93 JUN 17 PM 5:09

WRITER'S DIRECT DIAL NUMBER

June 17, 1993

FACSIMILE  
(202) 429-7048  
TELEX 248348 WYRN UR

(202) 429-7301

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

ATTN: Tony Buckley, Esq.

Re: MUR 3485 (Gordon P. Robertson)

Dear Mr. Noble:

Enclosed please find the Response of Gordon P. Robertson to the Federal Election Commission's Subpoena to Produce Documents and Order to Submit Written Answers.

Sincerely,

*Carol A. Laham*

Carol A. Laham

Encls.

cc: Gordon P. Robertson, Esq.

24040754029



RESPONSE OF GORDON P. ROBERTSON  
TO THE INTERROGATORIES OF  
THE FEDERAL ELECTION COMMISSION IN MUR 3485

Question 1

Identify all accounts in financial institutions held or co-held in the name of PFA. Include in your answer the account number, the type and nature of each account, all owners of each account, all persons having signature authority on each account, the date each account was opened, and the date each account was closed.

Response

A single bank account in the name of Partners For America-State PAC was held at the Sentry Federal Savings Bank. The account was opened on November 18, 1988, the account number was 0003573 and this was a Statement Account with an interest rate of 6.5% when opened. Ray King and I had signatory authority on the account. The account was closed on March 20, 1992.

Question 2

List all transactions between PFA and CFL in which money was transferred from one party to the other. For each transaction state the date of the transaction, the purpose of the transaction, the amount of money transferred, and whether PFA gained ownership of any real or personal property as a result of that transaction. Identify the current owner of any such property.

Response

Partners for America and Computer Futures Limited entered into a contract for the purchase of a computer and associated software, various microcomputers and related office equipment from Computer Futures Limited. Partners for America paid Computer Futures Limited \$100,000 in two

installments toward the total purchase price of \$150,000. However, before the contract had been fully executed the computer crashed. Thus, the remainder of the contract was voided. Partners for America did obtain possession of the related equipment, but did not obtain the system unit.

Eighteen personal computers also were involved in the transaction. I am unable to state with certainty all the current owners of the personal computers. As a trustee for Partners for America, I am also in possession of the Laser printer and Toshiba printer and other related support equipment as well as the software identified in the contract.

Question 3

With respect to any personal property identified in response to question 3, state what kind of property it is, and its make and model year.

Response

The attached documentation identifies the personal property identified in response to Question 2 above.

Question 4

Identify all persons who in any way dealt with CFL on behalf of PFA regarding any transaction.

Response

I personally dealt with Computer Futures Limited with respect to this transaction on behalf of Partners for America.

Question 5

Identify all other persons who did not deal directly with CFL, but who otherwise were in any way involved on behalf of PFA regarding any transaction.

Response

Ray King was involved on behalf of Partners for America.

Question 6

Identify all persons who in any way dealt with you on behalf of CFL regarding any transactions.

Response

I dealt with Marc Nuttle, General Partner of Computer Futures Limited regarding this transaction.

2604275402

PRODUCTION OF DOCUMENTS

1. Produce all records of financial activity in accounts identified in response to question 1. Include in your response copies of all bank statements, deposit and withdrawal slips, checks, account transfers, and all other documents evidencing financial activity.

Response

All such records in my possession are attached.

2. Produce all documents which relate in any way to any business conducted between PFA and CFL.

Response

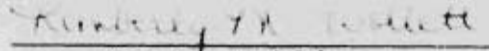
All such records in my possession are attached.

The above information is true and correct to the best of my knowledge, information, and belief.

  
Gordon P. Robertson

Norfolk, Virginia

Subscribed to and sworn before me this 15<sup>th</sup> day of June, 1993

  
Notary Public

My Commission Expires: 11-30-95

96043754033

# NEW SAVINGS ACCOUNT RECEIPT

ACCOUNT TO BE SET UP AS FOLLOWS FOR AMOUNT LISTED BELOW AS BEGINNING SAVINGS BALANCE

PLEASE PRINT

PARTNERS FOR AMERICA-STATE PAC

ATTN: Gordon Robertson

500 World Trade Center

Norfolk, Va. 23510

IMPORTANT THIS IS YOUR NEW ACCOUNT RECEIPT. PERMANENT EVIDENCE OF YOUR NEW ACCOUNT WILL BE MAILED TO YOU WITHIN A FEW DAYS. PLEASE DESTROY THIS RECEIPT AFTER CHECKING THE BALANCE BELOW WITH THE PASSBOOK OR CERTIFICATE BALANCE. THIS RECEIPT IS VOID ONCE PERMANENT EVIDENCE OF YOUR ACCOUNT HAS BEEN ISSUED.

Account Type ☐ Passbook ☐ Certificate ☐ Statement ☒

Interest Rate 06.50% Account Info 0003573

## SENTRY FEDERAL SAVINGS BANK

☐ OTHER ACCOUNTS HERE

S. M. Bradley

DATE 11/18/88

Savings Manager

OFFICE USE ONLY

MEMO	CHECK #	DOLLARS	CENTS
St. Anthony National Bk	XX	55,000	00
CHANGE RETURNED	▶		
CASH	▶		
BEGINNING SAVINGS BALANCE	▶		
OTHER INFORMATION	TOTAL ▶	55,000	00

11002 1-8-88  
New Account Receipt

GR003

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

NUMBER	DATE	TRANSACTION DESCRIPTION OF PAYEE NAME	PAYEE CODE	PAYMENT OR WITHDRAWAL	IN DEPOSIT OR INTEREST	OR TRANSFER AMOUNT	BALANCE
0000	7/1/85	Deposit / B. B. Back Contribution			55,000.00		55,000.00
0001	7/3/85	Computer Futures, Ltd		50,000.00			5,000.00
	7/3/85	Interest Expense			142.99		5,142.99
101	7/14/85	Internal Revenue Service		14.62			5,128.37
102	7/15/85	Downtown Republican Club, Inc. - Debits		500.00			4,628.37
103	7/17/85	IRS Deposit		14.62			4,613.75
104	7/28/85	Downtown Republican Club, Inc. - Debits					2,000.00
	7/28/85	Deposit - National Republican Senatorial Committee					2,000.00
105	7/28/85	Computer Futures Ltd					50,000.00
106	8/1/85	Calvin Zedl - Appraisal					2,613.75
107	4/9/90	Central Fidelity Tax on Interest					2,363.75
108	7/15/85	James Grant Inc. de B. de					112.15
109	4/5/90	Republican Party via - 2nd District					2,251.10
							497.21
							1,753.89
							318.25
							1,435.64

MEMBER TO RECORD AUTOMATIC PAYMENTS/DEPOSITS ON DATE AUTHORIZED

RECORD ALL CHARGES OR CREDITS THAT AFFECT THE BALANCE						
NUMBER	DATE	TRANSACTION DESCRIPTION OR PAYEE NAME	PAYEE CODE	PAYMENT OR WITHDRAWAL	DEPOSIT OR INTEREST	BALANCE
110	6/15/50	Jones Printing				1435.64
						725.39
						710.25
171	3/7/51	Internal Revenue Service				10.79
						699.46

06045134036



Olc 9205

RECEIVED  
FEDERAL ELECTION COMMISSION

**EPSTEIN BECKER & GREEN, P.C.**

93 JUN 21 PM 12:27

ATTORNEYS AT LAW

1227 25TH STREET, N.W.

WASHINGTON, D.C. 20037-11561

(202) 881-0800

TELECOPIER (202) 298-2882

DIRECT LINE

250 PARK AVENUE  
NEW YORK, NEW YORK 10177-00771  
(212) 381-4800

1875 CENTURY PARK EAST  
LOS ANGELES, CALIFORNIA 90067-2801  
(310) 556-8881

SIX LANDMARK SQUARE  
STAMFORD, CONNECTICUT 06901-27041  
(203) 348-3737

ONE RIVERFRONT PLAZA  
NEWARK, NEW JERSEY 07102-84011  
(908) 842-1800

101 FEDERAL STREET  
BOSTON, MASSACHUSETTS 02110-1800  
(617) 342-7052

111 PINE STREET  
SAN FRANCISCO, CALIFORNIA 94111-8614  
(415) 398-3800

12750 MERIT DRIVE  
DALLAS, TEXAS 75281-12091  
(214) 490-3143

116 SOUTH MONROE STREET  
TALLAHASSEE, FLORIDA 32301-1530  
(904) 881-0888

2400 SOUTH DIXIE HIGHWAY, SUITE 100  
MIAMI, FLORIDA 33133  
(305) 858-1100

510 KING STREET, SUITE 301  
ALEXANDRIA, VIRGINIA 22314-3132  
(703) 884-1204

**LEGAL & CONFIDENTIAL**

June 21, 1993

\*P.C. NEW YORK, WASHINGTON, D.C., NEW JERSEY,  
CONNECTICUT AND TEXAS ONLY

**HAND-DELIVERED**

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, DC 20463

RE: M.U.R. 3485: Respondent Beurt R. SerVaas

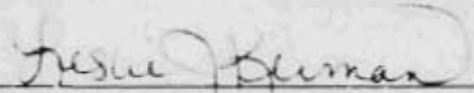
Dear Mr. Buckley:

I am writing in connection with the response due to be filed in your office last Friday, June 18, 1993, on behalf of Dr. Beurt R. SerVaas in connection with the Commission's reason-to-believe finding in the above-referenced matter, as well as the Order to Submit Written Answers and Subpoena to Produce Documents.

Please be advised that, for a variety of reasons, our client requires several more days to respond in this matter. Dr. SerVaas' response, however, will be filed with your office on or before Friday, June 25, 1993.

We apologize for any inconvenience this may cause you. As always, if you have any questions regarding this matter, please do not hesitate to contact me at (202) 861-1877.

Very truly yours,

  
Leslie J. Kerman

03043754057

OAC 9232

WILLIAM J. OLSON, P.C.

ATTORNEYS AT LAW

8180 GREENSBORO DRIVE, SUITE 1070  
MCLEAN, VIRGINIA 22102-0823

TELEPHONE (703) 356-5070

FAX (703) 356-5085

WILLIAM J. OLSON  
(DC VA)  
JOHN B. MILES  
DC MD OF COUNSEL  
GILMAN & PANGIA  
OF COUNSEL

1818 H STREET NW  
SUITE 600  
WASHINGTON DC 20006-3604  
TELEPHONE (202) 823-8086  
FAX (202) 331-8886

June 21, 1993  
**CERTIFIED MAIL**

Tony Buckley, Esquire  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485

Dear Mr. Buckley:

As you know, we represent The National Legal Foundation (NLF) and Robert Skolrood, its Executive Director, with respect to the above-referenced MUR.

Enclosed please find NLF's Answers to the Commission's Interrogatories and its Responses to the Commission's Request for Production of Documents. These documents, which are telefaxed copies of the original Answers and Response, are being timely filed, as confirmed by your letter of June 1, 1993. (The original signed documents will be provided upon receipt by us.) Also enclosed are approximately one hundred pages of financial documents that NLF has located and produced as responsive to the Commission's Request for Production of Documents. The balance (hundreds of pages of all other documents responsive to the Request for Production of Documents) will be sent to you with the original signed Answers and Response that we expect to receive tomorrow.

It is our hope that, after review of this matter and the enclosed documents, the Commission will be persuaded that there is no basis for NLF and Mr. Skolrood continuing to be respondents in this MUR.

The essential allegation against NLF is that it "may have made" corporate contributions by assisting in a purchase of a computer and years later providing it to the Committee for Freedom, "a multi-candidate political committee associated with Pat Robertson." The evidence of which we are aware, including what is set forth in the Factual and Legal Analysis provided by the Federal Election Commission to NLF and Mr. Skolrood, would indicate that the Freedom Council Foundation entered into a reasonable, valid, and binding agreement for the provision of administrative services. The difficulty that NLF has in responding to the suspicion articulated in the FEC's Factual and

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02:38:14 02:11:56

Legal Analysis is that this suspicion apparently concerns the motivation underlying that agreement for administrative services. No one currently at NLF, including Mr. Skolrood, is in a position to respond regarding that suspicion, because no one currently at NLF had anything whatever to do with the 1985 negotiation of the administrative services agreement in question. From NLF's standpoint, it had a contract with GBSCI. For business reasons, the contract was terminated well before the contract expiration date. Neither of these business decisions can be faulted, and in any event, they appear to be normal, operational business decisions. We submit that any other conclusion based upon the evidence we have seen is strained and unsupported. But certainly, no matter what motivation can be conjectured with respect to negotiation of the services agreement in August, 1985, it is clear that from at least the time of the beginning of Mr. Skolrood's tenure as an officer or director of Freedom Council Foundation (NLF), well after the execution of the administrative services agreement of August 1985, no such motivation can be ascribed to NLF.


Under these circumstances, we would submit that NLF should be dismissed as a respondent from the pending MUR.

Further, whatever the rationale for the pendency of this MUR against NLF, there is no reasonable basis for continuing Mr. Skolrood as a respondent. We are not aware of any legal support for the assertion of such a claim against an individual, and we submit that there is no legal or factual basis for asserting such a claim against Mr. Skolrood in this particular matter, where it is clear that he had nothing to do with the complained-of transaction and acted as an employee, and then later as an officer and director, of NLF, and acted properly at all times.

Under these circumstances, we would respectfully request that Mr. Skolrood be dismissed as a respondent from the pending MUR.

We also request that the entire matter be treated confidentially by the Commission and that no disclosure of NLF's responses or documents, which constitute, inter alia, confidential business, financial, and donor records, be permitted.

Sincerely yours,



William J. Olson

WJO:mm

Enclosures

BEFORE THE  
FEDERAL ELECTION COMMISSION

RECEIVED  
FEDERAL ELECTION COMMISSION

93 JUN 23 PM 3:26

In the Matter of

NUR 3485

ANSWERS TO INTERROGATORIES  
BY NATIONAL LEGAL FOUNDATION

The following answers are provided by National Legal Foundation (NLF) in response to the Commission's Order to Submit Written Answers to Interrogatories in the above-referenced NUR.

1. Identify all persons who in any way dealt with GDCSI on behalf of you regarding an administrative service agreement dated August 1, 1985.

ANSWER:

Robert K. Skolrood  
6477 College Park Square, Suite 306  
Virginia Beach, Virginia 23464

Connie Fentress  
354 Middle Oaks Drive  
Chesapeake, Virginia 23320

Douglas W. Davis  
6332 Chestnut Hill  
Virginia Beach, Virginia 23464

Alan R. Harkey  
513 Lindel Boulevard  
Del Ray Beach, Florida 33444

Paul S. McConnell  
11320 Roosevelt Way N.E.  
Seattle, Washington 98125

Dr. Marion ("Pat") G. Robertson  
c/o CBN  
Virginia Beach, Virginia 23463

Bob G. Slosser  
700 Oriole Drive  
Virginia Beach, Virginia

Robert G. Partlow  
Address unknown

Herbert W. Titus  
Lake James Drive  
Virginia Beach, Virginia 23464

Jerry R. Curry  
Address unknown

There may have been others who we have been unable to identify at this time.

2. Identify all other persons who did not deal directly with GBCSI, but who otherwise were in any way involved on behalf of you regarding an administrative service agreement dated August 1, 1985.

ANSWER: It is not known at this time by the undersigned or by the current NLF staff, who actually dealt directly or indirectly or otherwise with GBCSI, other than the persons listed in answer to Interrogatory No. 1, above.

3. Identify all persons who in any way dealt with you on behalf of GBCSI regarding an administrative service agreement dated August 1, 1985.

ANSWER:

George F. Border  
517 Fordsmere Road  
Chesapeake, Virginia 23320

Steve Davis  
Current Address Unknown  
Last Known Address: P.O. Box 1891  
Chesapeake, Virginia 23320

93043754041

There may have been others who we have been unable to identify at this time.

4. List all amounts of money received by you from CBN. In your list, identify any employee, director or officer of CBN who was involved in the decision to provide funds to you. Include in your schedule the date each payment was received.

ANSWER:

(A) For a list of all amounts of money received by the National Legal Foundation from CBN, see document which has been assembled and which is attached hereto and made a part hereof marked "Exhibit A."

(B) It is believed that Marion G. ("Pat") Robertson, Allan Rundle, and David Jackman were the persons at CBN who were involved in the decision to provide funds to the National Legal Foundation.

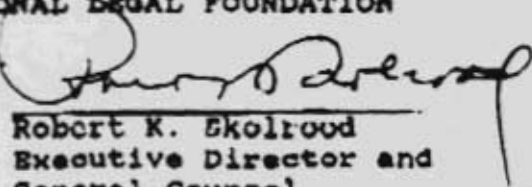
I hereby declare or affirm that the foregoing answers are true to the best of my personal knowledge, or based on my information and belief, as indicated by the text of each answer.

NATIONAL LEGAL FOUNDATION

Date:

Jun 21, 1993

By:

  
Robert K. Eskelrood  
Executive Director and  
General Counsel

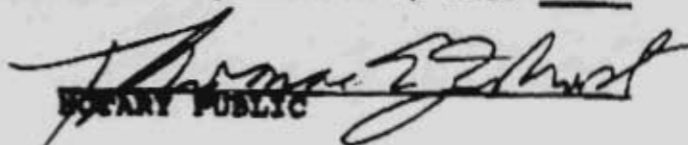
96043754022



State of VIRGINIA  
County of VIRGINIA BEACH

SS:

Subscribed and sworn to before me in my district, this 21  
day of JUNE, 1993.

  
NOTARY PUBLIC

My Commission Expires: 31 MARCH 1996

96043754043



BEFORE THE  
FEDERAL ELECTION COMMISSION

RECEIVED  
93 JUN 23 PM 3:26

In the Matter of

)  
)  
)

MUR 3485

RESPONSES TO REQUEST FOR PRODUCTION OF DOCUMENTS  
BY NATIONAL LEGAL FOUNDATION

The following responses of National Legal Foundation (NLF) relate to a Request for Production of Documents received from the Commission in the above-referenced MUR dated April 19, 1993.

1. Produce all documents which relate in any way to money received by you from CBN, including, but not limited to, ledgers, receipts, check registers, cover letters and memoranda.

RESPONSE: Based upon the review conducted by the NLF staff, attached are copies of the documents in NLF's possession relating to money received by the Freedom Council Foundation from CBN beginning in approximately March/April, 1986. No such records for the period preceding March/April 1986, can be found.

2. Produce all documents which relate in any way to the administrative services agreement entered into between you and GBCSI on or about August 1, 1985.

RESPONSE: Based upon the review conducted by the NLF staff, attached are copies of all documents in NLF's possession relating to the administrative services

9694754944

agreement between GBCSI and the Freedom Council  
Foundation beginning in approximately March/April,  
1986. No such records for the period preceding  
March/April 1986 can be found.

I hereby declare or affirm that the foregoing responses are  
true to the best of my personal knowledge, or based on my  
information and belief, as indicated by the text of each  
response.

NATIONAL LEGAL FOUNDATION

Date:

June 21, 1993

By:

Robert K. Skolrood  
Executive Director and  
General Counsel

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ )

SS:

Subscribed and sworn to before me in my district, this \_\_\_\_\_  
day of \_\_\_\_\_, 1993.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

THE ATTACHMENTS SUBMITTED WITH THIS RESPONSE  
HAVE BEEN REMOVED FROM THE PERMANENT FILE

96043754046

OAC 9206

RECEIVED  
FEDERAL ELECTION COMMISSION

ROBERT ALAN DAHL

93 JUN 21 PM 2:14

1156 15th Street, N.W., Suite 550  
Washington, D.C. 20005

Tel 202/466-8051  
Fax 202/828-5625

June 21, 1993

Lawrence M. Noble  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485

Dear Mr. Noble:

Enclosed is the Response of Americans for Robertson, Inc.,  
to the Interrogatories and Request for Documents of the Federal  
Election Commission in MUR 3485.

Sincerely,

*Robert Alan Dahl*

Robert Alan Dahl

Enclosures  
Statement of Treasurer  
Attachments

96043754047

MUR 3485

93 JUN 21 PM 2:14

Response of Americans for Robertson, Inc.  
to the Interrogatories and Request for Documents  
of the Federal Election Commission

Frederick H. Shafer, as treasurer of Americans for Robertson, Inc., states the following on information and belief, and to the best of his personal knowledge, in response to the inquiry of the Federal Election Commission ("the Commission"):

a) AFR did not acquire any aircraft nor enter into any charter agreements with respect to ongoing use of any particular aircraft, including any Beechcraft King Air. AFR regularly used a BAC-111, for which it paid CBN Continental in advance.

b) AFR's utilization of aircraft other than the BAC-111 was arranged by and through Don Miracle personally. AFR is not in possession of, and is unaware of, any written agreement between AFR and Miracle regarding use of such aircraft.

c) Under this arrangement, Miracle would anticipate aircraft needs in addition to the BAC-111 for particular campaign trips and arrange for such aircraft to be available for AFR's use. Miracle would bill AFR in advance at a projected cost for the estimated flight hours of use of such aircraft, and subsequently adjust such charges as appropriate, as discussed in the Commission's Factual and Legal Analysis.

d) The Commission has previously been provided all invoices submitted to AFR by Miracle that are in AFR's possession, and the Commission's Factual and Legal analysis makes reference to such invoices. A set of copies is also included with this Response (Att. A). These invoices identify the dates, origins, destinations and costs for flights arranged and billed through Miracle.

e) The Commission has also identified checks listed in AFR's disbursement journal relative to the payments to Miracle, and has had access to all checks in AFR's files. Copies of pages of the disbursement journal identifying checks issued to Don Miracle and photocopies of the checks are also included with this Response (Att. B).

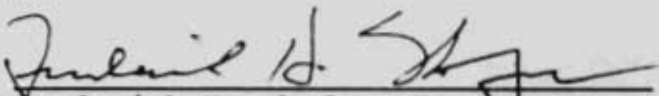
f) As indicated by AFR's billing statements to the Secret Service, previously made available to the Commission and included with this Response (Att. C), Beechcraft King Air aircraft appear to have often been utilized to transport Secret Service agents. Billing statements include the date, origin and destination of each flight. Costs for such aircraft usage would have been paid by AFR to Don Miracle, pursuant to the above-described arrangement. Also included with this Response are copies of all Secret Service Charter Usage Reports within AFR's possession.

g) In addition, candidate schedules indicate aircraft other than the BAC-111 were occasionally used for transporting the

96043754048

candidate for short distance campaign flights. The candidate schedules, previously provided to the Commission and discussed in the Commission's Factual and Legal Analysis, identify aircraft types, tail numbers and points of origin of aircraft upon which the candidate would be traveling, and suggest different Beechcraft King Airs were sometimes used for candidate travel, as well as other types of aircraft. Costs for such aircraft usage would have been paid by AFR to Don Miracle, pursuant to the above-described arrangement.

h) Persons employed by AFR in a paid or volunteer capacity who were involved in transactions regarding AFR use of aircraft include R. Marc Muttie, Connie Snapp, Herbert Ellingwood, Marion E. Harrison and Mary Jo Wehiainen.

  
Frederick H. Shafer, Treasurer  
Americans for Robertson, Inc.

COMMONWEALTH OF VIRGINIA  
CITY/COUNTY OF Virginia Beach, to-wit:

Subscribed to and sworn before me this 17<sup>th</sup> day of June, 1993.

  
Notary Public

My commission expires:

Feb. 28, 1995

[illegible]







AMERICANS FOR ROBERTSON 8-81  
300 N. WASHINGTON ST., SUITE 8-105  
ALEXANDRIA, VA 22314



Bank of Virginia

Old Town Office  
Alexandria, VA 22314-3272

11-03-86 003 00 0438

102

68 408 463  
560

October 24 1986

PAY TO THE  
ORDER OF

Don Miracle

\$ 87.32

Eighty-seven

32/100 DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNTS


Thyngsboro  
Don Pomy Club

400162524

Thomas C. Edwards

⑆00000102⑆

⑆1056004089⑆ 652⑆0025633⑆

⑆0000008732⑆

AMERICANS FOR ROBERTSON 8-81  
PO BOX 1985  
CHESAPEAKE, VA 23320

SIGNET BANK

Virginia

1828

11-03-87 004 00 0635

July 25 1987

68 408 463  
560

PAY TO THE  
ORDER OF

Don Miracle

\$ 30.00

Thirty

DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNTS


exp report

200042457

Edward J. Whelan

⑆00001828⑆

⑆1056004089⑆ 652⑆0025633⑆

⑆0000003000⑆

AMERICANS FOR ROBERTSON 8-81  
PO BOX 1985  
CHESAPEAKE, VA 23320

SIGNET BANK

Virginia

2098

Aug 10 1987

68 408 463  
560

PAY TO THE  
ORDER OF

King Air

\$ 2085.00

Two Thousand eighty five

DOLLARS


Edward J. Whelan

⑆00002098⑆

⑆1056004089⑆ 652⑆0025633⑆



AMERICANS FOR ROBERTSON

PO BOX 1986

CHESAPEAKE, VA 23320

**SIGNET BANK**

237058484 -- PROCESSED --

2245

68-408 463  
560

PAY TO THE  
ORDER OF

Don Miracle

8/21 1988

\$5418.00

Five thousand Four hundred Eighteen & 00/100

DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNT:


Walter E. Ellingwood

#00002245# - @056004089# 652#0025633#

#0000546800#

**SIGNET BANK**

Virginia

2318

09-01-87 00-00 0700

Aug 27 1987

68-408 463  
560

PAY TO THE  
ORDER OF

Don Miracle

\$518.12

Five hundred + eighteen

DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNT:


Edward J. Whelan

#00002318# - @056004089# 652#0025633#

#0000056812#

**SIGNET BANK**

Virginia

2412

68-408 463  
560

PAY TO THE  
ORDER OF

Don Miracle

Sept 1 1987

\$1,778.00

One Thousand seven hundred + seventy eight - DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNT:


Edward J. Whelan

#00002412# - @056004089# 652#0025633#

#0000177800#

06020453

46 25 28

IN THE NAME OF THE  
TREASURY DEPARTMENT  
OF THE UNITED STATES

7-27 PAY ANY BANK P.E.G. 7-27  
F.R.S. BALTIMORE MD 1052000276  
05-26-87 004 19 0530 405550697

P.E.G. SIGNED BANK 051006776  
05 05-26-87 202153634

Deposit Only  
189-333-8  
44201

PAY ANY BANK-P.E.G. 0510-0000-  
F.R.S. BALTIMORE MD 1052000276  
05-01-87 004 00 0000 607000000

TELLER #04

AUG 28 1987

PAY TO THE ORDER OF  
FIRST AMERICAN BANK  
FOR DEPOSIT ONLY  
TIDEWATER TELEPHONE ECU  
ACCT. #10-2641-3

6723  
189-333-8

AG 87 31 | 05-477  
PROCESSED  
BALTIMORE, MD 21202

06020453

05 05-26-87

IN THE NAME OF THE  
TREASURY DEPARTMENT  
OF THE UNITED STATES

7-27 PAY ANY BANK P.E.G. 7-27  
F.R.S. BALTIMORE MD 1052000276  
05-26-87 004 19 0530 405550697

P.E.G. SIGNED BANK 051006776  
05 05-26-87 202153634

Deposit Only  
189-333-8  
44201



AMERICANS FOR ROBERTSON

PO BOX 1888  
CHESAPEAKE, VA 23320

**SIGNET BANK**

Virginia

251040894

PROCESSED

2413

PAY TO THE  
ORDER OF

*Don Miracle*

004 19 0730

407731585

*Sept 1* 19 *87*

68-408 463  
560

\$ *4175.00*

*Four Thousand One Hundred + seventy five* DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNTS:


PRD SIGNET BANK VA

201312581

*Edward J. Whelan*

⑆00002413⑆ -⑆056004089⑆ 652⑆0025633⑆

⑆0000417500⑆

AMERICANS FOR ROBERTSON

PO BOX 1888  
CHESAPEAKE, VA 23320

**SIGNET BANK**

Virginia

57045657

PROCESSED

2500

PAY TO THE  
ORDER OF

*Don Miracle*

004 19 0725

507502758

*Sept 9* 19 *87*

68-408 463  
560

\$ *2367.20*

*Two Thousand Three Hundred Sixty Seven* DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNTS:


200256701

*Edward J. Whelan*

⑆00002500⑆ -⑆056004089⑆ 652⑆0025633⑆

⑆0000236720⑆

AMERICANS FOR ROBERTSON

PO BOX 1888  
CHESAPEAKE, VA 23320

**SIGNET BANK**

Virginia

207154320

2831

PAY TO THE  
ORDER OF

*Don Miracle*

004 19 0710

207154320

*Sept 25* 19 *87*

68-408 463  
560

\$ *2055.00*

*Two Thousand Fifty five* DOLLARS

4-27	Fairfax D.C.	1340.00
9-26		
9-15		715.00

*Edward J. Whelan*

⑆00002831⑆ -⑆056004089⑆ 652⑆0025633⑆

⑆0000205500⑆



58040152

1 SEP 87

FOR ANY BANK B/L  
ISSUED DALLAS, TX  
DALLAS TEXAS

7-27 PAY ANY BANK P.E.G. 7-27  
F.R.B. BALTIMORE MD 052000279  
09-06-87 004 19 0730 407231565

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P.E.G. SIGNET BANK/VA 052000279  
03 09-06-87 501512961

11182304

11182304 11182304

PAY ANY BANK, BANKER  
OR TRUST CO. P.E.G.

SEP 11 87

ALLIED BANK-BENFORD  
BENFORD, TX

P.E.G. SIGNET BANK/VA 052000279  
03 09-06-87 501512961

P.E.G. SIGNET BANK/VA 052000279  
03 09-06-87 501512961

11182304

PAY ANY BANK B/L  
ISSUED DALLAS, TX  
DALLAS TEXAS

11182304 11182304

PAY ANY BANK, BANKER  
OR TRUST CO. P.E.G.

OCT 5 87

ALLIED BANK-BENFORD  
BENFORD, TX

11182304 11182304

11182304 11182304

Deposit only 189333.8  
Wm Signet

5003 00005

Deposit only 189333.8  
Wm Signet

5003 00005

Deposit only 189333.8  
Wm Signet

189333.8

9604375408

AMERICANS FOR ROBERTSON

PO BOX 1888

CHESAPEAKE, VA 23320

**SIGNET BANK**

Virginia

2847

68-408 463  
560

September 28 1987

PAY TO THE  
ORDER OF

Don Miracle

707154319

\$ 3,440.00

Three thousand four hundred forty dollars and 00/100 cents

DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNT

102173471


Edward J. Whelan

⑈00002847⑈ - ⑈056004089⑈ 652⑈0025633⑈

⑈0000344000⑈

AMERICANS FOR ROBERTSON

PO BOX 1888

CHESAPEAKE, VA 23320

**SIGNET BANK**

Virginia

2903

68-408 463  
560

Sept 30 1987

PAY TO THE  
ORDER OF

Don Miracle

\$ 900.00

Nine Hundred

DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNT

102031703


Edward J. Whelan

⑈00002903⑈ - ⑈056004089⑈ 652⑈0025633⑈

⑈0000090000⑈

AMERICANS FOR ROBERTSON

PO BOX 1888

CHESAPEAKE, VA 23320

**SIGNET BANK**

Virginia

3101

68-408 463  
560

Oct 1 1987

PAY TO THE  
ORDER OF

Don Miracle

\$ 8110.70

Eight Thousand One Hundred Ten

DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNT

102031703


Edward J. Whelan

⑈00003101⑈ - ⑈056004089⑈ 652⑈0025633⑈

⑈0000811070⑈

OT 07 03 1968

FOR ANY BANK  
DALLAS, TEXAS

7-27 PAY ANY BANK TRUST CO. 10-07-67 004 14 0710 707 14319  
F.R.B. BALTIMORE MD 05200027  
P.E.G. SIGNET BANKVA OCT 5 1967 102173171  
03 10-07-67

111023043 11023043

PAY ANY BANK BANKER

OCT 5 1967

ALLIED BANK-BEDFORD  
BEDFORD, TX

111023043 11023043

*Deposit Only*  
*189-333-8*  
*Don Juarez*

PAY ANY BANK-P.E.G. 0510-0003-5  
F.R.B. RICHMOND VA 0510-0003-5  
10-07-67 004 00 0700 50705467

P.E.G. SIGNET BANKVA 051006776  
03 10-07-67 102031703

OT 5 06 1 68-477

PROCESSED  
FIRST AMERICAN BANK OF VA  
DUNFORD, VA 22502

*6723 03*  
*Don Juarez*  
PAY TO THE ORDER OF  
FIRST AMERICAN BANK  
FOR DEPOSIT ONLY ECU  
TIDEWATER TELEPHONE-3  
ACCT. #10-2641-3  
OCT 5 1967

9 6 0 4 3 7 5 4 0 0 0

OT 07 20 1968

FOR ANY BANK  
DALLAS, TEXAS

111023043 111023043

PAY ANY BANK BANKER

OCT 19 67

ALLIED BANK-BEDFORD  
BEDFORD, TX

111023043 111023043

*Deposit Only*  
*189-333-8*  
*Don Juarez*

AMERICANS FOR ROBERTSON

PO BOX 1988

CHESAPEAKE, VA 23320

SIGNET BANK

32954

PROCESSED

3298

Oct 15 1987

68408 560 463

PAY TO THE ORDER OF

Don Miracle

3-7 004 19 0585

3089-2123

\$ 864.24

Eight Hundred + Sixty Four

24

DOLLARS


204131782

Edward J. Whelan

#00003298

-1:056004089: 652-0025633

#0000086424

AMERICANS FOR ROBERTSON

PO BOX 1988

CHESAPEAKE, VA 23320

SIGNET BANK

32953

PROCESSED

3299

Oct 15 1987

68408 560 463

PAY TO THE ORDER OF

Don Miracle

3-7 004 19 0585

3-27-2123

\$ 2,736.30

Two Thousand seven Hundred + Thirty Six

30

XX DOLLARS


204131827

Edward J. Whelan

#00003299

-1:056004089: 652-0025633

#0000273630

AMERICANS FOR ROBERTSON

PO BOX 1988

CHESAPEAKE, VA 23320

SIGNET BANK

3567

PROCESSED

3567

Nov 5 1987

68408 560 463

PAY TO THE ORDER OF

Don Miracle

3-7 004 19 0585

3-27-2123

\$ 1,4863.02

One Thousand eight Hundred + Sixty Three

02

DOLLARS


Edward J. Whelan

#00003567

-1:056004089: 652-0025633

#000018630

4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

OT 87 22 28

7-27 PAY ANY BANK, BANKER  
OR TRUST CO. P.E.G. 7-27  
10-13-83 554 19 0565 505942164

OCT 21 87

P.E.G. SIGNED ALLIED BANK-BEDFORD  
03 10-13-87 505942165 204151756

11182384 11182384

*Deposited only*  
Acc # 189-333-8  
*Don H. Hensel*

4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

OT 87 22 28

7-27 PAY ANY BANK, BANKER  
OR TRUST CO. P.E.G. 7-27  
10-13-83 554 19 0565 505942165

OCT 21 87

P.E.G. SIGNED ALLIED BANK-BEDFORD  
03 10-13-87 505942165 204151756

11182384 11182384

*Deposited only*  
Acc # 189-333-8  
*Don H. Hensel*

9 6 0 4 3 7 5 4 0 6 2

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DE 03

11182384 11182384

PAY ANY BANK, BANKER  
OR TRUST CO. P.E.G.

DEC 01 87

ALLIED BANK-BEDFORD  
BEDFORD, TX

11182384 11182384

*Deposited only*  
189-333-8  
*Don H. Hensel*



AMERICANS FOR ROBERTSON

PO BOX 1988

CHESAPEAKE, VA 23320

SIGNET BANK

3601

27098--PROCESSED--

11-9-87 19

68-408 463  
560

PAY TO THE  
ORDER OF

DONALD MIRACLE

11-12-87 004 13 0540

6,255.25

SIX THOUSAND TWO HUNDRED THIRTY-FIVE & 25/100 DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNTS:


03-11-18-87

202171433

Edward J. Whelan

#00003601# -1:056004089: 652#0025633# #0000623575#

AMERICANS FOR ROBERTSON

PO BOX 1988

CHESAPEAKE, VA 23320

SIGNET BANK

3751

35454--PROCESSED--

11-18-87 19

68-408 463  
560

PAY TO THE  
ORDER OF

DONALD MIRACLE

19 0560

603723808

3,804.50

THREE THOUSAND EIGHT HUNDRED FOUR & 50/100 DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNTS:

#	87-1121				
	87-1020				

203153845

John D. Shigen

#00003751# -1:056004089: 652#0025633# #0000380450#

AMERICANS FOR ROBERTSON

PO BOX 1988

CHESAPEAKE, VA 23320

SIGNET BANK

3999

3-14 88

68-408 463  
560

PAY TO THE  
ORDER OF

DONALD MIRACLE

3,693.78

THIRTY-SIX HUNDRED NINETY-THREE & 78/100 DOLLARS

THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNTS:


John D. Shigen

#00003999# -1:056004089: 652#0025633# #0000381378#

*Payee's only*  
 Acct # 189-333-8  
*Alfred J. Swaine*

NOV 16 87

11823043 11823043

PAY ANY BANK, BANKER  
 OR TRUST CO. P.E.G.

ALLIED BANK-BIRMINGHAM  
 BIRMINGHAM, TX

PAY ANY BANK, BANKER  
 OR TRUST CO. P.E.G.

P.E.G. SIGNED  
 03 11-15-87

320427098

7-27 PAY ANY BANK, BANKER  
 OR TRUST CO. P.E.G.

*Payee's only*  
 Acct # 189-333-8  
*Alfred J. Swaine*

DEC 01 87

11823043 11823043

PAY ANY BANK, BANKER  
 OR TRUST CO. P.E.G.

ALLIED BANK-BIRMINGHAM  
 BIRMINGHAM, TX

PAY ANY BANK, BANKER  
 OR TRUST CO. P.E.G.

P.E.G. SIGNED  
 03 12-03-87

7-27 PAY ANY BANK, BANKER  
 OR TRUST CO. P.E.G.

320427098

9 3 0 4 3 7 5 4 0 6 4

*Payee's only*  
 Acct # 189-333-8  
*Alfred J. Swaine*

VA 014  
 37830 1366

10/31/88

0186367403/15/88 0002  
 004 ON-US CASHED 10/11

652002553340  
 83-993178



AMERICANS FOR ROBERTSON, INC.  
860 GREENBRIER CIRCLE TOWER, SUITE 502  
CHESAPEAKE, VA 23320

SOVRAN BANK

1127

12-21-87 024 10 0718 122104702 19

PAY TO THE  
ORDER OF

DON MIRACLE

\$ 7,988.00

SEVEN THOUSAND NINE HUNDRED EIGHTY EIGHT DOLLARS


FOR

001127 0514005071 0308 6348

0000798800

540437

AMERICANS FOR ROBERTSON, INC.  
860 GREENBRIER CIRCLE TOWER, SUITE 502  
CHESAPEAKE, VA 23320

SOVRAN BANK

1282

12-23-87 024 10 0708 122152 1987

PAY TO THE  
ORDER OF

DON MIRACLE

\$ 7,440.00

SEVENTY-FOUR HUNDRED FORTY DOLLARS


FOR

001282 0514005071 0308 6348

0000744000

AMERICANS FOR ROBERTSON, INC.  
860 GREENBRIER CIRCLE TOWER, SUITE 502  
CHESAPEAKE, VA 23320

SOVRAN BANK

1466

12-15-88 024 01 0770 39708855 1988

PAY TO THE  
ORDER OF

DON MIRACLE

\$ 5,220.00

FIFTY-TWO HUNDRED AND TWENTY DOLLARS


FOR

001466 0514005071 0308 6348

0000522000

15921252

DE 21 87

PAY ANY BANK OR CASH ON HAND  
F.R. 6. 12-21-87 0510-0003  
12-21-87 0510-0003

DEBIT TO THE ACCOUNT OF  
THE WITHIN NAMED PARTY.  
ALLIED BANK BEDFORD  
BEDFORD, TEXAS  
DEC 18 87  
11182584

*Deposited only*  
189-333-8

DE 21 87  
ALLIED BANK BEDFORD  
BEDFORD, TEXAS  
11182584

296754552

DE 22 87

PAY ANY BANK OR CASH ON HAND  
F.R. 6. 12-22-87 0510-0003  
12-22-87 0510-0003

DEBIT TO THE ACCOUNT OF  
THE WITHIN NAMED PARTY.  
ALLIED BANK BEDFORD  
BEDFORD, TEXAS  
DEC 21 87  
11182584

*Deposited only*  
189-333-8

96043754066

JA 88 14

ALLIED BANK BEDFORD  
BEDFORD, TEXAS  
11182584

JA 88 15  
ALLIED BANK BEDFORD  
BEDFORD, TEXAS  
11182584

CREDIT TO THE ACCOUNT OF  
THE WITHIN NAMED PARTY.  
ALLIED BANK BEDFORD  
BEDFORD, TEXAS

*Deposited only*  
189-333-8

AMERICANS FOR ROBERTSON, INC.  
2127 SMITH AVENUE  
CHESAPEAKE, VA 23320

SOVRAN BANK

SOVRAN BANK, N.A. (Chesapeake, Virginia)

1901

11/11/87

01-28-88 024 01 0573

596824922 19 87

PAY TO THE  
ORDER OF

Don MIRACLE

\$ 24,303.00

TWENTY FOUR THOUSAND THREE HUNDRED THREE + 00/100 DOLLARS

#3	88-1001	88-1004
	88-1002	
	88-1003	

FOR

001901 051400507 0308 6348

0002430300

John H. Shea

AMERICANS FOR ROBERTSON, INC.  
2127 SMITH AVENUE  
CHESAPEAKE, VA 23320

SOVRAN BANK

SOVRAN BANK, N.A. (Chesapeake, Virginia)

1935

11/11/87

02-08-88 024 01 0501

11306290123 1-27-19 88

PAY TO THE  
ORDER OF

Don MIRACLE

\$ 21,031.76

TWENTY ONE THOUSAND THIRTY-ONE + 76/100 DOLLARS


FOR

001935 051400507 0308 6348

0002103176

John H. Shea

AMERICANS FOR ROBERTSON, INC.  
2127 SMITH AVENUE  
CHESAPEAKE, VA 23320

SOVRAN BANK

SOVRAN BANK, N.A. (Chesapeake, Virginia)

2746

11/11/87

02-22-88 024 01 0573

596811953

PAY TO THE  
ORDER OF

Don Miracle

\$ 18,240.00

Eighteen thousand, two hundred forty DOLLARS


FOR

002746 051400507 0308 6348

0001824000

John H. Shea

184206920

JAN 27 1988  
PAY ANY BANK, BANKER  
OR TRUST CO., P.E.  
F.R.B. RICHMOND, VIRGINIA  
01-23-33 024 0

JAN 26 88  
ALLIED BANK-BIRMINGHAM  
BIRMINGHAM, TX  
11023043 11023043

*Hayward only*  
189-333-8  
*Hayward*

05551620

96043754068

FB 88 04  
PAY ANY BANK, BANKER  
OR TRUST CO., P.E.  
F.R.B. RICHMOND, VIRGINIA  
01-23-33 024 0

FEB 3 89  
ALLIED BANK-BIRMINGHAM  
BIRMINGHAM, TX  
11023043 11023043

FB 88 08  
PAY ANY BANK, BANKER  
OR TRUST CO., P.E.  
F.R.B. RICHMOND, VIRGINIA  
01-23-33 024 0

*Hayward only*  
189-333-8  
*Hayward*

05551620

01-23-33 024 0

FEB 19 88  
ALLIED BANK-BIRMINGHAM  
BIRMINGHAM, TX  
11023043 11023043

*Hayward only*  
189-333-8  
*Hayward*

AMERICANS FOR ROBERTSON, INC.  
2127 SMITH AVENUE  
CHESAPEAKE, VA 23320

SOVRAN BANK

Sovran Bank, N.A. (Member FDIC)

154641 - PROCESSED

2964

02-22-88 024 91 0823 1988 88612000

PAY TO THE  
ORDER OF

DON MIRACLE

\$ 6610<sup>00</sup>

SIXTY-SIX HUNDRED TEN

DOLLARS


FOR

⑈002964⑈ • ⑆05⑆400507⑆ 0308 6348⑈ ⑈000066⑆000⑈

AMERICANS FOR ROBERTSON, INC.  
2127 SMITH AVENUE  
CHESAPEAKE, VA 23320

SOVRAN BANK

Sovran Bank, N.A. (Member FDIC)

155150868 - PROCESSED

3209

02-22-88 024 01 0735 207375977 2-22 1988

PAY TO THE  
ORDER OF

DON MIRACLE

\$ 15378<sup>20</sup>

FIFTEEN THOUSAND THREE HUNDRED SEVENTY-EIGHT DOLLARS


FOR

⑈003209⑈ • ⑆05⑆400507⑆ 0308 6348⑈ ⑈000⑆537820⑈

AMERICANS FOR ROBERTSON, INC.  
2127 SMITH AVENUE  
CHESAPEAKE, VA 23320

SOVRAN BANK

Sovran Bank, N.A. (Member FDIC)

155000935 - PROCESSED

3233

02-22-88 024 01 0735 205000935 2-23 1988

PAY TO THE  
ORDER OF

DON MIRACLE

\$ 7070<sup>00</sup>

SEVEN THOUSAND SEVENTY

DOLLARS


FOR

⑈003233⑈ • ⑆05⑆400507⑆ 0308 6348⑈ ⑈0000707000⑈



13 80 22

1100000

OUR TRUST CO., P.E.A.

FEB 19 80

ALLIED BANK - MEMPHIS  
MEMPHIS, TN

11702364

**120000**

FOR RENT BANK P.O. B.  
BOWMAN BANK, N.A.  
0000007  
BOWMAN, VIRGINIA

Report only  
189-333-8  
Wm. J. Fawcett

1950-1959

25

PAY - BANK - P. E.  
F. R. - R. C. - R. C.

PRUDENTIAL SAVINGS BANK  
OR TRUST CO., P.E.A.

FEB 24 1988

FB 100-26

ALLIED BANK CORP. NA  
347

17822

1925

Alban Tully  
1893333-2  
Hampden

960.437540/0

20

100-443886-100

PAY ANY BANK, BANKER  
OR TRUST CO., P.E.B.

FEB 26 88

Feb 23

ALFRED H. BROWN, JR.  
ALFRED H. BROWN, JR.  
ALFRED H. BROWN, JR.

7119236

:192304

Deposited  
1893-333-2  
John A. Fennell

AMERICANS FOR ROBERTSON, INC.  
2127 SMITH AVENUE  
CHESAPEAKE, VA 23320

SOVRAN BANK

SOVRAN BANK, N.A. (Chesapeake, Virginia)

3399

03-16-88 024 01 08-0

308-21875

3-2 1988

PAY TO THE  
ORDER OF

DON MIRACLE

SIXTY NINE HUNDRED THIRTY

\$ 6930<sup>00</sup>

DOLLARS

FOR

⑈003399⑈ • ⑆05⑆400507⑆ 0308 6348⑈

⑈0000893000⑈

*Jul H. Sh*

AMERICANS FOR ROBERTSON, INC.  
2127 SMITH AVENUE  
CHESAPEAKE, VA 23320

SOVRAN BANK

SOVRAN BANK, N.A. (Chesapeake, Virginia)

3499

3-8 1988

PAY TO THE  
ORDER OF

DON MIRACLE

FIFTY-FOUR HUNDRED THIRTY-FIVE

\$ 5435<sup>00</sup>

DOLLARS

FOR

⑈003499⑈ • ⑆05⑆400507⑆ 0308 6348⑈

⑈0000543500⑈

*Jul H. Sh*

AMERICANS FOR ROBERTSON, INC.  
2127 SMITH AVENUE  
CHESAPEAKE, VA 23320

SOVRAN BANK

SOVRAN BANK, N.A. (Chesapeake, Virginia)

3504

3-10- 1988

PAY TO THE  
ORDER OF

DON MIRACLE

TEN THOUSAND THREE HUNDRED THIRTY & 55/100

\$ 10,330<sup>55</sup>

DOLLARS

FOR

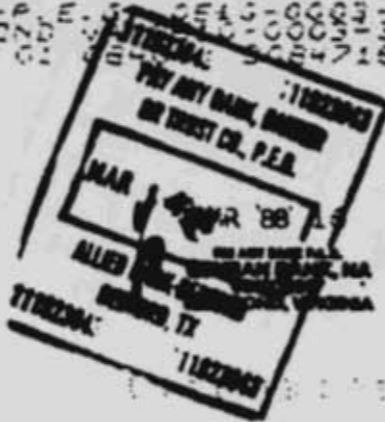
⑈003504⑈ • ⑆05⑆400507⑆ 0308 6348⑈

⑈0001033055⑈

*Jul H. Sh*



John Hancock



July 27<sup>th</sup> 1860

TX 100 hci

05-5-91-946

10-13-90

Picnic 481

Zúñiga, TX

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FOR ANY MORE P.R.  
CONTACT BACK IN A  
HOPKINS, VIRGINIA

604

W. L. Jones

They are here

215-1-115-946

10-13 70

U. 24

64128129 05900

2692

28/3

PUR 'DB' 17

FOR ANY BANK FEES  
ST. PAN BANK N.A.  
BIRMINGHAM, ALABAMA

**NEW**

0740754



*Handwritten signature*

Daxao

05595946

© 1990

PER 88 23

FOR ANY BANK FILE  
SERIAL BANK R.A.  
BENFOLD, VIRGINIA

960427540/4

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: August 10, 1987

INVOICE NO: 87-1001

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flight on 8-11-87.

DATE	HOURS		TOTAL
-----	-----		-----
8-11-87	4.30	ORF/ATL ATL/ORF	\$2,085.00

960437540/5

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: August 22, 1987.

INVOICE NO: 87-1002

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights on 8-23/8-25-87.

DATE	HOURS		TOTAL
-----	-----		-----
8-23/25	13.20	ORF/BHB DCA/DVN DSM/ORF	\$5,936.12

9604475406

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: September 9, 1987

INVOICE NO: 87-1003

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights ON 9-3/9-5-87.

DATE	HOURS		TOTAL
-----	-----		-----
9-3/9-5	8.30	ORF/FLL MIA/CLT DCA/ORF	\$4,175.00

96043754077

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: September 9, 1987

INVOICE NO: 87-1004

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flight on 9-10-87.

DATE	HOURS		TOTAL
-----	-----		-----
9-10-87	5.60	ORF/DCA DCA/CHA CHA/ORF	\$2,367.20

960427540/8



FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 9-09-87

INVOICE NO: 87-1005

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flight on 8-31-87.

DATE	HOURS		TOTAL
8-31-87	\$4.00	ORF/EEN ORF	\$1,778.00

960,43754079

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 9-15-87

INVOICE NO: 87-1006

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For additional cost flights from 8-11 - 9-10-87.

DATE	HOURS	TOTAL
8-11-87	4.30	(\$215.30)
8-23/25-87	13.20	\$134.95
8-31-87	4.00	\$1.58
9-3/5-87	8.30	\$132.27
9-10-87	5.10	\$661.50
TOTAL		\$715.00

96042754000

PROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 9-22-87

INVOICE NO: 87-1007

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights on 9-25/6-87.

DATE	HOURS		TOTAL
9-25-87	.70	ORF/DCA	\$670.00
9-26-87	.70	DCA/ORF	\$670.00
	1.40		\$1,340.00

96043754001

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 9-22-87

INVOICE NO: 87-1008

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights on 9-28/9-87.

DATE	HOURS		TOTAL
-----	-----		-----
9-28-87	.70	ORF/DCA	\$417.00
9-28-87	1.90	DCA/CHS	\$1,126.00
9-29-87	1.70	CHS/HTS	\$1,008.00
9-29-87	1.50	HTS/ORF	\$889.00
	-----		-----
	5.80		\$3,440.00

96043 / 5402

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 9-22-87

INVOICE NO: 87-1009

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flight on 9-30-87.

DATE	HOURS		TOTAL
9-30-87	.70	ORF/DCA	\$450.00
9-30-87	.70	DCA/ORF	\$450.00
	1.40		\$900.00

9604375403

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 9-30-87

INVOICE NO: 87-1012

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 10-05/10-10-87.

DATE	HOURS		TOTAL
-----	-----		-----
10-05-87	4.60	ORF/MLI	\$2,099.70
		MLI/BRL	
		BRL/EOK	
10-06-87	1.50	EOK/OTM	\$901.00
		OTM/TNU	
		TNU/MIW	
10-07-87	1.80	MIW/PRO	\$1,016.60
		PRO/DSM	
		DSM/FOD	
		FOD/MCW	
		MCW/DBQ	
10-08-87	4.10	DBQ/PHL	\$1,906.70
		PHL/LNS	
10-09-87	2.70	LNS/ERI	\$1,444.90
		ERI/JFK	
10-10-87	1.40	JFK/ORF	\$741.80
	16.10		\$8,110.70
TOTAL			

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 10-10-87

INVOICE NO: CREDIT

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

Credit for flights from 9-25/30-87.

DATE	HOURS	TOTAL
-----	-----	-----
9-25/6-87	1.40	\$201.21
9-28/9-87	6.00	\$292.54
9-30-87	1.60	\$42.58
		-----
	TOTAL	\$536.33

96043754005



FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 10-14-87

INVOICE NO: 87-1013

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For additional costs on flights from 10-05/10-87.

DATE	HOURS	TOTAL
10-05-87	4.00	(\$202.30)
10-06-87	1.30	(\$56.84)
10-07-87	1.50	(\$85.30)
10-08-87	3.40	(\$140.32)
10-09-87	3.50	\$358.54
10-10-87	1.80	\$337.59
		-----
		\$211.37
Less credit 9-25/30-87.		(\$536.33)
		-----
Credit Balance		(\$324.96)

9601375406

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 10-14-87

INVOICE NO: 87-1014

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights on 10-20/21-87.

DATE	HOURS		TOTAL
-----	-----		-----
10-20-87	.80	ORF/DCA	\$519.60
10-21-87	.80	DCA/ORF	\$519.60
			-----
			\$1,039.20
Less Credit			(\$324.96)
			-----
Balance			\$714.24

96043754087

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 10-14-87

INVOICE NO: 87-1015

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights on 10-22/23-87.

DATE	HOURS		TOTAL
-----	-----		-----
10-20-87	.80	ORF/DCA	\$519.60
10-21-87	.80	DCA/ORF	\$519.60
			-----
			\$1,039.20

9601375408

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 10-29-87

INVOICE NO: 87-1017

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For additional costs on flights from 10-20/24-87.

DATE	HOURS		TOTAL
10-20-87	.90	ORF/DCA	\$289.25
10-21-87	.80	DCA/ORF	\$84.66
10-22-87	2.10	ORF/LEB	(\$43.27)
10-23-87	.40	LEB/MHT	\$306.19
10-24-87	2.30	MHT/ORF	\$58.79
	6.50		\$695.62

960,43754069

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 11-04-87

INVOICE NO: 87-1018

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flight on 11-05-87.

DATE	HOURS		TOTAL
-----	-----		-----
11-05-87	1.3	ORF/PIT	\$607.10
11-05-87	1.2	PIT/ORF	\$560.40
	-----		-----
	2.5		\$1,167.50

9604375400

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 11-09-87

INVOICE NO: 87-1019

TO: Americans for Robertson  
ATTN: Edward J. Whelan  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flight on 11-10/15-87.

DATE	HOURS		TOTAL
11-10-87	.83	ORF/RDU	\$446.56
11-10-87	.40	RDU/GSO	\$215.21
11-10-87	1.08	GSO/AGS	\$581.07
11-11-87	.83	AGS/8A4	\$446.56
11-11-87	1.50	8A4/MOB	\$807.05
11-11-87	.40	MOB/ORL	\$215.21
11-11-87	.40	ORL/MOB	\$215.21
11-12-87	2.75	MOB/MIA	\$1,479.58
11-12-87	.40	MIA/BCT	\$215.21
11-13-87	.75	BCT/ORL	\$403.52
11-15-87	2.25	ORL/ORF	\$1,210.57
	11.59		\$6,235.75

96043754091

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 11-12-87

INVOICE NO: 87-1020

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

Additional cost for flight on 11-05-87.

DATE	HOURS		TOTAL
-----	-----		-----
11-05-87	3.0	ORF/PIT	\$132.96
		PIT/ORF	
	-----		-----
	3.0		\$132.96

96043754022



FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 11-12-87

INVOICE NO: 87-1021

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 11-19/21-87.

DATE	HOURS		TOTAL
-----	-----		-----
11-19-87	2.25	ORF/MHT	\$1,133.35
11-21-87	1.42	MHT/PQT	\$702.64
11-21-87	.75	PQT/BGR	\$371.12
11-21-87	.67	BGR/PWM	\$331.53
11-21-87	2.33	PWM/ORF	\$1,132.90
	-----		-----
	7.42		\$3,671.54

96043754083

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 11-27-87

INVOICE NO: 87-1022

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

Additional cost for flights ON 11-10/15/87.

DATE	HOURS	TOTAL
11-10/15-87	10.90	\$72.73
	10.90	\$72.73

960.4375404

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 11-27-87

INVOICE NO: CREDIT

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 11-19/21-87.

DATE	HOURS		TOTAL
-----	-----		-----
11-19-87	2.25	ORF/MHT	\$1,133.35
11-21-87	1.42	MHT/PQT	\$702.64
11-21-87	.75	PQT/BGR	\$371.12
11-21-87	.67	BGR/PWM	\$331.53
11-21-87	2.33	PWM/ORF	\$1,132.90
	-----		-----
	7.42		\$3,671.54
			-----
PILOT			\$150.00
			-----
	CREDIT		\$3,521.54

9604275405

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 11-27-87

INVOICE NO: 87-1023

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 12-3/05-87.

DATE	HOURS		TOTAL
12-03-87	4.00	ORF/DSM	\$2,042.56
12-04-87	.50	DSM/SUX	\$255.32
12-04-87	.60	SUX/3Y3	\$306.38
12-04-87	.80	3Y3/OOA	\$408.51
12-04-87	.60	OOA/ALO	\$306.38
12-04-87	.50	ALO/DSM	\$255.32
12-05-87	4.00	DSM/ORF	\$2,042.53

7.42

\$5,617.00

Less credit 87-1021

\$3,448.81

\$2,168.19

96043754096

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 12-07-87

INVOICE NO: 87-1025

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 12-8/11-87.

DATE	HOURS		TOTAL
12-08-87	4.00	ORF/DSM	\$3,056.84
12-09-87	.75	DSM/SDA	\$573.16
12-09-87	.43	SDA/HNR	\$328.61
12-09-87	.50	HNR/BNW	\$382.10
12-09-87	.42	BNW/DSM	\$320.97
12-10-87	1.70	DSM/DTW	\$1,299.16
12-11-87	1.7	DTW/ORF	\$1,299.16
	9.50		\$7,260.00

96043754027

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 12-07-87

INVOICE NO: 87-1026

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

Additional cost for flights on 12-03/05-87

DATE	HOURS	TOTAL
-----	-----	-----
12-03/05-87	11.30	\$728.00
	-----	-----
	11.30	\$728.00

9604375408

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 12-13-87

INVOICE NO: 87-1027

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 12-13/14-87.

DATE	HOURS	TOTAL
-----	-----	-----
12-13-87	2.50	\$1,860.00
12-14-87	2.50	\$1,860.00
	-----	-----
	5.00	\$3,720.00

960.43754099



FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 12-13-87

INVOICE NO: 87-1028

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 12-18/19-87.

DATE	HOURS	TOTAL
12-18-87	2.50	\$1,860.00
12-19-87	2.50	\$1,860.00
	5.00	\$3,720.00

96043754100

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 12-21-87

INVOICE NO: 87-1029

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 12-17/18-87.

DATE	HOURS		TOTAL
12-17-87	2.50	ORF/MHT	\$1,860.00
12-18-87	2.50	MHT/ORF	\$1,860.00
	5.00		\$3,720.00

Charter for M. Nuttle and Connie Snapp.

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 12-21-87

INVOICE NO: 87-1030

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flight on 12-21-87.

DATE	HOURS		TOTAL
-----	-----		-----
12-21-87	1.00	ORF/DCA	\$750.00
12-21-87	1.00	DCA/ORF	\$750.00
	-----		-----
	2.00		\$1,500.00

96043 / 54102

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 1-15-88

INVOICE NO: 88-1001

TO: Americans for Robertson  
ATTN Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 1-12/13-88.

DATE	HOURS		TOTAL
-----	-----		-----
1-12-88	4.1	ORF/ESF	\$2,575.00
1-13-88	4.1	ESF/BTR/ORF	\$2,575.00
	-----		-----
	8.2		\$5,150.00

96043/54103

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 1-15-88

INVOICE NO: 88-1002

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 1-14/16-88.

DATE	HOURS		TOTAL
-----	-----		-----
1-14-88	2.0	ORF/LCI	\$1,816.00
1-15-88	1.0	LCI/LEB	\$908.00
1-16-88	2.0	LEB/ORF	\$1,816.00
	-----		-----
	5.0		\$4,540.00

96043754104

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 1-18-88

INVOICE NO: 88-1003

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

Assititional costs for flights on the following invoices:

DATE	INVOICE #	TOTAL
11-27-87	87-1023	\$1,822.50
12-07-87	87-1025	\$661.50
12-13-87	87-1027	\$258.00
12-13-87	87-1028	\$319.73
12-21-87	87-1029	\$246.00
12-21-87	87-1030	\$205.60
		-----
		\$3,513.33

96043754105

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 1-18-88

INVOICE NO: 88-1004

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 1-14/16-88.

DATE	HOURS		TOTAL
1-17-88	4.5	ORF/MLI	\$2,870.69
1-18-88	2.0	MLI/SUX	\$1,275.86
1-19-88	2.0	SUX/DBQ	\$1,275.86
1-20-88	3.5	DBQ/MHT	\$2,232.76
1-21-88	0.5	MHT/LEB	\$318.97
1-21-88	0.5	LEB/MHT	\$318.97
1-21-88	1.4	MHT/BML	\$893.10
1-22-88	3.0	BML/ORF	\$1,913.79
	17.4		\$11,100.00

96043754106



FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 1-21-88

INVOICE NO: 88-1005

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

Additional costs for flights from 1-14/16-88.

DATE	HOURS		TOTAL
----	-----		-----
1-14-88	2.0	ORF/LCI	\$61.76
1-15-88	1.0	LCI/LEB	\$0.00
1-16-88	2.0	LEB/ORF	\$0.00
	-----		-----
	5.0		\$61.76

96043754107

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 1-21-88

INVOICE NO: 88-1006

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 1-22/23-88.

DATE	HOURS		TOTAL
1-22-88	3.50	ORF/DSM	\$1,958.35
1-22-88	2.30	DSM/RAP	\$1,284.62
1-22-88	.80	RAP/ALO	\$446.82
1-22-88	.80	ALO/ABR	\$446.82
1-23-88	1.00	ABR/BKX	\$558.53
1-23-88	.40	BKX/FSD	\$216.51
1-23-88	3.50	FSD/ORF	\$1,958.35
	12.30		\$6,870.00

06043754108

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 1-21-88

INVOICE NO: 88-1007

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 1-23/29-88.

DATE	HOURS		TOTAL
1-23-88	4.10	ORF/MSY	\$3,108.21
1-23-88	2.60	MSY/SAT	\$1,971.06
1-25-88	4.10	SAT/MCN	\$3,108.21
1-26-88	1.00	MCN/CAE	\$758.10
1-27-88	2.60	CAE/MIA	\$1,971.06
1-28-88	1.90	MIA/BQK	\$1,440.39
1-29-88	2.30	BQK/ORF	\$1,742.97
	18.60		\$14,100.00

96043754109

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 2-02-88

INVOICE NO: 88-1008

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 2-01/10-88.

DATE	HOURS		TOTAL
2-01-88	2.50	ORF/MHT	\$1,932.20
2-02-88	6.00	MHT/RAP	\$4,637.28
2-03-88	3.00	RAP/MLI	\$2,318.64
2-04-88	1.50	MLI/DMA	\$1,159.32
2-05-88	.70	DMA/DSM	\$541.02
2-06-88	1.00	DSM/MLI	\$772.88
2-07-88	.40	MLI/DVN	\$309.15
2-08-88	1.00	DVN/DSM	\$772.88
2-09-88	5.00	DSM/MHT	\$3,864.40
2-10-88	2.50	MHT/ORF	\$1,932.23
	23.60		\$18,240.00

960.43754110

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 2-15-88

INVOICE NO: 88-1009

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 2-10/17-88.

DATE	HOURS		TOTAL
2-10-88	1.50	ORF/29J	\$1,148.34
2-11-88	.50	29J/AND	\$382.78
2-11-88	.40	AND/6J4	\$306.22
2-11-88	.40	6J4/27J	\$306.22
2-12-88	.50	27J/04J	\$382.78
2-12-88	.50	04J/CAE	\$382.78
2-12-88	.40	CAE/AIK	\$306.22
2-13-88	.70	AIK/AVL	\$535.89
2-13-88	.50	AVL/MRN	\$382.78
2-13-88	4.00	MRN/MHT	\$3,162.24
2-17-88	2.00	MHT/DCA	\$1,531.12
2-17-88	.80	DCA/ORF	\$612.63
	12.20		\$9,440.00

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 2-22-88

INVOICE NO: 88-1010

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
2133 Smith Ave.  
Chesapeake, Va. 23320

For flights from 2-23/28-88.

DATE	INVOICE	TOTAL
-----	-----	-----
2-23-88	88-1001	\$609.19
1-15-88	88-1002	\$321.00
1-18-88	88-1004	\$1,219.01
1-21-88	88-1006	\$759.00
1-21-88	88-1007	\$943.00
		-----
		\$3,851.20

9604754112

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 2-22-88

INVOICE NO: 88-1011

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 1-22/23-88.

DATE	HOURS		TOTAL
1-22-88	3.40	ORF/CMI	\$1,958.26
1-22-88	4.10	CMI/6V4	\$2,361.43
1-23-88	1.30	RAP/ATY	\$748.74
1-23-88	.70	ATY/ABR	\$403.17
1-23-88	.50	ABR/BKX	\$287.98
1-23-88	.50	BKX/Y14	\$287.98
1-23-88	2.30	Y14/STF	\$1,324.70
1-23-88	1.90	STF/ORF	\$1,324.74
	12.20		\$8,697.00



FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 2-22-88

INVOICE NO: 88-1012

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For FLIGHTS FROM 2-23/28-88.

DATE	HOURS		TOTAL
2-23-88	1.50	ORF/LKR	\$1,247.65
2-23-88	.40	LKR/29J	\$332.70
2-23-88	2.80	29J/PBI	\$2,328.95
2-26-88	2.30	PBI/CHS	\$1,913.07
2-27-88	.70	CHS/DLC	\$582.23
2-27-88	.40	DLC/FLO	\$332.70
2-28-88	.40	FLO/ATL	\$332.70
	8.5		\$7,070.00

96043754114

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 3-02-88

INVOICE NO: 88-1014

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 3-1/03-88.

DATE	HOURS		TOTAL
-----	-----		-----
3-01-88	1.00	ATL/HSV	\$660.00
3-01-88	1.50	HSV/HKS	\$990.00
3-01-88	1.50	HKS/LIT	\$990.00
3-01-88	2.00	LIT/DAL	\$1,320.00
3-03-88	3.00	DAL/MEM	\$1,980.00
3-03-88	1.50	MEM/CHA	\$990.00
	-----		-----
	10.50		\$6,930.00

96043/54115

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 3-07-88

INVOICE NO: 88-1015

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 3-3/06-88.

DATE	HOURS		TOTAL
3-03-88	1.00	CHA/GMU	\$701.29
3-04-88	2.25	GMU/SRQ	\$1,577.90
3-05-88	3.00	SRQ/ORF	\$2,103.87
3-06-88	.75	ORF/MHC	\$525.97
3-06-88	.75	MHC/ORF	\$525.97
	7.75		\$5,435.00

96042754116

PROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 3-10-88

INVOICE NO: 88-1017

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights from 3-10/14-88.

DATE	HOURS		TOTAL
3-10-88	3.10	ORF/BGX	\$1,940.91
3-10-88	.90	BGX/GBG	\$563.49
3-10-88	.30	GBG/PIA	\$187.73
3-11-88	.70	PIA/CMI	\$438.27
3-11-88	.50	CMI/SPI	\$313.05
3-11-88	.60	SPI/UIN	\$375.66
3-11-88	1.30	UIN/BMI	\$813.93
3-11-88	.60	BMI/MVN	\$375.66
3-12-88	1.30	MVN/MDU	\$813.93
3-13-88	.50	MDU/RFD	\$313.05
3-13-88	.70	RFD/IKK	\$438.27
3-13-88	.70	IKK/HUF	\$438.27
3-13-88	1.10	HUF/MLI	\$688.71
3-13-88	1.00	MLI/CPS	\$626.10
3-14-88	3.20	CPS/ORF	\$2,003.52
	16.50		\$10,330.55

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 3-14-88

INVOICE NO: 88-1019

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

Additional costs for flights from 2-2/2-17-88.

DATE	TOTAL
2-2/9-88	\$2,533.67
2-10/17-88	\$60.11
TOTAL	\$2,593.78

96043754118

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 3-14-88

INVOICE NO: 88-1020

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flight on 3-15-88.

DATE	HOURS		TOTAL
-----	-----		-----
3-15-88	.80	ORF/DCA	\$550.00
3-15-88	.80	DCA/ORF	\$550.00
	-----		-----
	1.60	TOTAL	\$1,100.00

96043754119

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 3-24-88

INVOICE NO: 88-1021

TO: Americans for Robertson  
ATTN: Col. Jim Patterson  
860 Greenbrier Circle, Suite 502  
Chesapeake, Va. 23320

For flights on 3-23/24-88.

DATE	HOURS		TOTAL
3-23-88	.80	ORF/DCA	\$550.00
3-23-88	.80	DCA/ORF	\$550.00
3-24-88	.80	ORF/DCA	\$550.00
3-24-88	.80	DCA/ORF	\$550.00
	3.20	TOTAL	\$2,200.00

960.41754120





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

JUNE 22, 1993

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

Ms. Christine Lammers  
3310 Bluffview  
Garland, TX 75043

RE: MUR 3485  
Christine Lammers

Dear Ms. Lammers:

Enclosed are copies of a letter and documents originally sent to you by certified mail, return receipt requested on April 12, 1993.

If you have any questions about the matters addressed in the enclosed documents, please contact me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, reading "Holly J. Baker", is written over the typed name.

Holly J. Baker  
Attorney

Enclosure  
Letter dated April 12, 1993  
and its attachments

96063754121

OGC 9240

WILLIAM J. OLSON, P.C.

ATTORNEYS AT LAW

5150 GREENSBORO DRIVE, SUITE 1070  
MCLEAN, VIRGINIA 22102-3823

TELEPHONE (703) 356-5070

FAX (703) 356-5085

JUN 24 11 40 AM '93

WILLIAM J. OLSON  
IDC VA  
JOHN S. MILES  
IDC MD OF COUNSEL  
GILMAN & PANGIA  
OF COUNSEL

1815 H STREET NW  
SUITE 800  
WASHINGTON DC 20006-3604  
TELEPHONE (202) 823-8066  
FAX (202) 331-8866

June 22, 1993  
**CERTIFIED MAIL**

Tony Buckley, Esquire  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485

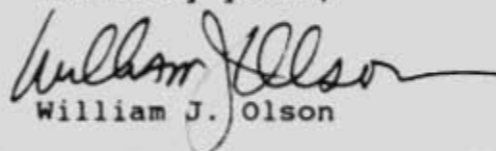
Dear Mr. Buckley:

As you know, we represent The National Legal Foundation (NLF) and Robert Skolrood, its Executive Director, with respect to the above-referenced MUR.

Enclosed please find the originals of NLF's Answers to the Commission's Interrogatories and its Responses to the Commission's Request for Production of Documents. (Copies of these documents, together with the financial documents called for in the Request for Production of Documents, were served upon you yesterday by Certified Mail in accordance with our extension agreement.) Also enclosed herewith are the balance of the documents called for in the Request for Production of Documents.

We repeat our request that the entire matter be treated confidentially by the Commission and that no disclosure of NLF's responses or documents, which constitute, inter alia, confidential business, financial, and donor records, be permitted. And we thank you again for your courtesy in granting us an extension of time.

Sincerely yours,

  
William J. Olson

WJO:mm

Enclosures

96043754122

93 JUN 24 11 40 AM '93

BEFORE THE  
FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
)

MUR 3485

93 JUN 24 PM 3:34

RESPONSES TO REQUEST FOR PRODUCTION OF DOCUMENTS  
BY NATIONAL LEGAL FOUNDATION

The following responses of National Legal Foundation (NLF) relate to a Request for Production of Documents received from the Commission in the above-referenced MUR dated April 19, 1993.

1. Produce all documents which relate in any way to money received by you from CBN, including, but not limited to, ledgers, receipts, check registers, cover letters and memoranda.

RESPONSE: Based upon the review conducted by the NLF staff, attached are copies of the documents in NLF's possession relating to money received by the Freedom Council Foundation from CBN beginning in approximately March/April, 1986. No such records for the period preceding March/April 1986, can be found.

2. Produce all documents which relate in any way to the administrative services agreement entered into between you and GBCSI on or about August 1, 1985.

RESPONSE: Based upon the review conducted by the NLF staff, attached are copies of all documents in NLF's possession relating to the administrative services

96043754123

2

agreement between GBCSI and the Freedom Council  
Foundation beginning in approximately March/April,  
1986. No such records for the period preceding  
March/April 1986 can be found.

I hereby declare or affirm that the foregoing responses are  
true to the best of my personal knowledge, or based on my  
information and belief, as indicated by the text of each  
response.

NATIONAL LEGAL FOUNDATION

By:

*Robert K. Skolrood*  
Robert K. Skolrood  
Executive Director and  
General Counsel

State of \_\_\_\_\_  
County of \_\_\_\_\_

SS:

Subscribed and sworn to before me in my district, this  
\_\_\_\_ day of \_\_\_\_\_, 1993.

NOTARY PUBLIC \_\_\_\_\_

My Comm. No. \_\_\_\_\_

96043754124

BEFORE THE  
FEDERAL ELECTION COMMISSION

In the Matter of )

)

)

)

MUR 3485

ANSWERS TO INTERROGATORIES  
BY NATIONAL LEGAL FOUNDATION

The following answers are provided by National Legal Foundation (NLF) in response to the Commission's Order to Submit Written Answers to Interrogatories in the above-referenced MUR.

1. Identify all persons who in any way dealt with GDCSI on behalf of you regarding an administrative service agreement dated August 1, 1985.

## ANSWER:

Robert K. Skolrood  
6477 College Park Square, Suite 306  
Virginia Beach, Virginia 23464

Connie Pentress  
354 Middle Oaks Drive  
Chesapeake, Virginia 23320

Douglas W. Davis  
6332 Chestnut Hill  
Virginia Beach, Virginia 23464

Alan R. Harkey  
513 Lindel Boulevard  
Del Ray Beach, Florida 33444

Paul S. McConnell  
11320 Roosevelt Way N.E.  
Seattle, Washington 98125

Dr. Marion ("Pat") G. Robertson  
c/o CBN  
Virginia Beach, Virginia 23463

Bob G. Slosser  
700 Oriole Drive  
Virginia Beach, Virginia

96044754125  
JUN 24 PM 3:33

Robert G. Partlow  
Address unknown

Herbert W. Titus  
Lake James Drive  
Virginia Beach, Virginia 23464

Jerry R. Curry  
Address unknown

There may have been others who we have been unable to  
identify at this time.

2. Identify all other persons who did not deal directly  
with GBCSI, but who otherwise were in any way involved on behalf  
of you regarding an administrative service agreement dated August  
1, 1985.

ANSWER: It is not known at this time by the  
undersigned or by the current NLF staff, who actually  
dealt directly or indirectly or otherwise with GBCSI,  
other than the persons listed in answer to  
Interrogatory No. 1, above.

3. Identify all persons who in any way dealt with you on  
behalf of GBCSI regarding an administrative service agreement  
dated August 1, 1985.

ANSWER:

George F. Border  
517 Fordsmere Road  
Chesapeake, Virginia 23320

Steve Davis  
Current Address Unknown  
Last Known Address: P.O. Box 1891  
Chesapeake, Virginia 23320

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3

There may have been others who we have been unable to identify at this time.

4. List all amounts of money received by you from CBN. In your list, identify any employee, director or officer of CBN who was involved in the decision to provide funds to you. Include in your schedule the date each payment was received.

## ANSWER:

(A) For a list of all amounts of money received by the National Legal Foundation from CBN, see document which has been assembled and which is attached hereto and made a part hereof marked "Exhibit A."

(B) It is believed that Marion G. ("Pat") Robertson, Allan Rundle, and David Jackman were the persons at CBN who were involved in the decision to provide funds to the National Legal Foundation.

I hereby declare or affirm that the foregoing answers are true to the best of my personal knowledge, or based on my information and belief, as indicated by the text of each answer.

NATIONAL LEGAL FOUNDATION

Date:

June 21, 1993

By:

Robert K. Skolrood  
Executive Director and  
General Counsel

56047754127



From :

PHONE No. : 703 356 58

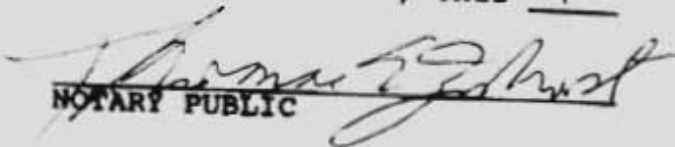
Jun. 21 1993 6:07PM PC

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State of VIRGINIA )  
County of VIRGINIA BEACH )

SS:

Subscribed and sworn to before me in my district, this 21  
day of JUNE, 1993.

  
NOTARY PUBLIC

My Commission Expires: 31 MARCH 1996

96042754128

THE ATTACHMENTS SUBMITTED WITH THIS RESPONSE  
HAVE BEEN REMOVED FROM THE PERMANENT FILE

96043754129

**Decker, DeVoss & O'Malley, P.C.**

2101 South Clay Street  
Denver, Colorado 80219  
(303) 937-1531  
(303) 937-1361 (FAX)

June 21, 1993

Clarence Arch Decker  
Jeffrey S. DeVoss\*  
Terry O'Malley\*  
\*Also admitted in Kansas

93 JUN 28 PM 3:53

Mary Ann Kerwin  
Michael W. Reagor

Mr. Scott E. Thomas  
Chairman  
FEDERAL ELECTION COMMISSION  
Washington, D.C. 20436

RE: MUR 3485

Dear Mr. Thomas:

This letter follows up the response of Mr. Clarence Decker, dated May 19, 1993, addressed to your office.

As Mr. Decker stated in his letter, he was involved very little in the matter, has no records regarding the matter and has difficulty even recalling basic facts concerning the matter. However, I assure you that Mr. Decker would be happy to assist you in obtaining any information that he can provide. Toward that end, I would ask that you contact me in regard to this matter. I have enclosed a Statement of Designation of Counsel for Mr. Decker.

Please call if you have any questions.

Very truly yours,

DECKER, DeVOSS & O'MALLEY, P.C.

By: 

Michael W. Reagor

/MWR  
Enclosure

STATEMENT OF DESIGNATION OF COUNSEL

93 JUL 28 PM 3:53

MUR 3485

NAME OF COUNSEL: Michael W. Reagor

ADDRESS: Decker, DeVoss & O'Malley, P.C.

2101 S. Clay Street

Denver, CO 80219

TELEPHONE: (800) 288-9423; (303) 937-1531

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.

6/18/93  
Date

  
Signature

RESPONDENT'S NAME: Clarence A. Decker

ADDRESS: 2101 S. Clay Street

Denver, CO 80219

HOME PHONE: (303) 922-1869

BUSINESS PHONE: (303) 937-1531

96043754131

OAC 9264

LAW OFFICES

**MARION EDWYN HARRISON**

1220 19TH STREET, N.W., SUITE 400  
WASHINGTON, D.C. 20036

107 PARK WASHINGTON COURT  
FALLS CHURCH, VIRGINIA 22046

FALKENSTRASSE 14  
8008 ZURICH, SWITZERLAND

MARION EDWYN HARRISON (DC, VA)  
JOHN S. BAKER, JR. (DC, LA)  
DANIEL M. REDMOND (DC)

TELEPHONE (202) 965-0800  
TELEPHONE (703) 532-0303  
FACSIMILE (703) 532-0086

JUN 23 11 22 AM '93

June 23, 1993

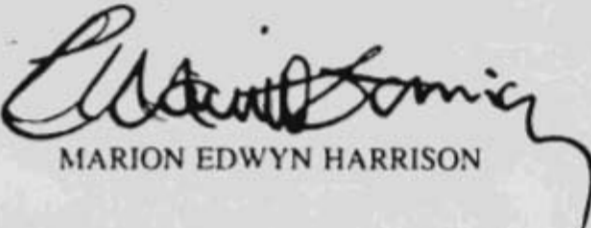
Anthony Buckley, Esquire  
Assistant General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: R. Marc Nuttle, Esquire  
MUR 3485

Dear Mr. Buckley:

We attach a Statement of Designation of Counsel for R. Marc Nuttle, Esquire.

Sincerely,

  
MARION EDWYN HARRISON

59 JUN 23 11 31 AM '93

0 6 0 8 2 7 5 4 1 2

**STATEMENT OF DESIGNATION OF COUNSEL**

93 JUN 23 PM 3:24

MUR 3485

NAME OF COUNSEL: Marion Edwyn Harrison, Esquire

ADDRESS: 107 Park Washington Court  
Falls Church, Virginia 22046

TELEPHONE: 703 532-0303

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.

June 23, 1993  
Date

R Marc Nuttle  
Signature

RESPONDENT'S NAME: R. Marc Nuttle, Esquire

ADDRESS: 900 36th Avenue  
Suite 202  
Norman, Oklahoma 73072

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

BUSINESS PHONE: 405 364-5946

96043754133

WILEY, REIN & FIELDING

1778 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

OGC 9251

WRITER'S DIRECT DIAL NUMBER

June 24, 1993

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

(202) 429-7301

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

ATTN: Tony Buckley, Esq.

Re: MUR 3485 (B. James Reid)

Dear Mr. Noble:

Enclosed please find the Response of B. James Reid to the Federal Election Commission's Subpoena to Produce Documents and Order to Submit Written Answers.

Sincerely,

*Carol A. Laham*

Carol A. Laham

Encl.

754134

62:411:12:11:85



RESPONSE OF JAMES REID  
TO THE INTERROGATORIES OF  
THE FEDERAL ELECTION COMMISSION IN MUR 3485

93 JUN 24 PM 4:55

Question 1

List all positions held by you at CBN Continental. Describe your duties and responsibilities in the listed positions, and the dates during which you held each position.

Response

To the best of my recollection, I held the following positions at CBN Continental from January 1, 1985 through May 31, 1988:

Vice President of Programming

Vice President and Chief Operating Officer.

I do not recall the specific dates which I held these positions. My duties and responsibilities as Vice President of Programming and Vice President and Chief Operating Officer are described in Article IV, Section 5 of the Bylaws of CBN Continental.

Question 2

Identify all persons at CBN Continental involved in the lease of any aircraft to AFR.

Response

To my knowledge, there was no written lease between CBN Continental and Americans for Robertson for any aircraft.

06043754135

Question 3

Identify all persons at AFR involved in the lease of any aircraft from CBN Continental.

Response

To my knowledge, there was no written lease between CBN Continental and Americans for Robertson for any aircraft.

Question 4

Identify all CBN Continental and AFR persons involved in the settlement of the \$260,352.32 outstanding bill between CBN Continental and AFR.

Response

Several individuals were involved in the discussions between CBN Continental and Americans for Robertson concerning the fuel surcharge. Initially I, Kevin Steacy, Marc Nuttle, and another individual whose name I do not recall at Americans for Robertson were involved in the negotiations. However, CBN Continental thereafter obtained the services of an outside legal counsel to collect the \$260,352.32 in outstanding fuel charges owed to CBN Continental from Americans for Robertson. It is my understanding that Americans for Robertson also thereafter utilized the services of outside legal counsel with regard to this disputed fuel bill.

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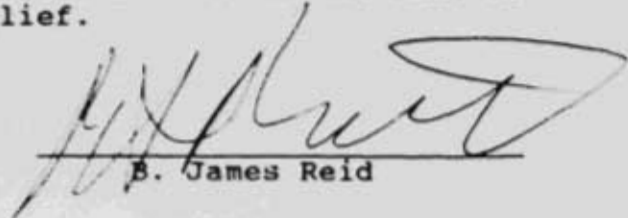
PRODUCTION OF DOCUMENTS

1. Produce all documents in your possession concerning and/or in any way relating to the provision of aircraft by CBN Continental to AFR and the settlement of the \$260,352.32 outstanding bill, including, but not limited to, contracts/agreements, invoices and statements, checks, and correspondence (incoming, outgoing, and internal) such as letters, envelopes, memos, internal correspondence, notes of telephone conversations, and records of oral and/or written communications.

Response

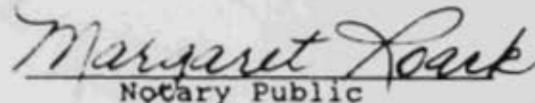
I have no documents in my personal possession "concerning and/or in any way relating to the provision of aircraft by CBN Continental to AFR and the settlement of the \$260,352.32 outstanding bill."

The above information is true and correct to the best of my knowledge, information, and belief.

  
B. James Reid

Virginia Beach, Virginia

Subscribed to and sworn before me this 15<sup>th</sup> day of June, 1993.

  
Notary Public

My Commission Expires: 9-30-96

754187

JUN 23 2 51 PM '93

## Nations Bank

June 23, 1993

Mr. Tony Buckley, Attorney  
Office of the General Council  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Dear Mr. Buckley:

The following is in response to your subpoena dated April 13, 1993 regarding G B Computer Services, Inc. and Americans for Robertson, Inc., whereby the Federal Election Commission orders Sovran Bank, N. A. to submit written answers to the questions attached to the Order and to produce documents listed on the attached Order.

### RESPONSE TO INTERROGATORIES

"GBCSI" shall mean G B Computer Services, Inc. and/or G. B. Computer Services, Inc.

"AFR" shall mean Americans for Robertson, Inc.

I. The following is a description of loans provided by Sovran Bank, N. A. to GBCSI between January 1, 1985 and December 31, 1987:

On or about October 15, 1985, Sovran Bank approved a term loan for \$480,000 to GBCSI to fund a portion of the cost of an IBM computer system and related equipment. When fully funded the loan was for \$339,848. The terms of the loan were 36 monthly instalments of principal in the amount of \$9,440 plus interest. The loan was secured by a Security Agreement on the IBM computer and related office equipment.

June 23, 1993  
Americans for Robertson  
Page 2

II. Sovran Bank dealt with the following persons with respect to the loan to GBCSI:

Home address

George F. Border, President Ph. (804)482-2377  
517 Fordsmere Road  
Chesapeake, VA 23320

Business address of same above

2133 Smith Road Ph. (804)424-1155  
P. O. Box 2442  
Chesapeake, VA 23320-2515

W. Shepherd Smith, Jr., Employee  
2133 Smith Road Ph. (804)424-1155  
P. O. Box 2442  
Chesapeake, VA 23320-2515

The following is a description of each loan provided to AFR between January 1, 1985 and December 31, 1987:

On January 20, 1987, AFR made application for a term loan in the amount of \$233,480 for the purpose of financing an IBM computer and related office equipment which was purchased from G B Computer Services, Inc. The loan was secured by a Security Agreement on the IBM computer and related office equipment and the terms of the loan were for 25 months. The loan was to be repaid at \$9,440 Principal plus interest per month.

On or about November 19, 1987, AFR requested a \$1,500,000 revolver line of credit. The loan was approved on December 1, 1987 and was to be used for campaign expenses. The loan was secured by an Assignment of Presidential Primary Matching Funds, an assignment of key man life insurance, an assignment of contributions, and an assignment of deposit accounts. The revolver was priced at Prime plus 1%. The revolver was to be repaid in full at maturity from Federal Matching Funds. The maturity date of the revolver was January 8, 1988.

26043754139

June 23, 1993  
Americans for Robertson  
Page 3

Sovran Bank dealt with the following persons on behalf of AFR in obtaining the following loans:

Edward J. Whelan, Treasury Ph. (804)523-1988  
Greenbrier Tower I  
860 Greenbrier Circle  
Chesapeake, VA 23320

James S. Patterson, Treasurer  
Americans for Robertson  
2127 Smith Avenue  
Chesapeake, VA 23320

R. Marc Nuttle, President  
Americans for Robertson  
2127 Smith Avenue  
Chesapeake, VA 23320

Fred H. Shafer, Assistant Treasurer Ph. (804)523-1988  
Greenbrier Tower I  
860 Greenbrier Circle, Ste 502  
Chesapeake, VA 23320

Marion Edwyn Harrison, Attorney for the Campaign Ph. (202)965-6300  
1000 Potomac Street, N. W., 3rd Floor  
Washington, D.C. 20007

Ron Hyatt, Esquire Ph. (202)822-5391  
Melrod, Redman, Gartlan, P. C. (closing attorney)  
1801 K Street, N. W.  
Suite 1100 K  
Washington, D.C. 20006

#### PRODUCTION OF DOCUMENTS

We have done an exhaustive search of our files in exercising due diligence to produce documents and can not locate files pertaining to GBCSI. However, all documents requested in the Federal Election Commission subpoena dated April 13, 1993 were provided to the Federal Election Commission in an earlier response to the subpoena of Sovran Bank, N. A. dated January 3, 1990. For further information related to GBCSI, please refer to the documents on AFR dated January 1, 1987 as they reference the loan mentioned above to GBCSI.

June 23, 1993  
Americans for Robertson  
Page 4

We are enclosing the following for GBCSI:

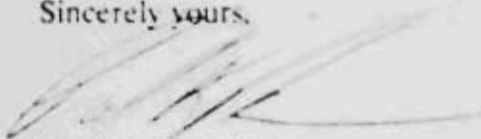
Commercial Loan Transaction history for January 1, 1985 to December 31, 1985.

Also included with this package are the following documents which relate to any loans obtained by AFR from Sovran Bank:

Balance Sheet dated November 30, 1986;  
Copy of the memorandum to Frederick J. Turverey from Kathy Williams of Loss Prevention regarding the January 3, 1990 subpoena from the Federal Elections Commission;  
Worksheet for AFR dated August 14, 1987;  
Classification memorandum on AFR dated December 15, 1987;  
Classification memorandum on AFR dated August 1, 1987;  
Classification memorandum on AFR dated May 4, 1987;  
Term loan brief sheet on AFR dated December 31, 1986

None of the information provided above is maintained electronically; therefore, no formats, software, computer diskettes or magnetic tape can be provided.

Sincerely yours,



Paul K. MacMillan  
Assistant Vice President

PKM:edh

Enclosures

cc: Dave Norton  
Frank Wood

1 4 1 5 7 2 4 9 8 2



THE ATTACHMENTS SUBMITTED WITH THIS RESPONSE  
HAVE BEEN REMOVED FROM THE PERMANENT FILE

96043754142

WILEY, REIN & FIELDING

1778 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

RECEIVED  
FEDERAL ELECTION COMMISSION

93 JUN 25 PM 1:14

JAN WITOLD BARAN  
(202) 429-7330

June 25, 1993

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

**BY HAND AND BY FACSIMILE**

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

ATTN: Tony Buckley, Esq.

Re: MUR 3485 (Christian Broadcasting Network, Inc.,  
CBN Continental Broadcasting Inc. (now KXTX,  
Inc.), and Airplanes, Inc.)

Dear Mr. Noble:

This letter will confirm the agreement which we reached today regarding a supplemental response by the Christian Broadcasting Network, Inc., and CBN Continental Broadcasting Network, Inc. (now KXTX, Inc.) to the Subpoenas to Produce Documents and Order to Produce Written Answers. This agreement constitutes a modification of the April 9, 1993 subpoenas as written. The Commission reserves its right to seek any and all additional information and documents it deems necessary through the issuance of new subpoenas.

The agreement is as follows with respect to the Subpoena and Order issued to CBN Continental:

CBN Continental will further identify the aircraft it leased from 1984 through the present as requested in Question No. 1. CBN Continental will also provide the purchase and sale documents for the BAC 1-11 in response to Question No. 1.

With respect to Question No. 2, the Office of General Counsel has refined its interrogatory to seek information on how the cost of maintenance relates to particular bills. CBN Continental will provide an answer to this question.

With respect to Question No. 3, CBN Continental will provide invoices issued to all entities in addition to AFR from 1984 through present not previously provided to the Commission.

WILEY, REIN & FIELDING

Lawrence M. Noble, Esq.  
June 25, 1993  
Page 2

With respect to Question No. 4, CBN Continental will provide maintenance invoices for the BAC 1-11 not previously provided to the Commission.

The agreement is as follows with respect to the Subpoena and Order issued to CBN:

With respect to Question No. 1, CBN will provide a list of payments made to the Freedom Council, the Freedom Council Foundation, the National Legal Foundation, and the National Perspectives Institute from January 1, 1985 through December 31, 1986 not already provided to the Commission. CBN will also identify its Board of Directors in response to this question.

With respect to the Request for Documents, CBN will produce documents which relate to the Freedom Council, The Freedom Council Foundation, The National Legal Foundation, and National Perspectives Institute as they pertain to George Border Computer Services Inc. from January 1, 1985 through December 31, 1986.

This production will not include documents concerning and/or relating to fundraising which are not related to a presidential campaign; documents concerning and/or relating to membership; and documents concerning and/or relating to issues of public policy.

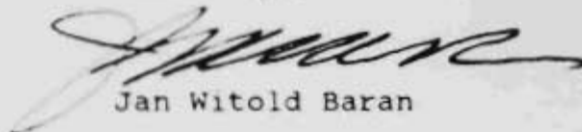
Furthermore, in making this agreement we do not waive our right to make any objections, and specifically preserve our right to object to the scope of the subpoenas both as to time and substance.

In addition, the Federal Election Commission has acknowledged that the June 17, 1993 submission by Airplanes, Inc. was sufficiently responsive to the Subpoena and Order issued Airplanes, Inc.

Finally, this supplemental production will be made by the close of business on June 30, 1993.

We appreciate your cooperation in defining the scope of the subpoenas. I trust that this resolves our differences.

Sincerely,



Jan Witold Baran

9604375414



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RECEIVED  
F.E.C.  
SECRETARIAT

93 JUN 30 AM 10:36

**SENSITIVE**

June 30, 1993

**MEMORANDUM**

TO: The Commission

FROM: Lawrence M. Noble *LMN (342)*  
General Counsel

SUBJECT: MUR 3485 -- Subpoenas and Orders to the Christian  
Broadcasting Network, Inc. and CBN Continental  
Broadcasting Network, Inc. (now KXTX, Inc.)

On January 12, 1993, the Commission, inter alia, found reason to believe that the Christian Broadcasting Network, Inc. ("CBN") knowingly and willfully violated 2 U.S.C. § 441b(a), and that CBN Continental Broadcasting Network, Inc. (now KXTX, Inc.) ("CBN Continental") knowingly and willfully violated 2 U.S.C. § 441b(a). On March 23, 1993, the Commission approved the appropriate subpoenas and orders to be issued to each respondent. On June 15, 1993, the Commission authorized this Office to initiate an enforcement action to compel compliance with the Subpoenas and Orders issued to these two Respondents.<sup>1</sup> Subsequently, this Office discussed additional production with counsel for these respondents, in an attempt to avoid litigation. As a result, an agreement has been reached, which is confirmed in a June 25, 1993 letter from counsel. Attachment 1.

With respect to the Subpoena and Order to CBN Continental, the agreement results in the production of all relevant documents relating to the BAC 1-11 aircraft, including purchase and sale documents, and maintenance invoices. Additionally, CBN Continental will provide a listing of all other aircraft owned or leased by it. These responses are being provided for the entire time period sought in the Subpoena and Order.

With respect to the Subpoena and Order to CBN, that Respondent will provide a list of all payments by CBN to the Freedom Council, the Freedom Council Foundation, The National Legal Foundation and the National Perspectives Institute. Further, CBN will provide documents relating to the Freedom Council, the Freedom Council Foundation, the National Legal

1. The Commission also authorized a subpoena enforcement action with respect to Airplanes, Inc. That respondent has since complied with the Subpoena and Order issued to it.

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Foundation and the National Perspectives Institute, as they pertain to George Border Computer Services, Inc. Documents which meet this requirement, but which also concern and/or relate to fundraising which is not related to a presidential campaign; concern and/or relate to membership; or documents concern and/or relate to issues of public policy, will be omitted. These responses will also be for the entire time period of this subpoena.

This Office believes the agreement is appropriate for several reasons. First, Respondents have retreated from their broad objections to the time periods encompassed by the subpoenas. In the case of CBN Continental, we will be provided all relevant documentation relating to the BAC 1-11. Also, we will be able to understand CBN Continental's practice with respect to leasing and owning aircraft, and how the purchase of the BAC 1-11 fits into that practice. In the case of CBN, they have also abandoned the insistence that only "financial" documents be provided. This assures us that all relevant information regarding the start-up and establishment of GBCSI will be produced. In both cases, the information provided is consistent with the violations as described in the Factual and Legal Analyses.

The agreement achieves substantial compliance with the core of the subpoenas and allows us to continue our investigation apace, whereas protracted litigation had the potential for causing significant delay in acquiring relevant information from these respondents. Nothing prevents the Commission from issuing additional subpoenas and orders should we need to discover other information regarding these violations, or information regarding other violations. Indeed, the letter from counsel notes that that right has been expressly reserved.

Attachment

June 25, 1993 Letter

Staff Assigned: Tony Buckley

96043754146

WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

JAN WITOLD BARAN  
(202) 429-7330

June 30, 1993

06C 9322  
RECEIVED  
FEDERAL BUREAU OF INVESTIGATION  
93 JUN 30 PM 4:51  
FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

ATTN: Tony Buckley, Esq.

Re: MUR 3485 (CBN Continental,  
Broadcasting Network, Inc.,  
now KXTX, Inc.)

Dear Mr. Noble:

Enclosed please find the Supplemental Response of CBN Continental Broadcasting Network, Inc. (now KXTX, Inc.) to the Federal Election Commission's Subpoena to Produce Documents and Order to Submit Written Answers.

Sincerely,

  
Jan Witold Baran

Encl.

06043754147



SUPPLEMENTAL RESPONSE OF CBN CONTINENTAL BROADCASTING  
NETWORK, INC. (NOW KXTX, INC.)  
TO THE INTERROGATORIES OF  
THE FEDERAL ELECTION COMMISSION IN MUR 3485

Question 1

List all aircraft owned or leased by you or your subsidiaries, including but not limited to Airplanes, Inc. For each aircraft listed:

- state its make, model, year, seating capacity, cruising speed, and engine configuration;

Response

CBN Continental objects to this inquiry on the grounds that it is overbroad in time period and scope and seeks documents that are not relevant to the issues in this matter. CBN Continental also objects to this request on the grounds that it is unduly burdensome and oppressive. CBN Continental also objects to this request on the grounds that it seeks documents which are subject to the attorney-client privilege.

Notwithstanding these objections and without waiving its objections, CBN Continental leased a 1975 Hawker-Sidley 600A, Serial Number 256041. The plane had two engines: engine Number 1 - Serial Number 601179, and engine Number 2 - Serial Number 601147. CBN Continental has no information as to the passenger seating capacity or the cruising speed of this aircraft.

CBN Continental also leased an 8 passenger, 1978 Gates Lear Jet 35A, Serial Number 256041, MMO (max speed) .83. CBN Continental has no information as to the engines on this aircraft.

Other aircraft leased by CBN Continental include a

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Beechcraft Duke Model B-60, one or more Lear 25Ds; a Lear 35A, a King Air, a Jet Ranger, a Baron, and a Citation. CBN Continental is not able to further identify these aircraft. To the extent that other aircraft were chartered or leased by CBN Continental on a one time basis, CBN Continental is unable to identify these aircraft.

Nonprivileged documents relating to the purchase of the BAC 1-11 are attached.

Nonprivileged documents relating to the sale of the BAC 1-11 are attached.

#### Question 2

Identify all organizations chartering or otherwise using the aircraft listed in response to question one and describe the billing method for their use. As concerns the billing method, note if billings are based on costs, including but not limited to the costs of owning, maintaining, and operating the aircraft. List the costs used for the billings and the method for calculating the billable costs.

#### Response

CBN Continental objects to this inquiry on the grounds that it is overbroad in time period and scope and seeks information that is not relevant to the issues in this matter.

Notwithstanding these objections and without waiving its objections, the entities using the above identified aircraft have either been previously identified to the Commission or are identified in the attached invoices.

CBN Continental is unable to directly correlate the attached maintenance invoices to any specific billings for the BAC 1-11.

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Question 3

Produce all documents, including invoices and bills, concerning and/or in any way relating to these charters and/or the billings for these charters, including invoices issued and bills issued, not previously provided to the Commission.

Response

CBN Continental objects to this request on the grounds that it is overbroad in time period and scope and seeks documents not relevant to the issues in this matter. CBN Continental also objects to this request on the grounds that it is unduly burdensome and oppressive. CBN Continental also objects to this request on the grounds that it seeks documents which are subject to the attorney-client privilege.

Notwithstanding these objections and without waiving its objections, CBN Continental herein provides invoices and bills drafted or prepared by CBN Continental regarding the use of the planes identified in response to Question 1 above not previously provided to the Commission.

Question 4

As concerns the BAC 1-11 purchased by you in February 1985 and later transferred to your subsidiary, Airplanes, Inc.

- list all maintenance performed on the aircraft, including costs, and produce all documents concerning and/or in any way relating to the aircraft's maintenance not previously provided to the Commission.

- identify all entities chartering and/or otherwise using the aircraft.

Response

CBN Continental objects to this request on the grounds that it is overbroad in time period and scope and seeks documents not relevant to the issues in this matter. CBN Continental also

objects to this request on the grounds that it is unduly burdensome and oppressive. CBN Continental also objects to this request on the grounds that it seeks documents which are subject to the attorney-client privilege.

Notwithstanding these objections and without waiving its objections, additional maintenance for the plane is reflected in the attached invoices not previously provided the Commission.

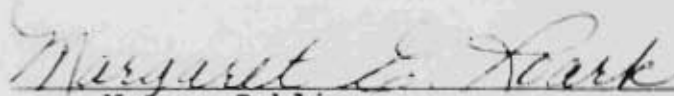
All entities using the BAC 1-11 are identified in response to Question No. 2 above.

I, Larry Brown, Vice President of KXTX, Inc., hereby state that the above information is true and correct to the best of my knowledge, information, and belief.

  
Larry Brown, Vice President

Virginia Beach, Virginia

Subscribed to and sworn before me this 27<sup>th</sup> day of June 1993.

  
Notary Public

My Commission Expires: 9-30-96

26043754151

066 9311

RECEIVED

FEDERAL ELECTION COMMISSION

WILEY, REIN & FIELDING

93 JUN 30 PM 4:53

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

JAN WITOLD BARAN  
(202) 429-7330

June 30, 1993

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

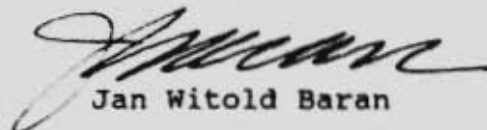
ATTN: Tony Buckley, Esq.

Re: MUR 3485 (The Christian  
Broadcasting Network, Inc.)

Dear Mr. Noble:

Enclosed please find the Supplemental Response of The Christian Broadcasting Network, Inc. to the Federal Election Commission's Subpoena to Produce Documents and Order to Submit Written Answers.

Sincerely,

  
Jan Witold Baran

Encl.

96043754152

SUPPLEMENTAL RESPONSE OF THE CHRISTIAN BROADCASTING  
NETWORK, INC.  
TO THE INTERROGATORIES OF  
THE FEDERAL ELECTION COMMISSION IN MUR 3485

Question 1

List, by organization and then by date made, all payments by you to The Freedom Council, the Freedom Council Foundation, the National Legal Foundation and the National Perspectives Institute. Identify all employees, directors or officers of you, as well as any other individuals, who were involved in the decision to provide funds for any or all of these organizations.

Response

CBN objects to this inquiry on the grounds that it is overbroad in time period and scope and seeks information that is not relevant to the issues in this matter.

Notwithstanding these objections and without waiving its objections, all payments by CBN to each of the above entities between January 1, 1985 and December 31, 1986 not previously provided to the Commission are found on the attached schedules.

The identity of the Board of Directors of CBN during 1985 and 1986 is as follows: M. G. Robertson, 1000 Centerville Turnpike, Virginia Beach, VA, 23463; 700 CBN Center, Virginia Beach, VA, 23463; Religious Broadcaster; Dr. Robertson is currently the Chairman, CEO, and President of CBN; A. E. Robertson, 1000 Centerville Turnpike, Virginia Beach, VA, 23463; Housewife, Lecturer, Writer; Mrs. Robertson is currently a member of the Board of Directors of CBN; Harald Bredesen, 2767 Surrey Lane, Escondido, CA, 92025; Minister, Lecturer; Mr. Bredesen is currently a member of the Board of Directors of CBN; Bob Slosser, 1209 Hill Rd., Virginia Beach, VA, 23451; President Emeritus, Regent University; Artist in Residence; Free Lance Writer and

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Editor; Mr. Slosser is currently a member of the Board of Directors of CBN; and S. Tucker Yates, 5177 Shell Road, Virginia Beach, VA, 23455; Crate in Motion Furniture & More, 3605 Virginia Beach Blvd., Virginia Beach, VA, 23452; President, Crate in Motion Furniture & More; Mr. Yates has no present connection to CBN.

#### PRODUCTION OF DOCUMENTS

1. Produce all documents which relate in any way to the Freedom Council, the Freedom Council Foundation, the National Legal Foundation or the National Perspectives Institute.

#### Response

CBN objects to these requests on the grounds that they are overbroad in time period and scope and seek documents that are not relevant to the issues in this matter. CBN also objects to these requests on the grounds that they are unduly burdensome and oppressive. CBN also objects to these requests on the grounds that they seek documents which are subject to the attorney-client privilege.

Notwithstanding these objections and without waiving its objections, CBN herein produces all nonprivileged documents from January 1, 1985 through December 31, 1986, as they pertain to George Border Computer Services, Inc. These documents do not include documents concerning and/or relating to fundraising which are not related to a presidential campaign; documents concerning and/or relating to membership; and documents concerning and/or relating to issues of public policy.

I, Robert M. Prigmore, Vice President and Chief Financial Officer of The Christian Broadcasting Network, Inc., hereby state that the above information is true and correct to the best of my knowledge, information, and belief.

Robert M. Prigmore  
Robert M. Prigmore, Vice President  
and Chief Financial Officer

Virginia Beach, Virginia

Subscribed to and sworn before me this 29th day of June 1993.

Joyce W. Sanderlin  
Notary Public

My commission expires: 7-31-96

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GENERAL

100

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3:09

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RESOLUTION TRUST CORPORATION

Resolving The Crisis  
Restoring The Confidence

June 24, 1993

Anthony T. Buckley, Esq.  
Federal Election Commission  
Room 657  
999 East Street N.W.  
Washington, D.C. 20463

MUR 3485

Dear Mr. Buckley:

Enclosed please find responses to the subpoena which you sent to Sentry Federal Savings Bank in Norfolk in mid-April, 1993. Please be advised that the Resolution Trust Corporation was appointed receiver for Sentry Federal Savings Bank on March 20, 1992.

Please call me if you have any further questions.

Sincerely,

  
Jay D. Mitchell  
Attorney

JDM/tdl  
Enclosure

buckley.101  
p:\public\wp\mitchell\buckley.101

RECEIVED  
93 JUN 30 PM 3:09

[Redacted Box]

Applied for

Account No. 3573

Partners for America - State PAC  
Type Name of Organization

500 World Trade Center  
Norfolk, Va. 23510  
Berkley Federal Savings Bank attn: Gordon Roberts

and for the issuance of evidence thereof. Specimens of the signatures of those authorized to make withdrawals from said account and to act in connection therewith are indicated below, and you are authorized to act upon the request of said organization bearing any of such signatures including, but without limiting the generality of the foregoing, the pledging of this account in whole or in part as security for any loan made by you to said organization, and you receive written notice of the authorization of others to sign for it together with specimen signatures of such person or persons. You are authorized to supply any endorsement for the organization on any check or other instrument tendered for this account and you are hereby relieved of any liability in connection with collection of such items which are handled by you without negligence, and you shall not be liable for the acts of your agents, sub-agents or others or for any casualty. Withdrawals may not be made on account of such items until collected, and any amount not collected may be charged back to this account, including expense incurred, and any other outside expense incurred relative to this account may be charged to it.

Under penalties of perjury, I/we certify (1) that the number shown on this form is my/our correct taxpayer identification number, and (2) that I/we are not subject to backup withholding because (a) I/we have not been notified that I/we are subject to backup withholding as a result of a failure to report all interest or dividends, or (b) the Internal Revenue Service has notified me/that I/we are no longer subject to backup withholding. (If the Internal Revenue Service has notified the payee that she/he is subject to backup withholding, delete (2) above.)

Name of Organization		Date	
(Printed Authority)			
By		By	
Authorized Signature	Title	Authorized Signature	Title
By		By	
Authorized Signature	Title	Authorized Signature	Title

14044 (2-89) Voluntary Association

© S&P Systems and Forms

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### RESOLUTION

RESOLVED, That the funds of the undersigned be and the same are hereby authorized to be added to or paid into an account in

#### Berkley Federal Savings Bank

and that said institution be and it is hereby authorized to pay withdrawals with further written action to it signed in the name of this organization

as indicated below by any 2 person or persons, whose signatures appear below. Said institution further is authorized to accept a pledge of all or any part of said account as security for any loan made by it to said organization and assumed in its name by the signatory parties indicated in the preceding sentence. Said institution is authorized to supply any endorsement for the undersigned on any check or other instrument rendered for this account and it is hereby relieved of any liability in connection with collection of such items which are handled by it without negligence and it shall not be liable for the acts of its agents, subagents or others or for any causality. Withdrawals may not be made on account of such items until authorized, and any amount not authorized may be charged back to this account including expenses incurred, and any other possible expense incurred relative to this account may be charged to it.

Partners For America - State PAC

Name of Organization

By Lay H. King Treasurer

Authorized Signature

Title

By Gordon R. Hunter Chairman

Authorized Signature

Title

By

By

Authorized Signature

Title

Authorized Signature

Title

I certify that I am duly elected and acting secretary of the above-named organization, and that the foregoing is a true and correct copy of a resolution adopted by said organization at a regular or duly called special meeting at which a quorum was present, and that said organization is authorized to take such action, and that the signatures above and on the reverse side hereof are the true signatures of the person authorized to sign as indicated in connection with said account.

This, the

18th

November

1988

(Corporate Seal)

Signature

Gordon R. Hunter

Secretary

OGC 9328

RECEIVED  
FEDERAL ELECTION COMMISSION

# LEWIS, D'AMATO, BRISBOIS & BISGAARD

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

**SAN DIEGO OFFICE**  
SUITE 800  
550 WEST "C" STREET  
SAN DIEGO, CALIFORNIA 92101  
TELEPHONE (619) 233-1006

**ORANGE COUNTY OFFICE**  
SUITE 1400  
650 TOWN CENTER DRIVE  
CENTER TOWER BUILDING  
COSTA MESA, CALIFORNIA 92626  
TELEPHONE (714) 545-9200

DENNIS R. KASPER  
DIRECT DIAL 23-660-585

**LAWYERS**  
SUITE 1200  
221 NORTH FIGUEROA STREET  
LOS ANGELES, CALIFORNIA 90012  
TELEPHONE (213) 250-1800  
TELEX: 194506

**FACSIMILES:**  
LOS ANGELES: (213) 250-7900  
SAN DIEGO: (619) 233-8627  
SAN FRANCISCO: (415) 434-0882  
ORANGE COUNTY: (714) 650-1030  
SAN BERNARDINO: (909) 387-1138

June 30, 1993

93 JUL -1 PM 3:42  
**SAN FRANCISCO OFFICE**  
SUITE 1900  
1801 CALIFORNIA STREET  
SAN FRANCISCO, CALIFORNIA 94108  
TELEPHONE (415) 388-8980

**INLAND EMPIRE OFFICE**  
TRI-CITY CORPORATE CENTRE  
SUITE 800  
650 EAST HOSPITALITY LANE  
SAN BERNARDINO, CALIFORNIA 92408  
TELEPHONE (909) 387-1130

File No. 12298-004 (FEC)

## VIA FEDERAL EXPRESS

Holly Baker, Esq.  
**FEDERAL ELECTION COMMISSION**  
Office of the General Counsel  
999 E Street, N.W.  
Washington, D.C. 20463

Re: **MUR 3485 - Campus Crusade for Christ**

Dear Ms. Baker:

The purpose of this letter is to respond to the subpoena issued by the Federal Election Commission to Campus Crusade for Christ in the Matter of \_\_\_\_\_, MUR No. 3485.

As you and I have discussed on the telephone, because of the size of Campus Crusade, the number of employees who work for it, and the diversity of their activities, in order to be completely responsive to the subpoena, it would be necessary to survey every employee, an extremely burdensome task. However, it would be possible for Campus Crusade to determine to what extent, if at all, it had used the services of Victory Communications for major events without the necessity of conducting a survey of that type. You have indicated to me that the Federal Election Commission would be satisfied with a response in the latter category.

Based upon my conversations with you, Campus Crusade has conducted a search of its files and a survey of its major ministry departments in an effort to respond to the Federal Election Commission subpoena. That search and survey revealed that Campus Crusade used the services of Victory Communications on only two occasions in the time frame covered by the subpoena.<sup>1</sup>

<sup>1</sup> As far as I have been able to determine, Campus Crusade has not used the services of Victory Communications at any time subsequent to the time frame covered by the subpoena either.

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Re: MUR 3485 - Campus Crusade for Christ

Re: MUR 3485 - Campus Crusade for Christ

Page 2

Campus Crusade is a non-denominational, religious charity engaged in missionary activities throughout the United States and around the world. Its primary purpose is to introduce people to the Christian faith and to help them grow in that faith. A particular focus of its activities is to take the message of Christianity to people who are otherwise unfamiliar with the Christian faith. Campus Crusade uses a wide variety of methods to achieve its objectives. One of those methods is the use of large group events, which can be televised to even wider audiences.

The two instances where Campus Crusade used the services of Victory Communications involved such large group events. The first, known as Explo 85, was a worldwide effort which took place in December of 1985. That effort involved religious training conferences in various key cities around the world, some of which were televised and distributed to other strategic locations around the world. The second event involved a religious celebration timed to coincide with the 200th birthday of the Statue of Liberty. I am informed that although Victory Communications worked on the preparation for that event, the event itself did not take place.

As I have discussed with you at some length on the telephone, because both of these instances involved the religious activities of Campus Crusade, the Federal Election Commission subpoena raises serious First Amendment concerns. Clearly, a review by the Federal Election Commission of Campus Crusade's activities in conducting religious events is not only beyond the subject matter jurisdiction of the Commission (See, Federal Election Commission v. Machinists Non-Partisan Political League, 655 Federal Reporter 2d 380 (1981)), it also violates Campus Crusade's, and its staff members', free exercise, free speech and free association rights under the First Amendment to the United States Constitution, not to mention the establishment clause of that amendment as well.

You have assured me that Campus Crusade is not the target of the Commission's investigation. That assurance, however, does not resolve the Constitutional dilemma which the subpoena presents. You have also indicated that the Commission would not object to Campus Crusade redacting portions of the materials which the Commission requested in an effort to protect Campus Crusade's rights in this regard. While the redaction method is helpful, it does not fully resolve the concerns of Campus Crusade either.

Two additional objections exist with regard to the requested documents. The first is that the investigation which the Commission is engaged in, from what little information we have, appears to be beyond the applicable statute of limitations. (See, for example, Rose v. Federal Election Commission, 608 Fed. Supp. 1 (1984).) If this is in fact the case, the information requested is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Second, some of the information requested involves communications

Holly Baker, Esq.

**FEDERAL ELECTION COMMISSION**

**Re: MUR 3485 - Campus Crusade for Christ**

June 30, 1993

Page 3

between Campus Crusade and its legal counsel. The attorney-client privilege is implicated where those documents are involved.

Victory Communications was retained by Campus Crusade to assist it with the technical aspects involved in conducting the Explo 85 religious training conference. Those aspects included the production and distribution of the televised portions of the event. Those tasks placed Victory Communications at the heart of the planning and implementation of this religious training conference. The correspondence between Victory Communications and Campus Crusade, and the internal memos, relate to planning and implementation issues. No amount of redacting can effectively protect Campus Crusade's rights with regard to these materials, nor can it effectively prevent the government from becoming excessively entangled in Campus Crusade's conduct at this wholly religious activity. As a consequence, those documents will not be produced.

A few documents contain communications with Campus Crusade's attorneys. Those documents are protected by the attorney-client privilege and will not be produced either.

A third set of documents include the contracts between Campus Crusade and Victory Communications, the invoices received by Campus Crusade and the payments made by Campus Crusade on those invoices. Since you have given me the impression during our telephone conversations that those documents contain the type of information the government is most interested in, in the interest of cooperation, and without waiving any of Campus Crusade's objections, those documents, with some limited redactions, are being produced and are attached to this letter. In producing those documents we are relying upon your agreement that they will remain confidential.

Finally, Campus Crusade has almost no documents related to the 1986 event. However, for the few documents which do exist, the principles used above have been applied. Campus Crusade was not able to locate a contract related to that event so none is being produced. The one invoice related to the event which Campus Crusade did locate is being produced along with the check indicating payment.

I trust that the information which we are voluntarily producing, subject to the objections which I have set forth in this letter, will satisfy the needs of the Commission. In the



Holly Baker, Esq.  
FEDERAL ELECTION COMMISSION  
Re: MUR 3485 - Campus Crusade for Christ  
June 30, 1993  
Page 4

event that you believe that something further is required, please feel free to give me a call so that we can discuss it.

Very truly yours,

  
Dennis R. Kasper  
LEWIS, D'AMATO, BRISBOIS & BISGAARD

DRK:mef

Enclosure

96042754102



**THOMAS F. CARRETTA**

ATTORNEY AT LAW

2675 PATTON ROAD  
ST. PAUL, MINNESOTA 55113

(612) 631-7840  
FAX: 612-631-7802

JUL 6 5 55 AM '93  
OAC 9354

July 1, 1993

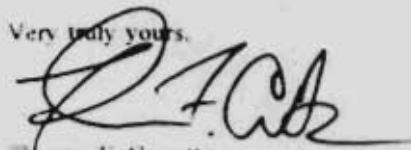
General Counsel  
Federal Election Commission  
999 E. Street, NW  
Washington, DC 20463

RE: MUR 3485

Dear Sir or Madam:

Enclosed herewith and served upon you by U.S. Mail, postage prepaid, please find Response of Robert B. Beale to Subpoena to Produce Documents and Order to Submit Written Answers to Interrogatories.

Very truly yours,



Thomas F. Carretta

Enclosures

93 JUL - 5 AM 11:00

9604375413

FEDERAL RECEIVED  
93 JUL -6 AM 11:03

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

RESPONSE OF ROBERT B. BEALE TO SUBPOENA TO PRODUCE  
DOCUMENTS AND ORDER TO SUBMIT WRITTEN  
ANSWERS TO INTERROGATORIES

For his Response to Subpoena to produce documents and order to submit written answers to Interrogatories, Robert B. Beale states as follows:

GENERAL OBJECTION

Robert B. Beale objects to the Interrogatories and Requests for Production of Documents insofar as they seek documents, things or information in the possession, custody or control of Persons other than Robert B. Beale:

Robert B. Beale objects to the Interrogatories and Requests for Production of Documents insofar as they seek information or documents subject to the attorney-client or work-product privileges, including without limitation information or documents prepared in connection with this matter or the seeking of legal advice in connection with this matter.

Robert B. Beale objects to the Interrogatories and Requests for Production to the extent they exceed the authority of applicable law and rules of procedure.

RESPONSES AND OBJECTIONS

Subject to the foregoing General Objections and to any

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specific objections stated hereinafter, Robert B. Beale will make a good faith effort to furnish substantive responses to the Federal Election Commission's individual Interrogatories and Requests for Production to the extent they relate to the subject matter identified by the Federal Election Commission as at issue in its Factual and Legal Analysis.

Respondent incorporates the "Definitions" set forth in the Subpoena and Order.

### INTERROGATORIES

**Interrogatory No. 1:** Identify all persons who in any way dealt with CFL on behalf of you regarding any investment in CFL.

**Answer to Interrogatory No. 1:**

R. Marc Nuttle  
224 West Gray, Suite 202  
Norman, OK 73069  
(405) 364-5946  
Personal Residence: unknown  
Present occupation: Attorney

Lee Aide  
Personal Address:  
3536 Emerson Ave. S. #204  
Minneapolis, MN 55408  
Business Address:  
Artist Graphics  
2675 Patton Rd.  
Roseville, MN 55113  
(612)631-7862  
Present Occupation: Collections Manager

John Leighton  
Personal Address:  
4229 Linden Hills Blvd.  
Minneapolis, MN 55410  
Business Address:  
5601 Glenwood Ave.  
Golden Valley, MN 55422  
(612)546-3139  
Occupation: Attorney

9604075416  
Thomas Carretta  
Personal Address:  
1 Charles Lake Road  
North Oaks, MN 55127  
Business Address:  
2675 Patton Road  
Roseville, MN 55113  
(612) 631-7840  
Occupation: Attorney

Debbie Darnell  
All other requested identification information is unknown

**Interrogatory No. 2:** Identify all other persons who did not deal directly with CFL but who otherwise were in any way involved on behalf of you regarding any investment in CFL.

**Answer to Interrogatory No. 2**

See Answer to Interrogatory No. 1.

**Interrogatory No. 3:** Identify all persons who in any way dealt with you on behalf of CFL regarding any investment in CFL.

**Answer to Interrogatory No. 3**

R. Marc Nuttle  
224 West Gray, Suite 202  
Norman, OK 73069  
(405) 364-5946  
Personal Residence: unknown  
Present occupation: Attorney

**Interrogatory No. 4:** Identify all persons who in any way dealt with you on behalf of AFR regarding any investment in CFL.

**Answer to Interrogatory No. 4:**

R. Marc Nuttle  
224 West Gray, Suite 202  
Norman, OK 73069  
(405) 364-5946  
Personal Residence: unknown  
Present occupation: Attorney

**Answer To Interrogatory No. 5**

See Answer to Interrogatory No. 1.

**Interrogatory No. 6:** List all other transactions you engaged in that refer, relate or in any way pertain to AFR and/or the presidential campaign of Pat Robertson.

**Answer to Interrogatory No. 6:**

To the best of his recollection, Robert B. Beale gave the maximum legal contribution to the Presidential campaign of Pat Robertson, but does not remember anything further.

96943 / 54167

**PRODUCTION OF DOCUMENTS**

**Request No. 1.** Product all documents which relate in any way to your transaction with CFL.

**Response to Request NO. 1**

Without waiving any of the foregoing objections, Robert B. Beale submits herewith the following documents:

1. Notes of Robert B. Beale regarding investment questions
2. Letter dated September 29, 1987 regarding Limited Partnership private placement investment, including four enclosures
  - (a) Computer Futures, Ltd. Subscription Agreement
  - (b) Agreement for Sale and Lease of Equipment and Computer Programs
  - (c) Agreement of Limited Partnership; and
  - (d) Offering Memorandum
3. Letter dated September 30, 1987 regarding Computer Futures, Ltd. investment, including two enclosures:
  - (a) Promissory Note; and
  - (b) Agreement For Sale and Lease of Equipment and Computer Program
4. Collection notes of Lee Aide requesting payment of defaulted note
5. Collection letter dated April 29, 1988 by Robert Beale and certified mail receipts
6. Note regarding phone message to collect a Note dated April 22, 1988

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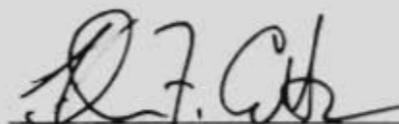
7. Collection letter dated June 3, 1988 by Thomas Carretta and certified mail receipts
8. Letter dated October 27, 1988 from Marc Nuttle relating to repayment of investment plus interest
9. Letter dated November 14, 1988 from Thomas Carretta acknowledging receipt of payment and satisfaction of Promissory Note, including Promissory Note marked paid in full.
10. Collection Notes of Thomas F. Carretta dated April 19, 21 and 29, 1988 (one document)

**Request No. 2.** Produce all documents which relate in any way to AFR and/or in 1988 presidential campaign of Pat Robertson.

**Response to Request NO. 2**

No other documents.

Dated: St. Paul, Minnesota  
June 25, 1993




Thomas F. Carretta  
MN Attorney I.D. No. 148362  
2675 Patton Road  
St. Paul, MN 55113  
612.631.7840  
Attorney for Robert B. Beale



STATE OF MINNESOTA )

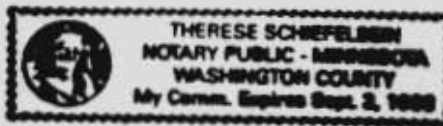
COUNTY OF RAMSEY )

Robert B. Beale, being duly sworn, deposes and says that he has read the foregoing Response of Robert B. Beale to Subpoena to Produce Documents and Order to Submit Written Answers to Interrogatories, and that the same are true and correct to the best of his knowledge and belief.



Robert B. Beale

Sworn to before me this  
28th day of June, 1993



Therese Schiefelbusch  
Notary Public

96040754170

THE ATTACHMENTS SUBMITTED WITH THIS RESPONSE  
HAVE BEEN REMOVED FROM THE PERMANENT FILE

960437541/1

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**EPSTEIN BECKER & GREEN, P.C.**

ATTORNEYS AT LAW

1227 25TH STREET, N.W.

WASHINGTON, D.C. 20037-11561

(202) 861-0900

TELECOPIER (202) 296-2882

DIRECT LINE

250 PARK AVENUE  
NEW YORK, NEW YORK 10177-0077  
(212) 351-4500

1575 CENTURY PARK EAST  
LOS ANGELES, CALIFORNIA 90067-2501  
(310) 556-8861

SIX LANDMARK SQUARE  
STAMFORD, CONNECTICUT 06901-2704  
(203) 348-3737

ONE RIVERFRONT PLAZA  
NEWARK, NEW JERSEY 07102-8401  
(201) 642-1900

101 FEDERAL STREET  
BOSTON, MASSACHUSETTS 02110-1800  
(617) 342-7062

111 PINE STREET  
SAN FRANCISCO, CALIFORNIA 94111-5514  
(415) 398-3800

12750 MERIT DRIVE  
DALLAS, TEXAS 75281-1209  
(214) 490-3143

116 SOUTH MONROE STREET  
TALLAHASSEE, FLORIDA 32301-1830  
(904) 881-0886

2400 SOUTH DIXIE HIGHWAY, SUITE 100  
MIAMI, FLORIDA 33133  
(305) 856-1100

510 KING STREET, SUITE 301  
ALEXANDRIA, VIRGINIA 22314-3132  
(703) 684-1204

**LEGAL & CONFIDENTIAL**

July 2, 1993

P.C. NEW YORK, WASHINGTON, D.C., NEW JERSEY,  
CONNECTICUT AND TEXAS ONLY

**HAND-DELIVERED**

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, DC 20463

RE: M.U.R. 3485: Respondent Beurt R. SerVaas

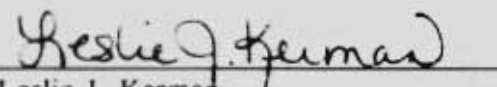
Dear Mr. Buckley:

Enclosed please find Respondent Beurt R. SerVaas' response to the Commission's Order to Submit Written Answer and Subpoena to Produce Documents in the above-referenced matter.

Please contact me at (202) 861-1877 if you have any questions regarding the enclosed documents.

Thank you for your assistance with this matter.

Very truly yours,

  
Leslie J. Kerman

Enclosures

06043754172

93 JUL 2 PM 4:39

BEFORE THE FEDERAL ELECTION COMMISSION

93 JUL -2 PM 4:35

In the Matter of

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MUR 3485

**RESPONDENT'S RESPONSE TO INTERROGATORIES**

COMES NOW the Respondent, Dr. Beurt R. SerVaas, by counsel, and for his Response to the Federal Election Commission's Interrogatories, states as follows:

**INTERROGATORY NO. 1.** Identify all persons who in any way dealt with CFL on behalf of you regarding any investment in CFL.

**ANSWER:** Respondent did not make an "investment" in CFL, but rather made a commercial loan to CFL. Subject to that clarification, Stephen E. Plopper, Esq., of the firm of Klineman, Rose, Wolf and Wallack, and Gene R. Leeuw, Esq., of Klineman, Rose, Wolf and Wallack, dealt with CFL on behalf of Respondent. Other attorneys in the firm also may have dealt with CFL on Respondent's behalf. Klineman, Rose, Wolf and Wallack's office is located at 135 North Pennsylvania Street, Indianapolis, Indiana 46204-2456, and its telephone number is (317) 264-5000.

Other individuals may have dealt with CFL on behalf of Respondent on an isolated, incidental and/or administrative basis. Respondent, however, has no specific recollection regarding the identity of any such individuals.

**INTERROGATORY NO. 2.** Identify all other persons who did not deal directly with CFL, but who otherwise were in any way involved on behalf of you regarding any investment in CFL.

**ANSWER:** Subject to the clarification set forth in response to Interrogatory No. 1 and in addition to those persons listed in response to Interrogatory No. 1, the Respondent states as

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follows:

1. Clarence Ormsby  
SerVaas Investments, Inc.  
1000 Waterway Boulevard  
Indianapolis, Indiana 46202  
Tel. (317) 633-2040

Moreover, other individuals may have been involved on Respondent's behalf regarding CFL on an isolated, incidental and/or administrative basis: Respondent, however, has no specific recollection regarding the identity of any such individuals.

**INTERROGATORY NO. 3.** Identify all persons who in any way dealt with you on behalf of CFL regarding any investment in CFL.

**ANSWER:** Subject to the clarification set forth in response to Interrogatory No. 1, the Respondent states as follows:

1. R. Marc Nuttle, Esquire:  
224 W. Gray  
Suite 202  
Norman, Oklahoma 73069  
Tel. (405) 364-5946
2. Gordon P. Robertson, Esquire;  
Vandeventer, Black, Meredith & Martin  
500 World Trade Center  
Norfolk, Virginia  
Tel. (804) 446-8600; and
3. Allan Sutherlin  
5525 Allisonville Road  
Indianapolis, Indiana 46220  
Tel. (317) 582-0000

In addition, other individuals may have dealt with Respondent on behalf of CFL on an isolated, incidental and/or administrative basis: Respondent, however, has no specific recollection regarding the identity of any such individuals.

**INTERROGATORY NO. 4.** Identify all persons who in any way dealt with you on behalf of AFR regarding any investment in CFL.

**ANSWER:** Subject to the clarification set forth in response to Interrogatory No. 1, the Respondent states as follows:

At all times, Respondent was under the impression that the persons whom Respondent dealt with were representing the interests of CFL; those persons are identified in response to Interrogatory No. 3.

**INTERROGATORY NO. 5.** Identify all persons with whom you discussed your investment in CFL.

**ANSWER.** Subject to the clarification set forth in response to Interrogatory No. 1, the Respondent states as follows:

Respondent's communications with attorneys, Stephen E. Plopper and Gene R. Leeuw, are privileged, attorney-client communications. Subject to that objection, and subject to the clarification set forth in response to Interrogatory No. 1, the Respondent states as follows:

1. R. Marc Nuttle;
2. Gordon P. Robertson
3. Allan Sutherlin;
4. Stephen E. Plopper; and
5. Gene R. Leeuw.

In addition, Respondent may have engaged in occasional or incidental discussions with other individuals regarding CFL. Respondent, however, has no specific recollection regarding the identity of any such individuals.

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**INTERROGATORY NO. 6.** List all other transactions you engaged in that refer, relate or in any way pertain to AFR and/or the presidential campaign of Pat Robertson.

**ANSWER:** Respondent objects to Interrogatory No. 6 on the grounds that it is overly broad, vague and burdensome, and that it unduly requests highly-sensitive, constitutionally-protected information which is not relevant to the Commission's reason-to-believe finding against Respondent. Since the alleged violations exclusively pertain to Respondent's involvement with CFL, the scope of the Commission's questions must relate to Respondent's activities involving CFL. The Commission's request for a list of all other transactions engaged in by Respondent in any way relating to AFR and Pat Robertson's 1988 presidential campaign, regardless of whether such transactions bear any relation to CFL or Respondent's involvement with CFL, is both unjustified and inappropriate. Therefore, based on the foregoing objections, Respondent declines to respond to Interrogatory No. 6.

EPSTEIN BECKER & GREEN, P.C.

By: Leslie J. Kerman  
Leslie J. Kerman

Leslie J. Kerman  
EPSTEIN BECKER & GREEN, P.C.  
1227 25th Street, N.W.  
Suite 700  
Washington, DC 20037  
Telephone: (202) 861-1877

Date: July 2, 1993



93 JUL -2 PM 4:39

## BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
)

MUR 3485

**RESPONDENT'S RESPONSE TO REQUEST  
FOR PRODUCTION OF DOCUMENTS**

COMES NOW the Respondent, Dr. Beurt R. SerVaas, by counsel, and for his Response to the Federal Election Commission's Request for Production of Documents, states as follows:

**REQUEST FOR PRODUCTION NO. 1.** Produce all documents which relate in any way to your transaction with CFL.

**RESPONSE:** Attached please find copies of forty-three (43) documents in Respondent's possession that fall within the scope of Request No. 1. To assist the Commission in its review of this matter, Respondent has included documents from 1990, which is beyond the time period covered by the Request.

In addition, Respondent asserts the attorney-client privilege and attorney work-product doctrine with respect to various documents that contain requests for legal advice or that communicate legal advice and recommendations from his attorneys.

Those documents covered by the attorney-client privilege and the attorney work product doctrine are as follows:

1. September 28, 1987 memorandum to file from Stephen E. Plopper, attorney with KRWW, to file regarding conversation with Dr. SerVaas.
2. September 30, 1987 letter from Mr. Plopper, of KRWW, to Dr. SerVaas containing legal advice and recommendations.
3. February 16, 1988 letter from Mr. Plopper, of KRWW, to Dr. SerVaas, containing legal advice and recommendations.

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4. October 4, 1988 memorandum from Mr. Plopper, of KRWV, to Bob Solloway, an attorney also with KRWV, containing attorney work product.
  5. April 13, 1989 letter from Gene R. Leeuw, an attorney with KRWV, to Dr. SerVaas, communicating legal advice and containing attorney work product.
  6. April 21, 1989 letter to Dr. SerVaas from an attorney at KRWV (name of attorney is deleted from copy) containing legal advice and recommendations.
  7. April 24, 1989 memorandum to file from Dean R. Barnhard, an attorney with KRWV, containing attorney work product.
  8. May 15, 1989 memorandum between attorneys at KRWV containing attorney work product.
  9. September 19, 1988 letter to Mr. Plopper, of KRWV, from Peter K. Dehmel of SerVaas Incorporated, requesting legal advice.
  10. April 25, 1989 Facsimile Transmission to Mr. Barnhard, of KRWV, from Donna Schnittgen of the Curtis Publishing Company, requesting legal advice.
  11. November 17, 1989 draft of legal document by attorneys at KRWV.
  12. November 17, 1989 letter to Dr. SerVaas from Mr. Plopper, of KRWV, communicating legal advice, and undated note from Dr. SerVaas to Mr. Plopper in response thereto.
  13. Undated note, with attachment, from Dr. SerVaas to Mr. Plopper, of KRWV, regarding legal matters.
  14. Undated drafts of legal documents.
  15. Various handwritten notes of KRWV attorneys, containing legal advice and attorney work product.

**REQUEST FOR PRODUCTION NO. 2.** Produce all documents which relate in any way to AFR and/or the 1988 presidential campaign of Pat Robertson.

**RESPONSE:** Respondent objects to Request No. 2 on the grounds that it is overly broad, vague and burdensome, and that it unduly requests highly-sensitive, constitutionally-protected information which is not relevant to the Commission's reason-to-believe finding

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against Respondent. Since the alleged violations exclusively pertain to Respondent's involvement with CFL, the scope of the Commission's request must be limited to documents relating to Respondent's activities involving CFL. The Commission's request for each and every document relating to AFR and Pat Robertson's 1988 presidential campaign, regardless of whether such documents bear any relation to CFL or Respondent's involvement with CFL, is both unjustified and inappropriate. Therefore, based on the foregoing objections, Respondent declines to produce documents in connection with Request No. 2.

EPSTEIN BECKER & GREEN, P.C.

By: Leslie J. Kerman  
Leslie J. Kerman

Leslie J. Kerman  
EPSTEIN BECKER & GREEN, P.C.  
1227 25th Street, N.W.  
Suite 700  
Washington, DC 20037  
Telephone: (202) 861-1877

Date: July 2, 1993

THE ATTACHMENTS SUBMITTED WITH THIS RESPONSE  
HAVE BEEN REMOVED FROM THE PERMANENT FILE

96043754100

Russell Kaemmerling  
1406 Enchanted Lane  
Lancaster, Texas 75146  
(214) 218-7309

JUL 31 11 03 AM '93

7 July 1993

General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

RE: MUR 3485

Sirs:

In response to your inquiry let me state the following:

1. This list was never provided to any other party at any time.
2. Since it was never provided others there is no other documentation. As a business man I do not have time to make notes of oral communications.
3. The mailing list has been destroyed and no longer exists in any form.
4. No one else was needed to answer these questions.

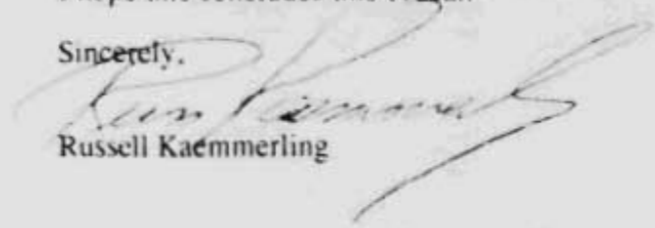
Let me point out that the document labeled "Factual and Legal Analysis" may be legal, but it is not factual. The conclusions you have drawn are based on false assumptions and faulty due diligence. CMS Enterprises was not at the time of the action of the transaction, has not become subsequent to and probably never will be a corporate entity.

Secondly, your statement that "the vendor made substantial outlays of funds at the beginning of the endeavor and at the beginning of each cycle as well," is totally without foundation. The burden of proof for that statement is on you. There were no such outlays of money in regards to this transaction.

The amount due was negotiated on the basis of the use made by the Committee. They sample tested the list and determined it was not an appropriate list for them. Since they did not use the entire list, they did not owe the original amount. They fully satisfied the appropriate rental fee. The fact they took a year to pay was through no fault of my own. I have never, and likely will never, take legal action for past due debts owed to me. If you feel that I did not exercise proper procedure, which would prove more effective, in attempting to collect the funds, I would be very desirous to hear your suggestions as I have a number of others who owe me money for a much longer period of time.

I hope this concludes this ordeal.

Sincerely,

  
Russell Kaemmerling

OGC 9377

93 JUL -8 AM 9:41

July 8, 1993

To Whom It May Concern:

MUR 3485


This is to confirm that I've have turned over to the Federal Election Commission, Office of the General Counsel, the following items that were in my personal possession:

10 3.5" COMPUTER DISK - BASF

10 5" COMPUTER DISK

Assorted Documents

Billings related to Beechcraft King Air

  
Donald Miracle

96043754162



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20542

**VIA EXPRESS MAIL**

Douglas G. Borsich  
Hipp & Borsich  
2138 Ashley Phosphate Road  
Suite 201  
North Charleston, SC 29406

RE: MUR 3485  
Spoleto Construction & Supply,  
Inc.

Dear Mr. Borsich:

This is to confirm the receipt of the subpoena response that you submitted on behalf of your clients on June 14, 1993 and our telephone conversation of July 6, 1993. As I mentioned in our telephone conversation, a review of the subpoena response indicates that additional information is needed. Some of the copies submitted are not legible and some are cut off. Enclosed are the miscopied documents, labeled Document Sets A and B for your convenience. Please note that the original subpoena required production of legible copies of documents or the originals where legible copies are unavailable.

Furthermore, the subpoena also required the production of bank statements pertaining to the payments received by your client from Americans for Robertson ("AFR"). Please provide copies of such bank statements. If these documents are unavailable, please provide an explanation as to why they are unavailable.

As I also indicated to you over the telephone, there are some additional questions raised by the subpoena response. Although the documents provide information about specific expenditures, questions regarding Spoleto's business practices that relate to the expenditures need to be addressed. Thus, please identify all persons who had authority to disburse payments from Spoleto's accounts and, specifically, identify all persons who authorized the payments for AFR expenditures. Also, state whether Spoleto extended credit in its normal course of business and its policy for extending credit. Furthermore, state the nature of the relationship between Roberta Combs and Spoleto and AFR.

The following questions pertain to specific documents that are enclosed for your convenience--Document Sets A-E. Regarding Document Set A, please identify the person(s) who prepared the handwritten notes and the persons who are listed in these

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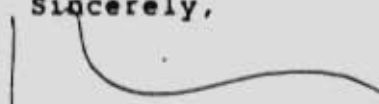


documents. Regarding Document Set C, please provide copies of the backs of the checks. Regarding Document Set D, please identify the person(s) who approved the check request forms.

Regarding Document Set E, please state whether Spoletto leased office space in its normal course of business. If so, state the normal charge for leasing office space and Spoletto's usual billing practice for lease arrangements. Also, please identify how long AFR occupied office space at Spoletto and whether there were any other payments for rent other than the payment on the invoice for November and December 1987. Furthermore, please provide any documents, including any lease agreements, relating to AFR's lease of office space.

Please submit the information requested in this letter within 30 days of receipt of this letter. Should you have any questions, please feel free to contact me at (202) 219-3690.

Sincerely,

  
Helen J. Kim  
Attorney

Enclosure  
Documents

96043754184



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

JULY 13, 1993

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Tom Atwood  
5738 Simon St.  
Va. Beach, VA 23464

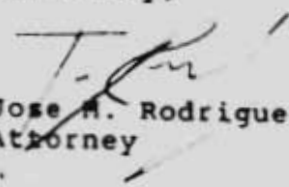
RE: MUR 3485

Dear Mr. Atwood:

On April 12, 1993, you were notified of the Commission's finding against you in this matter. On the same date you were provided with a Subpoena and Order. The response period for the Subpoena and Order has expired without a forthcoming response from you. Accordingly, please submit a response to the Subpoena and Order within five days of receipt of this letter.

Should you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Jose M. Rodriguez  
Attorney

96045754185



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

JULY 14, 1993

Ms. Christine Lammers  
3310 Bluffview  
Garland, TX 75043

RE: MUR 3485  
Christine Lammers

Dear Ms. Lammers:

On June 22, 1993, you were notified that the Federal Election Commission determined to enter into negotiations directed toward reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. On that same date you were sent a conciliation agreement offered by the Commission in settlement of this matter.

Please note that conciliation negotiations entered into prior to a finding of probable cause to believe are limited to a maximum of 30 days. To date, you have not responded to the proposed agreement. The 30 day period for negotiations will soon expire. Unless we receive a response from you within five days, this Office will consider these negotiations terminated and will proceed to the next stage of the enforcement process.

Should you have any questions, please contact Lorraine Raushenbush at (202) 219-3690.

Sincerely,

*Holly J. Baker*  
Holly J. Baker  
Attorney

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93 JUL 20 PM 3:20

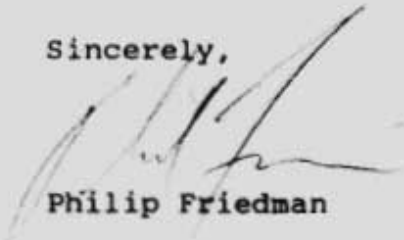
On a separate note, Mr. Clifford informs us that he has previously submitted documents to the Commission and to the

Ms. Holly Baker  
July 20, 1993  
Page 2

Internal Revenue Service in connection with the above-referenced action. As Mr. Clifford did not retain copies of such documents, he kindly requests that the Commission provide him with copies of the documents he previously submitted.

Thank you for your cooperation and understanding in granting this extension. If you have any questions or concerns, please give me a call.

Sincerely,



Philip Friedman

Enclosure  
cc: Mike Clifford

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07/20/93

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HOPE COMMUNITY

ROSS &amp; HARDIES

001

07/16/93

16:18

17832224787

HOPE COMMUNITY

PAGE.002

001

STATEMENT OF DESIGNATION OF COUNSEL

NUR

3485

NAME OF COUNSEL:

ANU ISAW / PHILIP FRIEDMAN

ADDRESS:

ROSS & HARDIES898 16th STREET, N.W.WASHINGTON, DC 20006

TELEPHONE:

(202) 296 9600

93 JUL 20 11:3:20

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

7.20.93

Date

Signature

RESPONDENT'S NAME:

MICHAEL CLIFFORD

ADDRESS:

8607 WESTWOOD COURT APT #200VIENNA VA 22182

HOME PHONE:

703 364 4059

BUSINESS PHONE:

703 403 777

96043754109



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

JULY 22, 1993

**BY HAND DELIVERY**

Philip Friedman, Esq.  
ROSS & HARDIES  
888 16th Street, N.W.  
Washington, D.C. 20006-4103

RE: MUR 3485  
Victory Communications,  
Inc.

Dear Mr. Friedman:

This is in response to your letter dated July 20, 1993, which we received on that same date, requesting an extension of 20 days to respond to the Commission's Subpoena. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on August 10, 1993.

As you requested, enclosed with this letter are copies of the documents pertaining to Victory Communications International that Mr. Clifford previously provided to the Commission.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in cursive script, reading "Holly Baker", is written above the typed name.

Holly Baker  
Attorney

Encl.

96043754190



RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

JUL 19 1 20 PM '93

DAVID MAGILAVY

ATTORNEY AT LAW

881 DOVER DRIVE, SUITE 33

NEWPORT BEACH, CALIFORNIA 92663-5932

DURING BUSINESS HOURS

TEL (714) 846-8033

FAX (714) 846-8120

AFTER HOURS

TEL (714) 831-7807

FAX (714) 831-7889

July 12, 1993

Federal Election Commission  
Office of General Counsel  
Attention: Lorain Rauschenbusch  
999 "E" Street NW  
Washington, D. C. 20463

Re: MUR 3485 (Darrel D. Anderson)

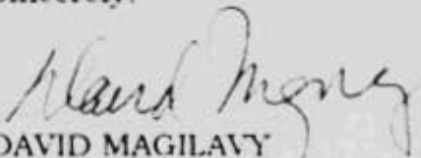
Dear Ms. Rauschenbusch:

Pursuant to our conversations of last week, I am enclosing Mr. Darrel Anderson's check for \$1,000.00 made as an offer of settlement of the matter raised in the referenced letter.

Also enclosed is Mr. Anderson's statement which reflects his current understanding of the matter in issue.

Please contact me if anything further is needed.

Sincerely,

  
DAVID MAGILAVY

Encs

cc: D. D. Anderson

DWmk: 0114 uptrsm: d/ f/ m/ t/ u/

STATEMENT OF DARREL D. ANDERSON  
IN RE FEDERAL ELECTION COMMISSION MUR 3485

I, DARREL D. ANDERSON, state as follows:

1. This statement relates to the matters raised in the letter addressed to me from the Federal Election Commission, Washington, D. C. 20463, dated April 12, 1993. RE: MUR 3485.


2. I understand that the contributions in issue were made via family checking account check #5594 for \$1,500.00 dated June 26, 1987 and #5068 for \$2,000 dated August 2, 1986.

3.. My wife and I were concurrently advised by counsel for Americans for Robertson, Inc. prior to making any donations to that organization, that as husband and wife we were entitled under the law to make donations of up to \$2,000 per campaign, with each of us being credited with a donation of one-half the amount of the check. We were not advised as to the requirement for both signatures, however. I am now properly advised that where one check is written as a joint contribution of husband and wife, both must sign the check. In the alternative, separate checks may be written or a memorandum may be obtained, signed by a member of the candidate's campaign committee, that a particular contribution was accepted as a joint contribution of husband and wife.

4. I also understand that in the campaign in question, viz., Robertson's, he lost in the primary and did not run in the general election so that the second check would be considered improper under any circumstances.

5. Now that I am properly informed as to the matter in issue I will adhere to the rules in the future. I am enclosing my check for \$1,000 to the Commission as an offer of full settlement in this matter.

Dated: 7-11-93

  
DARREL D. ANDERSON



FEDERAL ELECTION COMMISSION  
WASHINGTON D.C. 20461

OGC 9485

93 JUL 20 11:11

July 19, 1993

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Philomena Brooks *PB*  
Accounting Technician

SUBJECT: Account Determination for Funds Received

*Anderson* We recently received a check from Darrel B.  
Anderson, check number 747, dated July 16, 1993, and in the amount of \$1,000.00.  
Attached is a copy of the check and any correspondence that  
was forwarded. Please indicate below the account into which  
it should be deposited, and the MUR number and name.

-----  
TO: Philomena Brooks  
Accounting Technician

FROM: OGC, Docket *By AA*

In reference to the above check in the amount of  
\$1,000.00, the MUR number is 3485 and in the name of  
Darrel Anderson. The account into  
which it should be deposited is indicated below:

- ☒ Budget Clearing Account (OGC), 95F3875.16  
☐ Civil Penalties Account, 95-1099.160  
☐ Other: \_\_\_\_\_

Anita Alexander  
Signature

7-20-93  
Date

96043754123

DARREL D. ANDERSON

1220

4744

PAY TO THE ORDER OF

Federal Electric Company \$ 1000.00

One Thousand & 00/100

DOLLARS

**Bank of America** (714) 533-4470  
Avalon Main Branch 0208  
300 South Harbor Boulevard  
Avalon, CA 92005

MEMO Robert L. Conner, Esq.

*David D. A. S.*

53 JUL 20 1985

WILLIAM J. OLSON, P.C.

ATTORNEYS AT LAW

8180 OREENSBORO DRIVE, SUITE 1070  
MCLEAN, VIRGINIA 22102-3823

TELEPHONE (703) 356-8070

FAX (703) 356-5085

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WILLIAM J. OLSON  
IDC VA  
JOHN S. MILES  
DC MD OF COUNSEL  
GILMAN & PANGA  
OF COUNSEL

1815 H STREET N.W.  
SUITE 800  
WASHINGTON D.C. 20006-3604  
TELEPHONE (202) 223-8088  
FAX (202) 331-8888

CONFIDENTIAL

July 22, 1993

Jose Rodriguez, Esquire  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

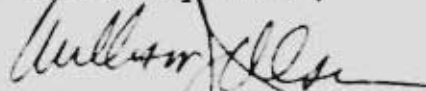
Re: MUR 3485

Dear Mr. Rodriguez:

Enclosed are some documents discovered by Mr. Ellingwood that are responsive to the FEC's Request for Production of Documents in the above-referenced matter. Please consider this a supplementation to Mr. Ellingwood's previous Response.

Also enclosed is a copy of the letter we sent to Americans for Robertson, Inc. requesting payment of the unreimbursed expenses as well as indemnification.

Sincerely Yours,

  
William J. Olson

WJO:kjh

Enclosures

93 JUL 23 PM 3:13

93 JUL 23 PM 3:13

17,755.90

- 2000

10/14/88

15,755.90

+ 573.49 no dupl. entry  
re receipts

96043754196

000

0.00 \*

15,755.90 +

573.49 +

002

16,329.39 \*



P. O. Box 1988  
Chesapeake, VA 23320  
(804) 523-1988

January 18, 1989

Herbert Ellingwood  
11303 Gold County Blvd.  
Gold River CA 95670

Dear Herb:

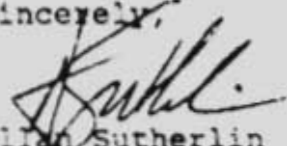
This letter is in regards to the expense money that is still owed to you from Americans For Robertson.

I cannot go into detail about all the circumstances pertaining to our indebtedness, or various other aspects of the campaign, but what I can do is personally apologize to you for the length of time that it is taking us to completely resolve all debts, not only to businesses and corporations, but specifically to individuals such as yourself.

I regret that I must ask you to please bear with us a little longer, and we will pay off the balance owed to you, as soon as we are in a position to do so financially.

I sincerely and personally thank you for your continued patience and understanding. May God bless you!

Sincerely,



Allen Sutherlin  
President

Americans For Robertson, Inc.



Herbert E. Ellingwood

Attorney-At-Law

9857 Horn Road  
Sacramento, CA  
95827

P.O. Box 277208  
916-366-5705  
916-366-5696

Dear Allan

Your letter was received and appreciated very much. I understand your problems and the problems of the campaign. If we could all approach these difficulties with prayer, concern and compassion, then the talents that God gave to us would be utilized and success could be obtained. The problem is that we use our talents first — and the result is worldly.

I'm to be at CBU University Oct 28-29. I would like to visit with you for a few minutes then. I will phone you on arrival.

Thank you for the check. The issue still remains as to how much is owed. The difference is quite significant to me.

May God bless you — much — way beyond your talents.

Sincerely,

Heb

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October 14, 1988

Herbert E. Ellingwood  
9857 Horn Road  
Sacramento, CA 95827

Dear Herb:

I received your letter on September 30th, and have read it several times. Frankly, I wasn't sure how to respond. Herb, you need to understand that you are a respected individual, and your words carry a great deal of weight. I took your admonishment very seriously.

When I arrived at National Headquarters at the end of March, the campaign was in crisis. Not only had Super Tuesday effectively crushed the hopes and enthusiasm of the AFR organization, but the senior staff was in disarray. Pat had dismissed his manager and the communications director, as well as 75 percent of the staff.

AFR had a treasurer in open revolt, a checking account overdrawn by over \$518,000, and a debt in excess of 2.4 million.

At that time, the name Herb Ellingwood meant nothing to me.

Herb, the first things that had to be accomplished included:

1. Getting control of the books, making sure that AFR was not involved any serious FEC violations.
2. Getting an accurate reading of our financial position.
3. Posturing the candidate and determining a logical "best case" approach to winding down the campaign while maximizing Pat Robertson's political status.
4. Dealing with an openly hostile political staff who neither trusted me, or wanted to proceed with a wind-down strategy.
5. Finding out what had happened in the campaign prior to my arrival.

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Of all the other minor (and sometimes major) incidents that have occurred, the sense of history was perhaps the hardest to reconstruct.

It was obvious, however, that the campaign had never fully utilized the talents of many people who touched it. As the former Administrator of the campaign, you have some sense of what I am describing.

My conclusions concerning Herb Ellingwood is this: You are a respected, talented individual who was forced into a campaign role that you neither wanted to fill, or necessarily enjoyed. "Palace intrigue" and internal power struggles made your role even more difficult, and yet, you endured. It took a strong faith and Christian resolve to put up with it all. I admire you for that.

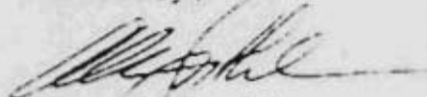
Herb, you are right in your statements concerning our debt to you. Please advise me of your interest expense so that I can add it to the account.

One point that I am sure you will understand, debt reduction is a painfully long operation. Not only do we need to encourage our supporters and excite them into giving, but we must do so on a minimal basis. When you add into the formula the legal requirements of the FEC, IRS and others, you can see that it all is complex. In fact, we are doing fairly well. The total debt is under \$750,000. We have enough in the bank to cover overhead and fundraising for the next 30 days.

Enclosed is a check for \$2,000. If you could be patient until November 10th, another check will be forthcoming. I will try to bring the repayments since September 1 to a total of \$8,000 by that time.

Please understand that I am grateful for your continued support of Pat Robertson. He needs your help and our country needs him. Also, I do understand your pressures and am trying to do my best to help.

Sincerely,



Allan Sotherlin

cc: Pat Robertson



P. O. Box 1988  
Chesapeake, VA 23320  
(804) 523-1988

Dear Friend:

The enclosed check represents either a full or partial payment of expenses due to you from Americans for Robertson, Inc.

If this is a partial payment, the next installment will occur on or about November 10th.

I am most grateful for your patience and understanding.

Allan Sutherlin

WILLIAM J. OLSON, P.C.

ATTORNEYS AT LAW

8180 GREENSBORO DRIVE, SUITE 1070  
MCLEAN, VIRGINIA 22102-3823

TELEPHONE (703) 356-8070

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D.C. VAI  
JOHN S. MILES  
D.C. MD. OF COUNSEL  
GILMAN & RANGIA  
OF COUNSEL

1815 H STREET N.W.  
SUITE 800  
WASHINGTON, D.C. 20006-3604  
TELEPHONE (202) 223-9066  
FAX (202) 331-8888

July 21, 1993

Mr. Frederick H. Shafer  
Treasurer  
Americans for Robertson, Inc.  
825 Greenbrier Circle, Suite 206  
Chesapeake, Virginia 23320

Robert Dahl, Esquire  
Suite 550  
1156 15th St., NW  
Washington, D.C. 20005

Re: Claim of Herbert Ellingwood against  
Americans for Robertson, Inc. for  
payment of unreimbursed expenses  
and for indemnification;  
Federal Election Commission, MUR 3485

Dear Mr. Shafer and Mr. Dahl:

We represent Herbert Ellingwood in the above-referenced Matter Under Review (MUR) before the Federal Election Commission. On behalf of Mr. Ellingwood, we hereby submit his claim to Americans for Robertson, Inc. ("the Committee") for payment of all sums the Committee owes to Mr. Ellingwood for past unreimbursed expenses. The amount currently owed appears to be \$16,329.39, plus interest, but please advise us if your records reflect a different amount owed.

In addition, we hereby submit Mr. Ellingwood's claim for indemnification with respect to all expenses incurred in connection with the above-referenced MUR.

We are writing and submitting Mr. Ellingwood's claims to you because of your respective offices as Treasurer and Counsel for the Committee. If you feel that others should be notified as well, please advise us. We will assume, however, that submission of these claims to you is sufficient, and that the claims have been properly submitted to the Committee.

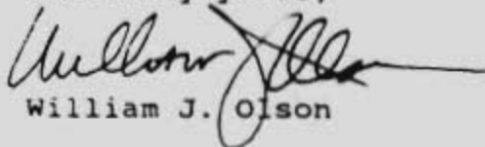
Mr. Ellingwood has been named as a respondent solely because of his status as campaign secretary for the Committee (with respect to allegations involving airplane rentals) and solely as

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campaign secretary and volunteer with respect to the allegations of the unreimbursed extensions of credit from Mr. Ellingwood to the Committee. We submit that, under these circumstances, reimbursement from the Committee to Mr. Ellingwood for his expenses in defending himself in this proceeding is proper, lawful, and just. Upon notification from you that this request will be honored, we will forward to you evidence of Mr. Ellingwood's legal expenses in this matter to date.

We look forward to hearing from you soon.

Sincerely yours,



William J. Olson

WJO:kjh

cc: Herbert E. Ellingwood, Esquire

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

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In the Matter of

AMERICANS FOR ROBERTSON et al  
(R. MARC NUTTLE)

MUR 3485

**ANSWER OF RESPONDENT R. MARC NUTTLE, ESQUIRE**

**I. Introduction**

Respondent R. Marc Nuttle ("Respondent Nuttle") is one of many Respondents in an expansive series of interrogatories, production requests and charges belatedly arising from the Marion G. (Pat) Robertson 1988 presidential campaign.

Respondent Nuttle files, together with this Answer, (1) his Affidavit, (2) his Answer to Interrogatories and (3) his Answer to Request for the Production of Documents.

Although the Federal Election Commission ("FEC") does not specifically invite, or purport to require, any response other than (2) and (3), supra, Respondent Nuttle believes a more complete and responsive response would be helpful in view of the confusion and factual inaccuracy permeating the FEC Factual and Legal Analyses served upon Respondent Nuttle.

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This pervasive factual error is appalling in view of the thousands, and probably tens of thousands, of manhours FEC has spent auditing and investigating matters directly or indirectly involving Americans For Robertson, Inc. ("AFR"), which was the Robertson exploratory, and later presidential campaign, committee, and persons who were, or may have been, connected, directly or indirectly, with AFR.

## II. FEC Allegations

The events of which FEC complains, to the extent they occurred at all, occurred more than five years ago.

1. Upon the basis of one hollow Factual and Legal Analysis, FEC finds reason to believe the Respondent Nuttle "knowingly and willfully" violated 2 USC §441(b)(a) because AFR allegedly accepted an impermissible corporate contribution in the form of funds and services advanced to AFR by Victory Communications International ("VCI") without paying VCI timely and pursuant to an AFR-VCI agreement. Nuttle Affidavit, ¶15, at 6. The Factual and Legal Analysis deals solely with the subject of *payment* by AFR to VCI when the role of Respondent Nuttle, such as it was, related not to payment but to the *signing* of the original agreements, dated July 18, 1986 - *more than seven years ago*. As the Affidavit clearly recites, even were there a violation, which Respondent Nuttle would deny were he implicated, the violation would be that of others than Respondent Nuttle.

2. FEC similarly finds probable cause, based upon an equally weak Factual and Legal Analysis, that Respondent Nuttle received, or caused the receipt of, corporate contributions by virtue of the manner in CBN Continental Broadcasting Network, Inc. ("CBN Continental") billed AFR and AFR paid CBN Continental - billing and payments events as to which Respondent Nuttle had no role or responsibility. Nuttle Affidavit, ¶16, at 8.

3. FEC further finds probable cause that Respondent Nuttle "knowingly and willingly" violated 2 USC §441(a)(f) by causing excessive contributions to be made to AFR because AFR did not pay for computer services according to its lease with Computer Futures Limited ("CFL") following a sale and leaseback of a computer system by AFR to CFL.

Although the facts are more complicated than those giving rise to any other allegation, the ultimate fact is that Respondent Nuttle assisted in effectuating a reasonably common and wholly lawful sale and leaseback which, after the fact, may reflect the impression of a violation because AFR, utilizing its funds elsewhere, over which utilization Respondent Nuttle had no control or authority, did not meet the payment terms of the AFR-CFL Lease. However complicated the facts, it is clear that Respondent Nuttle effectuated, or assisted in effectuating, a wholly lawful and rather commonplace business transaction, violative of no law. Nuttle Affidavit, ¶¶18-19.

4. FEC further finds probable cause that Respondent Nuttle caused AFR to pay for

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a mailing list a sum greater than some unstated sum which FEC supposes the mailing list was worth for that mailing list.

Respondent Nuttle had departed AFR's employment almost eight months prior to the transaction of which FEC complains. Nuttle Affidavit, ¶20, at 17. Further, although Respondent Nuttle's defense need not reach the issue, FEC finds no particular value for the mailing list but only assumes the value was an unstated sum less than the purchase price. Thus, nobody is shown to have committed an offense.

5. FEC also finds probable cause that Respondent Nuttle "was involved" in the acceptance of an unlawful contribution because those who controlled funds disbursement in AFR held a check which one of them erroneously deposited for 44 days before returning it. Inasmuch as Respondent Nuttle advocated its timely return and had neither control nor authority over funds disbursement, even if the delayed return were more than an honest mistake caused by a diversion of existing funds and underestimation of receipts, Respondent Nuttle would not be involved.

6. FEC finds reason to believe that Respondent Nuttle violated 2 USC §441a(f) because CFL accepted computer purchase checks from Partners For American-State PAC ("PFA") long after Respondent Nuttle's disaffiliation from AFR.

These two transactions were normal business; AFR was not a party; AFR was not benefitted. CFL could have sold equipment to any entity. Nuttle Affidavit, ¶22.

### III. Laches

Lack of bare merits aside, the FEC probable-cause findings and the reason-to-believe finding against Respondent Nuttle are stale and, as such, barred by laches.

The equitable doctrine of laches is invoked to protect an individual who would be prejudiced by a stale civil action. Invocation is not dependent upon a statute of limitations. The doctrine is applicable to a governmental agency as to a private party. *Environmental Defense Fund, Inc. v Alexander* 614 F 2d 474 (5th Cir, 1980). An action must be dismissed upon the ground of laches when there is unreasonable delay and prejudice to the defending party. *Carlson TV v City of Marble*, 612 F Supp 669, 673 (Minn, 1985). Typical of equity, the doctrine of laches is flexibly applied. It speaks to no arbitrary time limitation. *Citizens and Landowners, etc. v Secretary, United States Department of Energy*, 683 F 2d 1171 (8th Cir, 1982).

Invocation of laches arguably requires an unreasonable and excusable delay. *Bostwick Irrigation District v United States* 900 F 2d 1285, 1191 (8th Cir, 1990). If so, that condition is met. Some also may argue that one who claims laches must establish precedent "'with such clarity as to leave no room for controversy' that [he] has been substantially and unduly prejudiced in [his] ability to defend the lawsuit." *EEOC v Westinghouse Electric Corp.*, 592 F 2d 484, 486 (8th Cir, 1979), quoting *EEOC v Liberty Coin Corp.*, 584 F 2d 853, 857 (8th Cir, 1978). Whether or not the *no-room-for-controversy* threshold is required in every case, it is met here.

1. The VCI events, such as they implicated Respondent Nuttle, occurred *more than seven years ago*.

2. Respondent Nuttle cannot know precisely when AFR ceased to utilize a CBN Continental, or other, aircraft at issue, or which might be at issue, in these proceedings, for lack of connection with any such leasing. However, Respondent Nuttle departed AFR in early March 1988, so *more than five years have elapsed*.

3. The sale and leaseback of the computer took place on or about September 30, 1987 - *almost six years ago*.

4. The mailing list sale appears to have taken place in late 1988, *almost eight months after Respondent Nuttle's connection with AFR was severed and more than four and one-half years ago*.

5. The return of the Wayne M. Bailey deposit occurred on or before September 30, 1987 - *almost six years past*.

6. The CFL-AFR transactions occurred *eight to sixteen months after Respondent Nuttle departed AFR and four to four and one-half months past*.

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And, of course, FEC is far short of final agency action in any of these MUR matters so that, if FEC were to pursue any of them into court, any such action would fall into the five-to-eight years-old category by that time.

These FEC delays are unconscionable, unreasonable and prejudicial to Respondent Nuttle. FEC contemporaneously knew some or all material facts and by late 1988 knew, or should have known, virtually all material facts. There was repeated contact between AFR and FEC personnel beginning no later than 1988 and perhaps earlier. FEC began auditing in late 1988. AFR personnel cooperated fully with FEC personnel, including numerous on-site visits, some of multiweek duration.

Respondent Nuttle, upon his own volition, met extensively with FEC personnel in March 1990 - *over three years ago*, turning over to FEC his documentation and sharing in detail, to the best of his then more current recollection, his knowledge of events. Nuttle Affidavit, ¶¶8-9, at 3.

Respondent Nuttle has been substantially and unduly prejudiced. FEC has had his records for nearly three and one-half years. Further, FEC has had years of opportunity for access to records of AFR, CFL, VCI, JDH Enterprises, Inc. and any other entity or individual whose records might be useful. Respondent Nuttle has had no such access and, at this late date, does not know the whereabouts of many such records, entities and individuals.

#### IV. Statute of Limitations

Although the FEC administrative and civil statutory scheme per se binds FEC to no statute of limitations, fairness, justice and administrative efficiency dictate the imputation of a limitations period to untimely FEC quests for administrative and, absent conciliation or agency withdrawal, judicial action in the form of a civil penalty against an individual.

The Supreme Court over the years has imputed, or otherwise applied, a state statute of limitations in a federal action when there is no federal statute. More recently, the Court imputes, or simply borrows, the Clayton Act, 15 USC §15b statute of limitations and applies it to RICO civil enforcement actions under 18 USC §1964(c). *Agency Holding Corporation v Malley-Duff & Associates, Inc.*, 483 US 143, 97 L Ed 2d 121, 107 S Ct 2759 (1987). In so doing, the Court, voting 8-1, reverses the Third Circuit, which held applicable the Pennsylvania catch-all six-year residual statute of limitations.<sup>1</sup>

The federal criminal statute of residual applicability, 18 USC §3282, is five years.

Like the Clayton Act statute, a new limitations period, effective as to all acts of Congress enacted on or after December 2, 1990, 28 USC §1658, also is four years.<sup>2</sup> There is no reason

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<sup>1</sup> The District Court, incidentally, would have borrowed the two-year Pennsylvania fraud statute of limitations. Thus, the question was not *whether to borrow a statute of limitations* when RICO had none, but *which one to borrow*.

<sup>2</sup> 28 USC §1658 is facially inapplicable to the FEC Act, enacted prior thereto.



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why FEC cannot borrow it. Indeed, the reason for its inapplicability is that retroactivity<sup>3</sup> would "disrupt the settled expectations of a great many parties". House Report 101-734, at 24. That reason is inapplicable to the instant case. Respondent Nuttle obviously did not expect to be the victim of an attempted FEC grab for civil penalties five to seven (and growing) years after the events and more than three years after he voluntarily assisted FEC by turning over his documents and briefing FEC personnel. Correspondingly, FEC could not have anticipated that it would move so slowly and so clumsily as to be initiating probable-cause findings and discovery so long in the passage of time. Clearly, Congress did not have in mind this lamentable FEC scenario in limiting §1658 on its face.

Fundamental justice, fairness and due respect for settled administrative and judicial procedures, require the application of some limitations period. As in *Agency Holding*, the question is not whether but what.

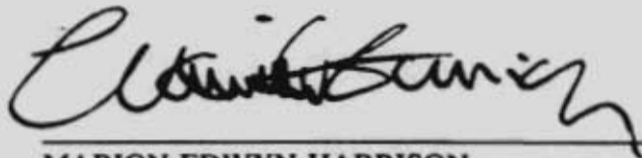
Respondent Nuttle at this juncture foregoes argument as to which limitations period should be imputed. Whether the criminal residual five years; the RICO-imputed four years; the §1658 four years; the Oklahoma civil residual five years, Oklahoma Statutes, 1991, §§12-93 and 12-95; or some other period need not be addressed at this juncture. Inasmuch as any statute sensibly imputed would provide either four or five years, the actions herein against Respondent Nuttle would be time-barred.

---

<sup>3</sup> That is, applicability to a statute enacted prior to December 2, 1990.

#### IV. Conclusion

Whether FEC addresses the merits, laches or a statute of limitations, the honorable Commissioners must recognize the injustice, unfairness and absence of grounding for any further proceeding against Respondent Nuttle and, therefore, should not vote further to proceed as to him in any MUR 3485 facet.



MARION EDWYN HARRISON  
LAW OFFICES MARION EDWYN HARRISON  
107 Park Washington Court  
Falls Church, Virginia 22046  
703 532-0303

Counsel for Respondent R. Marc Nuttle

July 23, 1993

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

In the Matter of

AMERICANS FOR ROBERTSON et al  
(R. MARC NUTTLE)

MUR 3485

AFFIDAVIT OF R. MARC NUTTLE, ESQUIRE

R. Marc Nuttle, first sworn, deposes and says as follows:

1. I am named as a Respondent in MUR 3485, which, upon information and belief, is an expansive series of interrogatories, production requests and charges arising from the Marion G. (Pat) Robertson 1988 presidential campaign and involving a number of people who were, or may have been, connected, directly or indirectly, with that effort or some facet thereof.
2. I am a resident, and a member of the Bar, of the State of Oklahoma, with offices at 900 36th Avenue, N.W., Suite 202, Norman, Oklahoma 73072.
3. I somewhat informally held the title of "Campaign Manager" for the Pat Robertson

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campaign from the first week in September 1987 through Super Tuesday, March 8, 1988, more or less - a period of approximately six months. I was paid by Americans For Robertson, Inc. ("AFR"), the campaign committee of the Pat Robertson campaign, which functioned from offices in Chesapeake, Virginia. I never had a contract with AFR. From in or about July 1986 to September 1, 1987 I was a part-time consultant to AFR.

4. At no time did I move my family home, residence or offices from Oklahoma but I did make brief, intermittent and sometimes unscheduled trips to the campaign offices in Chesapeake from time to time.
5. As a campaign entity AFR was rather loosely structured. To the extent I reported to anybody, I reported to Pat Robertson.
6. I had no role in the hiring of the Treasurer (of whom there consecutively were four or so). I never had authority over the Treasurer or over accounting personnel and no such person reported to me. I had no authority over the raising of funds, the direct-mail cage, the receipt of funds or the disbursement of funds. When I wished funds to be disbursed, whether as compensation or reimbursement to myself or for any other purpose, regardless of the proposed direction or amount of the disbursement, I made a request of the Treasurer, or if the Treasurer were unavailable, of the accounting staff - according to, upon information and belief, the same system that any other employee or consultant utilized. I neither exercised, nor purported to exercise, control over funds disbursement.

Although I had some knowledge of the functioning of the office, I made no final decision about fundraising, disbursement or any other matter involving funds. Upon information and belief, any such decision was made by the Treasurer except to the extent the Treasurer was influenced or directed by Pat Robertson.

7. After what, upon information and belief, was an extensive effort over several years, the Federal Election Commission ("FEC") on March 26, 1992 approved a final audit report for AFR. I cooperated fully, as requested, over a period of years during that audit.
8. Furthermore, in or about March 1990, subsequent to my *volunteering* to do so, I met informally, and at my own expense, with FEC personnel at FEC in Washington. The total duration of the meeting approximated six hours.<sup>1</sup> At that meeting I not only responded as fully as my knowledge permitted to every question propounded to me but I encouraged discussion and from time to time volunteered, sometimes upon the basis of information and sometimes upon the basis of information and belief. I requested no transcript of the meeting; presume (without knowing for certain) that none was made; and received none. Upon my own volition, I brought with me every document in my possession of possible significance relating to the Pat Robertson campaign and the period preceding the campaign and turned the same over to FEC. Upon departing, I particularly enquired whether FEC had satisfied itself as to the extent of my knowledge and categorically was informed that all subjects had been covered.

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<sup>1</sup> I believe I also met a second time but I have no specific recollection.

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9. I also voluntarily talked by telephone a number of times with FEC personnel, answering questions and freely volunteering information.
10. The interrogatories recently served upon me, to the extent relevant, replicate some of the questions asked and answered when I met voluntarily and informally with the FEC. I not only have gained no further knowledge but much of the knowledge I had in 1990 has faded so that I am materially less able to answer questions and to remember events now than I was more than three years nearer those events. Further, I had documents in front of me then and I do not now.
11. FEC already has the documents FEC seeks by the production request sent to me because I gave all my documents to FEC in 1990.<sup>2</sup> Thus, the FEC request is duplicative. Further, FEC auditors had access to all AFR files during their numerous site visits to the AFR offices in Chesapeake. Finally, upon information and belief, other Respondents, who do have documents, have furnished those documents to FEC in response to similar, and more or less contemporaneous, interrogatories and production requests in MUR 3485 so that FEC has every material document in existence of which at any time I had any knowledge.

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<sup>2</sup> More specifically, I brought to FEC a bankers-type box, probably about 15" x 14" (or whatever the usual size is) containing all my documents and left it and its contents with FEC. FEC had not returned it or any part of it (although I have not requested return.)

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12. At no time have I taken an action, or failed to take an action, which directly or indirectly would have delayed, hindered, obstructed or diverted FEC from its enquiry into any matter directly or indirectly relating to the Pat Robertson campaign. To the contrary, I volunteered to appear and assist and did so.
  13. Until the recent receipt in MUR 3485 of a "Subpoena to Produce Documents [and] Order to Submit Written Answers", and three separate unsigned and undated memoranda from FEC, each denominated "Factual and Legal Analysis", I had no inkling that FEC was undertaking, or had undertaken, any kind of investigative or other action concerning my role in the Pat Robertson campaign.
  14. In fact, according to the FEC Chairman's letter accompanying the interrogatories, document request and analyses, FEC on January 12 and March 23, 1993 found "reason to believe" that I violated 2 USC §441b(a) and "knowingly and willfully" violated 2 USC §§441a(f) and 441b(a).
  15. VCI
    - a. One of the three Factual and Legal Analyses contends that I "knowingly and willfully violated 2 USC §441b(a) because AFR accepted an impermissible corporate contribution of at least \$4.75 million in the form of funds and services advanced to" AFR by Victory Communications International, Inc. ("VCI").



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b. This Factual and Legal Analysis deals solely with the subject of *payment* by AFR to VCI. It has nothing to do with the *signing* of the original agreements. My role was in the *signing* of the agreements.

c. FEC manifests no concern over the *signing* of the agreements or the *terms and conditions* of the agreements but only over *payment* under the agreements. I had no role or responsibility with respect to payment.

d. FEC does not allege anything unlawful or improper in the agreements but only in the manner in which payment under the agreements subsequently was made. The FEC discussion, in Part II, §A, at 1-3, raises no objection to the content of the agreement. The objection is raised in §B, at 3-11, and §B deals exclusively with payment.

e. Although the point may be superfluous, inasmuch as I had nothing to do with payment, the fact is that I signed the original agreements only because nobody else was available to sign them. Neither the concepts nor the provisions for implementing those concepts, as set forth in the agreements, were of my origin; and even had they been, the FEC objection is limited to the manner of payment, not to the concepts in, or the terms of, the agreements.<sup>3</sup>

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<sup>3</sup> The agreements, dated July 18, 1986, were signed about the time I became a part-time consultant to AFR. The title "campaign manager" was an overstatement at that point. (1) AFR still was in an exploratory mode. (2) (continued...)

f. Assuming *arguendo* that every allegation and statement in the Factual and Legal Analysis is accurate, no allegation or statement suggests that I had a role in payment under the agreements, which is the only basis for the FEC finding.

16. Aircraft

a. The second Factual and Legal Analysis deals with use of aircraft. The gist of the allegation is that CBN Continental Broadcasting Network, Inc. ("CBN Continental") made corporate contributions totaling at least \$483,679.24 by virtue of the manner in which CBN Continental billed AFR and AFR paid CBN Continental. The purported nexus with me is that

... Mr. Nuttle *appears to be* [an AFR] individual who actually conducted the transactions constituting the violations at issue. As such, he accepted and received corporate contributions on behalf of [AFR]. [Emphasis supplied.]

b. There is no factual basis for this conclusion. FEC evidently has found a total of

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<sup>1</sup>(...continued)

Pat Robertson had revealed to me, or in my presence, no decision as to whether he would become a candidate. (3) Conditions precedent were to be met were he to become a candidate. (4) I had not yet agreed to come aboard as campaign manager.

two letters addressed to me, one after I had left AFR and the other shortly before I left,<sup>4</sup> and that is said to be the basis for the inference that I was involved in the aircraft dealings.<sup>5</sup>

c. I had no position in CBN Continental; made no decision concerning, or on behalf of, CBN Continental; participated in no negotiation with, conducted no transaction between, AFR and CBN Continental; and, as with every other AFR disbursement, had no responsibility for, or control over, AFR disbursements to CBN Continental.

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17. The third - and by far most complicated - Factual and Legal Analysis deals with four separate subjects. The gist of the FEC finding is that I "knowingly and willfully" violated 2 USC §441a(f) by accepting a political contribution with respect to the (1) sale and leaseback of a computer, (2) sale of a mailing list and (3) receipt of funds from Mr. Wayne M. Bailey. The fourth allegation deals with an entity evidently called Partners For America - State PAC ("PFA"), said to involve conduct of PFA in December 1988 and July 1989 - from nine to seventeen months after I had severed my connection with AFR.

18. **Sale and Leaseback of Computer.** As FEC should know from the detailed and more nearly contemporary explanation I gave, and the documents I handed over, in 1990, the

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<sup>4</sup> My departure was on or about March 8, 1988. One letter is said to be addressed to me under date of February 23, 1988 and the other under date of March 16, 1988.

<sup>5</sup> I have no recollection of signing, or receiving, any writing pertaining to aircraft leasing. See also Answer to Interrogatories, #12, herewith.

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sale and leaseback of the computer is not as set out at 2-6. With the fading of detailed memory over the years, and the absence of the documents pertaining to the sale and leaseback (which documents FEC has), I am handicapped in responding with specificity.

19. One can summarize the Sale and Leaseback as follows.

a. In September 1987 AFR was handicapped because AFR needed a state-of-the-art computer system. The ultimate approach to overcome this handicap was Computer Futures, Ltd. ("CFL"). CFL was designed not to fuse money into the campaign but to replace the computer system. The concept of sale and leaseback, common in business, was to be the methodology. It would provide a return to the investors and a state-of-the-art computer for AFR.

b. Unknown to those of us unfamiliar with computers, the computer industry contemporaneously was undergoing an enormous technological revolution - which became apparent much later. The AFR system in place, an IBM System 38, was outmoded.<sup>6</sup>

c. The CFL approach was the last option after all other avenues for financing a new computer system had been foreclosed.

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<sup>6</sup> AFR acquired the computer by purchase from the Freedom Council. At that time, I was a part-time consultant to AFR. I questioned AFR's acquisition of the computer, not because I knew enough about computers to realize its limited capability, but because I believed that AFR might have rented computer services at less cost.

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d. The purchase obligation from AFR to Freedom Council at the time of the sale and leaseback was, if I recall correctly, about \$350,000.00. I had no role in this negotiation. Subsequently, we sought an independent appraisal, upon advice of counsel. The appraisal came in, as I recall, at about \$350,000.00.<sup>7</sup> Hence, there was no gain on the sale. The proceeds went to the bank to liquidate the note from AFR to Freedom Council and did not go to AFR.

e. An agreement in principle was reached with a computer leasing firm to build a new system. My recollection is that the cost was to have been \$50,000.00 down and a payout over three or four years of \$125,000.00. The thinking was that were Pat Robertson's campaign unsuccessful there still would be a need to maintain the contribution list by state and that AFR, or its successor, would be able to maintain the lease payments.<sup>8</sup> Two problems complicated the implementation of the new system.

(1) It would take sixty days or more to bring the system on line.

(2) The system in place at AFR was not owned by one entity.<sup>9</sup>

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<sup>7</sup> Upon information and belief, IRS scrutinized and recognized the validity of this appraisal.

<sup>8</sup> Hence, the CFL lease (which was entered into as the last option) extended beyond the campaign.

<sup>9</sup> As I recall, AFR owned the mainframe; some of the state PCs were owned by state organizations; some of the lists were rented; the software was nonstandard.

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f. Two further problems occurred.

(1) Three firms appeared to want to buy the IBM System 38 at a price in the \$350,000.00 or more range.<sup>10</sup> However, no such firm would wait sixty days for delivery because they were suspicious of a sixty-day wait involving a political campaign.

(2) CFL counsel advised that clear title was critical for IRS and FEC. As noted, supra, title was in various entities.

g. We then attempted to lease but, if I recall correctly, the leasing firm increased its advance demand to \$75,000.00, which AFR did not have available.

h. A vendor trying to sell AFR a new system proposed a sale and leaseback. It appeared feasible.

i. In September the computer vendor, apparently having financial difficulties, hesitated to go through with the deal. At about that point CFL was set up in Colorado because the attorney chosen to set it up was experienced in limited partnership law and in negotiating computer lease contracts.

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<sup>10</sup> Evidently they were no more aware than we that the computer would be worth very little within a year.

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j. It was agreed that we would proceed with the CFL limited partnership; pay off the bank; make a downpayment on a new computer system; and finalize negotiations for the sale of the IBM System 38 before good-faith buyers were lost.

k. I retained counsel in Denver experienced in this type of limited partnership business transaction to draw the papers and relied upon his professional expertise. Counsel for each potential investor, upon information and belief, researched FEC, tax and securities law to the extent he deemed necessary; and each presumably advised his client that the proposed transaction would be acceptable. Each counsel so advised me.

l. The Denver law firm was retained at its normal rate. CFL, as a limited partnership, kept records; paid bills; resolved disputes; reported to the Internal Revenue Service ("IRS"); and liquidated all assets in the normal course of business.

m. AFR reported the transaction to FEC. At my request, the transaction took place, and was recorded, on or about the last business day of a quarter, rather than the first business day of the next quarter, so that AFR disclosure of the transaction to FEC would occur earlier rather than later.

n. Campaign timing was critical. It was recommended that we issue notes to start a limited partnership to clear title to the computer. We did so and, as noted, supra, AFR



reported the transaction to FEC on September 30, to accelerate disclosure, when the transaction could have been done the next day and delayed disclosure.

o. On October 17, 1987 the stock market crashed, causing two changes in circumstances to CFL.

(1) The computer vendor was in a worse position, or maybe no position at all, to finance the computer.

(2) One of the original CFL investors/noteholders was hurt severely and demanded return of his money. Counsel informed us that were he released and replaced with another person an SEC filing probably would be necessary.

p. Thus, I was stuck with a computer I could not sell, a vendor who could not perform on a new system and a limited partnership which I could not close - all unforeseen and uncontrollable circumstances.

q. A decision of necessity was made to await receipt of AFR matching funds in January 1988 to refinance the computer and buy a new system, necessitating "making do" with the existing system through Super Tuesday. AFR executed the lease which required AFR to pay CFL, anticipating future use of the new system. I had no other security that the notes would be paid. Because CFL was not finalized as a limited partnership, by

definition it was a general partnership and I was a general partner. The noteholders technically were never partners. Thus, the risk was mine.

r. Before we proceeded with the notes there was concern as to whether it was lawful for me to be the general partner. The consensus was that it not only was lawful but preferable because in the normal course of business the general partner is the one closest to, or controls, the asset/s. Further, we had made every effort to comply with IRS and FEC investor requirements, one criteria of which is that each investor should have a need/use for the computer and its software in the event of foreclosure. Thus, CFL was run as a business and each investment was dealt with as an investment.

s. In late December 1987, Pat Robertson decided that he would not accept matching funds. AFR borrowed from a bank, using matching fund eligibility as collateral. AFR disputed with FEC as to whether AFR had to accept matching funds when they became available. AFR acquiesced in the FEC view, mostly because, as counsel informed us, there was no feasible and timely way to challenge the issue in court. This delayed note repayment until February 1988. Because Super Tuesday was to be March 8, AFR declined to pay on the notes prior to Super Tuesday.

t. The day after Super Tuesday, Pat Robertson relieved me from my duties.

u. Beginning in or about November 1987, and continuing through March 1988, I

demanded payment on the notes. My impression was that Mr. Gordon P. Robertson and Mr. Allan R. Sutherlin, who subsequent to my exit were participating in AFR affairs, sought payment of the notes but could not prevail upon the Treasurer and/or Pat Robertson. The noteholders concurrently were demanding payment from me and upon occasion threatened lawsuits. In due course, all noteholders were paid in full in cash except for one, who was paid \$120,000.00 and \$50,000.00 in PCs and computer software. The appraised value of the equipment so transferred should have equalled the full obligation plus 10%. Each other creditor was paid the full obligation plus 10%.

v. The final CFL transaction was the sale of the mainframe. All monies collected in CFL went to liquidate notes, for legal fees and for costs. Thus, the CFL approach, a business deal, was advantageous for the investors; resulted in no benefit to me; and resulted in no contribution to AFR.<sup>11</sup>

## 20. Sale of Mailing List

a. The FEC discussion, at 6-8, overlooks the fact that the events complained of occurred, if at all, beginning almost eight months after I had severed my connection with AFR. The gist of the allegation is that there was "... improper payment of funds in the guise of payment for a mailing list ..."

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<sup>11</sup> The foregoing may not be a complete material recitation of the sale and leaseback. However, as noted in ¶18, *supra*, based upon my present memories and the absence of documents, I consider it a reasonable and adequate statement.

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b. My alleged nexus with the alleged improper payment is that Mr. James D. Higgins had invested \$50,000.00 in the computer company involved in the computer sale and leaseback referred to in ¶¶17(1) and 19, supra; that he "was also a strong financial backer of Pat Robertson"; and impliedly, that he controlled a company called JDH Enterprises, Inc. ("JDH") which, almost eight months after I left AFR, purchased an AFR mailing list for \$100,000.00 (which FEC supposes was worth some unstated sum less than \$100,000.00), giving rise to an unlawful corporate contribution.

c. If one first fleshes in the skeleton of these facts and then interprets each fact as harmfully to me as possible, the allegations would amount at most to an unlawful corporate contribution of some unspecified amount with respect to which I had no role. The sole FEC purported link is that

... Mr. Nuttle's position within the campaign and within CFL *suggests* his involvement in the acceptance of this contribution by [AFR]. [Emphasis supplied.]

In fact, I had been gone for eight months; the computer deal had nothing to do with the list; and I had no authority with respect to either JDH or AFR.

21. **Bailey.**

a. The Wayne M. Bailey allegations are farcical. First, the Factual and Legal Analysis paraphrases and accepts a newspaper piece as though publication of a piece in *The San Diego Tribune* constituted evidence.<sup>12</sup> FEC then contrasts the newspaper report with that of some unnamed "campaign director" who spoke with the FEC Audit Division.<sup>13</sup>

b. In fact, I did devise a business plan whereby AFR would sell its computer and lease it back, affording an above-market return to the investors. The particular plan did not go forward. Mr. Bailey, however, deposited \$50,000.00 toward the deal. AFR, according to FEC,<sup>14</sup> received the Bailey check on August 17, 1987 but did not return it until September 30, some 44 days later. FEC then argues that Mr. Bailey, having contributed \$200.00, made an excessive contribution of \$49,200.00. My role is said to be that "Mr. Nuttle was involved in [AFR's] acceptance of this excessive contribution."

c. FEC's complaint runs not to the *acceptance* of the alleged unlawful deposit. The deposit would not have been unlawful (1) had the plan gone forward, (2) had the deposit

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<sup>12</sup> If admitted into evidence, a newspaper story proves only that the story was published, not the truth and content of the story.

<sup>13</sup> Myself?

<sup>14</sup> A recitation which sounds more or less correct although I have no record.

been escrowed or (3) had the deposit been returned on time. Rather, FEC's complaint runs to AFR's *delay* beyond the allowable period in returning the contribution.

d. As soon as it became apparent the plan was not to go forward, and within the prescribed time for return of an excess contribution, and after consultation with counsel, I requested the Treasurer to return the deposit. I was not successful in timely causing the Treasurer to do so because, as it turned out, the Treasurer had deposited the deposit fungibly with operating funds and had, or apparently had, other need for those funds. Inasmuch as the Treasurer reported to Pat Robertson, and I was outside the chain of command, I had no authority. All I could do was point out the urgent need to return the deposit and request counsel to join in urging the Treasurer to return it.<sup>13</sup> The fact that it was not returned within 10 days was in spite of, and not on account of, my urging.

22. **Partners For America.**

a. Although the reasoning is unclear, FEC appears to be finding reason to believe that I "knowingly and willfully" violated 2 USC §441a(f) because when PFA on December 1, 1988 and July 19, 1989 issued checks to CFL, for purchase of computer equipment, "the receipts from PFA were intended to make whole those individuals who had 'invested' in CFL to pump money into [AFR] ..."

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<sup>13</sup> Which counsel did.

b. I had no connection with PFA and had departed AFR about eight months prior to the first such transaction and about sixteen months prior to the second transaction. The transactions between PFA and CFL were a business deal. Nobody was benefitted except the investors in CFL and they were benefitted only to the extent of their investments. There was no receipt by AFR of anything, much less an excessive contribution. If there were any transaction between PFA and AFR, I am unaware of it.

23. These FEC tentative findings violate due process because they are brought prejudicially untimely.
24. FEC is guilty of laches and of violating an imputed statute of limitations and should be enjoined from further violating due process unless FEC voluntarily withdraws its "reason to believe" tentative findings against me.
25. Upon the advise of counsel, and because of the disabling prejudice FEC's untimely and redundant action causes me, I reserve all rights and await a determination by four or more FEC Commissioners as to whether FEC intends further to proceed in the premises.
26. Meantime, I have answered without waiver of objections, as completely as possible, all interrogatories FEC has propounded to me.



Further Affiant sayeth not.

R. Marc Nuttle  
R. MARC NUTTLE

District of Columbia    }  
                                  }ss  
City of Washington       }

Subscribed and sworn to before me this 23rd day of July, 1993.

Cynthia J. Benson  
Notary Public

My commission expires May 14, 1997

REC'D  
FEDERAL ELECTION  
COMMISSION  
ALL ROOM  
Jul 27 10 04 AM '93

FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

93 JUL 27 11 31 AM '93

In the Matter of

AMERICANS FOR ROBERTSON et al  
(R. MARC NUTTLE)

MUR 3485

ANSWERS TO INTERROGATORIES

1. **Objection.** Duplicative. Federal Election Commission ("FEC") already has this information because FEC audited the books and records of Americans For Robertson, Inc. ("AFR"), FEC auditors having spent weeks and months in the Chesapeake, Virginia AFR office going over the books and records. It is fundamental that one is not entitled to discover information which one already has.

Notwithstanding the objection and without waiver, see Nuttle Affidavit, ¶3.

2. **Objection.** Irrelevant and not designed to lead to relevant information; invasion of privacy; beyond the scope of FEC jurisdiction.

3. **Objection.** Irrelevant and not designed to lead to relevant information; invasion of privacy; beyond the scope of FEC jurisdiction.

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4. **Objection.** Barred by laches and imputed statute of limitations. Duplicative. FEC already has this information and is not entitled to discovery of information it already has.

Notwithstanding the foregoing objections and without waiver, if I had the documents before me which I turned over to FEC in 1990, I might be able to answer.

5. **Objection.** Barred by laches and imputed statute of limitations. Duplicative. FEC already has this information and is not entitled to discovery of information it already has.

Notwithstanding the foregoing objections and without waiver, if I had the documents before me which I turned over to FEC in 1990 and pertinent documents from AFR files, if any, I might be able to answer.

6. **Objection.** Barred by laches and imputed statute of limitations. Duplicative. FEC already has this information and is not entitled to discovery of information it already has.

Notwithstanding the foregoing objections and without waiver, if I had the documents before me which I turned over to FEC in 1990 and pertinent documents from AFR files, if any, I might be able to answer.

7. **Objection.** Barred by laches and imputed statute of limitations. Duplicative. FEC already has this information and is not entitled to discovery of information it already has.

Notwithstanding the foregoing objections and without waiver, if I had the documents before me which I turned over to FEC in 1990, I might be able to answer.

8. **Objection.** Barred by laches and imputed statute of limitations. Duplicative. FEC already has this information and is not entitled to discovery of information it already has.

Notwithstanding the foregoing objections and without waiver, if I had the documents before me which I turned over to FEC in 1990 and pertinent documents from AFR files, if any, I might be able to answer.

9. **Objection.** Barred by laches and imputed statute of limitations. Duplicative. FEC already has this information and is not entitled to discovery of information it already has.

Notwithstanding the foregoing objections and without waiver, if I had the documents before me which I turned over to FEC in 1990 and pertinent documents from AFR files, if any, I might be able to answer to some extent although probably not to include technical data.

10. **Objection.** Laches and imputed statute of limitations.

Notwithstanding the objections and without waiver, I had no dealing with "CBN Continental" (which I assume to be CBN Continental Broadcasting Network, Inc.) involving the


lease of aircraft. It is possible I was a participant in one or more conversations on the subject of aircraft usage, although I recall none. It also is possible that I signed, or received, one or more writings on the subject but I recall none.

11. **Objection.** Laches. Imputed statute of limitations.

Notwithstanding the objections and without waiver, I have no such information.

12. **Objection.** Laches and imputed statute of limitations.

Notwithstanding the objections and without waiver, I have no such information. My recollection, based entirely or mostly upon hearsay, is that AFR leased aircraft from one company, which might have been CBN Continental; that AFR paid, or was supposed to have paid, in advance; that AFR paid, or was supposed to have paid, at first-class or some other higher-than-coach rate; and that some, perhaps all, dealings were with Mr. Don Miracle, who was thought of as "Pat Robertson's pilot."



R. MARC NUTTLE  
900 36th Avenue, N.W.  
Suite 202  
Norman, Oklahoma 73072

District of Columbia      }  
                                      } ss  
City of Washington        }

Subscribed and sworn to before me this 23rd day of July, 1993.

Cynthia J. Benson  
Notary Public

My commission expires May 14, 1997.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

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JUL 27 10 04 AM '93

In the Matter of

AMERICANS FOR ROBERTSON et al  
(R. MARC NUTTLE)

MUR 3485

93 JUL 27 PM 3:04

**ANSWER TO REQUEST FOR THE PRODUCTION OF DOCUMENTS**

1. **Objection.** Duplicative. Federal Election Commission ("FEC") has any such document which I had because I turned any such document over to FEC.<sup>1</sup> Hence, FEC is not entitled to discovery.
2. **Objection.** Duplicative. FEC has any such document which I had because I turned any such document over to FEC. Hence, FEC is not entitled to discovery.
3. **Objection.** Duplicative. FEC has any such document which I had because I turned any such document over to FEC. Hence, FEC is not entitled to discovery.
4. **Objection.** Laches. Imputed statute of limitations.

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<sup>1</sup> I am unsure there was any such document.

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Notwithstanding the objections and without waiver, I know of no such document although it is possible, if I had possession of any, that they were in the box which I turned over to FEC in 1990.

5. **Objection.** Laches. Imputed statute of limitations. Duplicative.

Notwithstanding the objections and without waiver, I know of no such document. Further, FEC already has all Americans For Robertson, Inc. ("AFR") financial records because FEC specifically audited those records and was given unlimited access by AFR.

6. **Objection.** Laches. Imputed statute of limitations. Duplicative. FEC already has any such document because I gave any such document to FEC in 1990.

7. **Objection.** Laches. Imputed statute of limitations. Duplicative.

Notwithstanding the objection and without waiver, I know of no such document.<sup>2</sup>

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<sup>2</sup> If there is such a document, as logically there might be, it presumably would be in the AFR records to which FEC already had access.

96043754241

R. Marc Nuttle

R. MARC NUTTLE  
900 36th Avenue, N.W.  
Suite 202  
Norman, Oklahoma 73072

District of Columbia    }  
                                  }ss  
City of Washington       }

Subscribed and sworn to before me this 23rd day of July, 1993.

Cynthia J. Benson  
Notary Public

My commission expires May 14, 1997.

OAC 9614

RECEIVED  
FEDERAL ELECTION COMMISSION

LAW OFFICES

ROSS & HARDIES

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

888 16TH STREET, N.W.

WASHINGTON, D.C. 20006-4103

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180 NORTH MICHIGAN AVENUE  
CHICAGO, ILLINOIS 60601-7967  
312-558-1000

528 FIFTH AVENUE  
NEW YORK, NEW YORK 10017-4808  
212-948-7075

580 HOWARD AVENUE  
SOMERSET, NEW JERSEY 08875-6739  
201-583-2700

August 6, 1993

Ms. Holly Baker  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485

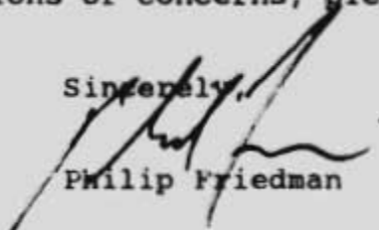
Dear Ms. Baker:

Enclosed please find the Response of Victory Communications, Inc. and Michael K. Clifford to the Commission's Order to Write Answers and Produce Documents in connection with the above referenced action.

Also enclosed, please find an original and two copies of the Memorandum of VCI and Mr. Clifford that is being submitted in conjunction with their response to the Commission's subpoena request.

If you have any questions or concerns, please give me a call.

Sincerely,

  
Philip Friedman

Enclosures

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UNITED STATES OF AMERICA  
BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF VICTORY COMMUNICATIONS,  
INC. AND MICHAEL CLIFFORD, PRESIDENT, ET AL.

MUR 3485

MEMORANDUM OF VICTORY COMMUNICATIONS, INC. AND MICHAEL CLIFFORD,  
PRESIDENT IN CONJUNCTION WITH THEIR RESPONSE TO THE COMMISSION'S  
REQUEST TO SUBMIT WRITTEN ANSWERS AND PRODUCE DOCUMENTS

On April 12, 1993, the Federal Election Commission ("FEC" or "Commission") notified Victory Communications International, Inc. ("VCI") that it found reason to believe that VCI had violated 2 U.S.C. § 441b(a) of the Federal Election Campaign Act of 1971, as amended ("FECA" or "Act"). Accompanying the Commission's notification of the reason to believe finding was an order to submit written answers and a subpoena for the production of documents. On August 6, VCI submitted its Response to the above referenced order.

This memorandum is submitted in conjunction with the VCI answers to demonstrate that VCI and its president Michael K. Clifford did not knowingly and willfully violate 2 U.S.C. § 441b(a) and that whatever credit VCI extended to Americans for Robertson, Inc. (the "AFR") was credit extended in the ordinary course of VCI's business and on terms that were substantially identical to extensions of credit VCI advanced to other nonpolitical business entities.

As a preliminary matter, however, the Commission need not even consider these arguments, as the Commission is barred from

pursuing any further action against VCI and Mr. Clifford under the statute of limitations and equitable doctrines of law.

**I. THE COMMISSION IS BARRED BY THE STATUTE OF LIMITATIONS AND BY THE EQUITABLE DOCTRINES OF RES JUDICATA, COLLATERAL ESTOPPEL AND LACHES FROM NAMING VCI AND MR. CLIFFORD AS RESPONDENTS TO THIS MUR.**

**A. The MUR is Barred by the Statute of Limitations.**

This action commenced on January 12, 1993 based on information ascertained by the Commission in the normal course of carrying out its supervisory responsibilities. The matters complained of concern events that took place in the summer and fall of 1986, some six and one-half years prior to the initiation of this matter. The Commission's factual and legal analysis finds "reason to believe that VCI and its president, Michael Clifford, each knowingly and willfully violated 2 U.S.C. § 441b(a). Knowing and willful violations carry the potential for substantial civil, as well as criminal penalties. 2 U.S.C. 437g(d)(1)(A). Section 455 of the Act states in unequivocal terms that:

No person shall be prosecuted, tried, or punished for any violation of subchapter I of this chapter, unless the indictment is found or the information is instituted within 3 years after the date of violation.

2 U.S.C. § 455 (a) (emphasis added).

The Commission's opening of this MUR six and one-half years after the date of the alleged violation is barred by the statute of limitations. Accordingly, the Commission should expeditiously dismiss VCI and Mr. Clifford from this MUR.

**B. The MUR is Barred by the Equitable Doctrines of Res Judicata and Collateral Estoppel.**

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In 1988, the Commission investigated VCI and Mr. Clifford in connection with MUR 2262 and ultimately determined to close the file with regard to VCI. The Commission cannot now, exactly five years to the date, after closing the file, resume the prosecution of VCI and Mr. Clifford on a new matter involving the very same parties, the very same facts and the very same circumstances of a previous investigation. Such action violates fundamental notions of due process and fair play and as such, is prohibited by the principles of estoppel and res judicata from being pursued once again.

The courts have long acknowledged that the common law doctrine of collateral estoppel and res judicata apply to a final determination by an administrative agency acting in a judicial capacity. Astoria Federal and Savings & Loan v. Solmino, 111 S.Ct. 2166. In this instance, the Commission had the opportunity to fully investigate all allegations against VCI and Mr. Clifford in 1988. The Commission did so and made specific findings with respect to VCI. Now, five years after closing the previous action against VCI (and six and one half years after the actual events), when memories are fading and documentary evidence to support VCI's position is no longer available<sup>1</sup>, the Commission

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<sup>1</sup>VCI ceased conducting business approximately three years ago. Approximately two months prior to the issuance of the Commission's subpoena, Mr. Clifford moved his office to a new location. As part of the move, Mr. Clifford disposed of VCI's files and records. Mr. Clifford believes that many of those records, particularly those dealing with other clients, would have demonstrated that the extensions of credit to the Committee were in the ordinary course of VCI's business.



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is prosecuting a new MUR involving the exact same parties, facts and even causes of action as those contained in the previous MUR.

Under the doctrine of estoppel and res judicata, a final decision on the merits of an action -- as demonstrated by the Commission's decision to close the file with respect to VCI -- precludes the Commission from relitigating issues that were or could have been raised in the previous action. Manego v. Orleans Board of Trade, 773 F.2d 1, 5 (1st Cir. 1985) quoting Allen v. McCurry, 449 U.S. 90, 94 (1980); Keating v. State of Rhode Island, 785 F.Supp at 1098 ("The bar applies to all matters that could have been raised and determined in the original action... even if they were not actually raised.") (emphasis in the original). See generally, Restatement (Second) of Judgments § 83.

The inordinate delay between the occurrence of the actual events at issue in this action and the renewed prosecution of VCI some six and one-half years after those events, is nothing short of abusive of the enforcement process. Moreover, the delay in time and the present lack of records is highly prejudicial to Mr. Clifford's and VCI's defense of the Commission's findings. It is precisely for such reasons that there exists a statute of limitations, as well as the equitable doctrines res judicata and estoppel. Accordingly, the Commission should immediately dismiss VCI and Mr. Clifford as respondents from this MUR.<sup>2</sup>

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<sup>2</sup>Dismissing VCI and Mr. Clifford as respondents will not preclude the Commission from making subpoena requests for documents or deposition testimony. Mr. Clifford has repeatedly indicated his willingness to cooperate with the Commission. The Commission's heavy-handed approach towards Mr. Clifford, by



B. The Claim is Barred by Laches

The courts have long held that a claim against a defendant is barred by the doctrine of laches where there has been "1) a delay in asserting a right or claim; 2) that the delay was not excusable; and 3) that there was undue prejudice to the party against whom the claim was asserted." National Parks and Conservation Ass'n v. Hodel, 679 F. Supp. 49, 53 (D.D.C. 1987); Dangerfield Island Protective Society v. Lujan, 920 F.2d 32, 37 (D.C. Cir. 1990) cert denied 112 S.Ct. 54.

Here, the Commission waited nearly seven years after the actual events to bring this action. Nothing demonstrates the inexcusable nature of the delay better than the fact that the Commission already investigated this exact claim under a different MUR number some five years ago. Finally, it cannot be argued that Mr. Clifford and VCI have not been unduly prejudiced by this inexcusable delay. Not only are the documents necessary to the Respondents' defense now largely unavailable, but Mr. Clifford is again forced to incur substantial legal fees and additional emotional distress over a claim he thought had been closed five years ago. JANA, Inc. v. U.S., 936 F.2d 1265 (Fed. Cir. 1991) cert denied 112 S.Ct. 869 (prejudice is demonstrated by impairment of ability to mount a defense, such as loss of records); Baker v. Baker, 951 F.2d 922 (8th Cir. 1991) (prejudice

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naming him as a respondent in a matter previously adjudicated as to him, is not only barred by equitable doctrines of law, but also entirely unwarranted as a means of obtaining collateral material for the Commission's investigation of the Committee.

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demonstrated by loss of evidence that would support position of defendant). Accordingly, the Commission's action is also barred by the doctrine of laches. Equity demands no less.

**II. VCI EXTENDED CREDIT TO AFR IN THE ORDINARY COURSE OF VCI'S BUSINESS AND ON TERMS SUBSTANTIALLY SIMILAR TO CREDIT EXTENDED TO NONPOLITICAL ENTITIES.**

Even were the Commission to pursue this action in the face of statutory and equitable bars to its further prosecution, there still is no support for the Commission's reason to believe finding against VCI and Mr. Clifford.

To support its finding that there is reason to believe VCI knowingly and willfully made prohibited corporate contributions in violation of 2 U.S.C. § 441b(a), the Commission's Factual and Legal Analysis primarily relies on the fact that payments to VCI by AFR were not made in the time frame specified in the written agreements between the two parties. According to the Commission, this fact alone, particularly when contrasted to the facts of an advisory opinion issued four years after the events at issue in this complaint (e.g. AO 1991-18), is evidence enough that VCI did not act in the ordinary course of business in extending credit to AFR. This analysis cannot be sustained on several counts.

As the Commission's analysis notes, at the time of the events relevant to this action, the Commission's regulations provided that a corporation could extend credit to a candidate's committee, provided that the credit was extended in the ordinary course of business and the terms were substantially similar to

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extensions of credit to nonpolitical debtors which were of a similar risk and size of obligation. 11 C.F.R. § 114.10.

In Advisory Opinion 1979-36, the most relevant advisory opinion available in 1986, the Commission further defined the terms of Part 114. In that instance, the Commission considered whether it was permissible for a direct mail fundraising organization to absorb all of the initial costs of a direct mail solicitation, only to be paid for its services from a portion of those funds raised by the solicitation effort. As to that extension of credit -- amounting to the total cost of the direct mail fundraising operation -- the Commission found that if the proposed type of credit was of a type which was normal industry practice for direct mail firms, and the costs of the direct mail firm's services were at least the normal charge for direct mail services, then there could be no impermissible extension of credit amounting to an illegal corporate contribution.

In the event the credit remained unpaid, 11 CFR 100.7(a)(4) further provided that "the extension of credit by any person for a length of time beyond normal business or trade practice is a contribution, unless the creditor has made a commercially reasonable attempt to collect the debt. See also Advisory Opinion 1981-42. According to the Commission's long held practice, such commercially reasonable efforts included a showing that 1) the initial extension of credit was made in a manner and on terms similar to extensions of credit to a non-political debtor; 2) the candidate or political committee had undertaken an exhaustive

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effort to satisfy the debt; and 3) the corporate creditor had pursued its remedies in a manner similar in intensity to that employed in pursuit of a non-political debtor. See Advisory Opinion 1975-39 (opinion concerning 13 month old debt).

Inexplicably, the Commission's analysis does not rely on the regulations or advisory opinions applicable in 1986. Rather, the Commission retroactively applies the analysis of a 1991 advisory opinion -- that uses regulations revised in 1990 as the predicate for its analysis -- to a factual situation that occurred some seven years ago. See e.g. AO 1991-18. The Commission's pursuit of VCI and Mr. Clifford after previously deciding this very case five years ago is abusive enough. The application of advisory opinions and regulations ex-post facto needlessly compounds the error.<sup>3</sup>

A plain reading of the applicable regulations and cited advisory opinions confirms that VCI did not make an impermissible corporate contribution to AFR. To the contrary, the facts unambiguously demonstrate that VCI acted in the ordinary course of its business, extended credit to AFR on terms similar to non-political clients, and when a dispute arose as to the payment of outstanding obligations, VCI pursued its remedies with the demonstrable intensity of a commercial vendor owed several thousands of dollars.

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<sup>3</sup>Even were AO 1991-18 the proper authority (which it is not), VCI squarely meets the standards that advisory opinion sets forth for the extension of credit by a corporation. See discussion, infra.

### THE VCI BUSINESS

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In 1986 VCI was an Arizona corporation engaged in the business of staging teleconference fundraising events for various non-profit Christian-based organizations. From 1981 through 1990, VCI typically staged two to three events per year. These events generated approximately two to four million dollars of annual revenue for VCI, twenty percent of which was generally targeted as VCI's standard gross profit. The structure of the fundraising events varied. Some clients advanced approximately fifty percent of VCI's costs, with the remainder of VCI's costs paid from the funds generated from the fundraising event. Other clients, assumed little or no risk, preferring to have VCI take a greater percentage of the funds raised as compensation for the risk VCI assumed in staging the event. The structure was negotiable, and depending upon the value of the list to be solicited, VCI was willing to front the majority of the costs associated with a given event.

Essentially, VCI is a direct-mail fundraising firm that provides a visual event in conjunction with a teleconference participant's receipt of a direct mail and telemarketing fundraising solicitation. Prior to staging a teleconference event, VCI typically contracts with a direct mail firm to send two mailings to a targeted list of potential donors. The direct mail firm generally assumes the costs of the direct mailing with the expectation that it will be paid from the proceeds of the direct-mail solicitation. The first mailing announces the



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teleconference event and invites the recipient of the letter to attend. The second letter, customarily mailed to arrive the day after the teleconference event, solicits the recipient for funds. When donations are received off the direct mailing, the funds are usually handled by a caging operation that distributes the money pursuant to an agreement entered by VCI, VCI's vendors and the beneficiary of the fundraising event. The funds are divided pursuant to such agreement until the costs of VCI and the vendors are satisfied and any remaining funds are distributed directly to the beneficiary of the fundraising event.

Even in situations where VCI absorbed the up-front costs itself, the actual costs to VCI were minimal. Vendors, with whom VCI negotiated to provide direct mail services, telemarketing, public relations, facilities and other services generally extended credit to VCI. Some of these vendors received their fees pursuant to the split of proceeds processed by the caging operation established for each event, or received their fees from VCI after VCI received its fees from the teleconference event and the direct mail and telemarketing solicitations following the teleconference.

#### THE AUGUST AFR DINNER EVENTS

The AFR events which are the subject of this MUR followed this basic formula.<sup>4</sup> On July 18, 1986 VCI and AFR executed two separate contracts covering three separate events. The first

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<sup>4</sup>Contrary to the Commission's belief, the AFR events were not VCI's first political effort. VCI had previously done an event for the Republican National Committee.

contract concerned VCI's agreement to stage two large dinner fundraising events. The first dinner was held on August 1, 1986 at the Circle T Ranch in Texas. On August 2, the second dinner was held at the Anaheim Convention Center in California. Both dinners were a financial success, and VCI received full payment for its services within six weeks of staging the two events.<sup>5</sup>

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Incredibly, the Commission's analysis suggests that this six week "delay" in paying VCI somehow resulted in an impermissible extension of credit by VCI to the Committee. Crucial to the Commission's analysis is the fact that the written agreement specified that payment would be made on the day of the actual events. To be sure, VCI would have preferred to have been paid on the date specified by the contract.<sup>6</sup> But as a matter of common sense business practice, it neither made sense to haul AFR to court to enforce the contract's payment terms or otherwise demand prompt payment. The simple fact was that AFR's "delinquency" did not undermine the financial benefits VCI received -- and fully expected to receive -- as a result of staging the events, particularly given the fact that VCI had a multimillion dollar

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<sup>5</sup>The Commission expresses concern about certain VCI invoices that reference certain expenses that would be billed at a later date, such as postage and computer services. Such statements on a bill provided VCI with a safety net in the event VCI received bills from vendors who submitted their invoices late or if VCI's bookkeeping department overlooked expenses not previously billed. In this instance the safety net provisions were not necessary as VCI received full payment for the services it rendered.

<sup>6</sup>In fact, the first check from AFR arrived three days after the event. That check bounced as AFR's bookkeeper failed to account for the fact that out of state checks took some 10 to 15 days to clear. A new check was issued within one week.



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contract pending with AFR for a teleconferencing event in September.

Common sense business practices aside, as a matter of law, nothing VCI did amounts to a violation of the Act. Indeed, the Commission has permitted fundraising organizations to advance the entire costs of the fundraising venture, on the mere speculation that the firm will be paid over a period of weeks from the proceeds of the fundraising activity. See Advisory Opinion 1979-36. As stated earlier, VCI was essentially a direct-mail fundraising organization that followed standard industry practice in advancing the initial costs of fundraising events on the expectation that it would be paid its costs, plus a profit, on the proceeds of the fundraising event.<sup>7</sup>

Even were the Commission to incorrectly apply the standards set forth in AO 1991-18, there is still no basis to find that VCI gave an impermissible extension of credit to AFR. In AO 1991-18, the Commission held that it was permissible for a fundraising organization to make a substantial outlay of funds at the beginning of telemarketing program to solicit funds for a political committee, provided the political committee made full payment to the fundraising organization within a "short, specifically delineated period of time." In AO 1991-18, that period of time amounted to approximately two and one-half months,

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<sup>7</sup>It is a misnomer that VCI advanced \$600,000 to AFR in expenses for the two events. Because of VCI's reputation with its vendors, VCI's vendors advanced approximately \$600,000 in services to VCI.

or ten weeks. Yet, here the Commission is aghast at the fact that VCI did not receive full payment for the August dinner events for six weeks!

THE SEPTEMBER TELECONFERENCE FUNDRAISING EVENT

The Commission's analysis is no less specious for the second contract executed on July 18, 1986 concerning teleconference fundraising event held at Constitution Hall in Washington, D.C. on September 18, 1986. Pursuant to the contract VCI agreed, for cost plus fixed-fee (with budgetary limitations), to provide various teleconference facilities and services, and to negotiate with various suppliers and vendors to provide supporting services for the teleconference event. These vendors provided site facilities, production services, direct mail, public relations, travel arrangements, telemarketing and more.

Pursuant to the terms of the agreement, VCI was to be paid for its services within ten days of AFR receiving a VCI invoice detailing expenses. To assure that VCI and its satellite vendor, Momentum Enterprises, Inc., received prompt payment for the services specified in the agreement, VCI, Momentum and AFR executed a supplemental agreement whereby AFR would assign to VCI and Momentum \$3.5 million of the funds received from the teleconference event (the "Assignment"). The Assignment specifically instructed AFR's bank, the Bank of Virginia to disburse \$2.9 million directly to VCI and \$600,000 directly to Momentum. By October 24, 1986, both VCI and Momentum received the specified sums.

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The July 18 agreement does specify that VCI was to receive payment within 10 days of submitting an invoice to AFR. In reality, the 10 day payment period was rendered immaterial by the establishment of a caging operation from which VCI would be paid its fees and expenses. Since the caging operation could not disburse funds to VCI or other participating vendors until it processed the funds received, VCI's payments were necessarily dependent on the receipt of funds generated by the follow-up direct-mail and telemarketing efforts made immediately after the teleconference event.<sup>8</sup> Indeed, many of VCI's standard agreements more accurately reflected VCI's dependency upon the caging operation for any prompt payment of service. See e.g. VCI's Response to Subpoena (sample VCI agreements). Mr. Clifford only inserted the 10 day provision in the agreement to telegraph the promptness with which he expected to be paid for his services.<sup>9</sup>

Although VCI is not able at this time to verify the Commission's recitation of the facts, the Commission's brief indicates that VCI invoiced AFR on September 17, 1986 for

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<sup>8</sup>The funds processed by the caging operation were personal checks. These generally required three days for the caging operation to open, and approximately 10 to 15 days for the checks to clear once they were deposited in the bank. Additionally, direct-mail accounts generally cannot be reconciled for approximately 45 to 90 days after the mail is dropped.

<sup>9</sup>To further underscore VCI's desire for prompt payment, all invoices VCI submitted to AFR, as well as other clients, stated that payment was "due upon receipt." Surely the Commission would not argue that if payment was not tendered that very day, that the vendor would be making an impermissible extension of credit.

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approximately \$3.3 million, and that pursuant to the above referenced assignment, AFR began making payments to VCI on September 19, 1986. Within three weeks of receiving the invoice, VCI was owed approximately \$178,000. Thereafter a dispute arose regarding the remaining amounts owed. Although AFR paid the remaining amounts owed VCI on December 15, 1986, a mere twelve weeks after the September event, the entire dispute between VCI and AFR was settled pursuant to a written agreement of January 13, 1987.

Setting aside the extraordinary efforts VCI made to assure payment of the amounts owed to it, the simple fact remains that VCI received full payment for its services within 88 days of staging the teleconference event. On its face, this time frame meets the "short, specifically delineated period of time" specified in AO 1991-18 (an advisory opinion not even applicable to this MUR) and most certainly meets the criteria for the advancement of funds by similar fundraising organizations set forth in AO 1979-36.

As previously noted, within weeks of the September 18 event, a dispute arose between VCI and AFR concerning the appropriateness of certain invoices VCI submitted to AFR for payment. AFR threatened to withhold payment of the amounts due VCI under the contract and the Assignment. In response, VCI and VCI's vendors seized the caging operation that VCI had arranged to process all proceeds raised in connection with the teleconference fundraising event. Thereafter, attorneys for VCI,





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that any agreement reached between the two men or the organizations they controlled were not arms-length transactions. As support for this fallacious proposition, the Commission points to a November 5, 1986 letter from Mr. Clifford to Mr. Robertson in which Mr. Clifford uses hyperbole to state that his commitment to Mr. Robertson and his cause is driven more by "furthering the cause of Christ" than by financial gain. That this motivation was no different than that which Mr. Clifford shared with his other non-political clients, most of whom were non-profit Christian based organizations, is demonstrated by that portion of the same letter in which Mr. Clifford attests that he knows of ways to make a lot of money, but as a matter of principle has "chosen only to work with the brethren" in the preponderance of his business dealings. Whatever Mr. Clifford's motivations may have been, they cannot undermine the simple fact that he operated a business which specialized in raising funds for Christian-based non-profit organizations.<sup>10</sup> His business negotiated, in the ordinary course of its business dealings, an agreement with AFR that was no more, and no less favorable than fundraising agreements reached with other organizations.<sup>11</sup>

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<sup>10</sup>VCI held fundraising events for organizations such as Campus Crusade, Family Life Seminars, Billy Graham, The Bible League, Concerned Women for America and the University of Stuebenville, to name a few.

<sup>11</sup>Had the Commission initiated this action within the statutory timeframe permitted under the Act, Mr. Clifford and VCI may well have been able to point to a wealth of documentary evidence to support this statement. However, as VCI is no longer in existence and its records are no longer available, such documentary evidence is sparse. See generally those sample VCI

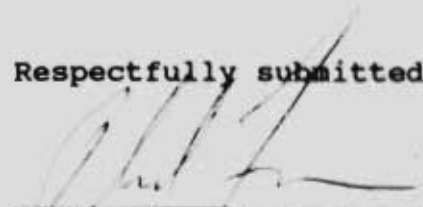
Without exception, the Commission's brief fails to present any evidence in which VCI gave an impermissible extension of credit to AFR. As such there can be no reason to believe that VCI violated any provision of the FECA.

#### CONCLUSION

For the foregoing reasons, the Commission should take no further action against Mr. Clifford and VCI. The Commission's action is time barred by the statute of limitations, and additionally barred by the doctrines of res judicata and estoppel. Moreover, VCI and Mr. Clifford did not violate the FECA as their extensions of credit to AFR were made in the ordinary course of business on terms substantially similar to nonpolitical debtors which were of similar size and risk.

Date: August 6, 1993

Respectfully submitted,



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Victory Communications, Inc.  
and Michael K. Clifford

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agreements submitted in response to the Commission's subpoena.



UNITED STATES OF AMERICA  
BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF VICTORY COMMUNICATIONS,  
INC. AND MICHAEL CLIFFORD, PRESIDENT, ET AL.

MUR 3485

RESPONSE OF VICTORY COMMUNICATIONS, INC.  
AND MICHAEL CLIFFORD TO THE COMMISSION'S  
REQUEST TO SUBMIT WRITTEN ANSWERS AND PRODUCE DOCUMENTS

GENERAL REPRESENTATIONS

Pursuant to 11 C.F.R. § 111.11 and § 111.12 Victory Communications International, Inc. ("VCI") and Michael K. Clifford (collectively the "Respondents") respond as follows to the Federal Election Commission's ("FEC" or "Commission") Request to Answer Interrogatories and Produce Documents:

1. The Respondent's Answers to Commission's Request to Write and Produce Documents are made to the best of its present knowledge, information and belief. Said answers are at all time subject to such additional or different information that discovery or further investigation may disclose and, while based on the present state of its current recollection, are subject to such refreshing recollection, and such additional knowledge of facts, as may result from further discovery or investigation. The Respondents reserve the right to make any use of, or introduce at any hearing or trial, documents responsive to the Commission's request to write answers and produce documents but discovered subsequent to the date of Respondent's initial answers and production.

2. The Respondent's answers to the Commission's Request to Write Answers and Produce Documents were reviewed and answered with the assistance of counsel by Michael K. Clifford, the former president of VCI.

3. The Respondents will respond to each document request with documents currently in their possession. By stating in these answers that they will produce documents or are searching for documents, the Respondents do not represent that any document actually exists, but rather that they will make a good faith search and attempt to ascertain whether documents responsive to Commission's request do, in fact, exist.

4. The Respondents reserve all objections or other questions as to the competency, relevance, materiality, privilege or admissibility as evidence in any subsequent proceeding in, or trial of, this or any other action for any purpose whatsoever of this response and any document or thing produced in response to the Commission's Request to Write Answers and Produce Documents.

5. Certain General and Specific Objections are stated for the record at the end of the response in order to preserve any and all rights of the Respondents enumerated therein.

#### INTERROGATORIES AND DOCUMENT REQUESTS

1. Identify by bank and account number all bank accounts of Victory Communications International, Inc. ("VCI") during the period January 1, 1986 through December 31, 1987.

#### ANSWER

VCI terminated its existence in September, 1990. Thereafter, Mr. Clifford moved from Arizona to Vienna, Virginia to start a new

business. As part of that move, Mr. Clifford disposed of the bulk of VCI's files and records.

In April, 1993, Mr. Clifford relocated his offices from Chantilly, Virginia to Vienna, Virginia. Those VCI documents that survived the previous move from Arizona were destroyed during relocation of Mr. Clifford's office. Whatever documents Mr. Clifford now possess that are relevant to the document request are miscellaneous documents contained in Mr. Clifford's business files.

VCI did have several bank accounts, although no records now exist through which the accounts can be accurately identified. Those banks included the following: 1) Founder's Bank (Scottsdale, AZ); 2) First Interstate Bank (Hilton Village Branch) (Scottsdale, AZ); and 3) Chase Bank of Arizona (Camelback Branch)

2. For the period January 1, 1986 to the present, produce all books and records of VCI; all financial statements; ledgers; journals; other books of entry, whether maintained manually or electronically; tax returns; records of any financial institutions, including statements, canceled checks, deposit records, debit and credit memoranda and advices; bills; receipts; invoices; reconciliations; notes; and memoranda; including but not limited to:

- a. General Ledger and any subsidiary ledgers (Accounts Payable, Accounts Receivable, etc.);
- b. cash receipts and cash disbursement journals and any other books of account;
- c. All invoices and statements issued to Americans for Robertson ("APR");
- d. All invoices received from subcontractors/vendors related to APR work;
- e. All bank statements and enclosures for all accounts maintained;
- f. All records related to any line of credit or letter of credit established/drawn against, including statements, applications, agreements and related correspondence;
- g. All records related to any loans or funds borrowed from any source, including statements, applications, agreements, and related correspondence;
- h. Balance sheets and income statements both audited and

- unaudited;
- i. Job orders, work orders, and/or cost estimates for projects undertaken on behalf of AFR;
  - k. Contracts/agreements with all parties other than AFR for which services were provided, and all contracts/agreements with subcontractors performing these services;
  - l. Corporate Charter, articles of incorporation, minutes of board meetings, names and positions of all officers and directors of the corporation, and dissolution papers; and
  - m. Any of the data described in a - l above maintained electronically to include the formats for the data, description of any codes/symbols utilized, the software used to create electronic records, and readable computer diskettes 3 1/2" or 5 1/4" or magnetic tape if stored on tape.

**ANSWER**

The minimal number of documents that are responsive to this request are being produced herewith.

The Commission should note, that documents responsive to this request were previously produced to the Commission in connection with MUR 2262.

3. To the extent not provided in response to question 2 above, regarding the parties other than AFR for which VCI provided services, provide the following:

- a. the total dollar value of work VCI performed for each as invoiced by VCI to each;
- b. Provide all invoices VCI issued regarding work performed for the client;
- c. Provide all bills VCI received from subcontractors regarding work performed for the client.

**ANSWER**

Whatever documents are available, are being produced in response to document request number 2.

4. To the extent not provided in response to question 2 above, provide all documents relating to AFR's payments on VCI's invoices for work VCI performed for AFR during 1986 that were resolved in the January 13, 1987 agreement between VCI, Royall & Company, and the Committee, including but not limited to letters, memos, internal correspondence, notes of telephone conversations, and records of oral and/or written communications.

#### **ANSWER**

Documents responsive to this request are being submitted herewith.

#### **GENERAL OBJECTIONS**

The Respondents make the following general objections, whether or not separately set forth in response to each document request, to each and every instruction, definition, and document request made in the Commission's Request to Write Answers and Produce Documents.

1. The Respondents object generally to requests 1 through 4, inclusive, insofar as any such request seeks production of documents or information protected by the attorney-client privilege or the work product doctrine. Such documents or information shall not be produced in response to the Commission's request and any inadvertent production thereof shall not be deemed a waiver of any privilege with respect to such documents or information or of any work product doctrine which may attach thereto.

2. The Respondents object to the introductory definitions and instructions to the Commission's document demands to the extent said definitions or instructions purport to enlarge, expand, or alter in any way the plain meaning and scope of any specific demand on the ground that such enlargement, expansion, or alteration

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renders said demand vague, ambiguous, unintelligible, unduly broad, and uncertain.

3. The Respondents object to all instructions, definitions, and document requests to the extent they seek documents not currently in their possession, custody or control, or refer to persons, entities or events not known to it, on the grounds that such instructions, definitions, or requests seek to require more of the Respondents than any obligation imposed by law, would subject the Respondents to unreasonable and undue annoyance, oppression, burden, and expense, and would seek to impose upon Respondents an obligation to investigate or discover information or materials from third parties or sources that are equally accessible to the Commission.

4. The Respondents object to interrogatories 1 through 4, inclusive, to the extent they seek documents provided in confidence to the Respondents by third parties which embody material that is private, business confidential, or propriety and which it has agreed not to disclose or disseminate, on the ground that such documents and/or information are privileged pursuant to federal laws.

5. The Respondents object to all definitions, instructions, and document demands in which the terms "concerning", "concern", "relate to" or "relating to" appear. The terms "concerning", "concern", "relate to" and "relating to" are overly broad, vague, ambiguous, unintelligible, require subjective judgement on the part of the Respondents and its attorneys, and would require a

conclusion or opinion of counsel in violation of the attorney work product doctrine. Without waiving this objection, and subject to all other applicable objections or privileges stated herein, the Respondents will produce, in response to any demand for documents that "relate" to a given subject, such documents as expressly reflect or refer on their face to information relevant to the specified subject.

Date: August 6, 1993

ROSS & HARDIES

By: 

Philip S. Friedman

VERIFICATION

I certify that I have examined this response of Victory Communications International and Michael K. Clifford to the request by the Commission to write answers and produce documents and to the best of my knowledge and belief it is true, correct and complete.

By: 

Michael K. Clifford

96043/54267



THE ATTACHMENTS SUBMITTED WITH THIS RESPONSE  
HAVE BEEN REMOVED FROM THE PERMANENT FILE

9 6 0 4 3 7 5 4 2 8



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

VIA EXPRESS MAIL

Van Hipp  
Hipp & Borsich  
2138 Ashley Phosphate Road  
Suite 201  
North Charleston, SC 29406

RE: MUR 3485  
Spoleto Construction & Supply,  
Inc.

Mr. Hipp:

As you requested in our telephone conversation of August 5, 1993, enclosed is a copy of the letter along with enclosures that our office sent to Mr. Borsich on July 9, 1993 via express mail. Please note that the response to the July 9, 1993 letter was due within 30 days of receipt of that letter. If you will not be able to respond by this due date, please notify me as soon as possible. Should you have any questions, please feel free to contact me at (202) 219-3690.

Sincerely,

Helen J. Kim  
Attorney

Enclosure  
Federal Express Receipt  
Copy of Original Letter  
Documents

960475429

**HIPP & BORSICH**  
**ATTORNEYS AT LAW**  
2138 Ashley Phosphate Road, Suite 201  
North Charleston, South Carolina 29406  
Telephone: (803) 764-2474  
Fax: (803) 764-3403

VAN D. HIPPI, JR.

DOUGLAS G. BORSICH

**VIA FACSIMILE TRANSMISSION**

Ms. Helen J. Kim  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N W.  
Washington, D. C. 20463

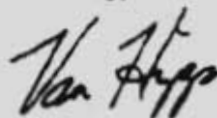
RE : Spoleto Construction & Supply, Inc. / MUR 3485

Dear Ms. Kim :

As I mentioned in our telephone conversation this morning, I have been unable to reach my client concerning the additional discovery requests in the above referenced matter. Accordingly, I am requesting an extension until August 24, 1993 to provide this information.

Thank you for your cooperation.

Sincerely,



Van D. Hipp, Jr.

960437542/0



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

AUGUST 11, 1993.

Van D. Hipp, Jr.  
Hipp & Borsich  
2138 Ashley Phosphate Road  
Suite 201  
North Charleston, SC 29406

RE: MUR 3485  
Spoleto Construction & Supply,  
Inc.

Dear Mr. Hipp:

This is in response to your letter via facsimile which we received on August 10, 1993, requesting an extension until August 24, 1993 to respond to our request for additional information. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on August 24, 1993.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Helen J. Kim  
Attorney

96043754271

Doc 9711

AUG 17 9 03 AM '93

**NationsBank**

mur 3485

August 12, 1993

Mr. Tony Buckley, Attorney  
Office of the General Council  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Dear Mr. Buckley,

The following is in response to your subpoena dated April 13, 1993 regarding G B Computer Services, Inc. and Americans for Robertson, Inc.

In the response given in a letter dated June 23, 1993, we were unable to produce any documents on G B Computer Services, Inc. Since that letter, we have found a copy of the Loan Approval Memo dated 9/12/85 in the amount of \$480,000 (copy enclosed).

This copy is provided to you for additional information. Please feel free to contact me if you have additional questions.

Sincerely yours,

  
Paul K. MacMillan  
Assistant Vice President

PKM:cdh

Enclosures

cc: Dave Norton  
Frank Wood

20463-1-1111-66

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Darrel Anderson

MUR 3485

SC-111-11 2:25

GENERAL COUNSEL'S REPORT

**SENSITIVE**

I. BACKGROUND

As part of this matter, the Commission made reason to believe findings against four individual excessive contributors to Americans for Robertson, including Darrel Anderson. Specifically, on March 23, 1993, the Commission found reason to believe that Darrel Anderson violated 2 U.S.C. § 441a(a)(1)(A), and at the same time approved a proposed conciliation agreement with Mr. Anderson providing for a civil penalty. Attached is a conciliation agreement which has been signed by Darrel Anderson (Attachment 1). This Office recommends that the Commission accept this agreement and close the file with respect to Darrel Anderson.

II. ANALYSIS

The Commission found reason to believe Mr. Anderson violated 2 U.S.C. § 441a(a)(1)(A) by making three contributions from a joint checking account with his wife totaling \$4,000. It has now been determined by the Audit Division that \$500 was a Committee input error and that his contributions totaled \$3,500.

In his response (Attachment 3), Mr. Anderson acknowledges he was mistaken that a donation made from a joint checking account would be equally attributed to himself and his wife even if he was

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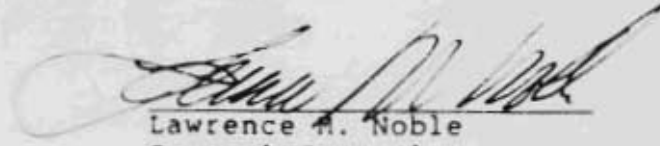
the only signatory on the check. In mitigation, Mr. Anderson explains that they were counseled by Americans for Robertson, Inc. that they were allowed to make contributions as husband and wife up to \$2,000 per campaign with each spouse credited up to half the amount on the check. He says he was not advised as to the requirement for both signatures. See 11 C.F.R. § 110.1(k)(2). He also admits that the second check originally intended for the general election was illegal given the fact that Marion G. "Pat" Robertson was not a candidate in the general election.

Mr. Anderson has submitted a statement explaining his misunderstanding and declares that he is now informed as to the law regarding individual contributions to election campaigns. In light of the smaller excessive (\$2,500 rather than \$3,000), and the above reasons, this Office recommends that the Commission approve the attached signed agreement with Darrel Anderson and close the file with respect to him.

### III. RECOMMENDATIONS

1. Accept the attached conciliation agreement with Darrel Anderson and close the file with respect to him.
2. Approve the appropriate letter.

8/19/93  
Date

  
Lawrence M. Noble  
General Counsel

#### Attachments

1. Signed Conciliation Agreement
2. Copy of Check
3. Darrel Anderson's response.

Staff assigned: Lorraine Raushenbush

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
Darrel Anderson.

)  
)  
) MUR 3485

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 25, 1993, the Commission decided by a vote of 6-0 to take the following actions in MUR 3485:

1. Accept the conciliation agreement with Darrel Anderson and close the file with respect to him, as recommended in the General Counsel's Report dated August 19, 1993.
2. Approve the appropriate letter, as recommended in the General Counsel's Report dated August 19, 1993.

Commissioners Aikens, Elliott, McDonald, McGarry, Potter, and Thomas voted affirmatively for the decision.

Attest:

8-25-93  
Date

Delores Hardy  
for Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Fri., August 20, 1993 9:26 a.m.  
Circulated to the Commission: Fri., August 20, 1993 12:00 p.m.  
Deadline for vote: Wed., August 25, 1993 4:00 p.m.

bjr

96043754275



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

August 27, 1993

David Magilavy, Esq.  
881 Dover Drive, Suite 33  
Newport Beach, California 92663-5932

RE: MUR 3485  
Darrel Anderson

Dear Mr. Magilavy:

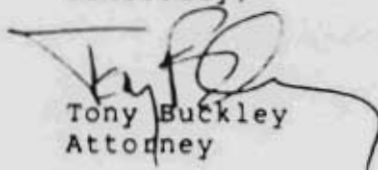
On August 25, 1993, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to Mr. Anderson.

This matter will become public within 30 days after it has been closed with respect to all other respondents involved. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

You are advised that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply with respect to all respondents still involved in this matter. The Commission will notify you when the entire file has been closed.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

Enclosure  
Conciliation Agreement

9604375426

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
Darrel D. Anderson

)  
)  
) MUR 3485

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Darrel D. Anderson ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A).

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Darrel D. Anderson was a contributor to the 1988 Presidential campaign of Marion G. "Pat" Robertson.
2. According to 2 U.S.C. § 441a(a)(1)(A), no person shall

96043 / 54277

make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

3. Darrel D. Anderson made contributions totaling \$3,500 to Americans for Robertson, Inc., the Presidential nominating committee for Marion G. "Pat" Robertson.

V. Respondent made \$2,500 in excessive contributions to a candidate for federal office, in violation of 2 U.S.C. § 441a(a)(1)(A).

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of One Thousand Dollars (\$1,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the

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requirement contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

**FOR THE COMMISSION:**

Lawrence M. Noble  
General Counsel

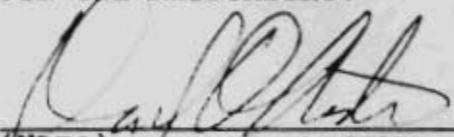
BY:

  
Lois G. Lerner  
Associate General Counsel

Date

8/27/93

**FOR THE RESPONDENT:**

  
(Name) DARREL D. ANDERSON  
(Position)

Date

7-27-93

9604754279

OAC 9787

SPOLETO CONSTRUCTION & SUPPLY COMPANY, INC.  
2070 Northbrook Blvd. Suite A-15  
N. Charleston, S.C. 29406

August 24, 1993

Ms. Helen J. Kim  
Office of General Council  
Federal Election Committee  
999 E. St., N.W.  
Washington, D.C. 20463

Re: MUR 3485

Dear Ms. Kim:

In compliance with your request that we forward via Federal Express the enclosures are hereby transmitted this date.

Upon your advice that all conversations with you be directed thru our legal council, please be advised as follows:

By copy of this letter I am advising Vann D. Hipp that I am discharging him from employment as legal council for Spoleto Construction & Supply Company, Inc. effective immediately.

Please correspond directly with me as President of Spoleto Construction & Supply Company, Inc.

Sincerely,



Andrew J. Combs  
President

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SEP 25 11 10 AM '93

SEP 25 11 40 AM '93



96043/54241

Re: MUR 3485

Please accept my apology for any delay that I might have caused concerning your investigation of the circumstances in regard to the above referenced matter. The recent extended absence from my office occurred due to the injuries I sustained in a serious auto accident in Homestead, Florida, subsequently I was transported by ambulance to the local general hospital and then driven by private auto to my home in Charleston. I have been under daily care of three (3) physicians and recovering slowly.

Your undated letters to Hipp & Borsich indicate that you are requesting verification of every fact previously provided by my office. Should you wish to verify my statements outlined in paragraph one (1) above I will furnish you the names and addresses of the following: Greater Miami EMS; Miami Police Recovery Division; Miami Fire Department; Three physicians providing therapy and/or services.

I will be 69 years old this December 24th and have served as President of Spoleto Construction & Supply Company, Inc. since it's inception. I graduated from High School at New Mexico Military Institute and subsequently served in the US Army in Europe in WWII. after the war I attended the University of New Mexico (majoring in Business Administration) started a construction business. joined the National Guard and worked 16 hours a day. I was recalled to active duty for service during the Korean Conflict. during my years of service I held every enlisted rank from Private thru Master Sergeant and was promoted to Warrant Officer and awarded a direct commission while serving in Korea.

Verification of the above facts can probably be obtained thru the above indicated schools and from the Army Archives Records Division.

For over 40 years I have served as President or General Partner of several Business ventures including Spoleto Construction & Supply Company, Inc.



9604375422

Roberta Combs is my wife and was SC State Director of Americans for Robertson during the last few weeks of the primary campaign for President in 1988. Roberta had and still has my complete authority to make decisions and to implement actions in my behalf.

This great country of ours fought and won WWII without copy machines and computers. The typewriter and carbon paper, which provided an original and four legible copies, was sufficient. I am of the mind set of the 40's so far as documentation action within my closely held companies and corporations.

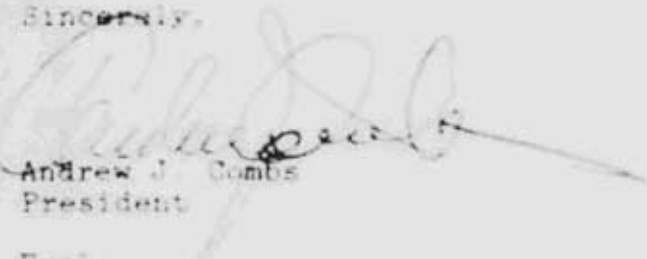
I have developed hundreds of acres of real estate, built thousands of houses and buildings, rented, leased, contracted and traded, extended credit and borrowed millions of dollars. Many deals have been agreed to and finalized with a hand shake of understanding and necessary documentation prepared, probated and filed after the fact.

In September 1988, Hurricane Hugo made a direct hit on our subdivision and office in Hanahan, S.C. Many records were destroyed by wind and/or water. Possibly the records you are requiring were among those lost. We moved our office and remaining records to our present location and are preparing to move again within the next 60 days. If we find those items you are looking for we will furnish you copies.

To the best of my knowledge and belief the hand written notes were prepared by our bookkeeper at that time. There is no normal charge for leasing office space; this could possibly lead to price fixing in our industry. I usually charge whatever the traffic will bear, but in this instance made an especially good deal for the Pat Robertson Outfit.

I am planning on being in your fair city on Thursday September 8th, to attend the Road to Victory Rally and would welcome the opportunity to meet with you, at your office, to discuss any items of alleged impropriety that have come to your attention during this investigation. Please advise me as to your availability on September 8th or 10th.

Sincerely,



Andrew J. Combs  
President

Encl.

C: Hipp & Bersich  
2133 Ashley Phosphate Road  
N. Charleston, S.C. 29405

OFFICE OF THE SECRETARY OF STATE



JIM MILES  
SECRETARY OF STATE

P.O. BOX 11350  
COLUMBIA  
29211

September 29, 1992

To Whom It May Concern:

I have had the privilege of knowing Andy Combs for a number of years. Andy is an outstanding individual. He is an excellent business man, well respected by his community, and a good family man.

I am very impressed with Andy's dedication to government. Mr. Combs has contributed his time, talent and financial support for better government in South Carolina. He has served on Boards and Commissions on a local and state level. His expertise in business and the political process makes him a qualified leader in all of his endeavors.

If you need additional information, please do not hesitate to let me know.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jim Miles", written over a printed name and title.

Jim Miles  
Secretary of State

JM:kg

96043754233



# State of South Carolina

## Office of the Governor

CARROLL A. CAMPBELL, JR.  
GOVERNOR

POST OFFICE BOX 11388  
COLUMBIA 29211

October 22, 1992

### TO WHOM IT MAY CONCERN:

This is to advise that I have known Andrew J. Combs for quite a number of years. He is a person of the highest character and reputation and enjoys the respect and friendship of those with whom he comes in contact. He has proven himself to be a tireless worker with great skill and enthusiasm.

Andy's experience in the real estate and construction business spans more than forty years, consisting of the development of several major residential subdivisions in South Carolina as well as several shopping centers, office buildings, a nursing home and a golf course.

I will be glad to provide any additional information that may be needed on behalf of Andy Combs.

Sincerely,

A handwritten signature in cursive script, reading "Carroll A. Campbell, Jr.".

Carroll A. Campbell, Jr.  
Governor

CACJr:fah

96043754204

ARTHUR RAVENEL, JR.  
1ST DISTRICT SOUTH CAROLINA

COMMITTEE ON  
ARMED SERVICES

SUBCOMMITTEES  
MILITARY INSTALLATIONS  
AND FACILITIES

MILITARY PERSONNEL  
AND COMPENSATION

COMMITTEE ON  
MERCHANT MARINE  
AND FISHERIES

SUBCOMMITTEES  
MERCHANT MARINE  
FISHERIES AND WILDLIFE  
AND THE ENVIRONMENT

Congress of the United States  
House of Representatives  
Washington, DC 20515-4001

WASHINGTON OFFICE

Room 508  
Cannon Building  
202-225-3178

DISTRICT OFFICES  
840 FEDERAL BUILDING  
CHARLESTON, SC 29403  
803-727-4175

283 HAMPTON STREET  
WALTERBORO, SC 29488  
803-648-5385

P.O. Box 1538  
BEAUFORT, SC 29902  
803-824-2166

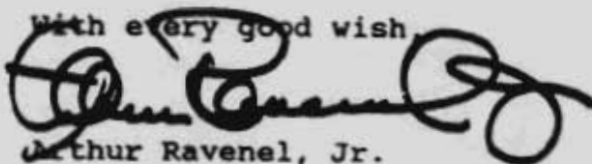
P.O. Box 550  
ESTILL, SC 29918  
803-826-3177

September 30, 1992

To Whom It May Concern:

Please be informed that I have known Andrew J. Combs as a developer, homebuilder and realtor for approximately thirty-five years. During that extensive period, we were friendly competitors in the aforementioned endeavors. I have always found him to be honest, forthright and highly professional. The quality of his subdivisions and homes has always been definitely above average. It is a pleasure to write this short statement of fact for Andrew J. Combs.

With every good wish,



Arthur Ravenel, Jr.

ARJr/kg



STATE OF SOUTH CAROLINA

Office of Comptroller General  
Columbia 29211

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

July 13, 1989

POST OFFICE BOX 11228  
COLUMBIA, S.C. 29211  
TELEPHONE: 734-2121

Mr. Andy Combs  
1341 Roma Road  
Charleston, South Carolina 29406

Dear Andy:

Congratulations on being appointed to the JEDA Board. This is a great honor and it is a leadership position which your accomplishments richly justify.

Our state will be well served by your foresight and experience and you have my personal best wishes as you continue to guide the JEDA Board along sound and progressive paths.

Sincerely,

EARLE E. MORRIS, JR.

EEMJR:nop

9604375426



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

AUGUST 26, 1993

Marlene Elwell  
25270 Ridgewood  
Farmington Hills, MI 48336

RE: MUR 3485  
Marlene Elwell

Dear Ms. Elwell:

The Commission's Subpoena and Order of April 12, 1993 requires inter alia that you produce all bank documents, available to you, pertaining to the transactions between you and Americans for Robertson, Inc. ("AFR").

Confirming our phone conversation of August 26, 1993, the Commission understands that you will request Comerica Bank, which you identified as the successor to Manufacturers National Bank of Detroit, to provide you with your records to bank account [REDACTED] or any other bank account that documents transactions between you and AFR. The relevant time period is primarily 1987 and 1988, but also extends to the time when AFR made the final reimbursement payment to you. Please submit this documentation to the Commission within thirty days of your receipt of this letter.

As discussed also on August 26, 1993, please submit, under oath, your answers to the Commission's interrogatories. Please refer to the first page of the Commission's Subpoena and Order for the requirement that your answers be under oath.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

*Holly J. Baker*  
Holly J. Baker  
Attorney

96043754287



#9823

**PINSON & BUSSEY<sub>INC.</sub>**

ATTORNEYS

Two Houston Center, 909 Fannin, Suite 1650, Houston, Texas 77010, FAX: (713) 759-9106  
Telephone: (713) 759-1650

August 27, 1993

Mr. Tony Buckley  
Staff Attorney  
Federal Election Commission  
Washington, D.C. 20463

Re: MUR 3485

Dear Mr. Buckley:

I apologize again for the long delay in getting this to you. I enclose the responses of James D. Higgins in his capacity as President of J.D.H. Enterprises, Inc. to the interrogatories and request for documents.

In addition to the foregoing, you have inquired as to the \$20,000 contribution made in 1986. Mr. Higgins informs me that he was mistaken and he did not make a contribution of \$20,000 to Americans for Robertson ("AFR") in 1986. Therefore he cannot produce a check for \$20,000 to AFR. Due to the passage of time, Mr. Higgins does not have documents concerning his dealings with Computer Futures, Ltd. and the acquisition of the list other than the checks which I have sent you. It is our understanding, as we have answered in interrogatories, that two payments of \$13,000 and \$27,000 were necessary to update the list and that M & M and Associates did the updating. However, Mr. Higgins' dealings were with Marc Nuttle in this regard.

After Mr. Higgins acquired the list, he granted to Eli Corp. the right to use the list as stated in the interrogatories. Once again, Mr. Higgins dealt with Mr. Nuttle.

You forwarded to me an unsigned agreement which, in paragraph 2.8, places the cost of the list at \$100,000. Mr. Higgins never signed this agreement and says that he has not seen this agreement.

If you have any further questions, please advise.



Mr. Tony Buckley  
August 27, 1993  
Page 2

Very truly yours,

  
Theo W. Pinson

TWP:mkm  
Enclosure

75429

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

ANSWERS TO INTERROGATORIES AND  
RESPONSE TO PRODUCTION OF DOCUMENTS  
JAMES D. HIGGINS AS PRESIDENT  
OF J.D.H. ENTERPRISES, INC.

Answers to Interrogatories

1. Identify all persons who in any way dealt with AFR on behalf of you regarding your rental or purchase of any mailing list.

ANSWER:

Objection. The question assumes that JDH Enterprises purchased a list from AFR. Subject to such objection, I would state that I dealt with Marc Nuttle.

2. Identify all other persons who did not deal directly with AFR, but who otherwise were in any way involved on behalf of you regarding your rental or purchase of any mailing list from AFR.

ANSWER:

JDH Enterprises did not necessarily purchase a list from AFR, but I dealt with Marc Nuttle.

3. Identify all persons who in any way dealt with you on behalf of AFR regarding your rental or purchase of any mailing list.

ANSWER:

The question assumes AFR owned the list. I don't know if AFR owned the list prior to its purchase. JDH Enterprises acquired the list from either AFR or from Computer Futures Ltd. In any event, I dealt with Marc Nuttle.

4. Describe each mailing list purchased or rented by you from AFR. Include in your description the number of names and addresses on each list, the source(s) of the names and addresses on each list, the cost of each list, and the costs

incurred by you with respect to the use or upkeep of each list.

ANSWER:

The question assumes AFR owned the list. I don't know if AFR owned the list prior to its purchase. JDH Enterprises acquired the list from either AFR or from Computer Futures Ltd. It cost \$240,000, including cleanup cost, but Marc Nuttle guaranteed the total cost would not be greater than \$200,000, so he remitted \$40,000 back to JDH Enterprises. I believe \$40,000 was sent to Mr. Nuttle and spent by him for the list upkeep. I believe the entity which updated the list is: M & M and Associates, 702 Colorado, Austin, Texas 78701, (512) 480-8961. The list had 3,000,000 names before culling. JDH Enterprises no longer has the list.

5. If any agreement between you and AFR required a payment by AFR to you to regain ownership rights in any mailing list, state whether any such payment was made, the date on which any such payment was made, and the amount of any such payment.

ANSWER:

There was no such agreement.

6. State whether mailings were ever made to any list described in response to question 4.

ANSWER:

Eli Corp. in Washington, D.C. acquired the use of the list from me. I never made a mailing, but believe Marc Nuttle has the address of Eli Corp. and I believe Eli Corp. made such mailings. I had an agreement with Eli Corp. whereby we would share in the rental revenues and JDH Enterprises was paid \$200,000 pursuant to that agreement. My dealings were with Marc Nuttle in this regard.

#### **Response to Request for Production of Documents**

1. Produce all documents which relate in any way to the rental or purchase by you of any mailing list from AFR, including, but not limited to, correspondence, notes, memoranda, cancelled checks, and bank account records.

RESPONSE:

Already produced.

2. Produce all documents which relate to the use of any mailing list identified in response to question 4, including, but not limited to, correspondence, notes, memoranda, as well as a copy of the letter used in each mailing.

RESPONSE:

Do not have.

VERIFICATION

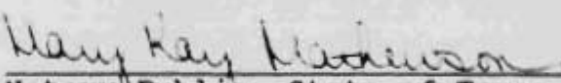
THE STATE OF TEXAS §  
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared JAMES D. HIGGINS, who being by me duly sworn upon his oath deposed and said that he is the former President of J.D.H. Enterprises, Inc., that he has read the foregoing, and that on information and belief the statements contained therein are true and correct.

  
JAMES D. HIGGINS

SWORN TO AND SUBSCRIBED before me by JAMES D. HIGGINS on August 21, 1993.



  
Notary Public, State of Texas



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

AUGUST 31, 1993

Jack E. Ferreebee, Esq.  
1060 Laskin Road  
Suite 11B  
Virginia Beach, VA 23451

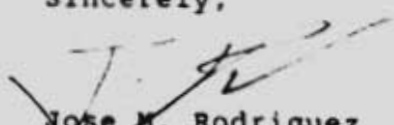
RE: MUR 3485  
Kevin B. Steacy

Dear Mr. Ferreebee:

This serves to memorialize our conversation of August 30, 1993, wherein I informed you that on August 26, 1993, this Office inadvertently contacted your client. As explained in the conversation, due to the absence of a "Designation of Counsel Form" in Mr. Steacy's file, this Office was under the impression that Mr. Steacy had not retained counsel in this matter. To avoid any other similar incidents in the future, please have your client complete and return the enclosed designation of counsel form.

Also as discussed, the computer disc produced by your client in response to the Commission's Subpoena appears to be blank. Please produce a corrected copy of the disc. Should you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Jose M. Rodriguez  
Attorney

Enclosure

9604375423

RECEIVED  
F.E.C.  
SECRETARIAT

93SEP-7 PM 3:23

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
William LeBaron

)  
)  
)  
)

MUR 3485


**SENSITIVE**

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter as to William LeBaron, based on the assessment of the information presently available.

Date

9/2/93

  
Lawrence M. Noble  
General Counsel

9604375424



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

RECEIVED  
F.E.C.  
SECRET  
93 SEP -7 PM 3:23

September 7, 1993

Mr. William LeBaron  
7982 Pass Road  
Sutter, California 95982

**SENSITIVE**

RE: MUR 3485  
William LeBaron

Dear Mr. LeBaron:

Based on a complaint filed with the Federal Election Commission on March 12, 1992, the Commission, on March 23, 1993, found that there was reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that a violation has occurred.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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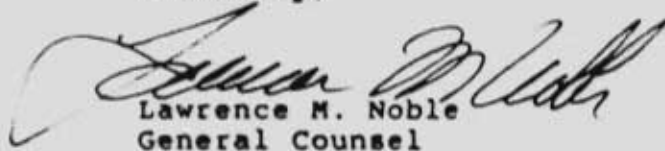


William LeBaron  
Page 2

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Jonathan Bernstein, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

  
Lawrence M. Noble  
General Counsel

Enclosure  
Brief

96043754226

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
William LeBaron

)  
) MUR 3485  
)  
)

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

On March 23, 1993, the Commission found reason to believe that William J. LeBaron had made five contributions totaling \$5,652.80 to Americans for Robertson, Inc. in violation of 2 U.S.C. § 441a(a)(1)(A). In response to the Commission's reason to believe finding, Mr. LeBaron sent this Office copies of his bank statements from 12/15/87 - 1/15/89, and copies of returned checks made out to Americans For Robertson.

II. ANALYSIS

Based on new evidence provided by the Commission's Audit Division as well as the bank records provided by Mr. LeBaron, it appears that Mr. LeBaron did not make a contribution in excess of the Act's limitation. Listed below are the five contributions originally attributed to Mr. LeBaron from computer records of Americans for Robertson, the last of which is at issue here.

<u>Entry Date</u>	<u>Batch Number</u>	<u>Contributed Amount</u>
10/09/86	8610391	200.00
3/12/87	87030	19.88
11/23/87	8711472	50.00
12/18/87	8712425	150.00
05/06/88	880558	5,232.92

The Audit Division has traced the origin of the \$5,232.92 entry in the Committee's computer record. The Commission's documentation contains only a \$50 check from Mr. LeBaron on the May 6 date of the \$5,232.92 entry; William LeBaron's bank statements for the time period evidence this \$50 contribution but no transaction even comparable in amount to the \$5,232.92 entry. The Audit Division has concluded that this latter amount was a key error by the Committee and so it now appears that Mr. LeBaron's contributions to Americans for Robertson were within the Act's contribution limitations.

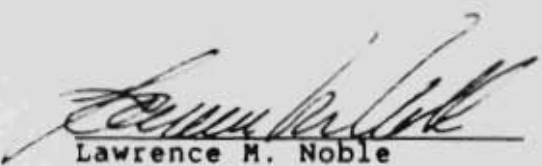
Therefore, this Office recommends that the Commission find no probable cause to believe with regards to the allegations against Mr. LeBaron.

III. GENERAL COUNSEL'S RECOMMENDATION

Find no probable cause to believe that William LeBaron violated 2 U.S.C. § 441a(a)(1)(A).

96043754298  
Date

7/7/93

  
Lawrence M. Noble  
General Counsel

Enclosures  
cc: Mike Clifford

UNITED STATES OF AMERICA  
BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF VICTORY COMMUNICATIONS,  
INC. AND MICHAEL CLIFFORD, PRESIDENT, ET AL.

MUR 3485

AFFIDAVIT OF KEITH JESPERSEN

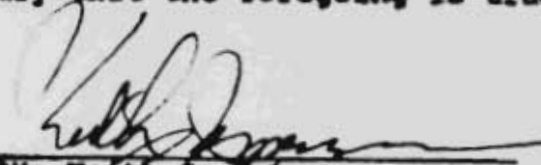
1. This statement is made in support of the Response of Victory Communications, Inc. ("VCI") and Michael K. Clifford filed with the Commission on August 6, 1993.
2. I am the President of the Russ Reid Company (the "Company"), and I have held this position since January, 1988.
3. I am familiar with the allegations made by the Commission against VCI and Michael K. Clifford in the above referenced action, particularly those allegations which contend that VCI did not operate in the ordinary course of business by extending credit to the Americans for Robertson Committee for specific fundraising events.
4. The Company is a full-service advertising agency that typically raises funds for various clients using direct response methods. Direct response methods include television and radio solicitations, direct-mail fundraising and special events.
5. The Company has represented organizations such as St. Jude's Hospital, World Vision and Mothers Against Drunk Drivers.
6. For certain fundraising events, the Company has followed the practice of advancing costs associated with the appeal. These costs are advanced either directly by the company, or

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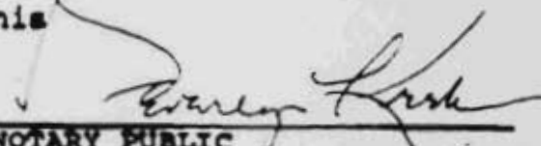
indirectly through the extension of credit given to the Company by vendors with whom the Company has a business relationship.

7. The extension of credit to a given client is generally contingent on the establishment of a caging facility. A caging company functions similarly to an escrow agent in that the caging company receives the funds and then, pursuant to a written agreement/instruction, disburses the funds received to the Company and/or participating vendors until the Company's costs and profits, as well as the participating vendor's costs are realized. Our willingness to extend credit is contingent on the caging company being instructed to pay for all costs prior to disbursing remaining balances to the beneficiary of the fund-raising effort.

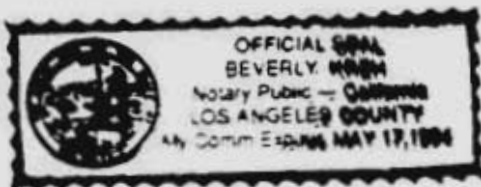
I declare under the penalty of perjury that the foregoing is true and correct.

  
BY: Keith Jespersen

Subscribed and sworn to before me this  
13 day of Sept, 1993.

  
NOTARY PUBLIC

My Commission expires: 5/17/94



96043754301

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RECEIVED  
FEDERAL ELECTION COMMISSION

93 OCT 12 AM 10:41

**JACK E. FERREBEE**  
Attorney At Law  
Sandpiper Key, Suite 11B  
1060 Laskin Road  
Virginia Beach, Virginia 23451-6365

FACSIMILE  
(804)425-2217  
September 14, 1993

TELEPHONE  
(804)425-2234

Jose M. Rodriguez, Esq.  
Federal Election Commission  
Washington, D.C. 10463

RE: MUR 3485  
Kevin B. Steacy

Dear Mr. Rodriguez:

Enclosed please find two additional computer disc which will replace the original disc sent by Mr. Steacy in response to your subpoena request. Mr. Steacy states that if you are unable to retrieve documents from these discs that he is certain that the material is corrupt due to the passing of time. You are aware that he ran a compression program when copying this material?

Additionally, I have enclosed the signed statement of designation of counsel by Mr. Steacy.

Very truly yours,

*Jack E. Ferree*  
Jack E. Ferree

JEF:bf  
Enclosures



STATEMENT OF DESIGNATION OF COUNSEL

MUR \_\_\_\_\_

NAME OF COUNSEL: \_\_\_\_\_

ADDRESS: \_\_\_\_\_  
Jack E. Fennell, Esq.  
Sandpiper Key, Suite 11B  
1060 Laskin Road  
Virginia Beach Virginia 23451-6365

TELEPHONE: 804 425-2234 Fax 425-2217

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.

9/14/93  
Date

  
Signature

RESPONDENT'S NAME: Kevin B. Steacy

ADDRESS: 319 Faire Chase  
Chesapeake, VA 23320

HOME PHONE: 436-3475 wk 428-1092

BUSINESS PHONE: \_\_\_\_\_

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FEDERAL ELECTION COMMISSION  
93 OCT 12 AM 10:41

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OGC 9944

**ROBERT ALAN DAHL, ESQ.**

**1156 Fifteenth Street, N.W., Suite 550  
Washington, D.C. 20005**

**Tel 202/466-8051  
Fax 202/828-5625**

September 16, 1993

Tony Buckley  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

RE: MUR 3485

Dear Mr. Buckley:

The Federal Election Commission has obtained a significant amount of documents and other information relating to MUR 3485 from a variety of sources, including Americans for Robertson (AFR), over a period of several years. As this matter proceeds, it is important we work from the same copies or versions of materials, some of whose content may vary, including relevant documents that are assumed to have been in AFR's possession.

Since I have been retained as counsel to AFR only as of May, I ask for your assistance to insure I have accurate copies of all documents relied upon in the Factual and Legal Analyses in MUR 3485 to support the Commission's findings. Therefore, I attach a list of documents and other information sources identified in the Commission's Analyses, and request that you provide me copies of these materials at your earliest convenience.

Also, upon my inquiry, Jose Rodriguez has confirmed your office possesses copies of the following candidate schedules, apparently obtained from AFR files during the Commission's audit process: December 8-11, 13-14, and 18-19, 1987; January 4-9, 11-13, 14-16, and 17-22, 1988; none in February, 1988; and March 10-15, 1988. He also indicated you have an AFR "master calendar" of lesser detail that covers this time period through September, 1988. As you know, this information is contrary to a statement in the Commission's Factual and Legal Analysis regarding AFR aircraft usage, at footnote 3, page 4, about the availability of candidate itineraries.

Upon this clarification, a further search of AFR files has yielded AFR candidate schedules for the following time periods,

96043/54304

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copies of which are enclosed: December 1-5, 1987; January 2-9 and 23-31, 1988; February 1-3, 4, 5-7, 9-12, 17-19, 19-20, 21-23, 24, 25, 26-27, and 27-29, 1988; and March 1, 5, and 6-7, 1988. It is unclear why copies of these documents were not acquired by Commission staff during earlier reviews of AFR materials. The addition of these schedules to those already in your office's possession, however, should satisfy your request for candidate itineraries related to AFR aircraft travel.

Thank you and Mr. Rodriguez for your help in clarifying the candidate itinerary question. Your cooperation regarding my request for documents will also be greatly appreciated.

Sincerely,

*Robert Alan Dahl*

Robert Alan Dahl

Enclosures

Document list

Candidate schedules

96043754305

THE ATTACHMENTS SUBMITTED WITH THIS RESPONSE  
HAVE BEEN REMOVED FROM THE PERMANENT FILE

9 6 0 4 3 7 5 4 3 0 6

0085

LAW OFFICES  
VANDEVENTER, BLACK, MEREDITH & MARTIN

500 WORLD TRADE CENTER  
NORFOLK, VIRGINIA 23510-1699  
(804) 446-8600  
FACSIMILE (804) 446-8670

NORTH CAROLINA OFFICE  
SOUTHERN SHORES LAW BLDG.  
6 JUNIPER TRAIL, P.O. BOX 1042  
KITTY HAWK, N.C. 27949  
(919) 861-5085

DEAN T. BUCKNER  
MICHAEL L. STERLING  
BRYANT C. MCGANN  
WILLIAM M. DOWLEN  
PATRICK A. OSWELL  
JANE D. TUCKER  
ROBERT V. TINKER, JR.  
KIMBERLEY R. TINKER  
HOWARD W. ROTH, III  
DEBORAH M. CASEY  
WILLIAM V. POWERS  
THOMAS F. RICHMOND  
NEIL S. LOWENSTEIN  
VALERIE J. BROOKS  
THOMAS J. DUFF  
EDWARD J. POWERS  
H. GREGORY MCNEER  
PRICE M. SHAPIRO

BRADEN VANDEVENTER  
OF COUNSEL

\*ADMITTED IN N.C. ONLY

WALTER B. MARTIN, JR.  
CHARLES F. TUCKER  
JOSEPH A. GAWYTS  
MONTY H. CLARK  
JOHN M. RYAN  
G. WILLIAM DIERCKHOF  
JAMES S. MATHEWS  
GEOFFREY F. DIERCKHOF  
NORMAN W. SEBRAN, JR.  
ANITA O. PONTON  
ROBERT L. O'DONNELL  
CARTER T. GUNN  
DANIEL R. WICKSTEIN  
MARK T. CONNELLY  
F. NASH DELBOLY  
MICHAEL P. COTTER  
HENRY P. DOUFFARD  
R. JOHN BARNETT  
PATRICK W. HERMAN  
WILLIAM E. FRANTZ  
THOMAS M. LUCAS  
GORDON P. ROBERTSON

September 30, 1993

Lorenzo Holloway, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463


Re: Americans for Robertson

Dear Mr. Holloway:

To confirm our telephone conversation of this morning, please be advised that I am still counsel of record for Americans for Robertson in relation to the final credit. Robert Dahl is counsel for the committee in relation to MUR 3485.

Very truly yours,

VANDEVENTER, BLACK, MEREDITH & MARTIN

  
Gordon P. Robertson

GPR/tcj

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06C#0088

DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20004-6605  
TELEPHONE 202 642-1000 FACSIMILE 202 642-1093

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OCT-7 PM 4:50

MYLES V. LYNK  
202 862-1047

October 7, 1993

Holly Baker, Esq.  
Office of General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485

Dear Ms. Baker:

Please find enclosed copies of two letters sent to the Federal Election Commission on December 2, 1986, by Dr. M.G. "Pat" Robertson and his attorney, disavowing the activities of the Pat Robertson for President Draft Committee and declaring that Dr. Robertson was not a candidate for federal office.

Specifically, Dr. Robertson states in his letter, "I am not a candidate for federal office and I have not so authorized the solicitation of contributions or the making of expenditures on my behalf." (Emphasis added.) His attorney, Marion E. Harrison, Esq., states in his letter, "Dr. Robertson hereby disavows the activity of the said Pat Robertson for President Draft Committee and states that he is not a candidate for federal office . . . ." (Emphasis added.)

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

Enclosures

RECEIVED AT THE FEC



DEC 4 1986

Pat Robertson  
President

December 2, 1986

Mr. Peter Kell, Jr.  
Chief, Authorized Branch  
Reports Analysis Division  
Federal Election Commission  
999 Constitution, N.W.  
Washington, D.C. 20463

Re: Pat Robertson For President Draft Committee  
Letter of Disavowal

Dear Mr. Kell:

This letter responds to your letter of November 10, 1986 in which you advise that I have thirty days from receipt of your letter (on November 12, 1986), if I choose to do so, to disavow the activities of an entity called the Pat Robertson For President Draft Committee, more fully identified in my attorney's letter to you of December 2, 1986; to state that I am not a candidate for federal office; and to state that I have not authorized the solicitation of contributions, nor the making of expenditures, on my behalf by the Pat Robertson For President Draft Committee.

I am not a candidate for federal office and I have not so authorized the solicitation of contributions or the making of expenditures on my behalf. In other words, I disavow the activity of the Pat Robertson For President Draft Committee.

Sincerely,

Pat Robertson  
President

PR:bj

8 69763044 9 5 3 3 3 0 9



1400 CONVEY  
MARION EDWYN HARRISON  
1800 POTOMAC STREET, N.W.  
THIRD FLOOR  
WASHINGTON, D.C. 20007  
(202) 696-6300  
CABLE MENLAW  
TELEX 89402  
FACSIMILE (202) 338-0003

RECEIVED: DEC 2 1986

DEC 3 4:01

December 2, 1986

Mr. Peter Kell, Jr.  
Chief, Authorized Branch  
Political Analysis Division  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: Pat Robertson for President Draft Committee  
Letter of Disavowal

Dear Mr. Kell:

Confirming our conversation of November 20, 1986, we advise you that we represent Dr. M. G. (Pat) Robertson, to whom you address your letter of November 10, 1986.

Your letter, following the usual form, cites 11 CFR §100.3 (a) and enumerates the criteria pertaining to the establishing of a candidacy applicable to the activities of an entity identified as Pat Robertson for President Draft Committee.

According to its report (July 11--September 30, 1986) filed with the Federal Election Commission, the Pat Robertson for President Draft Committee more fully is identified as an entity operating from Box 441B, Carlisle Drive, Herndon, Virginia 22070 and Box 17571, Washington, D.C. 20041; FEC #C00208827; Mr. J. L. Gill, Treasurer.

Dr. Robertson hereby disavows the activity of the said Pat Robertson for President Draft Committee and states that he is

96043124310

855151548

A separate letter from Dr. Robertson follows.

Chaitbanc

cc: Dr. M. G. (Pat) Robertson



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

OCTOBER 19, 1993

Theo W. Pinson, Esq.  
Pinson & Bussey, P.C.  
Two Houston Center  
909 Fannin, Suite 1650  
Houston, TX 77010

RE: MUR 3485  
James D. Higgins  
JDH Enterprises, Inc.

Dear Mr. Pinson:

This is to follow up on our conversation of Monday, October 18, 1993, regarding additional information the Federal Election Commission requires from your client, James D. Higgins, to proceed with our investigation into the above-captioned matter. Again, I appreciate your, and your client's, cooperation.

As I explained to you, as a result of Mr. Higgins' most recent response, several more questions have arisen. First, we would appreciate a clarification from Mr. Higgins as to the scope of JDH Enterprises' ownership interest in the mailing list received through his dealings with Marc Nuttle. Second, with respect to the transfer of the list to, and the use of the list by, Eli Corp., we would appreciate knowing when this transfer took place, how many times Eli Corp. used the list, and when JDH Enterprises received payments from Eli Corp. and in what amounts. We would also like to have any information regarding the business operations of Eli Corp., including the identities of its officers, that Mr. Higgins can provide. Also, any documents you can provide which in any way relate to these transactions, including documents obtained from any bank, would be appreciated.

As I further explained to you, we are also seeking information regarding another aspect of our investigation in which Mr. Higgins appears to be involved. Specifically, this Office is aware of two checks made out to Victory Communications International, Inc., each for \$50,000, and each drawn on an account at American National Bank - Post Oak. The first check, number 102, was drawn on Mr. Higgins' personal account and was dated August 12, 1986. The memo line for this check indicated that it was a "loan." The second check, number 1107, was drawn on a JDH Enterprises corporate account and was dated August 27, 1986. With respect to each check, we would appreciate knowing the

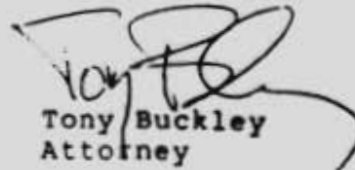
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Theo W. Pinson, ■  
MUR 3485  
Page 2

purpose for the check and the identities of any individuals with whom Mr. Higgins discussed the making of the check. If Mr. Higgins was ever reimbursed for either check, we would appreciate knowing when such reimbursement took place, in what amounts, and by whom. We would also appreciate receiving any documents in any way relating to the issuing of either check.

We would appreciate receiving such information at your earliest possible convenience. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

96043754313

06c 0308

**PINSON & BUSSEY<sub>PC</sub>**  
ATTORNEYS

Two Houston Center, 909 Fannin, Suite 1650, Houston, Texas 77010, FAX (713) 759-9106  
Telephone: (713) 759-1650

October 26, 1993

Mr. Tony Buckley  
Staff Attorney  
Federal Election Commission  
Washington, D.C. 20463

Re: MUR 3485; James D. Higgins

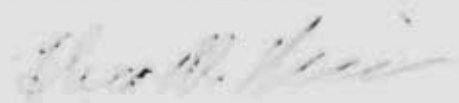
Dear Mr. Buckley:

After our conversation of Monday, October 18, 1993, I made inquiry concerning the acquisition of the Mailing List and my understanding is that Mr. Higgins acquired absolute title to the List and that the acquisition and subsequent leaseback of the List was handled by Marc Nuttle, the attorney in Oklahoma. The consideration was \$200,000, which was paid as follows: (i) \$100,000 in a check paid to Americans for Robertson (AFR), (ii) \$50,000 paid to Marc Nuttle, and (iii) \$50,000 through cancellation of a note owing to Mr. Higgins or J.D.H. Enterprises from Computer Futures. Mr. Higgins does not know the exact mechanics by which the cancellation of the note from Computer Futures acted as a \$50,000 credit towards his payment on the List. You would have to get this information from Marc Nuttle. Mr. Higgins only dealt with Marc Nuttle in connection with the acquisition of the Mailing List and its subsequent rental by the Eli Corporation in December, 1989 and January, 1990. The first rental was for \$200,000 and the second time for \$21,000. Mr. Higgins believes Marc Nuttle to be an owner or officer of Eli Corporation.

With respect to the two checks to Victory Communications International, Mr. Higgins said he made loans to this entity for \$50,000 and both loans were repaid within approximately a week and the purchase was to help alleviate some cash flow problems of Victory Communications International. He dealt with Michael Clifford. The company was then located in Phoenix, Arizona, but is now in Washington, D.C.

If you have any further questions, please advise.

Very truly yours,



Theo W. Pinson

TWP:nkm

93 NOV - 1 PM 4:32

RECEIVED  
FEDERAL ELECTION COMMISSION

754314



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

NOVEMBER 4, 1993

Marlene Elwell  
25270 Ridgewood  
Farmington Hills, MI 48336

RE: MUR 3485  
Marlene Elwell

Dear Ms. Elwell:

Enclosed as you requested is a copy of your response to the Commission's Subpoena and Order of April 12, 1993.

As we have discussed, your statement needs to be made under oath. The easiest way to comply with that requirement is to swear to the truth of the statement under the penalties of perjury and have a notary public sign your document.

Please return your notarized statement immediately to the Commission.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, appearing to read "Holly J. Baker", is written over a horizontal line.

Holly J. Baker  
Attorney

Encl.

9604315



25270 Ridgewood  
Farmington Hills, MI 48336

May 19, 1993

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

Dear Mr. Thomas:

Enclosed please find my response to the interrogatories in your letter of request dated April 12, 1993, MUR 3485.

1. I was the Midwest Political Director of Americans for Robertson. I was responsible for the organization of the states in this region, which included Michigan, Iowa, Minnesota, Illinois, and Ohio. I held this position until June of 1988.

In addition to this position, I was the Americans for Robertson convention chairman at the Republican National Convention held in New Orleans, Louisiana, in August, 1988. Mr. Robertson retained his delegates going into the convention. My role was to organize and deliver the delegates to the nominee, George Bush.

2. I no longer have these records.
3. I am unable to provide this information as the account which would contain these records has been closed.
4. I no longer have these records.
5. They agreed to and did reimburse my expenses which were submitted monthly or bi-monthly as the situation required.
6. My attempts for collection of expenses was the submission of my bills followed by a telephone conversation of confirmation and, on rare occasions late in the campaign, a letter of request. All of my expenses were paid in full.
7. I discussed repayment of expenses with routine office personnel assigned to finances as well as Allen Sutherland and Gordon Robertson. This was done mostly by telephone and on a few occasions in written form. I have no records of dates. The request was from my home in Michigan to the Virginia office and was always to confirm the amount and time of reimbursement.
8. I recall making a small personal monetary contribution to the campaign but have no record of such. Further, at no time did I contribute anything in the way of goods or services.
9. To the best of my recollection I do not recall personally charging expenses on behalf of Americans for Robertson, Inc. on the Master Card account of Kenneth P. and Ione R. Dilley.

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10. I consulted no one nor did anyone assist me in preparation of the answers to these questions.

PRODUCTION OF DOCUMENTS

1. I have no documents listed in this question relating to Americans for Robertson, Inc.
2. I have no records of oral or written communications relating to Americans for Robertson, Inc.

Very truly yours,



Marlene D. Elwell

96043754317

ROBERT ALAN DAHL, Esq.

1156 FIFTEENTH STREET, N.W., SUITE 550  
WASHINGTON, D.C. 20005  
TEL 202/466-8051  
FAX 202/828-5625

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RECEIVED  
FEDERAL ELECTION  
COMMISSION  
ADMINISTRATIVE DIVISION

NOV 15 12 45 PM '93

November 12, 1993

Tony Buckley  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

93 NOV 15 PM 3:16

FEDERAL ELECTION COMMISSION

RE: FEC MUR 3485

Dear Mr. Buckley:

As we have discussed, I am working with the International Foundation for Electoral Systems (IFES) on assisting Russia's Central Election Commission in preparation for their elections on December 12.

Please be advised I will be returning to Moscow tomorrow and not coming back to the U.S. until December 21. If you should need to contact me with respect to MUR 3485, you may reach me at the Marco Polo Presnja Hotel in Moscow (TEL 011-7-095-202-03-81; FAX 011-7-095-230-27-04) or through IFES' office in Washington (202/828-8507).

Sincerely,

*Robert Alan Dahl*

Robert Alan Dahl

CC: Dr. M. G. Robertson

WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

January 25, 1994

JAN WITOLD BARAN  
(202) 429-7330

FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

JAN 26 11 52 AM '94

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

ATTN: Tony Buckley, Esq.

Re: MUR 3485 (Marion G. Robertson)

Dear Mr. Noble:

This is to note for the record our objections to your continued proceedings in the above-captioned matter due to the United States Court of Appeals' decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993). As you have noted in recent FEC filings, the Commission lacked authority to determine for itself the constitutional issues decided in NRA, so raising these matters with the Commission prior to that ruling would have been futile. Also, some of the "remedial" actions, such as purported "ratification," just occurred. However, now that the decision has been handed down and the Commission's initial response to it has been outlined, we wish to be clear that we object to any Commission action inconsistent with the NRA rationale.

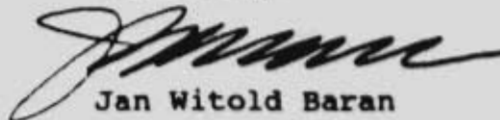
Accordingly, please be advised that we object to all past and future activity in this matter attributable to the actions of the unconstitutional agency. Our objections include, but are not limited to, enforcement of rules not adopted by a constitutional agency, purported "ratification" of rules and actions, without findings or compliance with procedural steps mandated by the Administrative Procedures Act or the Federal Election Campaign Act, as well as "ratification" of actions tainted by deliberations influenced by the presence of non-executive branch personnel. Additionally, we believe that the Commission improperly reconstituted itself in response to the NRA decision and therefore its current proceedings are likewise constitutionally suspect. We expressly do not waive any objections to the present form of the Commission and suggest that continued proceedings in this matter under these circumstances are not substantially justified.

WILEY, REIN & FIELDING

Lawrence M. Noble, Esq.  
January 25, 1994  
Page 2

We are confirming these objections to provide formal notice that the Commission's present make-up and/or its actions based on precedents of the judicially declared unconstitutional Commission may be invalid. While I know that you already are familiar with the issues raised in this letter -- indeed, your staff has focused on little else these past few months -- I am prepared to discuss these matters with you in more detail at your convenience. Also, I would welcome any procedural guidance you may offer on how these issues might most efficiently be pursued.

Sincerely,



Jan Witold Baran

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WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

JAN WITOLD BARAN  
(202) 429-7330

January 25, 1994

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(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

ATTN: Tony Buckley, Esq.

Re: MUR 3485 (Gordon Robertson)

Dear Mr. Noble:

This is to note for the record our objections to your continued proceedings in the above-captioned matter due to the United States Court of Appeals' decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993). As you have noted in recent FEC filings, the Commission lacked authority to determine for itself the constitutional issues decided in NRA, so raising these matters with the Commission prior to that ruling would have been futile. Also, some of the "remedial" actions, such as purported "ratification," just occurred. However, now that the decision has been handed down and the Commission's initial response to it has been outlined, we wish to be clear that we object to any Commission action inconsistent with the NRA rationale.

Accordingly, please be advised that we object to all past and future activity in this matter attributable to the actions of the unconstitutional agency. Our objections include, but are not limited to, enforcement of rules not adopted by a constitutional agency, purported "ratification" of rules and actions, without findings or compliance with procedural steps mandated by the Administrative Procedures Act or the Federal Election Campaign Act, as well as "ratification" of actions tainted by deliberations influenced by the presence of non-executive branch personnel. Additionally, we believe that the Commission improperly reconstituted itself in response to the NRA decision and therefore its current proceedings are likewise constitutionally suspect. We expressly do not waive any objections to the present form of the Commission and suggest that continued proceedings in this matter under these circumstances are not substantially justified.

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WILEY, REIN & FIELDING

Lawrence M. Noble, Esq.  
January 25, 1994  
Page 2

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Sincerely,

  
Jan Witold Baran

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WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

January 25, 1994

JAN WITOLD BARAN  
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(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

ATTN: Tony Buckley, Esq.

Re: MUR 3485 (B. James Reid)

Dear Mr. Noble:

This is to note for the record our objections to your continued proceedings in the above-captioned matter due to the United States Court of Appeals' decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993). As you have noted in recent FEC filings, the Commission lacked authority to determine for itself the constitutional issues decided in NRA, so raising these matters with the Commission prior to that ruling would have been futile. Also, some of the "remedial" actions, such as purported "ratification," just occurred. However, now that the decision has been handed down and the Commission's initial response to it has been outlined, we wish to be clear that we object to any Commission action inconsistent with the NRA rationale.

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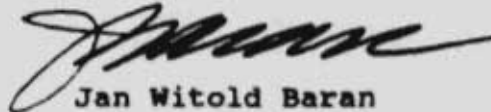


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Lawrence M. Noble, Esq.  
January 25, 1994  
Page 2

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Sincerely,

  
Jan Witold Baran

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WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

January 25, 1994

JAN WITOLD BARAN  
(202) 429-7330

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MAIL ROOM  
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FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

ATTN: Tony Buckley, Esq.

Re: MUR 3485 (Barbara A. Johnson)

Dear Mr. Noble:

This is to note for the record our objections to your continued proceedings in the above-captioned matter due to the United States Court of Appeals' decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993). As you have noted in recent FEC filings, the Commission lacked authority to determine for itself the constitutional issues decided in NRA, so raising these matters with the Commission prior to that ruling would have been futile. Also, some of the "remedial" actions, such as purported "ratification," just occurred. However, now that the decision has been handed down and the Commission's initial response to it has been outlined, we wish to be clear that we object to any Commission action inconsistent with the NRA rationale.

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WILEY, REIN & FIELDING

Lawrence M. Noble, Esq.  
January 25, 1994  
Page 2

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Sincerely,

  
Jan Witold Baran

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January 25, 1994

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Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

ATTN: Tony Buckley, Esq.

Re: MUR 3485 (David T. Jackman)

Dear Mr. Noble:

This is to note for the record our objections to your continued proceedings in the above-captioned matter due to the United States Court of Appeals' decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993). As you have noted in recent FEC filings, the Commission lacked authority to determine for itself the constitutional issues decided in NRA, so raising these matters with the Commission prior to that ruling would have been futile. Also, some of the "remedial" actions, such as purported "ratification," just occurred. However, now that the decision has been handed down and the Commission's initial response to it has been outlined, we wish to be clear that we object to any Commission action inconsistent with the NRA rationale.

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Lawrence M. Noble, Esq.

January 25, 1994

Page 2

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Sincerely,

  
Jan Witold Baran

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1776 K STREET, N. W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

January 25, 1994

JAN WITOLD BARAN  
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TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

ATTN: Tony Buckley, Esq.

Re: MUR 3485 (Christian Broadcasting Network, Inc.,  
CBN Continental Broadcasting Inc. (now KXTX, Inc.),  
and Airplanes, Inc.)

Dear Mr. Noble:

This is to note for the record our objections to your continued proceedings in the above-captioned matter due to the United States Court of Appeals' decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993). As you have noted in recent FEC filings, the Commission lacked authority to determine for itself the constitutional issues decided in NRA, so raising these matters with the Commission prior to that ruling would have been futile. Also, some of the "remedial" actions, such as purported "ratification," just occurred. However, now that the decision has been handed down and the Commission's initial response to it has been outlined, we wish to be clear that we object to any Commission action inconsistent with the NRA rationale.

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WILEY, REIN & FIELDING

Lawrence M. Noble, Esq.  
January 25, 1994  
Page 2

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Sincerely,

  
Jan Witold Baran

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BEFORE THE FEDERAL ELECTION COMMISSION

FILED 2 PM 5:01

In the Matter of )  
 )  
Americans for Robertson, Inc. ) MUR 3485  
and Frederick H. Shafer, )  
as treasurer, et al. )

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On November 27, 1992, this Office submitted a First General Counsel's Report in this matter which contained 46 separate recommendations to find reason to believe that violations had occurred, three separate recommendations to take no further action with respect to certain of the violations, and two separate recommendations to close the file with respect to certain respondents. On January 12, 1993, the Commission found reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, and 56 other respondents, committed certain violations of the Act, the Matching Payment Act and the Commission's regulations. Among its findings, the Commission found reason to believe that Arthur Albrecht, Darrel Anderson, Christine Lammers, Eleanor Cheney, Duveem Elam, Peggy Enterline, Denise Harvey, William LeBaron, Richard Macgurn, David Melilli, George Wood and Rosie Wyatt each violated 2 U.S.C.

§ 441a(a)(1)(A). The Commission also found reason to believe that EIMSKIP U.S.A. Iceland Steamship Co. violated 2 U.S.C. § 441b(a), and that Jon B. Steffansson and EIMSKIP Iceland Steamship Co. each violated 2 U.S.C. § 441e. At that time, the Commission determined to take no further action against Eleanor Cheney, Duveem Elam, Peggy Enterline, Denise Harvey, Richard Macgurn, David Melilli,

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George Wood, Rosie Wyatt, EIMSKIP U.S.A. Iceland Steamship Co., Jon B. Steffansson and EIMSKIP Iceland Steamship Co., and closed the file as to each of them. The Commission also approved the appropriate Factual and Legal Analyses at that time. This Office has attached the Certification in this matter dated January 14, 1993 for the Commission's information.

On March 9, 1993, this Office submitted a report recommending that the Commission approve certain subpoenas for depositions, and certain subpoenas to produce documents and orders to submit written answers. On March 23, 1993, the Commission approved this Office's recommendations regarding discovery in this matter. The Commission also determined to enter into pre-probable cause conciliation with Arthur Albrecht, Darrel Anderson, Christine Lammers and William LeBaron, and approved the appropriate conciliation agreements. This Office has attached the Certification in this matter dated March 25, 1993 for the Commission's information.

The Commission subsequently conciliated with two more respondents, Arthur Albrecht and Darrel Anderson, and closed the file as to them. This Office has attached the Certifications in this matter dated May 27, 1993 and August 25, 1993 for the Commission's information.

This report contains recommendations to assure that this matter conforms to the Court's opinion in FEC v. NRA Political

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Victory Fund, et al., No. 91-5360 (D.C. Cir. Oct. 22, 1993) ("NRA"), and to return this matter to its pre-NRA status.<sup>1</sup>

II. RECOMMENDED ACTIONS IN LIGHT OF FEC v. NRA

A. Revoting and Ratifying Reason to Believe Findings

This Office recommends that the Commission, consistent with its November 9, 1993 decisions concerning compliance with the NRA opinion, revoke to find reason to believe that certain violations occurred based on the reasoning in the First General Counsel's Report dated November 27, 1992.<sup>2</sup> This Office further recommends that the Commission revoke to approve the appropriate Factual and Legal Analyses. Because the Commission previously voted to close the file as to Arthur Albrecht, Darrel Anderson, Eleanor Cheney, Duveen Elam, Peggy Enterline, Denise Harvey, Richard Macgurn, David Melilli, George Wood, Rosie Wyatt, EIMSKIP U.S.A. Iceland Steamship Co., Jon B. Steffansson and EIMSKIP Iceland Steamship Co., this Office makes no revoke recommendations concerning them. Because efforts to locate Christine Lammers have proven

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1. On January 26, 1994, this Office received letters from common counsel for the Christian Broadcasting Network, Inc.; KXTX, Inc.; Airplanes, Inc.; Pat Robertson; Gordon Robertson; Barbara Johnson; B. James Reid; and David T. Jackman. These letters, uniform in their content, essentially preserve all possible arguments available to these Respondents regarding the Commission's continued actions in this matter in light of the NRA decision. The letter submitted on behalf of Pat Robertson is attached to this report as an example. See Attachment 22. The substance of most of counsel's objections are currently being litigated in a number of other matters. See, e.g., FEC v. Colorado Republican Federal Campaign Committee, Nos. 93-1433, 93-1434 (10th Cir.); see also FEC v. NRSC, No. 93-1612 (D.D.C.).

2. Recommendations which were made for findings against CBN Continental Broadcasting Network, Inc. are now made against KXTX, Inc., the corporation's new identity.

unsuccessful, and because her violation, making an excessive contribution, is relatively minor in the context of this matter, this Office also makes no revote recommendation concerning her.

On September 7, 1993, this Office informed William LeBaron that we were prepared to recommend to the Commission that it find no probable cause to believe that he violated the Act. The General Counsel's Brief analyzing the evidence with respect to him was provided to him at that time, along with an opportunity to respond. Mr. LeBaron has not submitted any response to the General Counsel's Brief. Accordingly, this Office recommends that the Commission ratify its January 12, 1993 finding that there is reason to believe that William LeBaron violated 2 U.S.C. § 441a(a)(1)(a), but that it further find no probable cause to believe that William LeBaron violated 2 U.S.C. § 441a(a)(1)(A). See MUR 3485, General Counsel's Brief dated September 7, 1993.

#### **B. Reauthorizing and Reissuing of Subpoenas and Orders**

As noted above, on March 23, 1993, the Commission authorized numerous subpoenas to produce documents and orders to submit written answers, and subpoenas for depositions.<sup>3</sup> This Office recommends that the Commission reauthorize all subpoenas for depositions, and reauthorize and reissue two categories of subpoenas to produce documents and orders to submit written answers. The first category involves subpoenas and orders to persons who have responded to them, and who have represented that

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3. A full list of the persons to whom the Commission issued subpoenas to produce documents and orders to submit written answers, and subpoenas for depositions, can be found in the General Counsel's Report dated March 9, 1993.

their compliance is complete. Part of the under oath examination of these persons will include questions about their efforts in complying with these subpoenas and orders. Reauthorization and reissuance of these subpoenas and orders will minimize possible objections to their validity when such questioning takes place. This category includes subpoenas and orders to Airplanes, Inc.; the Christian Broadcasting Network, Inc.; KXTX, Inc. (formerly CBN Continental Broadcasting Network, Inc.); B. James Reid; Barbara Johnson; Gordon Robertson; Management Financial Services, Inc.; and Americans for Robertson, Inc. See Attachments 5 through 12.<sup>4</sup> The second category involves subpoenas and orders to respondents and non-respondent witnesses who still have responses outstanding or have provided documents and information, but may possess additional documents. This category includes subpoenas and orders to IBM; Victory Communications International, Inc.; Marlene Elwell; Response Media Direct; Beurt SerVaas; Tom Atwood; R. Marc

---

4. The attached subpoenas and orders to the Christian Broadcasting Network, Inc. and KXTX, Inc. (formerly CBN Continental Broadcasting Network, Inc.) contain their original terms. As noted in the Memorandum to the Commission in this matter dated June 30, 1993, this Office came to an agreement with counsel for these Respondents which achieved substantial compliance with these subpoenas and orders while avoiding potentially protracted litigation. The notification letters to counsel will inform them that, while the terms of the subpoenas and orders are as originally issued, we will understand their scope to be that which was negotiated.

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Nuttall; Chase Bank of Arizona (formerly Continental Bank); and the National Perspectives Institute. See Attachments 13 through 21.<sup>5</sup>

Recommendations marked with an asterisk (\*) concern issues from which Chairman Potter is recused.

### III. RECOMMENDATIONS

1. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. § 441b(a) with respect to the activity described in sections II.A.3., II.A.5., II.B.2.c.ii., II.B.3., II.B.4. and II.B.5. of the First General Counsel's Report dated November 27, 1992.
2. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to the activity described in sections II.A.2. and II.B.2.b. of the First General Counsel's Report dated November 27, 1992.
- \* 3. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to the activity described in section II.C.3.a. of the First General Counsel's Report dated November 27, 1992.
4. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. § 441e with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
5. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. § 441a(f) with respect to the activity described in sections II.D.3.a., II.D.3.b., II.D.3.c., II.D.3.d., II.D.3.e., II.D.4.b.i., II.D.4.b.ii. and II.D.5.a. of the First General Counsel's Report dated November 27, 1992.
- \* 6. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. § 441a(f) with respect to the activity described in section II.C.3.b. of the First General Counsel's Report dated November 27, 1992.

5. The subpoena and order to Jean B. Meyer is also outstanding. However, this violation is rather straightforward, and it does not appear that further discovery is necessary. Accordingly, this Office is not recommending that the Commission reauthorize this subpoena and order.

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7. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. § 441b(a) with respect to the activity described in section II.C.3.b. of the First General Counsel's Report dated November 27, 1992.
  8. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, knowingly and willfully violated 2 U.S.C. § 441a(f) with respect to the activity described in sections II.A.4., II.A.6. and II.A.7. of the First General Counsel's Report dated November 27, 1992.
  9. Find reason to believe that the Christian Broadcasting Network, Inc.; GB Computer Services, Inc.; the National Legal Foundation; the National Perspectives Institute; George Border; Steve Davis; Dave Jackman; Robert G. Slosser; Robert G. Partlow; Robert Skolrood; Jerry Ralph Curry; and Dr. Herbert Titus; each knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to the activity described in section II.A.2. of the First General Counsel's Report dated November 27, 1992.
  10. Find reason to believe that Pat Robertson violated 2 U.S.C. § 441b(a) with respect to the activity described in sections II.A.2. and II.B.2.b. of the First General Counsel's Report dated November 27, 1992.
  11. Find reason to believe that James Higgins, Beurt SerVaas and Robert B. Beale each knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  12. Find reason to believe that R. Marc Nuttle knowingly and willfully violated 2 U.S.C. § 441a(f) with respect to the activity described in sections II.A.4., II.A.6. and II.A.7 of the First General Counsel's Report dated November 27, 1992.
  13. Find reason to believe that Clarence Decker violated 2 U.S.C. § 441a(f) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  14. Find reason to believe that JDH Enterprises, Inc. and its officer, James D. Higgins, each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  15. Find reason to believe that Wayne Bailey violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.



16. Find reason to believe that Gordon Robertson and Ray King, acting as a political committee, each knowingly and willfully violated 2 U.S.C. §§ 433 and 434 with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
17. Find reason to believe that the political committee formed by Gordon Robertson and Ray King knowingly and willfully violated 2 U.S.C. § 441a(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
18. Find reason to believe that Gordon Robertson and Ray King each violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
19. Find reason to believe that Victory Communications International, Inc. and its president, Michael Clifford, each knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
20. Find reason to believe that R. Marc Nuttle violated 2 U.S.C. § 441b(a) with respect to the activity described at section II.A.5. of the First General Counsel's Report dated November 27, 1992.
- \* 21. Find reason to believe that R. Marc Nuttle violated 2 U.S.C. § 441b(a) with respect to the activity described at section II.C.3.a. of the First General Counsel's Report dated November 27, 1992.
22. Find reason to believe that R. Marc Nuttle knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to the activity described at section II.B.2.b. of the First General Counsel's Report dated November 27, 1992.
23. Find reason to believe that Management Financial Services, Inc. and its officer, A.L. Williams, each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
24. Find reason to believe that CMS Enterprises and its president, Russ Kaemmerling, each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
25. Find reason to believe that Response Media Direct, Inc. and its president, William Moore, each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.

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26. Find reason to believe that Spoleto Construction & Supply, Inc. violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
27. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 11 C.F.R. § 9034.7(b)(3) with respect to the activity described at sections II.C.3.a. and II.C.3.b. of the First General Counsel's Report dated November 27, 1992.
- \* 28. Find reason to believe that KXTX, Inc. knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
- \* 29. Find reason to believe that B. James Reid and Barbara A. Johnson violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
- \* 30. Find reason to believe that Donald Miracle violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
- \* 31. Find reason to believe that Airplanes, Inc. and its president, Donald Miracle, each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
32. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 11 C.F.R. § 9033.11(b) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
33. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 11 C.F.R. § 9034.6(b) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
- \* 34. Find reason to believe that Tom Atwood, Herb Ellingwood and Allan Sutherlin each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
35. Find reason to believe that Herb Ellingwood violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
36. Find reason to believe that Carolyn Ridley violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.

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37. Find reason to believe that Marlene Elwell violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
38. Find reason to believe that Ben Waldman violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
39. Find reason to believe that Richard Quinn and Associates violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
40. Find reason to believe that Dr. Gene R. Ward violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
41. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. §§ 432(b)(3) and 432(h) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
42. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 26 U.S.C. § 9035(a) and 2 U.S.C. § 441a(b)(1)(A) with respect to the activity described at sections II.E.2.a. and II.E.2.b. of the First General Counsel's Report dated November 27, 1992.
43. Take no further action against Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, with respect to the violations of 2 U.S.C. §§ 432(b)(3) and 432(h).
44. Ratify the Commission's January 12, 1993 finding that there is reason to believe that William LeBaron violated 2 U.S.C. § 441a(a)(1)(a).
45. Find no probable cause to believe that William LeBaron violated 2 U.S.C. § 441a(a)(1)(A).
46. Approve the subpoena for deposition for George Border, as attached to the General Counsel's Report dated March 9, 1993.
47. Approve the appropriate subpoenas for depositions of Marion G. "Pat" Robertson, Steve Davis, Frederick J. Turverey, James D. Higgins, Beurt SerVaas, Robert B. Beale, Clarence Decker, Wayne Bailey, Ray W. King, Michael Clifford, Michael E. Roderick, William A. Royall, Jr., Harold J. Smith, Arthur L. Williams, Gordon Robertson, Russ Kaemmerling and William Moore, as described in the General Counsel's Report dated March 9, 1993.

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48. Approve the attached Subpoenas to Produce Documents and Orders to Submit Written Answers to IBM; Beurt SerVaas; Marlene Elwell; R. Marc Nuttle; the Christian Broadcasting Network, Inc.; Gordon Robertson; Management Financial Services, Inc.; Victory Communications International, Inc.; Response Media Direct, Inc.; the National Perspectives Institute; and Chase Bank of Arizona.
- \* 49. Approve the appropriate subpoenas for depositions for R. Marc Nuttle, Allan Sutherlin, Herb Ellingwood, Tom Atwood, B. James Reid, Barbara A. Johnson, Kevin Steacy, and Donald Miracle, as described in the General Counsel's Report dated March 9, 1993.
- \* 50. Approve the attached Subpoenas to Produce Documents and Orders to Submit Written Answers to Americans for Robertson, Inc.; Airplanes, Inc.; KXTX, Inc.; B. James Reid; Barbara Johnson; and Tom Atwood.
51. Approve the appropriate Factual and Legal Analyses and letters.

96043754341  
Date

2-2-94

*LM Noble (JF2)*  
Lawrence M. Noble  
General Counsel

Attachments

1. January 14, 1993 Certification
2. March 25, 1993 Certification
3. May 27, 1993 Certification
4. August 25, 1993 Certification
5. Subpoena and Order to Americans for Robertson, Inc.
6. Subpoena and Order to KXTX, Inc.
7. Subpoena and Order to B. James Reid
8. Subpoena and Order to Barbara Johnson
9. Subpoena and Order to Airplanes, Inc.
10. Subpoena and Order to the Christian Broadcasting Network, Inc.
11. Subpoena and Order to Gordon Robertson
12. Subpoena and Order to Management Financial Services, Inc.
13. Subpoena and Order to Victory Communications International, Inc.
14. Subpoena and Order to Response Media Direct, Inc.
15. Subpoena and Order to Chase Bank of Arizona
16. Subpoena and Order to Marlene Elwell

17. Subpoena and Order to R. Marc Nuttle
18. Subpoena and Order to Beurt SerVaas
19. Subpoena and Order to Tom Atwood
20. Subpoena and Order to IBM
21. Subpoena and Order to the National Perspectives Institute
22. Letter dated January 25, 1994  
from Counsel for Pat Robertson

Staff Assigned: Tony Buckley

96043754342



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Americans for Robertson, Inc. ) MUR 3485  
and Frederick H. Shafer, as )  
treasurer, et al. )

CORRECTED CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 8, 1994, the Commission took the following actions in MUR 3485:

1. Decided by a vote of 5-0 to:
  - a. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. § 441b(a) with respect to the activity described in sections II.A.3., II.A.5., II.B.2.c.ii., II.B.3., II.B.4. and II.B.5. of the First General Counsel's Report dated November 27, 1992.
  - b. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to the activity described in sections II.A.2. and II.B.2.b. of the First General Counsel's Report dated November 27, 1992.
  - c. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. § 441e with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.

(Continued)

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- d. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. § 441a(f) with respect to the activity described in sections II.D.3.a., II.D.3.b., II.D.3.c., II.D.3.d., II.D.3.e., II.D.4.b.i., II.D.4.b.ii., and II.D.5.a. of the First General Counsel's Report dated November 27, 1992.
  - e. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, knowingly and willfully violated 2 U.S.C. § 441a(f) with respect to the activity described in sections II.A.4., II.A.6., and II.A.7., of the First General Counsel's Report dated November 27, 1992.
  - f. Find reason to believe that the Christian Broadcasting Network, Inc.; GB Computer Services, Inc.; the National Legal Foundation; the National Perspectives Institute; George Border; Steve Davis; Dave Jackman; Robert G. Slosser; Robert G. Partlow; Robert Skolrood; Jerry Ralph Curry; and Dr. Herbert Titus; each knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to the activity described in section II.A.2. of the First General Counsel's Report dated November 27, 1992.
  - g. Find reason to believe that Pat Robertson violated 2 U.S.C. § 441b(a) with respect to the activity described in sections II.A.2. and II.B.2.b. of the First General Counsel's Report dated November 27, 1992.

(Continued)



- h. Find reason to believe that James Higgins, Beurt SerVaas and Robert B. Beale each knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
- i. Find reason to believe that R. Marc Nuttle knowingly and willfully violated 2 U.S.C. § 441a(f) with respect to the activity described in sections II.A.4., II.A.6. and II.A.7. of the First General Counsel's Report dated November 27, 1992.
- j. Find reason to believe that Clarence Decker violated 2 U.S.C. § 441a(f) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
- k. Find reason to believe that JDH Enterprises, Inc. and its officer, James D. Higgins, each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
- l. Find reason to believe that Wayne Bailey violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.

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- m. Find reason to believe that Gordon Robertson and Ray King, acting as a political committee, each knowingly and willfully violated 2 U.S.C. §§ 433 and 434 with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - n. Find reason to believe that the political committee formed by Gordon Robertson and Ray King knowingly and willfully violated 2 U.S.C. § 441a(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - o. Find reason to believe that Gordon Robertson and Ray King each violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - p. Find reason to believe that Victory Communications International, Inc. and its president, Michael Clifford, each knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - q. Find reason to believe that R. Marc Nuttle violated 2 U.S.C. § 441b(a) with respect to the activity described at section II.A.5. of the First General Counsel's Report dated November 27, 1992.

(Continued)

- 96043754347
- r. Find reason to believe that R. Marc Nuttle knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to the activity described at section II.B.2.b. of the First General Counsel's Report dated November 27, 1992.
  - s. Find reason to believe that Management Financial Services, Inc. and its officer, A.L. Williams, each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - t. Find reason to believe that CMS Enterprises and its president, Russ Kaemmerling, each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - u. Find reason to believe that Response Media Direct, Inc. and its president, William Moore, each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - v. Find reason to believe that Spoleto Construction and Supply, Inc. violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.

(Continued)

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- w. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 11 C.F.R. § 9034.7(b)(3) with respect to the activity described at sections II.C.3.a. and II.C.3.b. of the First General Counsel's Report dated November 27, 1992.
  - x. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 11 C.F.R. § 9033.11(b) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - y. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 11 C.F.R. § 9034.6(b) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - z. Find reason to believe that Herb Ellingwood violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - aa. Find reason to believe that Carolyn Ridley violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.

(Continued)

- 96043754349
- bb. Find reason to believe that Marlene Elwell violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - cc. Find reason to believe that Ben Waldman violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - dd. Find reason to believe that Richard Quinn and Associates violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - ee. Find reason to believe that Dr. Gene R. Ward violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - ff. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. §§ 432(b)(3) and 432(h) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.

(Continued)

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- gg. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 26 U.S.C. § 9035(a) and 2 U.S.C. § 441a(b)(1)(A) with respect to the activity described at sections II.E.2.a. and II.E.2.b. of the First General Counsel's Report dated November 27, 1992.
  - hh. Take no further action against Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, with respect to the violations of 2 U.S.C. §§ 432(b)(3) and 432(h).
  - ii. Ratify the Commission's January 12, 1993 finding that there is reason to believe that William LeBaron violated 2 U.S.C. § 441a(a)(1)(a).
  - jj. Find no probable cause to believe that William LeBaron violated 2 U.S.C. § 441a(a)(1)(A).
  - kk. Approve the subpoena for deposition for George Border, as attached to the General Counsel's Report dated March 9, 1993.
  - ll. Approve the appropriate subpoenas for depositions of Marion G. "Pat" Robertson, Steve Davis, Frederick J. Turverey, James D. Higgins, Beurt SerVaas, Robert B. Beale, Clarence Decker, Wayne Bailey, Ray W. King, Michael Clifford, Michael E. Roderick, William A. Royall, Jr., Harold J. Smith, Arthur L. Williams, Gordon Robertson, Russ Kaemmerling and William Moore, as described in the General Counsel's Report dated March 9, 1993.

(Continued)

mm. Approve the Subpoenas to Produce Documents and Orders to Submit Written Answers to IBM; Beurt SerVaas; Marlene Elwell; R. Marc Nuttle; the Christian Broadcasting Network, Inc.; Gordon Robertson; Management Financial Services Inc.; Victory Communications International, Inc; Response Media Direct, Inc.; the National Perspectives Institute; and Chase Bank of Arizona, as recommended in the General Counsel's Report dated February 2, 1994.

nn. Approve the appropriate Factual and Legal Analyses and letters, as recommended in the General Counsel's Report dated February 2, 1994.

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

2. Decided by a vote of 4-0 to:

- a. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to the activity described in section II.C.3.a. of the First General Counsel's Report dated November 27, 1992.

(Continued)

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- b. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. § 441a(f) with respect to the activity described in section II.C.3.b. of the First General Counsel's Report dated November 27, 1992.
  - c. Find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, violated 2 U.S.C. § 441b(a) with respect to the activity described in section II.C.3.b. of the First General Counsel's Report dated November 27, 1992.
  - d. Find reason to believe that R. Marc Nuttle violated 2 U.S.C. § 441b(a) with respect to the activity described at section II.C.3.a. of the First General Counsel's Report dated November 27, 1992.
  - e. Find reason to believe that KXTX, Inc. knowingly and willfully violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - f. Find reason to believe that B. James Reid and Barbara A. Johnson violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.

(Continued)

- 96043754353
- g. Find reason to believe that Donald Miracle violated 2 U.S.C. § 441a(a)(1)(A) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - h. Find reason to believe that Airplanes, Inc. and its president, Donald Miracle, each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - i. Find reason to believe that Tom Atwood, Herb Ellingwood and Allan Sutherlin each violated 2 U.S.C. § 441b(a) with respect to certain activity described in the First General Counsel's Report dated November 27, 1992.
  - j. Approve the appropriate subpoenas for depositions for R. Marc Nuttle, Allan Sutherlin, Herb Ellingwood, Tom Atwood, B. James Reid, Barbara A. Johnson, Kevin Steacy, and Donald Miracle, as described in the General Counsel's Report dated March 9, 1993.

(Continued)

- k. Approve the Subpoenas to Produce Documents and Orders to Submit Written Answers to Americans for Robertson, Inc.; Airplanes, Inc.; KXTX, Inc.; B. James Reid; Barbara Johnson; and Tom Atwood, as recommended in the General Counsel's Report dated February 2, 1994.

Commissioners Aikens, Elliott, McGarry, and Thomas voted affirmatively for the decision; Commissioner Potter recused himself with respect to these matters and did not vote. Commissioner McDonald did not cast a vote.

Attest:

2-15-94  
Date

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

Received in the Secretariat: Wed., Feb. 02, 1994 5:01 p.m.  
Circulated to the Commission: Thurs., Feb. 03, 1994 11:00 a.m.  
Deadline for vote: Tues., Feb. 08, 1994 4:00 p.m.

bjr

96043754354



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20006

February 18, 1994

Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

RE: MUR 3485  
Marion G. "Pat" Robertson

Dear Mr. Baran:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, Marion G. "Pat" Robertson, violated 2 U.S.C. § 441b(a).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

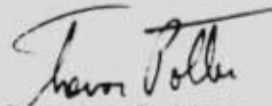
In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Marion G. "Pat" Robertson violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

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You may submit any factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Trevor Potter  
Chairman

96043754356



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 18, 1994

William J. Olson, Esq.  
William J. Olson, P.C.  
8180 Greensboro Drive  
Suite 1070  
McLean, Virginia 22102-3823

RE: MUR 3485  
Robert K. Skolrood

Dear Mr. Olson:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, Robert K. Skolrood, knowingly and willfully violated 2 U.S.C. § 441b(a).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Robert K. Skolrood knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

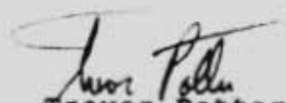
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William J. Olson, Esq.  
MUR 3485  
Page 2

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

96043754358





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20541

February 18, 1994

William J. Olson, Esq.  
William J. Olson, P.C.  
8180 Greensboro Drive  
Suite 1070  
McLean, Virginia 22102-3823

RE: MUR 3485  
National Legal Foundation

Dear Mr. Olson:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, the National Legal Foundation, knowingly and willfully violated 2 U.S.C. § 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that the National Legal Foundation knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

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William J. Olson, Esq.


MUR 3485

Page 2

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Trevor Potter  
Chairman

96043754360



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

Ray W. King, Esq.  
Tavss, Fletcher, Earley & King, P.C.  
Suite 100, Royster Building  
Two Commercial Place  
P.O. Box 3747  
Norfolk, Virginia 23510

RE: MUR 3485

Dear Mr. King:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), and that Partners for America - State PAC, a political committee formed by you and Gordon Robertson, knowingly and willfully violated 2 U.S.C. § 441a(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), and that Partners for America - State PAC, a political committee formed by you and Gordon Robertson, knowingly and willfully violated 2 U.S.C. § 441a(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

96043754361

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

February 18, 1994

Andrew J. Combs  
Spoleto Construction & Supply Company, Inc.  
2070 Northbrook Boulevard  
Suite A-15  
North Charleston, SC 29406

RE: MUR 3485

Dear Mr. Combs:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe Spoleto Construction & Supply, Inc. violated 2 U.S.C. § 441b(a).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Spoleto Construction & Supply, Inc. violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter.

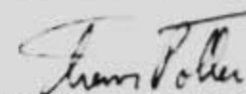
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Andrew J. Combs  
NUR 3485  
Page 2

Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Colleen Sealander, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Trevor Potter  
Chairman

96043754364





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

Dr. Gene Ward  
875 Puoma St.  
Honolulu, HI 96825

RE: MUR 3485  
Gene Ward

Dear Dr. Ward:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you

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Gene Ward  
Page 2

believe are relevant to the Commission's consideration of this matter.

Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

  
Trevor Potter  
Chairman

96043754366



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20541

February 18, 1994

Robert J. Gould, Esq.  
Rte 2, Box 78  
Greenville, WV 24945

RE: MUR 3485  
Benjamin Waldman

Dear Mr. Gould:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe that your client, Benjamin Waldman, violated 2 U.S.C. § 441a(a)(1)(A).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that your client, Benjamin Waldman, violated 2 U.S.C. § 441a(a)(1)(A), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you

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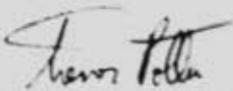
Robert J. Gould, Esq.  
Page 2

believe are relevant to the Commission's consideration of this matter.

Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

  
Trevor Potter  
Chairman

9604754308



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 18, 1994

G. Cliff Stidham, Esq.  
Suite 200  
167 East Main Street  
Lexington, Kentucky 40507-1393

RE: MUR 3485  
Carolyn Ridley

Dear Mr. Stidham:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe that your client, Carolyn Ridley, violated 2 U.S.C. § 441a(a)(1)(A).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that your client, Carolyn Ridley, violated 2 U.S.C. § 441a(a)(1)(A), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you

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G. Cliff Stidham, Esq.

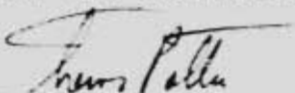
Page 2

believe are relevant to the Commission's consideration of this matter.

Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

  
Trevor Potter  
Chairman

96043754370



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

Richard M. Quinn  
Richard Quinn & Associates  
1600 Gervais St.  
Columbia, SC 29201

RE: MUR 3485  
Richard Quinn & Associates

Dear Mr. Quinn:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe that Richard Quinn & Associates violated 2 U.S.C. § 441a(a)(1)(A).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Richard Quinn & Associates violated 2 U.S.C. § 441a(a)(1)(A), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you

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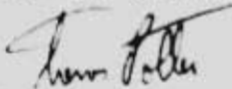
Richard Quinn & Associates  
Page 2

believe are relevant to the Commission's consideration of this matter.

Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,



Trevor Potter  
Chairman

960437543/2





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 18, 1994

Theo W. Pinson, Esq.  
Pinson & Bussey, P.C.  
Two Houston Center  
909 Fannin, Suite 1650  
Houston, Texas 77010

RE: MUR 3485  
James D. Higgins  
JDH Enterprises, Inc.

Dear Mr. Pinson:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, James D. Higgins, knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), and that James D. Higgins and JDH Enterprises, Inc. each violated 2 U.S.C. § 441b(a). The Commission also issued subpoenas and orders in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that James D. Higgins knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), and that James D. Higgins and JDH Enterprises, Inc. each violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to those documents for the bases of the Commission's decisions. If you need additional copies, they will be provided upon request.

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Theo W. Pinson, Esq.  
MUR 3485  
Page 2

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Trevor Potter  
Chairman

96043754374



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

Russ Kaemmerling, President  
CMS Enterprises  
P.O. Box 214138  
Dallas, TX 75221

RE: MUR 3485

Dear Mr. Kaemmerling:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe CMS Enterprises and you each violated 2 U.S.C. § 441b(a).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that CMS Enterprises and you each violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter.

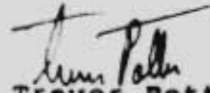
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Russ Kaemmerling  
NUR 3485  
Page 2

Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Colleen Sealander, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

February 18, 1994

Thomas F. Carretta, Esq.  
2675 Patton Road  
St. Paul, Minnesota 55113

RE: MUR 3485  
Robert B. Beale

Dear Mr. Carretta:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, Robert B. Beale, knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Robert B. Beale knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.


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Thomas F. Carrett Esq.  
MUR 3485  
Page 2

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

96043754378





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 18, 1994

Michael W. Reagor, Esq.  
Decker, DeVoss & O'Malley, P.C.  
2101 South Clay Street  
Denver, Colorado 80219

RE: MUR 3485  
Clarence Decker

Dear Mr. Reagor:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, Clarence Decker, violated 2 U.S.C. § 441a(f).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Clarence Decker violated 2 U.S.C. § 441a(f), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

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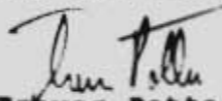


Michael W. Reagor, Esq.  
MUR 3485  
Page 2

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

96043754380



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

February 18, 1994

Steve Davis  
1139 Fairway Drive  
Chesapeake, Virginia 23320

RE: MUR 3485

Dear Mr. Davis:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe you knowingly and willfully violated 2 U.S.C. § 441b(a).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. PEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

Steve Davis  
MUR 3485  
Page 2

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

2604375432



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20001

February 18, 1994

Donald C. Hubbard, Jr., Esq.  
Wilmer, Cutler & Pickering  
2445 M Street, N.W.  
Washington, D.C. 20037-1420

RE: MUR 3485  
Jerry Ralph Curry

Dear Mr. Hubbard:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, Jerry Ralph Curry, knowingly and willfully violated 2 U.S.C. § 441b(a).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

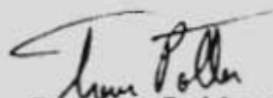
In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Jerry Ralph Curry knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

2604375433

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

Wayne Bailey  
121 Owenswood Lane  
Irmo, South Carolina 29063

RE: MUR 3485

Dear Mr. Bailey:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

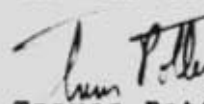
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Wayne Bailey  
MUR 3485  
Page 2

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

96043754366





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

George F. Border  
517 Fordsmere Road  
Chesapeake, Virginia 23320

RE: MUR 3485

Dear Mr. Border:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe you knowingly and willfully violated 2 U.S.C. § 441b(a).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

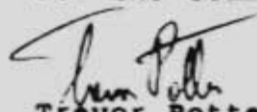
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George F. Border  
NUR 3485  
Page 2

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

96041754388



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

RE: MUR 3485  
David T. Jackman

Dear Mr. Baran:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, David T. Jackman, knowingly and willfully violated 2 U.S.C. § 441b(a).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

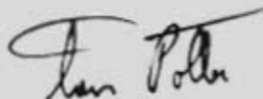
In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Dave Jackman knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

96043754339

You may submit any factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Trevor Potter  
Chairman

9604275430



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20001

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Robert A. Dahl, Esq.  
1156 15th Street, N.W.  
Suite 550  
Washington, D.C. 20005

**RZ: MUR 3485**  
Americans for Robertson, Inc. and  
Frederick H. Shafer, as treasurer

Dear Mr. Dahl:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your clients, Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, knowingly and willfully violated 2 U.S.C. §§ 441a(f) and 441b(a), and violated 2 U.S.C. §§ 441a(b)(1)(A), 441a(f), 441b(a), 441e, 432(b)(3), and 432(h), and 11 C.F.R. §§ 9033.11(b), 9034.6(b), 9034.7(b)(3), and 26 U.S.C. § 9035(a). The Commission determined to take no further action against your clients with respect to the violations of 2 U.S.C. §§ 432(b)(3) and 432(h). The Commission also issued a subpoena and order in this matter.

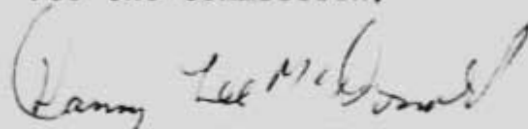
As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, knowingly and willfully violated 2 U.S.C. §§ 441a(f) and 441b(a), and violated 2 U.S.C. §§ 441a(b)(1)(A), 441a(f), 441b(a), 441e, 432(b)(3), and 432(h), and 11 C.F.R. §§ 9033.11(b), 9034.6(b), 9034.7(b)(3), and 26 U.S.C. § 9035(a). The Commission also determined to take no further action against Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer, with respect to the violations of 2 U.S.C. §§ 432(b)(3) and 432(h). Further, the Commission approved the Factual and Legal Analyses previously mailed to your clients. Please refer to those documents for the bases of the Commission's decisions. If you need additional copies, they will be provided upon request. In addition, the Commission authorized the enclosed order and subpoena.

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Danny Lee McDonald  
Vice Chairman

Enclosure  
Order and Subpoena

96043754392



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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) MUR 3485  
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SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Americans for Robertson, Inc. and  
Frederick H. Shafer, as treasurer  
c/o Robert Alan Dahl, Esq.  
1156 15th Street, N.W.  
Suite 550  
Washington, D.C. 20005

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.

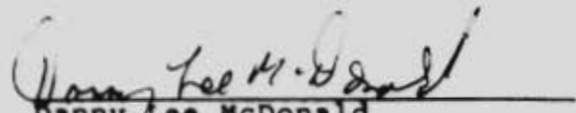
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

96043754393



WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this 17th day of February, 1994.

For the Commission,

  
Danny Lee McDonald  
Vice Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions and Document Requests

96043754394

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 May 31, 1988.

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.

96043154395

DEFINITIONS

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

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"Commission" shall mean the Federal Election Commission.

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INTERROGATORIES AND PRODUCTION OF DOCUMENTS

1. As concerns the use of a Beechcraft King Air aircraft by you, provide all charter agreements, receipts, checks (copies of front and back), itineraries, and other documentation concerning and/or in any way relating to its acquisition and use by you not previously provided to the Commission.
2. List all other aircraft chartered or otherwise used by you and the source of the charters. For all listed aircraft provide all charter agreements, receipts, checks (copies of front and back), itineraries, flight logs, and/or other documentation concerning or in any way relating to the use of the aircraft.
3. For any of the data described above maintained electronically, provide the formats for the data, a description of any codes/symbols utilized, the software used to create the electronic records, and readable computer diskettes 3 1/2" or 5 1/4" or magnetic tape if stored on tape.
4. Identify all persons employed by you in either a paid or voluntary capacity who were in any way involved in any transactions for use of aircraft by you.

96045754397



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Jan W. Baran, Esq.  
1776 K Street, N.W.  
Wiley, Rein & Fielding  
Washington, DC 20006

RE: MUR 3485  
Airplanes, Inc.

Dear Mr. Baran:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, Airplanes, Inc., violated 2 U.S.C. § 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Airplanes, Inc. violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed Subpoena and Order.

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MUR 3485

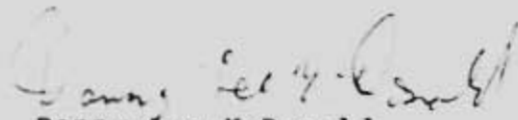
Jan W. Baran, Esq.

Page 2

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. You should construe the terms of the order and subpoena to be as previously negotiated between you and the Office of the General Counsel. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Jose M. Rodriguez, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Danny Lee McDonald  
Vice Chairman

Enclosure  
Order and Subpoena

96043754399



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
) MUR 3485  
)

**SUBPOENA TO PRODUCE DOCUMENTS**  
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Airplanes, Inc.  
c/o Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

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 listed 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 30 days of receipt of this Order and Subpoena.

26043754400



WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this 17th day of February, 1994.

For the Commission,

Danny Lee McDonald  
Danny Lee McDonald  
Vice Chairman

ATTEST:

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

Attachments  
Instructions  
Definitions  
Questions and Document Requests (1 page)

06043754401

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 May 31, 1988.

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.

96043754402

DEFINITIONS

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

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"AFR" shall mean Americans for Robertson, Inc.

96043754403

INTERROGATORIES

1. List all aircraft owned or leased by you. For each aircraft listed state its make and model number, year, seating capacity, cruising speed, and engine configuration.
2. State if any of the aircraft listed in response to question one were chartered to, and/or otherwise provided to, AFR, either by you or by any other person or entity.
3. Identify all persons at AFR involved in the transactions for use of aircraft.

PRODUCTION OF DOCUMENTS

1. Produce all documents concerning and/or in any way relating to the provision of aircraft to AFR.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20006

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Jan W. Baran, Esq.  
1776 K Street, N.W.  
Wiley, Rein & Fielding  
Washington, DC 20006

RE: MUR 3485  
Barbara A. Johnson

Dear Mr. Baran:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, Barbara A. Johnson, violated 2 U.S.C. § 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Barbara A. Johnson violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed Subpoena and Order.

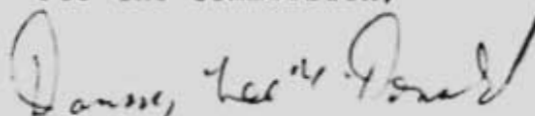
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MUR 3485  
Jan W. Baran, Esq.  
Page 2

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Jose M. Rodriguez, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Danny Lee McDonald  
Vice Chairman

Enclosure  
Order and Subpoena

96043754406



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

**SUBPOENA TO PRODUCE DOCUMENTS**  
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Barbara Johnson  
c/o Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

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 listed 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 30 days of receipt of this Order and Subpoena.

96043754407



WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this *17th* day of *February*, 1994.

For the Commission,

*Danny Lee McDonald*  
\_\_\_\_\_  
Danny Lee McDonald  
Vice Chairman

ATTEST:

*Marjorie W. Emmons*  
\_\_\_\_\_  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions and Document Requests

96043754408

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 May 31, 1988.

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 listed below are defined as follows:

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"AFR" shall mean Americans for Robertson, Inc.

"CBN Continental" shall mean the CBN Continental Broadcasting Network, Inc. and any or all of its subsidiaries.

96043754410

INTERROGATORIES

1. List all positions held by you at CBN Continental. Describe your duties and responsibilities in the listed positions, and the dates during which you held each position.
2. List all positions held by you at AFR. Describe your duties and responsibilities in the listed positions, and the dates during which you held each position.
3. Identify all persons at CBN Continental involved in the lease of any aircraft to AFR.
4. Identify all persons at AFR involved in the lease of any aircraft from CBN Continental.
5. Identify all CBN Continental and AFR persons involved in the settlement of the \$260,352.32 outstanding bill between CBN Continental and AFR.

PRODUCTION OF DOCUMENTS

1. Produce all documents in your possession concerning and/or in any way relating to the provision of aircraft by CBN Continental to AFR and the settlement of the \$260,352.32 outstanding bill, including, but not limited to, contracts/agreements, invoices and statements, checks, and correspondence (incoming, outgoing, and internal) such as letters, envelopes, memos, internal correspondence, notes of telephone conversations, and records of oral and/or written communications.

26043754411



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Jan W. Baran, Esq.  
1776 K Street, N.W.  
Wiley, Rein & Fielding  
Washington, DC 20006

RE: MUR 3485  
B. James Reid

Dear Mr. Baran:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, B. James Reid, violated 2 U.S.C. § 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that B. James Reid violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed Subpoena and Order.

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MUR 3485

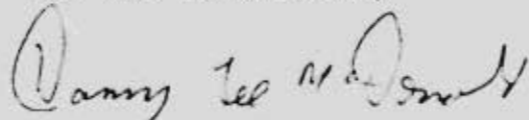
Jan W. Baran, Esq.

Page 2

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Jose M. Rodriguez, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Danny Lee McDonald  
Vice Chairman

Enclosure  
Order and Subpoena

96043754413



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: B. James Reid  
c/o Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

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 listed 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 30 days of receipt of this Order and Subpoena.

26043754414



WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this 17<sup>th</sup> day of *February*, 1994.

For the Commission,

*Danny Lee McDonald*  
\_\_\_\_\_  
Danny Lee McDonald  
Vice Chairman

ATTEST:

*Margaret W. Emmons*  
\_\_\_\_\_  
Margaret W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions and Document Requests

96043754415

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 May 31, 1988.

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.

96043754416

DEFINITIONS

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

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"AFR" shall mean Americans for Robertson, Inc.

"CBN Continental" shall mean the CBN Continental Broadcasting Network, Inc. and any or all of its subsidiaries.

754417

INTERROGATORIES

1. List all positions held by you at CBN Continental. Describe your duties and responsibilities in the listed positions, and the dates during which you held each position.
2. Identify all persons at CBN Continental involved in the lease of any aircraft to AFR.
3. Identify all persons at AFR involved in the lease of any aircraft from CBN Continental.
4. Identify all CBN Continental and AFR persons involved in the settlement of the \$260,352.32 outstanding bill between CBN Continental and AFR.

PRODUCTION OF DOCUMENTS

1. Produce all documents in your possession concerning and/or in any way relating to the provision of aircraft by CBN Continental to AFR and the settlement of the \$260,352.32 outstanding bill, including, but not limited to, contracts/agreements, invoices and statements, checks, and correspondence (incoming, outgoing, and internal) such as letters, envelopes, memos, internal correspondence, notes of telephone conversations, and records of oral and/or written communications.

26043754418



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Marion Edwyn Harrison, Esq.  
107 Park Washington Court  
Falls Church, VA 22046

RE: MUR 3485  
R. Marc Nuttle

Dear Mr. Harrison:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, R. Marc Nuttle, knowingly and willfully violated 2 U.S.C. §§ 441a(f) and 441b(a), and violated 2 U.S.C. § 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that R. Marc Nuttle knowingly and willfully violated 2 U.S.C. §§ 441a(f) and 441b(a), and violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analyses previously mailed to your client. Please refer to those documents for the bases of the Commission's decisions. If you need

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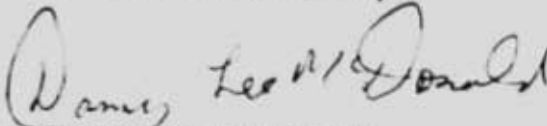
Marion Edwyn Harrison, Esq.  
MUR 3485  
Page 2

additional copies, they will be provided upon request. In addition, the Commission authorized the enclosed order and subpoena.

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Danny Lee McDonald  
Vice Chairman

Enclosure  
Order and Subpoena

96043754420



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: R. Marc Nuttle  
c/o Marion Edwyn Harrison, Esq.  
107 Park Washington Court  
Falls Church, VA 22046

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 listed on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

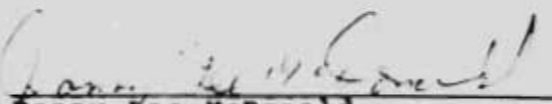
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

96043754421



WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this 17<sup>th</sup> day of  
February, 1994.

For the Commission,

  
Danny Lee McDonald  
Vice Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions (1 page)  
Document Request (1 page)

96043754422

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.

96043754423

DEFINITIONS

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

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"AFR" shall mean Americans for Robertson, Inc.

"CFL" shall mean Computer Futures, Ltd.

25043754424

INTERROGATORIES

1. List all positions held by you within AFR. Include the time period (month, day and year) during which each position was held.
2. For the period January 1, 1985 through December 31, 1990, list all positions held by you outside of AFR. Include the person for whom you worked, in either a volunteer or paid position, and the time period (month, day and year) during which each position was held.
3. List all positions held by you in the one-year period following your tenure with AFR. Include the person for whom you worked, in either a volunteer or paid position, and the time period (month, day and year) during which each position was held.
4. Identify all persons with whom you discussed the formation of CFL.
5. Identify all persons with whom you discussed the purchase by CFL of a computer system from AFR.
6. Identify all persons who in any way dealt with AFR on behalf of CFL regarding the purchase of a computer system.
7. Identify all other persons who did not deal directly with AFR, but who otherwise were in any way involved on behalf of CFL regarding the purchase of a computer system from AFR.
8. Identify all persons who in any way dealt with CFL on behalf of AFR regarding CFL's purchase of a computer system.
9. List all transactions involving the purchase, sale or lease of a computer or computer equipment by CFL. Identify all persons from whom computers and/or computer equipment were bought and the model names and numbers of any such computers and/or equipment and the dates of these transactions; all persons to whom computers and/or equipment were leased and the model names and numbers of any such computers and/or equipment and the dates of these transactions; and all persons to whom computers and/or computer equipment were sold and the model names and numbers of any such computers and/or equipment and the dates of these transactions.
10. Identify all persons at CBN Continental involved in the lease of any aircraft to AFR.
11. Identify all persons at AFR involved in the lease of any aircraft.
12. Identify all entities or individuals from whom AFR leased aircraft.

PRODUCTION OF DOCUMENTS

1. Produce all documents which relate in any way to the formation of CFL.
2. Produce all documents which relate in any way to the purchase and/or lease back of a computer system by CFL from AFR.
3. Produce all documents which relate in any way to investments by individuals in CFL.
4. Produce all documents which relate in any way to the rental or sale by AFR of any of its mailing lists.
5. Produce all documents which relate in any way to the receipt by AFR of a check for \$50,000 from Wayne Bailey in August 1987.
6. Produce all documents which relate in any way to the sale or purchase of computers and/or computer equipment by CFL.
7. Produce all documents which relate in any way to the lease of aircraft by AFR.

96043754426





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20006

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

RE: MUR 3485  
Christian Broadcasting Network, Inc.

Dear Mr. Baran:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, the Christian Broadcasting Network, Inc., knowingly and willfully violated 2 U.S.C. § 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that the Christian Broadcasting Network, Inc. knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed order and subpoena.

754427

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. You should construe the terms of the order and subpoena to be as previously negotiated between you and the Office of the General Counsel. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

Enclosure  
Order and Subpoena

96043754428



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Christian Broadcasting Network, Inc.  
c/o Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

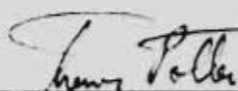
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents listed on the attachment to 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 30 days of receipt of this Order and Subpoena.

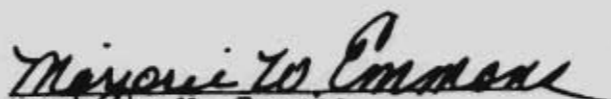
96043754429

WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this 16<sup>th</sup> day of  
February, 1994.

For the Commission,

  
Trevor Potter  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions (1 page)  
Document Request (1 page)

960475440

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 December 31, 1986.

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 listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof, as well as any subsidiary.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

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INTERROGATORIES

1. List, by organization and then by date made, all payments by you to The Freedom Council, the Freedom Council Foundation, the National Legal Foundation and the National Perspectives Institute. Identify all employees, directors or officers of you, as well as any other individuals, who were involved in the decision to provide funds for any or all of these organizations.
2. State whether George F. Border was ever employed by you. List each position held by him, the dates during which he held each position and his duties in each position.
3. State whether Steve Davis was ever employed by you. List each position held by him, the dates during which he held each position and his duties in each position.
4. Identify all individuals employed by CBN who simultaneously served as an officer or director of The Freedom Council, the Freedom Council Foundation, the National Legal Foundation and the National Perspectives Institute.

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MUR 3485

Christian Broadcasting Network, Inc.

Subpoena and Order

Page 6

PRODUCTION OF DOCUMENTS

1. Produce all documents which relate in any way to The Freedom Council, the Freedom Council Foundation, the National Legal Foundation or the National Perspectives Institute.
2. Provide all personnel records for George F. Border and Steve Davis.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, DC 20006

RE: MUR 3485  
KXTX, Inc.

Dear Mr. Baran:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, CBN Continental Broadcasting Network, Inc. (now KXTX, Inc.), knowingly and willfully violated 2 U.S.C. § 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that KXTX, Inc. knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed Subpoena and Order.

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MUR 3485

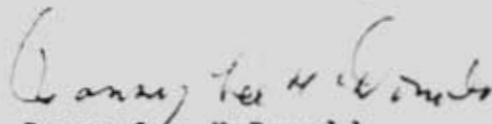
Jan W. Baran, Esq.

Page 2

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. You should construe the terms of the order and subpoena to be as previously negotiated between you and the Office of the General Counsel. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Jose M. Rodriguez, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Danny Lee McDonald  
Vice Chairman

Enclosure  
Order and Subpoena

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
) MUR 3485

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: KXTX, Inc.  
c/o Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

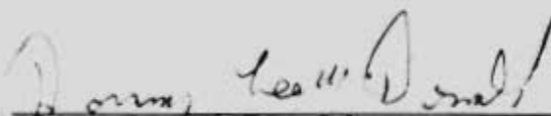
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents listed on the attachment to 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 30 days of receipt of this Order and Subpoena.

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WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this 17th day of February, 1994.

For the Commission,

  
\_\_\_\_\_  
Danny Lee McDonald  
Vice Chairman

ATTEST:

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

Attachments  
Instructions  
Definitions  
Questions and Document Requests (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, 1984 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 listed below are defined as follows:

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

INTERROGATORIES AND PRODUCTION OF DOCUMENTS

1. List all aircraft owned or leased by you or your subsidiaries, including but not limited to Airplanes, Inc. For each aircraft listed:

- state its make, model, year, seating capacity, cruising speed, and engine configuration;
- state the price for which, and the date on which, you purchased it; identify the person and/or entity who sold you the aircraft and produce all documents concerning and/or in any way relating to the purchase.
- state the price for which, and the date on which, you sold it; identify the person and/or entity who purchased the aircraft from you and produce all documents concerning and/or in any way relating to the sale.
- if still owned by you, state the current value; and produce all documents establishing and/or in any way reflecting the value of the aircraft.

2. Identify all organizations chartering or otherwise using the aircraft listed in response to question one and describe the billing method for their use. As concerns the billing method, note if billings are based on costs, including but not limited to the cost of owning, maintaining, and operating the aircraft. List the costs used for the billings and the method for calculating the billable costs.

3. Produce all documents, including invoices and bills, concerning and/or in any way relating to these charters and/or the billing for these charters, including invoices issued and bills issued, not previously provided to the Commission.

4. As concerns the BAC 1-11 purchased by you in February 1985 and later transferred to your subsidiary, Airplanes, Inc.,

- state the purchase price and sale price, and provide all documents concerning and/or in any way relating to these transactions not previously provided to the Commission;
- list all maintenance performed on the aircraft, including costs, and produce all documents concerning and/or in any way relating to the aircraft's maintenance not previously provided to the Commission;
- state if you reconfigured the interior of the aircraft. If so, state when the reconfiguration took place and the cost, and provide all documents, including invoices and bills, concerning and/or in any way relating to the

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reconfiguration;

- identify all entities chartering and/or otherwise using the aircraft.

5. Identify all persons involved in the charters to Americans for Robertson, Inc. ("AFR") and/or other entities for all aircraft listed above, including but not limited to persons involved in the scheduling of flights, maintenance of aircraft, billing for flights, and accounting costs for billings.

6. Identify the source of the \$130,000 charge for fuel noted in the Settlement Agreement between you, Airplanes, Inc., and AFR dated August 25, 1989. Provide a copy of the fuel bill and/or any other documentation, including but not limited to invoices, concerning the fuel charge.

7. State the number of mailings made by you from the mailing list provided to you by AFR in settlement of the \$260,000 outstanding bill. Provide all documentation concerning the mailings, including a copy of each mailing.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Tom Atwood  
5738 Simon St.  
Virginia Beach, VA 23464

RE: MUR 3485

Dear Mr. Atwood:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe you violated 2 U.S.C. § 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed subpoena and order.

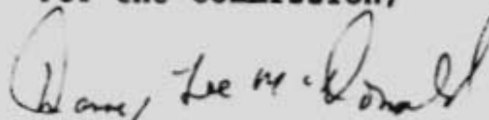
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MUR 3485  
Tom Atwood  
Page 2

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Jose M. Rodriguez, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Danny Lee McDonald  
Vice Chairman

Enclosure  
Order and Subpoena

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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MUR 3485

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Tom Atwood  
5738 Simon Street  
Virginia Beach, VA 23464

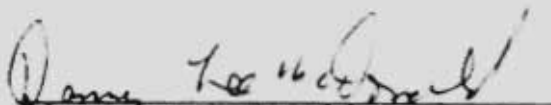
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment 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 30 days of receipt of this Order and Subpoena.

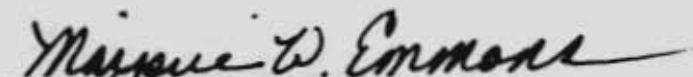
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WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this 17<sup>th</sup> day of *February*, 1994.

For the Commission,

  
Danny Lee McDonald  
Vice Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions and Document Requests

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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 May 31, 1988.

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.

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DEFINITIONS

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

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"AFR" shall mean Americans for Robertson, Inc.

"CBN Continental" shall mean CBN Continental Broadcasting Network, Inc.

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INTERROGATORIES

1. List all positions held by you at AFR. Give the dates during which you held each position and state your duties in each position.
2. Identify all persons at CBN Continental involved in the lease of any aircraft to AFR.
3. Identify all persons at AFR involved in the lease of any aircraft. Identify all entities or individuals from whom AFR leased aircraft.

PRODUCTION OF DOCUMENTS

1. Produce all documents in your possession concerning and/or in any way relating to the lease of aircraft by AFR.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

William J. Olson, Esq.  
8180 Greensboro Drive  
Suite 1070  
McLean, VA 22102-3823

RE: MUR 3485  
Herb Ellingwood

Dear Mr. Olson:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, Herb Ellingwood, violated 2 U.S.C. §§ 441a(a)(1)(A) and 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Herb Ellingwood violated 2 U.S.C. §§ 441a(a)(1)(A) and 441b(a), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

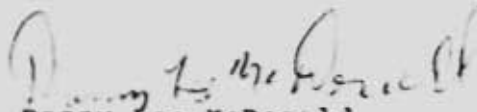
You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter.

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Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Jose M. Rodriguez, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Danny Lee McDonald  
Vice Chairman

96043754451



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

Donald W. Miracle  
2030 E. Redfield Rd.  
Tempe, AZ 85283

RE: MUR 3485

Dear Mr. Miracle:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

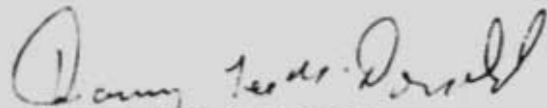
You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter.

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Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Jose M. Rodriguez, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Danny Lee McDonald  
Vice Chairman

76043754453



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

Alan Sutherlin  
5525 Allisonville Rd.  
Indianapolis, IN 46220

RE: MUR 3485

Dear Mr. Sutherlin:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe you violated 2 U.S.C. § 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

You may rely on your prior submissions, or you may submit any additional factual and legal materials that you believe are relevant to the Commission's consideration of this matter.

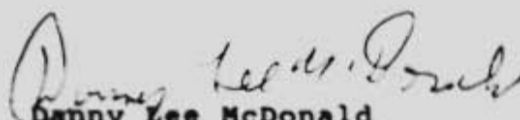
96043754484

NUR 3485  
Alan Sutherlin  
Page 2

Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Jose M. Rodriguez, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Danny Lee McDonald  
Vice Chairman

96043754455





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Dr. Herbert Titus  
1433 Lake James Drive  
Virginia Beach, Virginia 23510

RE: MUR 3485

Dear Dr. Titus:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe you knowingly and willfully violated 2 U.S.C. § 441b(a).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

96043754456



Dr. Herbert Titus  
NUR 3485  
Page 2

You may submit any factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

96043754457



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Robert G. Slosser  
1209 Hill Road  
Virginia Beach, Virginia 23451

RE: MUR 3485

Dear Mr. Slosser:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe you knowingly and willfully violated 2 U.S.C. § 441b(a).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

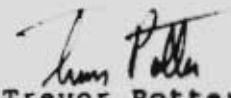
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Robert G. Slosser  
MUR 3485  
Page 2

You may submit any factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

26043754459



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Robert G. Partlow  
1705 Hunt Meet Circle  
Virginia Beach, Virginia 23454

RE: MUR 3485

Dear Mr. Partlow:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe you knowingly and willfully violated 2 U.S.C. § 441b(a).

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

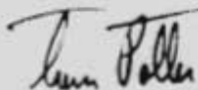
9604375440

Robert G. Partlow  
MUR 3485  
Page 2

You may submit any factual and legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,



Trevor Potter  
Chairman

36043754461



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

William Moore, President  
Response Media Direct  
5401 S. Sheridan  
Suite 303  
Tulsa, Oklahoma 74145

RE: MUR 3485

Dear Mr. Moore:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe Response Media Direct and you, as president, each violated 2 U.S.C. § 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Response Media Direct and you, as president, each violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed subpoena and order.

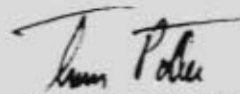
96043754462

MUR 3485  
William Moore  
Page 2

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Jose M. Rodriguez, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

Enclosure  
Order and Subpoena

9604375443



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
)

MUR 3485

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Response Media Direct, Inc.  
William Moore, President  
5401 S. Sheridan  
Suite 303  
Tulsa, OK 74145

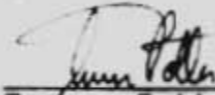
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents listed on the attachment to 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 30 days of receipt of this Order and Subpoena.

26043754464

WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C., on this 16<sup>th</sup> day  
of February, 1994.

For the Commission,

  
Trevor Potter  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions and Document Requests

96043754465

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, 1986 to December 31, 1989.

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.

96043754406

DEFINITIONS

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

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

For all types of documentary records requested, if any of these records are maintained on magnetic media, provide copies of that media along with all file and record layouts.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

754467

INTERROGATORIES AND PRODUCTION OF DOCUMENTS

1. Identify two (2) nonpolitical clients for which you performed mailed solicitations in calendar year 1988. For each,

a. Provide copies of all contracts entered into between you and the client;

b. Provide copies of all documents regarding any escrow accounts for the entire period that the account was open, including bank statements, cancelled checks (both sides), deposit documentation, and debit and credit memos;

c. Provide copies of all cancelled checks (both sides) relating to payments made by you on behalf of the client along with all invoices, bills, statements, correspondence, and drop dates for all mailings;

d. Provide copies of all cancelled checks (both sides) issued by the client relating to any transactions with you along with all invoices, bills, statements, and correspondence relating to all transactions between the client and you.

2. For any of the data described in question 1 above maintained electronically, provide the formats for the data, a description of any codes/symbols utilized, the software used to create the electronic records, and readable computer diskettes 3 1/2" or 5 1/4" or magnetic tape if stored on tape.

3. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

96043754468





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

RE: MUR 3485  
Gordon Robertson

Dear Mr. Baran:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, Gordon Robertson, violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), and that Partners for America - State PAC, a political committee formed by your client and Ray W. King, knowingly and willfully violated 2 U.S.C. § 441a(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Gordon Robertson violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), and that Partners for America - State PAC, a political committee formed by Gordon Robertson and Ray W. King, knowingly and willfully violated 2 U.S.C. § 441a(a), and to approve the Factual and Legal Analysis previously mailed to

9604375449

Jan W. Baran, Esq  
MUR 3485  
Page 2

your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed order and subpoena.

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

Enclosure  
Order and Subpoena

26043754470



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Gordon P. Robertson  
c/o Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

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 listed 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 30 days of receipt of this Order and Subpoena.

96043754471

WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this 16<sup>th</sup> day of

February, 1994.

For the Commission,

  
\_\_\_\_\_  
Trevor Potter  
Chairman

ATTEST:

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

Attachments

Instructions  
Definitions  
Questions (1 page)  
Document Request (1 page)

960437544/2

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, 1988 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.

9604375443

DEFINITIONS

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

"You" shall mean the named respondent to whom these discovery requests are addressed, including all employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"PFA" shall mean Partners for America - State PAC.

"CFL" shall mean Computer Futures, Ltd.

INTERROGATORIES

1. Identify all accounts in financial institutions held or co-held in the name of PFA. Include in your answer the account number, the type and nature of each account, all owners of each account, all persons having signature authority on each account, the date each account was opened, and the date each account was closed.
2. List all transactions between PFA and CFL in which money was transferred from one party to the other. For each transaction state the date of the transaction, the purpose of the transaction, the amount of money transferred, and whether PFA gained ownership of any real or personal property as a result of that transaction. Identify the current owner of any such property.
3. With respect to any personal property identified in response to question 3, state what kind of property it is, and its make and model year.
4. Identify all persons who in any way dealt with CFL on behalf of PFA regarding any transaction.
5. Identify all other persons who did not deal directly with CFL, but who otherwise were in any way involved on behalf of PFA regarding any transaction.
6. Identify all persons who in any way dealt with you on behalf of CFL regarding any transaction.

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PRODUCTION OF DOCUMENTS

1. Produce all records of financial activity in accounts identified in response to question 1. Include in your response copies of all bank statements, deposit and withdrawal slips, checks, account transfers, and all other documents evidencing financial activity.
2. Produce all documents which relate in any way to any business conducted between PFA and CFL.

96045754476





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20003

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

RE: MUR 3485  
Beurt SerVaas

Dear Ms. Kerman:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe your client, Beurt SerVaas, knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that Beurt SerVaas knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), and to approve the Factual and Legal Analysis previously mailed to your client. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized

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Leslie J. Kerman, Esq.  
MUR 3485  
Page 2

the enclosed order and subpoena.

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

Enclosure  
Order and Subpoena

960437544/8

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Beurt SerVaas  
c/o Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

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 listed 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 30 days of receipt of this Order and Subpoena.

960437544/9

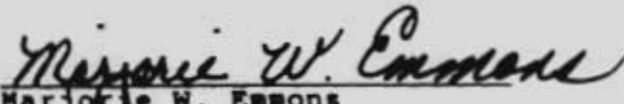
WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this 16<sup>th</sup> day of

February, 1994.

For the Commission,

  
\_\_\_\_\_  
Trevor Potter  
Chairman

ATTEST:

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

Attachments  
Instructions  
Definitions  
Questions (1 page)  
Document Request (1 page)

96045754460

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, 1987 to December 31, 1989.

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.

26043754431

DEFINITIONS

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

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"CFL" shall mean Computer Futures, Ltd.

"AFR" shall mean Americans for Robertson, Inc.

06041754402

INTERROGATORIES

1. Identify all persons who in any way dealt with CFL on behalf of you regarding any investment in CFL.
2. Identify all other persons who did not deal directly with CFL, but who otherwise were in any way involved on behalf of you regarding any investment in CFL.
3. Identify all persons who in any way dealt with you on behalf of CFL regarding any investment in CFL.
4. Identify all persons who in any way dealt with you on behalf of AFR regarding any investment in CFL.
5. Identify all persons with whom you discussed your investment in CFL.
6. List all other transactions you engaged in that refer, relate or in any way pertain to AFR and/or the presidential campaign of Pat Robertson.

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PRODUCTION OF DOCUMENTS

1. Produce all documents which relate in any way to your transaction with CFL.
2. Produce all documents which relate in any way to AFR and/or the 1988 presidential campaign of Pat Robertson.

96043754454





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Philip Friedman, Esq.  
Ross & Hardies  
888 16th Street, N.W.  
Washington, D.C. 20006-4103

RE: MUR 3485  
Victory Communications International,  
Inc. and Michael Clifford

Dear Mr. Friedman:

On January 12 and March 23, 1993, the Federal Election Commission found that there is reason to believe that your clients, Victory Communications International, Inc. and Michael Clifford, knowingly and willfully violated 2 U.S.C. § 441b(a). The Commission also issued a Subpoena and Order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that your clients, Victory Communications International, Inc. and Michael Clifford, knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one

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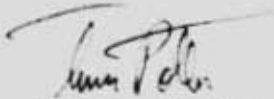
Philip Friedman, Esq.  
Page 2

will be provided upon request. In addition, the Commission authorized the enclosed Subpoena and Order.

All responses to the enclosed Subpoena and Order must be submitted to the General Counsel's Office within 30 days of your receipt of this Subpoena and Order. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Subpoena and Order.

If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

  
Trevor Potter  
Chairman

Enclosure  
Subpoena and Order

26044754456

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

ORDER TO SUBMIT WRITTEN ANSWERS  
SUBPOENA FOR PRODUCTION OF DOCUMENTS

TO: Victory Communications International, Inc.  
Michael Clifford, President  
c/o Philip Friedman, Esq.  
Ross & Hardies  
888 16th Street, N.W.  
Washington, D.C. 20006-4103

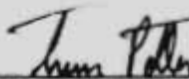
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents listed on the attachment to 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 30 days of receipt of this Order and Subpoena.

96043754437

WHEREFORE, the Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C., on  
this 16<sup>th</sup> day of February, 1994.

For the Commission,

  
\_\_\_\_\_  
Trevor Potter  
Chairman

ATTEST:

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

26043754438

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, 1986 to December 31, 1987.

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.

96043754489

DEFINITIONS

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

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

For all types of documentary records requested, if any of these records are maintained on magnetic media, provide copies of that media along with all file and record layouts.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

2604375440



"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.

05043754421



INTERROGATORIES AND DOCUMENT REQUESTS

1. Identify by bank and account number all bank accounts of Victory Communications International, Inc. ("VCI") during the period January 1, 1986 through December 31, 1987.
2. For the period January 1, 1986 to the present, produce all books and records of VCI; all financial statements; ledgers; journals; other books of entry, whether maintained manually or electronically; tax returns; records of any financial institutions, including statements, cancelled checks, deposit records, debit and credit memoranda and advices; bills; receipts; invoices; reconciliations; notes; and memoranda; including but not limited to:
  - a. General Ledger and any subsidiary ledgers (Accounts Payable, Accounts Receivable, etc.);
  - b. Cash receipts and cash disbursement journals and any other books of account;
  - c. All invoices and statements issued to Americans for Robertson ("AFR");
  - d. All invoices received from subcontractors/vendors related to AFR work;
  - e. All bank statements and enclosures for all accounts maintained;
  - f. All records related to any line of credit or letter of credit established/drawn against, including statements, applications, agreements, and related correspondence;
  - g. All records related to any loans or funds borrowed from any source, including statements, applications, agreements, and related correspondence;
  - h. Balance sheets and income statements both audited and unaudited;
  - i. Job orders, work orders, and/or cost estimates for projects undertaken on behalf of AFR;
  - j. Correspondence (incoming and outgoing) related to work performed in behalf of AFR;
  - k. Contracts/agreements with all parties other than AFR for which services were provided, and all contracts/agreements with subcontractors performing these services;
  - l. Corporate Charter, articles of incorporation, minutes of board meetings, names and positions of all officers and directors of the corporation, and dissolution papers; and
  - m. Any of the data described in a - l above maintained electronically to include the formats for the data, description of any codes/symbols utilized, the software used to create the electronic records, and readable computer diskettes 3 1/2" or 5 1/4" or magnetic tape if stored on tape.

96043754492

3. To the extent not provided in response to question 2 above, regarding the parties other than AFR for which VCI provided services, provide the following:

- a. The total dollar value of the work VCI performed for each as invoiced by VCI to each;
- b. Provide all invoices VCI issued regarding work performed for the client;
- c. Provide all bills VCI received from subcontractors regarding work performed for the client.

4. To the extent not provided in response to question 2 above, provide all documents relating to AFR's payments on VCI's invoices for work VCI performed for AFR during 1986 that were resolved in the January 13, 1987 agreement between VCI, Royall & Company, and the Committee, including but not limited to letters, memos, internal correspondence, notes of telephone conversations, and records of oral and/or written communications.

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## FEDERAL ELECTION COMMISSION

[illegible]

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

President  
National Perspectives Institute  
P.O. Box 2370  
Chesapeake, Virginia 23320

RE: MUR 3485

Dear Sir or Madam:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission found that there is reason to believe the National Perspectives Institute knowingly and willfully violated 2 U.S.C. § 441b(a). The Commission also issued a subpoena and order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoked to find reason to believe that the National Perspectives Institute knowingly and willfully violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed order and subpoena.

President, National Perspectives Institute

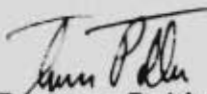
MUR 3485

Page 2

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Order and Subpoena. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

  
Trevor Potter  
Chairman

Enclosure  
Order and Subpoena

26043754495

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: National Perspectives Institute  
P.O. Box 2370  
Chesapeake, Virginia 23320

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 listed 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 30 days of receipt of this Order and Subpoena.

96043754496

WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this 16<sup>th</sup> day  
of February, 1994.

For the Commission,

  
\_\_\_\_\_  
Trevor Potter  
Chairman

ATTEST:

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

Attachments  
Instructions  
Definitions  
Questions  
Document Requests

96043754497



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 September 30, 1987.

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.

26043 / 54428



DEFINITIONS

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

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"GBCSI" shall mean GB Computer Services, Inc. and/or G. B. Computer Services, Inc.

"CBN" shall mean the Christian Broadcasting Network, Inc. and/or any of its subsidiaries.

96043754499

INTERROGATORIES

1. Identify all persons who in any way dealt with GBCSI on behalf of you regarding an administrative service agreement dated August 1, 1985.
2. Identify all other persons who did not deal directly with GBCSI, but who otherwise were in any way involved on behalf of you regarding an administrative service agreement dated August 1, 1985.
3. Identify all persons who in any way dealt with you on behalf of GBCSI regarding an administrative service agreement dated August 1, 1985.
4. List all amounts of money received by you from CBN. In your list, identify any employee, director or officer of CBN who was involved in the decision to provide funds to you. Include in your schedule the date each payment was received.

26043754500

PRODUCTION OF DOCUMENTS

1. Produce all documents which relate in any way to money received by you from CBN including, but not limited to, ledgers, receipts check registers, cover letters and memoranda.
2. Produce all documents which relate in any way to the administrative services agreement entered into between you and GBCSI on or about August 1, 1985.

96043754501



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Chase Bank of Arizona  
ATTN: Suzanne Rostan  
Legal Operations  
3700 North 3rd Avenue  
Phoenix, AZ 85013

RE: MUR 3485

Dear Ms. Rostan:

On April 12, 1993, the Federal Election Commission issued a subpoena in the above-captioned matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

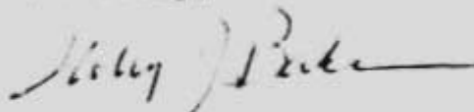
In this matter, on February 8, 1994, the Commission voted to reauthorize the enclosed Subpoena. All responses to the enclosed Subpoena must be submitted to the General Counsel's Office within 30 days of your receipt of this Subpoena. Documents and responses previously submitted do not have to be re-submitted.

26043754502

Chase Bank of Arizona  
Page 2

If you have any questions, please contact me at (202)  
219-3400.

Sincerely,



Holly J. Baker  
Attorney

Enclosure  
Subpoena

96043754503

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
)

MUR 3485

SUBPOENA TO PRODUCE DOCUMENTS

TO: Chase Bank of Arizona  
ATTN: Suzanne Rostan  
Legal Operations  
3700 North 3rd Avenue  
Phoenix, AZ 85013

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas the documents listed on the attachment to this subpoena.

Notice is given that these documents must be submitted to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, within 30 days of your receipt of this subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

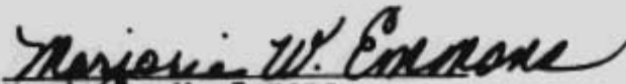
96043754504

WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C., on this 16<sup>th</sup> day  
of February, 1994.

For the Commission,

  
Trevor Potter  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Document Requests

26043754505



INSTRUCTIONS

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

Should you claim a privilege with respect to any documents, or other items about which information is requested by any of the following 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 May 1, 1986 to January 31, 1987.

The following 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 information prior to or during the pendency of this matter. Include in any supplemental response the date upon which and the manner in which such further information came to your attention.

06043754506

DEFINITIONS

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

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

For all types of documentary records requested, if any of these records are maintained on magnetic media, provide copies of that media along with all file and record layouts.

"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.

26043754507

DOCUMENT REQUESTS

1. For Victory Communications International, Inc. ("VCI") account #024218440 and any other VCI account, and for any other corporate accounts on which Michael K. Clifford had signature authority, provide copies of checks, statements, deposit slips, and instruments deposited.

2. For VCI account #024218440 and any other VCI account, and for any other corporate accounts on which Michael K. Clifford had signature authority, provide copies of all documents regarding loans, lines of credit, and letters of credit.

3. For any of the data described above maintained electronically, provide formats for the data, a description of any codes/symbols utilized, the software used to create the electronic records, and readable computer diskettes 3 1/2" or 5 1/4" or magnetic tape if stored on tape.

26043754508



FEDERAL ELECTION COMMISSION

February 18, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Edward R. Parker, Esq.  
5511 Staples Mill Road  
Richmond, VA 23228

RE: MUR 3485

Dear Mr. Parker:

On January 12 and March 23, 1993, the Federal Election Commission considered the above-captioned matter. The Commission issued a subpoena and order to International Business Machines Corporation ("IBM") in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission authorized the enclosed order and subpoena. This order and subpoena is being forwarded to you as IBM's registered agent.

All responses to the enclosed Order and Subpoena must be submitted to the General Counsel's Office within 30 days of your

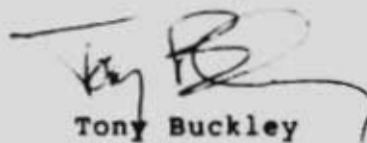
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Edward R. Parker Esq.  
MUR 3485  
Page 2

receipt of this Order and Subpoena. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Order and Subpoena.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

Enclosure  
Order and Subpoena

26043754510

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: International Business Machines Corporation  
Two Commercial Place  
Norfolk, Virginia 23510

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 listed on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

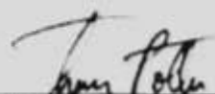
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

26043754511

WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this 16<sup>th</sup> day of

February, 1994.

For the Commission,

  
Trevor Potter  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments

Instructions

Definitions

Questions (1 page)

Document Request (1 page)

26043754512



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 September 30, 1987.

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.

26043734513

DEFINITIONS

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

"You" shall mean the named entity to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof, as well as any subsidiary.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"GBCSI" shall mean GB Computer Services, Inc. and/or G.B. Computer Services, Inc.

"AFR" shall mean Americans for Robertson, Inc.

"Product" shall mean goods or services and shall include, but not be limited to, any hardware, machine, software, literature, education, publication, purchased feature, transportation or destination charge, or maintenance or service agreement.

26043754514

INTERROGATORIES

1. Identify all persons who in any way dealt with GBCSI on behalf of you regarding the purchase of any product.
2. Identify all other persons who did not deal directly with GBCSI, but who otherwise were in any way involved on behalf of you regarding the purchase of any product by GBCSI.
3. Identify all persons who in any way dealt with you on behalf of GBCSI regarding the purchase of any product.
4. Identify all products purchased by GBCSI from you. Your identification should include the model name and number, cost, the date on which payment was made, and the date on which the product was delivered.
5. Describe any arrangement between you and GBCSI related to the financing of any purchase of any product by GBCSI.
6. Identify all persons who in any way dealt with AFR on behalf of you regarding the purchase of any product.
7. Identify all other persons who did not deal directly with AFR, but who otherwise were in any way involved on behalf of you regarding the purchase of any product by AFR.
8. Identify all persons who in any way dealt with you on behalf of AFR regarding the purchase of any product.
9. Identify all products purchased by AFR from you. Your identification should include the model name and number, cost, the date on which payment was made, and the date on which the product was delivered.
10. Describe any arrangement between you and AFR related to the financing of any purchase of any product by AFR.

93043754515

MUR 3485

International Business Machines Corporation

Subpoena and Order

Page 6

PRODUCTION OF DOCUMENTS

1. Produce all documents which relate in any way to the purchase of any product by GBCSI from you.
2. Produce all documents which relate in any way to the purchase of any product by AFR from you.

96043754516



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20543

February 18, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Marlene Elwell  
25270 Ridgewood  
Farmington Hills, MI 48336

RE: MUR 3485  
Marlene Elwell

Dear Ms. Elwell:

On January 12 and March 23, 1993, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A). The Commission also issued a Subpoena and Order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed Subpoena and Order.

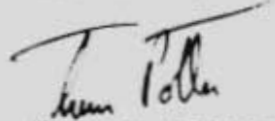
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Marlene Elwell  
Page 2

All responses to the enclosed Subpoena and Order must be submitted to the General Counsel's Office within 30 days of your receipt of this Subpoena and Order. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Subpoena and Order.

If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

  
Trevor Potter  
Chairman

Enclosure  
Subpoena and Order

26043754518



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
) MUR 3485  
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**SUBPOENA TO PRODUCE DOCUMENTS**  
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Marlene Elwell  
25270 Ridgewood  
Farmington Hills, MI 48336

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 listed on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

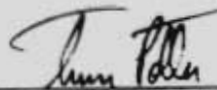
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

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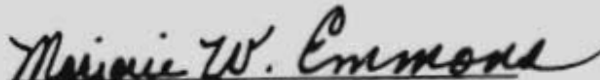


WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this 16<sup>th</sup> day of  
February, 1994.

For the Commission,

  
\_\_\_\_\_  
Trevor Potter  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions (1 page)  
Document Request (1 page)

26042754520

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 listed below are defined as follows:

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"Personal funds" shall mean a personal line of credit, credit card, charge card, or bank account, in an individual's name.

26043754522

INTERROGATORIES

1. Identify each position you held in Americans for Robertson, Inc. For each position, provide your title, describe your duties and responsibilities, and give the dates you held each position.
2. Itemize all expenses you paid from personal funds or charged to a personal account, or you incurred on behalf of Americans for Robertson, Inc.; for each item, include date, amount, purpose, and vendor.
3. Identify all bank accounts, including account numbers and signature authority, which you used to pay for expenses incurred on behalf of Americans for Robertson, Inc. and/or which you used to deposit repayments made by Americans for Robertson, Inc.
4. Identify all repayments, including dates, amounts, and purpose, made by Americans for Robertson, Inc. to you.
5. Describe any arrangement between you and Americans for Robertson, Inc. regarding expenses you incurred on behalf of Americans for Robertson, Inc.
6. Describe all attempts made at collection for repayment of expenses you incurred on behalf of Americans for Robertson, Inc.
7. Identify any person connected with Americans for Robertson, Inc. with whom you discussed repayment of expenses you incurred on behalf of Americans for Robertson, Inc. Include in your response the date(s), place(s), means of communication, and substance of the discussion.
8. Identify all contributions of money, goods, or services you made to Americans for Robertson, Inc. and the dates on which you made them.
9. Identify all expenses you charged on behalf of Americans for Robertson, Inc. on the Master Card account of Kenneth P. and Ione R. Dilley.
10. Identify any person, other than counsel, who assisted you or whom you consulted in preparation of the answers to these questions.

96043754523

PRODUCTION OF DOCUMENTS

1. Produce all documents, including but not limited to, invoices, bank statements, check registers, credit card statements, deposit slips, canceled checks (both sides) and any other document evidencing financial transactions related to your responses to the interrogatories.

2. Produce all correspondence, memos, notes of telephone conversations, or any other records of oral or written communications between you and Americans for Robertson, Inc. regarding expenses you incurred on behalf of Americans for Robertson, Inc. and regarding repayment of said expenses.

20043754524



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

FEBRUARY 16, 1994

William J. Dooner  
640 River Chase Point  
Atlanta, GA 30328

RE: MUR 3485

Dear Mr. Dooner:

The Federal Election Commission ("Commission") is currently conducting an investigation into the above-referenced matter for possible violations of the Federal Election Campaign Act of 1971, as amended. You have not been named a respondent in the matter, but you may have information helpful to the Commission.

In furtherance of its investigation, the Commission respectfully requests that you explain the purpose of and the circumstances surrounding the check you wrote for \$50,000 (fifty thousand dollars) to Victory Communications International, Inc., dated August 28, 1986, on The Citizens and Southern National Bank account number [REDACTED], check number 5452.

Please submit your answer in writing, under oath, and within thirty days of your receipt of this request. Please also submit any records or documents pertaining to the transaction evidenced by the above-referenced check.

Please be advised that 2 U.S.C. § 437g(a)(12) prohibits making public any Commission investigation without the written consent of the person with respect to whom such investigation is made. You are advised that no such consent has been given in this case.

If you have any questions about this request, please contact me at (202) 219-3400.

Sincerely,

*Holly J. Baker*  
Holly J. Baker  
Attorney

26043754525





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

FEBRUARY 16, 1994

Henry J. Smith  
The Bud Smith Organization  
of North Carolina, Inc.  
3811 Turtle Creek Blvd., No. 1200  
Dallas, TX 75219

RE: MUR 3485

Dear Mr. Smith:

The Federal Election Commission ("Commission") is currently conducting an investigation into the above-referenced matter for possible violations of the Federal Election Campaign Act of 1971, as amended. You have not been named a respondent in the matter, but you may have information helpful to the Commission.

In furtherance of its investigation, the Commission respectfully requests that you explain the purpose of and the circumstances surrounding the check you wrote for \$50,000 (fifty thousand dollars) to Victory Communications [International, Inc.], dated August 29, 1986, on Republic Bank account number [REDACTED] check number 149, designated "Loan due 9/19/86."

Please submit your answer in writing, under oath, and within thirty days of your receipt of this request. Please also submit any records or documents pertaining to the transaction evidenced by the above-referenced check.

Please be advised that 2 U.S.C. § 437g(a)(12) prohibits making public any Commission investigation without the written consent of the person with respect to whom such investigation is made. You are advised that no such consent has been given in this case.

If you have any questions about this request, please contact me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, reading "Holly J. Baker", is written over a horizontal line.

Holly J. Baker  
Attorney

26043754526





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

FEBRUARY 16, 1994

L.M. Warner  
11411 N. Tatum Blvd.  
Phoenix, AZ 85028

RE: MUR 3485

Dear Mr. Warner:

The Federal Election Commission ("Commission") is currently conducting an investigation into the above-referenced matter for possible violations of the Federal Election Campaign Act of 1971, as amended. You have not been named a respondent in the matter, but you may have information helpful to the Commission.

In furtherance of its investigation, the Commission respectfully requests that you explain the purpose of and the circumstances surrounding the check you wrote for \$100,000 (one hundred thousand dollars) to Victory Communications International, Inc., dated August 12, 1986, on United Bank account number [REDACTED] check number 0111.

Please submit your answer in writing, under oath, and within thirty days of your receipt of this request. Please also submit any records or documents pertaining to the transaction evidenced by the above-referenced check.

Please be advised that 2 U.S.C. § 437g(a)(12) prohibits making public any Commission investigation without the written consent of the person with respect to whom such investigation is made. You are advised that no such consent has been given in this case.

If you have any questions about this request, please contact me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, appearing to read "Holly J. Baker", is written over the typed name.

Holly J. Baker  
Attorney

96043754527



FEDERAL ELECTION COMMISSION

FEBRUARY 27, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Management Financial Services, Inc. and  
Arthur L. Williams, Jr.

Dear Mr. Lynk:

On January 12 and March 23, 1993, the Federal Election Commission found that there is reason to believe that your clients, Management Financial Services, Inc. and Arthur L. Williams, Jr., violated 2 U.S.C. § 441b(a). The Commission also issued a Subpoena and Order in this matter.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that your clients, Management Financial Services, Inc. and Arthur L. Williams, Jr., violated 2 U.S.C. § 441b(a), and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If

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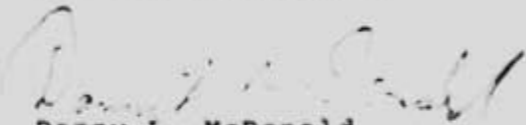
Myles V. Lynk, Esq.  
Page 2

you need an additional copy, one will be provided upon request. In addition, the Commission authorized the enclosed Subpoena and Order.

All responses to the enclosed Subpoena and Order must be submitted to the General Counsel's Office within 30 days of your receipt of this Subpoena and Order. Documents and responses previously submitted do not have to be re-submitted. Any additional factual and legal materials or statements you wish to submit should accompany the response to the Subpoena and Order.

If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

  
Danny L. McDonald  
Vice Chairman

Enclosure  
Subpoena and Order

96044754529

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

ORDER TO SUBMIT WRITTEN ANSWERS  
SUBPOENA FOR PRODUCTION OF DOCUMENTS

TO: Management Financial Services, Inc.  
and Arthur L. Williams, Jr.  
c/o Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

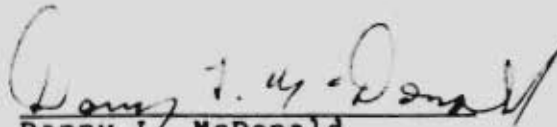
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents listed on the attachment to 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 30 days of receipt of this Order and Subpoena.

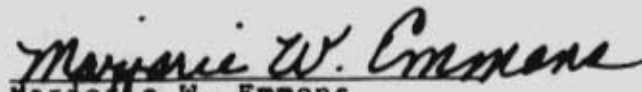
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WHEREFORE, the Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C., on  
this 22 day of Feb, 1994.

For the Commission,

  
Danny L. McDonald  
Vice Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

96043754531

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, 1986 to December 31, 1987.

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.

26043754532



DEFINITIONS

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

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

For all types of documentary records requested, if any of these records are maintained on magnetic media, provide copies of that media along with all file and record layouts.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

2604375453



"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.

96043754534

QUESTIONS AND DOCUMENT REQUESTS

1. Identify all individuals involved, including their specific roles, in all transactions with Victory Communications International, Inc. ("VCI") during the period January 1, 1986 through December 31, 1987, including but not limited to the planning of the "EAGLE-EAGLE A.L. WILLIAMS" solicitations, the execution of these solicitations, and the efforts at collecting the \$47,161.56 that ALW Associates invoiced VCI in October 1986.

2. Produce all documents in your possession that refer, relate, or in any way pertain to meetings held regarding the "EAGLE-EAGLE/A.L. WILLIAMS" solicitations in August and September 1986 in connection with Pat Robertson's presidential campaign performed by A.L. Williams Company, A.L. Williams & Associates, Inc., A.L. Williams Administrative Services, Inc., and/or these entities' subsidiaries or affiliates, including but not limited to agendas, minutes, letters, envelopes, memos, internal correspondence, notes of telephone conversations, and records of oral and/or written communications.

3. To the extent not provided in response to question 2, produce all documents in your possession that refer, relate, or in any way pertain to other communications involving Arthur L. Williams, A.L. Williams Company, A.L. Williams & Associates, Inc., A.L. Williams Administrative Services, Inc., and/or these entities' subsidiaries or affiliates, or directors, officers, employees, or agents of any of the above-listed entities, and

a. Pat Robertson or any directors, officers, employees, or agents of Pat Robertson's presidential campaign;

b. Michael Clifford or directors, officers, employees, or agents of Victory Communications International, Inc.;

c. Bill Royall or directors, officers, employees, or agents of Royall & Company;

regarding the "EAGLE-EAGLE/A.L. WILLIAMS" solicitations performed in August and September 1986 in connection with Pat Robertson's presidential campaign, including but not limited to letters, envelopes, memos, internal correspondence, notes of telephone conversations, and records of oral and/or written communications.

4. Regarding the \$50/thousand price for the A.L. Williams mailing list rental charged to VCI, identify the criteria used in setting this price.

96043754535

5. Regarding the \$47,161.56 that ALW Associates invoiced VCI in October 1986, describe in detail the attempts made by ALW Associates or related entities or individuals to collect this amount, and provide documents including but not limited to letters, envelopes, memos, internal correspondence, notes of telephone conversations, and records of oral and or written communications.

6. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

9604375456

09c 289

LAW OFFICES  
**MARION EDWYN HARRISON**

FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

1220 19TH STREET, N.W., SUITE 400  
WASHINGTON, D.C. 20036

107 PARK WASHINGTON COURT  
FALLS CHURCH, VIRGINIA 22046

FALKENSTRASSE 14  
8008 ZURICH, SWITZERLAND

MARION EDWYN HARRISON (DC, VA)  
JOHN S. BAKER, JR. (DC, LA)  
DANIEL M. REDMOND (DC)

TELEPHONE (202) 965-0800  
TELEPHONE (703) 532-0303  
FACSIMILE (703) 532-0086

54 FEB 28 1994

February 24, 1994

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: **MUR 3485**  
**R. Marc Nuttle**

Dear Mr. Buckley:

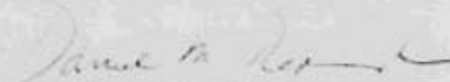
Yesterday we received a letter from Vice Chairman Danny Lee McDonald, dated February 18, 1994, with an enclosed order and subpoena in connection with the above-referenced matter.

Mr. Harrison, counsel for R. Marc Nuttle, is currently out of the country and will be returning on March 15, 1994.

In consequence, we request an extension of time of thirty days from March 24, the current return date, until April 25, 1994, to respond to the subpoena.

If you have any questions, please let me know.

Sincerely yours,

  
DANIEL M. REDMOND

cc: R. Marc Nuttle

754537



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

MARCH 2, 1994

Daniel M. Redmond, Esq.  
Law Offices of Marion Edwyn Harrison  
1220 19th Street, N.W.  
Suite 400  
Washington, D.C. 20036

RE: MUR 3485  
R. Marc Nuttle

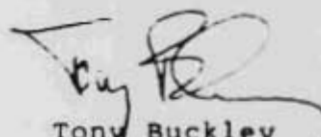
Dear Mr. Redmond:

This is in response to your letter dated February 24, 1994, which we received on February 28, 1994, requesting an extension of 30 days to respond to the Commission's Subpoena and Order in the above-captioned matter. As the Commission's February 18, 1994 letter explained, the subpoena and order had been previously issued to Mr. Nuttle. Indeed, a response was received from Mr. Nuttle on July 23, 1993; this response does not have to be resubmitted.

While Mr. Nuttle should have already fully complied with the subpoena and order, the Office of the General Counsel is mindful that Mr. Harrison may wish to consult with Mr. Nuttle to determine whether an additional response is appropriate. This Office has granted a limited extension of five additional days in which to submit any additional response. Accordingly, any additional response is due by the close of business on March 29, 1994.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

96043754538



REPRESENTATIVE GENE WARD

MINORITY WHIP  
HAWAII STATE CAPITOL  
HONOLULU, HAWAII 96813

March 1, 1994

Honorable Trevor Potter,  
Chairman  
Federal Election Commission  
Washington, D.C. 20463

RE: MUR 3485

Dear Sir:

I am in receipt of your February 18, 1994 that suggests I violated 2 U.S. C. 441a(a)(1)(A).

This presumption is incorrect, and I have stated this in two separate lengthy replies to the commission in the past. Let me restate why your presumption is incorrect.

POINT ONE: NO CONTRIBUTION IN EXCESS OF \$1000 WAS MADE:

First, your factual and legal analysis is incorrect to state that I made a contribution of over \$1,000. The law states that no contribution can exceed over \$1,000, and that a contribution is defined as a gift, subscription, loan, advance, or deposit of money or anything of value.

The attached records (May 10, 1993 submission to the FEC) indicate that I made a total contribution of \$100 cash on January 5, 1988. This is the only cash that I personally gave the campaign. I did make a pre-operational campaign expense of \$859 by setting up the campaign office, but this money was reimbursed in a matter of days. So the only cash I contributed was \$100.

Regarding the Commission's contention that I made a contribution through another means is also incorrect. Where the commission errs is in defining the money that I used to bailout an overdrawn bank account, as a contribution. This is an erroneous assumption because I did not contribute this money to the campaign. The February 10 deposit of \$4,000 was an emergency deposit that I have well documented. (See May 10, 1993 submission to the FEC complaining to campaign headquarters about when repayment of my funds could be expected and was repaid \$1,000 of this money within a few weeks, although the remainder took a few more months.)



Your description of what I did appears to suggest that I gave this money with the intent of breaking the law and influencing the campaign by exceeding the \$1000 spending limit. This could not be farther from the truth. If I wanted to break the campaign spending law, why would I put my name on these funds, and then why would I loudly complain that I want these funds returned immediately?

POINT TWO: NO IN-KIND CONTRIBUTION IN EXCESS OF \$1,000 WAS MADE:

Your second contention is based on a statement that says, "When an employee pays for campaign-related expenses from his or her own funds, an in-kind contribution results, and that employees who pay for expenses out of their own pocket must not exceed \$1,000." This contention is also false for 2 reasons. One, I was never an employee of the campaign, I never received a stipend or salary, and 2) one has to first put something in-kind to qualify for it to be an in-kind contribution. The \$4,000 bailout of the campaign's bank account was not comprised of things that I purchased, it was a generic bailout of the account not going into overdraft status. There was therefore nothing that I had purchased that I was putting into the campaign as "in-kind".

POINT THREE: IT WAS CHRONOLOGICALLY IMPOSSIBLE TO HAVE DONE WHAT THE COMMISSION CONTENDS:

Lastly, your factual and legal analysis is incorrect to say that "Dr. Ward deposited \$4,000 into the Committee's state bank account during February 1988 to cover the \$4,045.73 in expenses he had incurred on behalf of the Committee for telephone, rent, photocopying and wages."

Where the commission errs on this one is that these expenses were paid for after the \$4,000 bailout funds were placed into the bank. I put the funds into the bank on February 16, 1988, but did not pay for the telephone bill and copying services until March 4, 1988, or pay for the rent until March 1, 1988, or pay the office manager's final wages until March 7, 1988. (See May 10, 1993 submission to the FEC.)

Campaign headquarters (Americans for Robertson) specifically instructed me on how to transact the reimbursement by submitting the invoices for services that were paid for after I had bailed out the overdrawn checking account. Therefore it is impossible for the commission to state that I put the money into the account to cover expenses that I had incurred on behalf of the campaign. Also if the reimbursement methodology was incorrect, the responsibility and burden of proof should be on my campaign superiors, and not on me.

Lastly, please recall that the formal campaign headquarters was only open for a little more than 2 months. This was not a large nor significant campaign effort involving lots of money or lots of people, not to mention that fact that our candidate did not even make it to the primary.



Let us not make this case larger than it is, and read more into what innocently and honestly took place in a very short period of time over 6 years ago. It surprises me that such a case should linger for a period of 6 years. In the meantime I have been elected to the House of Representatives in the State of Hawaii, and was recently elected the Minority Leader. I know what it is to run a campaign and abide by the rules. This is what I do in my campaigns and have always done so in my past.

Please file this case without probable cause and pursue this matter no further.

Sincerely,



Dr. Gene R. Ward  
Representative 16th District

26043754541

**KING • PETERSON • BROWN**

A Limited Liability Company

Attorneys at Law

Suite 1040, The Bosticher Building

8400 East Prentice Avenue

Englewood, Colorado 80111-2922

Telephone (303) 793-3400

Facsimile (303) 793-3678

Charles E. King  
Richard G. Peterson  
James L. Brown\*  
Mary Ann Kerwin  
Michael W. Reagor

March 4, 1994

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FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

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\*Conifer Office  
19423 No. Turkey Creek Rd.  
Suite G  
Morrison, Colorado 80465  
Telephone (303) 697-0575  
Facsimile (303) 697-5259

Mr. Tony Buckley  
FEDERAL ELECTION COMMISSION  
Washington, D.C. 20463

RE: MUR 3485, Clarence Decker

Dear Mr. Buckley:

I previously represented Mr. Clarence Decker in the above matter. As of this date I no longer represent Mr. Decker in the matter and your correspondence should be sent directly to him.

Because of my delay in receipt of this letter, I ask that the Commission allow Mr. Decker an additional fifteen (15) days, through and until March 19, 1994, to respond to your letter of February 18.

Please call if you have any questions.

Very truly yours,

King • Peterson • Brown LLC

By: 

Michael W. Reagor

MWR  
cc: Clarence Decker



FEDERAL ELECTION COMMISSION  
WASHINGTON D.C. 20463

MARCH 8, 1994

Clarence Decker  
2101 S. Clay Street  
Denver, CO 80219

RE: MUR 3485

Dear Mr. Decker:

This is in response to the letter from Michael W. Reagor dated March 4, 1994, which we received on March 7, 1994, requesting an extension of 15 days for you to submit additional factual and legal materials in the above-captioned matter. After considering the circumstances presented in Mr. Reagor's letter, the Office of the General Counsel has granted the requested extension. Accordingly, any additional response is due by the close of business on March 19, 1994.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney

96043754543



OGC 613

THE DECKER LAW FIRM, PC

March 9, 1994

Mr. Tony Buckley  
FEDERAL ELECTION COMMISSION  
Washington, D.C. 20463

Re: MUR 3485, Clarence Decker

Dear Mr. Buckley:

I received a copy of a letter from Mr. Michael W. Reagor referring to the above matter, and directed to you. I am not aware of any action concerning me; have previously denied any wrongdoing and any intent to participate in any wrongdoing.

I am, therefore, of the belief that you are mistaken in directing any correspondence to me or anyone on my behalf.

Sincerely,

  
Clarence Decker

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WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

JAN WITOLD BARAN  
(202) 429-7330

March 9, 1994

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attn: Tony Buckley, Esq.

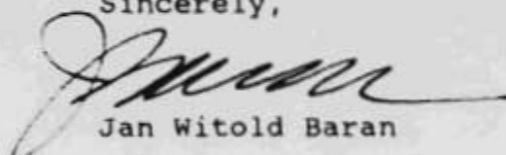
Re: MUR 3485 (Marion G. Robertson)

Dear Mr. Noble:

I am in receipt of the Commission's letter dated February 18, 1994, notifying me that on February 8, 1994, the Commission, without notice to respondent, revoted to find reason to believe that Marion G. "Pat" Robertson violated the Act in light of the United States Court of Appeals decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (1993), and providing an additional opportunity to respond to the Commission's finding. Respondent has no additional materials to submit at this time.

However, on January 25, 1994, this office sent you a letter stating the Respondent's position with respect to NRA and objecting to past and future Commission activities in Matter Under Review 3485 with respect to Pat Robertson. Respondent herein reiterates the objections as set forth in that letter, and submits that the "revote" did not cure the separation of powers and due process defects in this proceeding. Accordingly, while we do not acquiesce in the revote, we understand that no action by our client is required at this time.

Sincerely,



Jan Witold Baran

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WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

JAN WITOLD BARAN  
(202) 429-7330

March 9, 1994

FACSIMILE  
(202) 429-7049  
TELEX 248348 WYRN UR

26043754546

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attn: Tony Buckley, Esq.

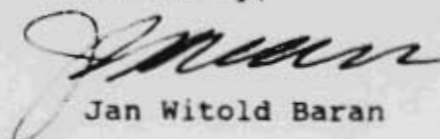
Re: MUR 3485 (David T. Jackman)

Dear Mr. Noble:

I am in receipt of the Commission's letter dated February 18, 1994, notifying me that on February 8, 1994, the Commission, without notice to respondent, revoted to find reason to believe that David T. Jackman violated the Act in light of the United States Court of Appeals decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (1993), and providing an additional opportunity to respond to the Commission's finding. Respondent has no additional materials to submit at this time.

However, on January 25, 1994, this office sent you a letter stating the Respondent's position with respect to NRA and objecting to past and future Commission activities in Matter Under Review 3485 with respect to David Jackman. Respondent herein reiterates the objections as set forth in that letter, and submits that the "revote" did not cure the separation of powers and due process defects in this proceeding. Accordingly, while we do not acquiesce in the revote, we understand that no action by our client is required at this time.

Sincerely,

  
Jan Witold Baran

WILLIAM J. OLSON, P.C.

ATTORNEYS AT LAW

8180 GREENSBORO DRIVE, SUITE 1070  
MCLEAN, VIRGINIA 22102-3823

TELEPHONE (703) 356-5070

FAX (703) 356-5055

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FEDERAL ELECTIONS  
COMMISSION  
MAIL ROOM

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WILLIAM J. OLSON  
IDC VA  
JOHN B. MILES  
D.C. MD. OF COUNSEL  
GILMAN & PANGIA  
OF COUNSEL

1815 H STREET N.W.  
SUITE 800  
WASHINGTON, D.C. 20006-3604  
TELEPHONE (202) 223-8088  
FAX (202) 331-8988

March 9, 1994  
CERTIFIED MAIL

Tony Buckley, Esquire  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485; National Legal Foundation and  
Robert K. Skolrood

Dear Mr. Buckley:

As you know, we represent The National Legal Foundation (NLF) and Robert Skolrood, its Executive Director, with respect to the above-referenced MUR.

By letters dated February 18, 1994, you informed us that the newly-constituted Federal Elections Commission revoted on February 8, 1994, to find reason to believe that our clients violated 2 U.S.C. section 441b(a), and to approve the Factual and Legal Analysis previously mailed to our clients. This action was taken because of the decision of the United States Court of Appeals for the District of Columbia Circuit in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed (U.S. No. 93-1151, Jan. 18, 1994) (hereinafter the "NRA case"). As we understand your position, the FEC contends that the NRA case was wrongly decided and the revote by the "new" Commission was not necessary, but was taken out of an abundance of caution.

We respectfully submit that any such revoting procedure is highly questionable and, in a case such as this, undoubtedly would have been tainted by the earlier, invalid procedures leading to a "reason to believe" finding. On behalf of our clients, we object to such a procedure, and on that additional basis request that this matter be dismissed. We will await the Supreme Court's disposition of the petition for certiorari in the NRA case with interest.

Beyond that, our clients rely on our earlier submission, but we would like to take this opportunity to again request that the proceeding against Mr. Skolrood and the National Legal Foundation be dismissed. There appears to be no reasonable basis for them continuing to be respondents in this MUR.



With respect to the essential allegation against National Legal Foundation (NLF), that it "may have made" corporate contributions by using a particular computer firm which assisted in the purchase of a computer which later assisted Committee for Freedom, "a multi-candidate political committee associated with Pat Robertson," we have already shown why that theory is not a valid foundation for including NLF in this MUR. We would appreciate your sharing with us any evidence which you contend supports the FEC's theory in this matter so we can respond to that as well.

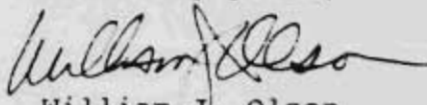
Therefore, at this time, we respectfully renew our request that NLF be dismissed as a respondent in this MUR.

With respect to Mr. Skolrood, as we have already demonstrated, whatever the rationale for the pendency of this MUR against NLF, there is no reasonable basis for continuing Mr. Skolrood as a respondent. We are not aware of any legal support for the assertion of such a claim against an individual in a matter such as this, and we submit that there is no legal or factual basis for asserting such a claim against Mr. Skolrood in this particular matter, where it is clear that he had nothing to do with the complained-of transaction and acted as an employee, and then later as an officer and director, of NLF, and acted properly at all times.

Therefore, at this time, we respectfully renew our request that Mr. Skolrood be dismissed as a respondent in the pending MUR. As Mr. Skolrood is on travel in Texas, we would reserve the right to supplement this submission at a later time.

We also repeat our earlier request that the entire matter be treated confidentially by the Commission and that no disclosure of NLF's responses or documents, which constitute, inter alia, confidential business, financial, and donor records, be permitted.

Sincerely yours,

  
William J. Olson

WJO:aw

3604375458

OAC 507

WILLIAM J. OLSON, P.C.

ATTORNEYS AT LAW

8180 GREENSBORO DRIVE, SUITE 1070  
MCLEAN, VIRGINIA 22102-3823

TELEPHONE (703) 356-8070

FAX (703) 356-5085

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Mar 14 11 16 AM '94

WILLIAM J. OLSON  
D.C. V.A.  
JOHN S. MILES  
D.C. MD. OF COUNSEL  
SILMAN & PANGIA  
OF COUNSEL

1815 H STREET, N.W.  
SUITE 800  
WASHINGTON, D.C. 20006-3804  
TELEPHONE (202) 823-9088  
FAX (202) 331-8988

March 9, 1994  
CERTIFIED MAIL

Jose Rodriguez, Esquire  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485; Herbert E. Ellingwood

Dear Mr. Rodriguez:

As you know, we represent Mr. Herbert Ellingwood with respect to the above-referenced MUR.

By letter dated February 18, 1994, you informed us that the newly-constituted Federal Elections Commission revoted on February 8, 1994, to find reason to believe that our client violated 2 U.S.C. sections 441a(A)(1)(A) and 441b(a), and to approve the Factual and Legal Analysis previously mailed to our client. This action was taken because of the decision of the United States Court of Appeals for the District of Columbia Circuit in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed (U.S. No. 93-1151, Jan. 18, 1994) (hereinafter the "NRA case"). As we understand your position, the FEC contends that the NRA case was wrongly decided and the revote by the "new" Commission was not necessary, but was taken out of an abundance of caution.

We respectfully submit that any such revoting procedure is highly questionable and, in a case such as this, undoubtedly would have been tainted by the earlier, invalid procedure leading to a "reason to believe" finding. On behalf of our client, we object to such a procedure, and on that additional basis request that this matter be dismissed. We will await the Supreme Court's disposition of the petition for certiorari in the NRA case with interest.

Our client will rely on our earlier submission, as you indicated was proper, but we would like to take this opportunity to again request that the proceeding against Mr. Ellingwood be dismissed. There appears to be no reasonable basis for him continuing to be a respondent in this MUR.

CELESTINE MAR 14 1994

With respect to the first alleged violation, the alleged excessive campaign contribution, the FEC theory defies common sense as well as the evidence of which we are aware. In addition to the point that, under the facts as we know them, Mr. Ellingwood clearly intended to be reimbursed for his expenses and has attempted to obtain such reimbursement, it appears that, at least at one time, the organization, Americans for Robertson, Inc., clearly acknowledged that obligation. If you have other relevant facts, or any reason to dispute what Mr. Ellingwood has said thus far, we would appreciate being informed, so that we can better respond.

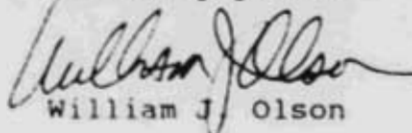
As to Mr. Ellingwood's alleged involvement in the airplane rental matter, it appears that the FEC has simply cast a broad net to include every person who could possibly have known something about this matter. As we have previously submitted, Mr. Ellingwood answered interrogatories that he was not involved in this matter. If you have information to the contrary, we would request knowing what facts or documents you have that would support a contrary conclusion, so that we might better respond.

Therefore, at this time, we would respectfully renew our request that Mr. Ellingwood be dismissed as a respondent from the pending MUR.

We also repeat our request that the entire matter be treated confidentially by the Commission and that no disclosure of Mr. Ellingwood's responses which contain personal information (e.g., banking information) be permitted.

With best regards.

Sincerely yours,



William J. Olson

WJO:mm  
Enclosures

LUCIEN M. WARNER  
general partner

March 9, 1994

06C 499  
FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

Mar 14 10 24 AM '94

Holly J. Baker, Esq.  
FEDERAL ELECTION COMMISSION  
Washington, D.C. 20463

RE: MUR 3485

Gentlemen:

You have asked that I respond under oath to your letter of February 16, 1994 regarding the above. The check I wrote for \$100,000 to Victory Communications International dated August 12, 1986 was for the purpose of providing capital necessary to allow Victory to accomplish a close-circuit TV broadcast which had as its purpose the raising of funds in connection with Pat Robertson's potential candidacy for the Republican nomination in 1988. As contributions were received by Victory, I was repaid in full shortly after the broadcast. This was in keeping with the idea that this was to be an advance to facilitate the broadcast, with a source of repayment in the form of contributions by the many people who viewed the telecast.

Very truly yours,

*L. M. Warner*  
L. M. Warner

LMW:kl

STATE OF ARIZONA

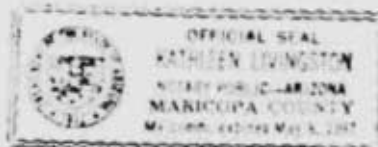
COUNTY OF Maricopa

The foregoing instrument was acknowledged before me this 10 day of March, 1994 by

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

*Kathleen Livingston*  
Notary Public

My Commission Expires



Arthur J. Warner, 1140 North Scott, Phoenix, Arizona 85016-1000

(602) 955-1994

PROMISSORY NOTE

\$100,000.00

August 11, 1986  
Scottsdale, Arizona

FOR VALUE RECEIVED, VICTORY COMMUNICATIONS INTERNATIONAL, INC., an Arizona corporation, (hereinafter "Maker"), whose address is 6617 North Scottsdale Road, Suite 203, Scottsdale, Arizona 85253, promises to pay to the order of LUCIEN WARNER, (hereinafter "Holder"), whose mailing address is WESTCOR, 11411 North Tatum Boulevard, Phoenix, Arizona 85028, the sum of One Hundred Thousand Dollars (\$100,000.00), principal and interest payable on or before February 11, 1987, at the rate of ten percent (10%) per annum, simple interest. On February 11, 1987, all principal, interest, accrued interest and all amounts owed whatsoever, shall be paid in full to Holder.

Maker shall have a grace period for ten (10) days after the due date during which to make payment in a timely manner. In the event the Holder does not receive payment on or before the grace period deadline, said Note shall be considered in default.

Should any installment due hereunder not be paid as when due, the amount of each installment which has matured shall at the option of the Holder of this Note, bear interest at a rate equal to fourteen percent (14%) per annum from its maturity date until said installment payment is made during the grace period described above.

Should default be made in the payment of any installment when due, then the whole sum of principal and interest shall become immediately due and payable at the option of the Holder of this Note, with interest on the entire unpaid principal and accrued interest at a rate equal to fourteen percent (14%) per annum, compounded semi-annually, from the date of such default until paid.

Principal and interest shall be payable in lawful money of the United States of America. Should suit be brought to recover on this Note, the undersigned promises to pay in addition to the amount found due hereunder, all reasonable costs and expenses of suit, including but not necessarily limited to reasonable attorney's fees.

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The Maker waives diligence, demand, presentment for payment for protest, and consent to the extension of time of payment of this Note, with notice and their mutual consent. This Note shall be binding upon them and their successors and assigns.

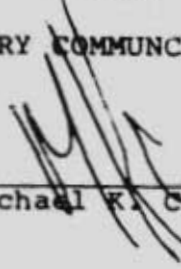
Any notice to Maker provided for in this Note, shall be given by mailing such notice by Certified Mail, addressed to borrower, at the address stated above or to such other address as borrower may designate by notice to the Noteholder. Any notice to the Noteholder shall be given by mailing such Notice by Certified Mail, Return Receipt Requested, to the Noteholder at the address stated in the first paragraph of this Note or at such other address as may have been designated by notice to the Maker.

The invalidity of unenforceability of any provision or provisions of this Promissory Note shall not effect the other provisions, and the Promissory Note shall be construed in all respects as if any invalid or unenforceable provisions were omitted.

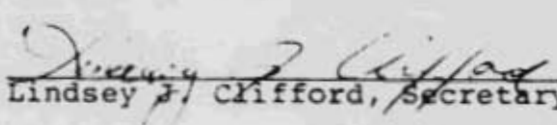
Prepayments of unpaid principal and interest due on this Note may be paid at any time without penalty or premium.

Dated this 11th day of August, 1986.

VICTORY COMMUNICATIONS INTERNATIONAL,  
INC.

By   
Michael K. Clifford, President

ATTEST:

  
Lindsey J. Clifford, Secretary

2604375453

CHECK NO

8542

To: Lu Warner 50,136.99 10/31/86  
For: Loan final payment of promissory note dated August 11, 1986

Principal	50,000.00
Interest	<u>136.99</u>
Total	50,136.99

Interest figured at 10% per annum, simple interest. 10 days from last interest payment. Note paid in full.

CHECK NO

8543

To: Lu Warner 51,972.60 10/21/86  
For: Partial Payment of Promissory Note Dated August 11, 1986

Principal	50,000.00
Interest	<u>1,972.60</u>
	51,972.60

Interest figured at 10% per annum, simple interest. 72 days from date of Promissory note. \$100,000.00 for the 72 days. Balance due on note is \$50,000.00

26043754554



BEFORE THE FEDERAL ELECTION COMMISSION 8:11:07 PM -4 PM 12:07

In the Matter of )

Americans for Robertson, Inc. )  
and Frederick H. Shafer, )  
as treasurer, et al. )

MUR 3485

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On February 8, 1994, the Commission revoted and ratified reason to believe findings and reauthorized and reissued subpoenas and orders in this matter.

This Office has been reviewing the information that has been submitted during the initial discovery phase. As a result of our review, this Office has identified additional investigation which needs to be conducted in the three major areas of this matter, as identified in the First General Counsel's Report dated November 27, 1992: Computer-Related Transactions, Corporate Contributions, and Committee Use of Aircraft. Where possible, we are proceeding on an informal basis. The following general synopses discuss the additional investigation that is ongoing and planned in each area. More detailed information is provided where Commission action is required.

A. Committee Use of Aircraft

The initial responses suggest that CBN Continental purchased the BAC 1-11 primarily for the Committee's use. Such an action may warrant a finding that a corporate contribution occurred in an amount totalling the value of the BAC 1-11 and its subsequent maintenance. In order to further investigate this possibility, this Office is contacting aircraft charter vendors used by CBN

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Continental prior to, during and after its ownership of the BAC 1-11, to obtain information concerning CBN Continental's corporate air travel needs.<sup>1</sup> Such information includes CBN Continental's frequency of travel and the type of aircraft used. This Office is also seeking from the same sources information concerning the Committee's use of other aircraft during the campaign. These informal requests specifically ask for documentation concerning the aircraft's use and billing. Additionally, to get a complete picture of CBN Continental's and the Committee's use of aircraft, follow-up questions have also been sent to B. James Reid and Kevin Steacy seeking the identification of any additional aircraft used by the entities at issue, including the identification of the vendors from whom the aircraft were hired. Also, this Office is contacting David Sterbonic, one of the BAC 1-11's pilots, to determine CBN Continental's reason for purchasing the large aircraft.<sup>2</sup>

With respect to the media billings, this Office is seeking to locate individuals identified in the responses as being involved in billing the media for travel. Once their identities are known, this Office will informally request media billing information from

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1. These vendors are Commonwealth Jet Service and MartinAir, Inc.

2. This Office is in possession of transcripts of depositions in a court case filed by Calcutta Aircraft Leasing, Inc., the company which purchased the BAC from CBN Continental, against several persons regarding that sale. In one deposition, Mr. Sterbonic states under oath that "I knew the circumstances that they had bought the airplane as it appeared for the presidential election campaign for Pat Robertson." Mr. Sterbonic later states under oath that "there was no intention of keeping that airplane after the election was over."

them, including the identification of all aircraft used for the media by the campaign.

Lastly, from the responses it appears that a third type of aircraft was offered for the Committee's use.<sup>3</sup> However, it is unclear at this point whether this aircraft was in fact used by the campaign. This Office is contacting James F. Millen, the individual identified as having offered the aircraft, to clarify this issue.

#### **B. Corporate Contributions**

##### **1. Victory Communications International, Inc.**

Victory Communications International, Inc. ("VCI") has argued that its extensions of credit to the Committee were in the ordinary course of its business. However, a review of VCI bank documents received from Chase Bank of Arizona has revealed certain persons with connections to Pat Robertson who issued loans or deposits to VCI in amounts between \$50,000 to \$100,000: William Dooner, the Bud Smith Organization, and L.M. Warner. Respondent James Higgins/JDH Enterprises also deposited \$100,000 into the VCI account. These deposits or loans appear to be outside the ordinary course of business for financing VCI activity; indeed, VCI's response does not even discuss them. This Office has attempted to contact William Dooner, Henry J. "Bud" Smith and Lucien M. Warner to obtain information regarding the purposes of these deposits. One of these individuals, Bud Smith, has

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3. In addition to reason to believe findings involving the BAC 1-11, the Commission has also made reason to believe findings involving the Committee's use of Beechcraft King Air aircraft.

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expressed his hostility toward our inquiries, and it now appears that compulsory process may be the most effective means of acquiring information from these individuals. Accordingly, this Office recommends that the Commission approve the attached orders which are designed to obtain all relevant documentation regarding these loans or deposits. See Attachments 1 through 3. Additionally, the Commission has already approved the appropriate subpoena for deposition for James D. Higgins. This Office now also recommends that the Commission approve the appropriate subpoenas for depositions for William Dooner, Lucien M. Warner and Henry J. Smith.

The review of documents from Chase Bank also reveals a deposit of \$10,250 on December 15, 1986 from Marc Nuttle as payment in full on a promissory note. Questions regarding this transaction, as well as other questions described infra, are being addressed to Mr. Nuttle by means of a subpoena and order. See Attachment 4.

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## 2. Response Media Direct, Inc.

This Office is seeking information concerning the corporation's client base and financial viability at the time of the transactions at issue. This information will assist us in evaluating this respondent's explanation that the financial arrangements at issue were required to guarantee payment by the Committee during a period of insolvency, when default by the Committee could have bankrupted the corporation.

### C. Computer-Related Issues

#### 1. Mailing List Transactions

The evidence with respect to the transactions involving the mailing list has produced several revelations. First, James Higgins has informed us that JDH Enterprises never entered into a written agreement with the Committee for the purchase of the mailing list. According to him, he has never seen this document, and its contents do not represent the actual terms of the agreement by which he acquired the mailing list.<sup>4</sup> Mr. Higgins has stated that the actual cost of the mailing list was \$200,000, not \$100,000 as previously believed. To account for three-fourths of this \$200,000, JDH Enterprises issued one check to the Committee for \$100,000 and one check to Marc Nuttle for \$50,000.

4. The Committee produced this list and has effectively argued that its terms represent the terms of its agreement with James Higgins and/or JDH Enterprises, Inc. See Response of Americans for Robertson, Inc. to the Interim Report of the Audit Division, Federal Election Commission dated June 25, 1990.



Mr. Higgins has provided copies of these checks. The remaining \$50,000 was "paid" by voiding the debt owed to Mr. Higgins by Computer Futures, Ltd., the company which purchased the computer system from the Committee and immediately leased it back.<sup>5</sup>

Mr. Higgins has further stated that, in his October 1988 purchase of the mailing list, he dealt with Marc Nuttle.<sup>6</sup> Mr. Higgins informed us that he paid \$40,000 to Marc Nuttle to pay for upkeep of the list, and that he believed that this upkeep was done by M & M and Associates in Austin, Texas. Further research by this Office has determined that the actual name of the company is MEM and Associates, the same company that provided voter contact services to the Committee in Iowa and New Hampshire.

Mr. Higgins also stated that neither he nor his company made any mailing using the list, but that the list was rented to "Eli Corporation" in Washington, D.C. Mr. Higgins further stated that Marc Nuttle handled the deal between him and Eli Corporation. Mr. Higgins' attorney has made additional representations. First, he has confirmed that Mr. Higgins acquired absolute title to the mailing list. Mr. Higgins' attorney has also informed us that Eli Corporation rented the list in December 1989 and January 1990, and that these rentals were for \$200,000 and \$21,000, respectively.

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5. These transactions eliminate lines of distinction between the Committee, CFL and Marc Nuttle (as all three accepted some payment for the mailing list owned by the Committee), and between James D. Higgins and JDH Enterprises (as JDH Enterprises purchased the mailing list, but the promissory note from CFL was held by James Higgins individually).

6. This stands in contrast to Mr. Nuttle's assertion that he no longer worked for AFR after Super Tuesday, March 8, 1988.

Mr. Higgins' attorney has stated that he believes that Marc Nuttle is an owner or officer of Eli Corporation. Our efforts so far have been unable to discover any such "Eli Corporation."

As noted above, this Office believes further discovery with Marc Nuttle should be done through a subpoena and order. The subpoena and order to Marc Nuttle contains document requests seeking information regarding activity involving the mailing list, including, inter alia, the original sale of the mailing list to James Higgins or his company, and any rental or purchase of the mailing from James Higgins or his company. See Attachment 4. The subpoena and order also seeks the identities of persons, including corporations, involved in these activities. Id. Where a person is a corporation, the information sought includes the identities of its owners and officers, its state of incorporation, and its principal place of business.

With respect to questions answered by the Republican National Committee ("RNC") regarding its rental of the Committee's mailing list, the RNC acknowledges that it did rent the list, but was unable to provide any additional information in this regard. The RNC also informed us that

[a] contract on file at the RNC indicates that R. Marc Nuttle served as a consultant to the RNC from April 20, 1988 through November 15, 1988. Under the terms of that agreement with the RNC, it appears that Mr. Nuttle was retained as a consultant to the Chairman's Office. The primary duties and responsibilities specified under the agreement were the provision of professional

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services as required by the Chairman's Office. There appears to be no further documentation of the specific services provided.

The period during which Mr. Nuttle was employed by the RNC is the same period in which the RNC rented the mailing list from the Committee. Although Nuttle has asserted that he no longer worked for the Committee after Super Tuesday, James Higgins' testimony suggests that this is not true. As the RNC rental occurred before the JDH purchase, it may be that Mr. Nuttle worked both sides of the RNC transaction. This Office intends to question the former chairman of the RNC, Frank Fahrenkopf, to inquire about Mr. Nuttle's specific duties and the projects he worked on, as well as the identities of all individuals who would have information regarding Marc Nuttle's duties, at the RNC. Accordingly, this Office recommends that the Commission approve the appropriate deposition subpoena for him. Additionally, Mr. Nuttle is required to produce documents related to, and identify individuals involved in, the RNC's rental of the list, in the subpoena and order to him. See Attachment 4.

## 2. Partners for America - State PAC

Information provided regarding Partners for America - State PAC ("PFA") also raises additional questions. For example, the balance sheet for PFA provided by Gordon Robertson shows that PFA opened its bank account on November 18, 1988 with a \$55,000 "contribution" from Bob Beale. Robert Beale was one of the investors in Computer Futures, Ltd., which reimbursed him \$55,000 on October 28, 1988. Questions arise regarding this transaction. The Commission has already approved deposition subpoenas for both

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Robert Beale and Gordon Robertson. While we will seek to obtain documentary evidence, and the identities of individuals involved in this transaction, from Mr. Beale voluntarily (who has been cooperative in the investigation thus far), this Office has attached an additional subpoena for documents and order to answer questions for Gordon Robertson. See Attachment 5.

The second deposit into PFA's account was a \$50,000 check from the National Republican Senatorial Committee ("NRSC") on July 10, 1989. The NRSC's 1989 August Monthly Report shows a disbursement to Gordon Robertson in this amount on July 15, 1989. The stated purpose for this disbursement is "Direct Mail Expense." Evidence submitted by Respondent Beurt SerVaas shows that, in fact, the NRSC rented a mailing list from Gordon Robertson and/or PFA. Nothing in what has heretofore been produced shows that PFA made any expenditure to acquire a mailing list. Thus, the ownership of the list and its source are in question. The same evidence supplied by Mr. SerVaas shows that the list was rented to raise funds to help satisfy CFL's obligation to SerVaas. This suggests Marc Nuttle's involvement in the transaction. Moreover, it is important to know all of the individuals involved in the NRSC-PFA transactions. Questions regarding this transaction are included in the subpoenas and orders to Gordon Robertson and Marc Nuttle. This Office has also attached a subpoena and order to the NRSC to obtain all relevant information in its possession regarding this transaction. See Attachment 6.

In addition to the sale of the mailing list, Beurt SerVaas dealt with Gordon Robertson and PFA regarding the acquisition of

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the IBM System 38 to satisfy Mr. SerVaas' investment in CFL. While some documentation has been provided by Mr. SerVaas, other documentation apparently exists. The documentation in hand shows that, when Mr. SerVaas was not repaid for his investment in CFL, CFL assigned a purchase contract with PFA for the System 38. As noted above, according to the evidence supplied by Mr. SerVaas, the agreement with the NRSC was undertaken specifically to provide funds to help satisfy Mr. SerVaas. Questions regarding transactions in which Mr. SerVaas was involved are included in the subpoenas and orders to Gordon Robertson and Marc Nuttle. In addition, questions regarding these transactions are included in a subpoena and order to Beurt SerVaas. See Attachment 7.

### 3. GB Computer Services, Inc.

On March 3, 1994, this Office was contacted by Pat McMahon, the certified public accountant for George Border. In the course of the conversation, Ms. McMahon stated that she knows how GB Computer Services, Inc. ("GBCSI") was set up, and that she did a majority of this work. She further stated that she handled the four major service contracts and knows where the funding came from. Ms. McMahon would not go into detail, but she said that if subpoenaed, she will testify as to what she knows. Accordingly, this Office recommends that the Commission approve the appropriate subpoena for deposition for Pat McMahon.

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Accordingly, this Office recommends that the Commission approve the attached subpoena to produce documents to George Border.

Attachment 8.

## II. SUMMARY

Initial discovery in this matter has provided much new and relevant information. This Office is building on that information by proceeding informally where it is proper. However, this Office believes that certain Respondents are best approached through compulsory process. Accordingly, this Office recommends that the Commission approve the attached Subpoenas to Produce Documents and Orders to Submit Written Answers to R. Marc Nuttle, Gordon Robertson, the National Republican Senatorial Committee, and Beurt SerVaas, and the attached Subpoenas to Produce Documents to William Dooner, Lucien M. Warner, Henry J. Smith and George Border. This Office also recommends that the Commission approve the appropriate subpoenas for depositions for William Dooner, Henry J. Smith, Lucien M. Warner, Frank Fahrenkopf and Pat McMahon.

Additionally, on February 2, 1994, this Office submitted a report in MUR 3485 with recommendations to assure that this matter conforms to the Court's opinion in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994) "NRA", and to restore this matter to its pre-NRA status. On February 8, 1994, the Commission approved

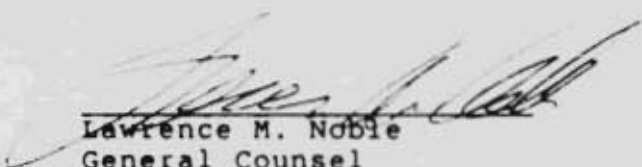
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this Office's recommendations, including those to ratify its January 12, 1993 finding of reason to believe that William LeBaron violated 2 U.S.C. § 441a(a)(1)(A), and to find no probable cause to believe that William LeBaron violated 2 U.S.C. § 441a(a)(1)(A). A recommendation to close the file as to William LeBaron was inadvertently omitted from this Office's February 2, 1994 report. This Office now recommends that the Commission close the file as to William LeBaron, and that it approve the appropriate letter.

### III. RECOMMENDATIONS

1. Approve the attached Subpoenas to Produce Documents and Orders to Submit Written Answers to R. Marc Nuttle, Gordon Robertson, the National Republican Senatorial Committee, and Beurt SerVaas, and the attached Subpoenas to Produce Documents to William Dooner, Lucien M. Warner, Henry J. Smith and George Border.
2. Approve the appropriate subpoenas for depositions for William Dooner, Henry J. Smith, Lucien M. Warner, Frank Fahrenkopf and Pat McMahon.
3. Close the file as to William LeBaron.
4. Approve the appropriate letters.

3/4/94  
Date

  
Lawrence M. Noble  
General Counsel

#### Attachments

1. Order to William Dooner
2. Order to Lucien M. Warner
3. Order to Henry J. Smith.
4. Subpoena and Order to R. Marc Nuttle
5. Subpoena and Order to Gordon Robertson
6. Subpoena and Order to the National Republican Senatorial Committee
7. Subpoena and Order to Beurt SerVaas
8. Order to George Border

Staff assigned: Tony Buckley

16043754566

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Americans for Robertson, Inc.  
and Frederick H. Shafer, as  
treasurer, et al.

)  
)  
) MUR 3485  
)  
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CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 10, 1994, the Commission decided by a vote of 4-0 to take the following actions in MUR 3485:

1. Approve the Subpoenas to Produce Documents and Orders to Submit Written Answers to R. Marc Nuttle, Gordon Robertson, the National Republican Senatorial Committee, and Beurt SerVaas, and the Subpoenas to Produce Documents to William Dooner, Lucien M. Warner, Henry J. Smith and George Border, as recommended in the General Counsel's Report dated March 4, 1994.
2. Approve the appropriate subpoenas for depositions for William Dooner, Henry J. Smith, Lucien M. Warner, Frank Fahrenkopf, and Pat McMahon.

(continued)

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3. Close the file as to William LeBaron.
4. Approve the appropriate letters, as recommended in the General Counsel's Report dated March 4, 1994.

Commissioners Aikens, Elliott, McGarry, and Potter voted affirmatively for the decision; Commissioners McDonald and Thomas did not cast votes.

Attest:

3-10-94  
Date

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

Received in the Secretariat: Fri., Mar. 04, 1994 12:07 p.m.  
Circulated to the Commission: Mon., Mar. 07, 1994 11:00 a.m.  
Deadline for vote: Thurs., Mar. 10, 1994 4:00 p.m.

bjr

26043754568





FEDERAL ELECTION COMMISSION

MARCH 14, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

George F. Border  
517 Fordsmere Road  
Chesapeake, VA 23320

RE: MUR 3485

Dear Mr. Border:

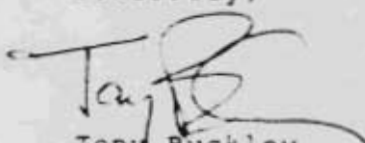
Pursuant to its investigation in the above-captioned matter, the Federal Election Commission has issued the attached subpoena requiring you to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena. It is required that you submit all responses under oath within 30 days of your receipt of this subpoena.

Please be advised that to ensure full compliance with this subpoena, you must submit documents to which you are entitled, but which may currently be in the possession of a state or Federal agency

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

Enclosures  
Subpoena  
Release Form

26043754509

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS

TO: George F. Border  
517 Fordsmere Road  
Chesapeake, VA 23320

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas the documents listed on the attachment to this subpoena.

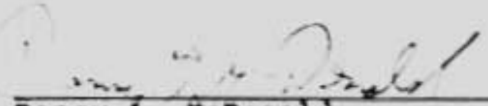
Notice is given that these documents must be submitted to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, within 30 days of your receipt of this subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

260437545/0

MUR 3485  
George F. Border  
Subpoena  
Page 2

WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this *MM* day of *March*, 1994.

For the Commission,

  
\_\_\_\_\_  
Danny L. McDonald  
Vice Chairman

ATTEST:

*for Delores Hardy*  
\_\_\_\_\_  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions and Definitions  
Document Request (1 page)

060437545 / 1

#### INSTRUCTIONS

In answering this request for production of documents, furnish all documents, however obtained, that are in possession of, known by or otherwise available to you, including documents and information appearing in your records, and documents in the possession of any state or Federal agency.

Should you claim a privilege with respect to any documents requested by the following request 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 request for production of documents is 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 listed below are defined as follows:

"You" shall mean the named respondent to whom these discovery requests are addressed, including all employees, agents or attorneys thereof.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

26043754512



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

MARCH 14, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Marion Edwyn Harrison, Esq.  
107 Park Washington Court  
Falls Church, VA 22046

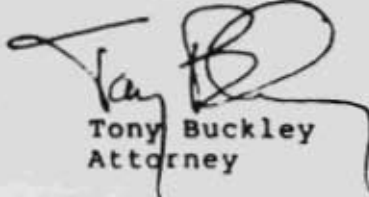
RE: MUR 3485

Dear Mr. Harrison:

Pursuant to its investigation of this matter, the Federal Election Commission has issued an additional subpoena and order requiring your client, R. Marc Nuttle, to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code. It is required that your client comply with the enclosed subpoena and order within 30 days of your receipt of this subpoena and order.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Tony Buckley  
Attorney

Enclosure  
Subpoena and Order

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
)  
)  
)

MUR 3485

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: R. Marc Nuttle  
c/o Marion Edwyn Harrison, Esq.  
107 Park Washington Court  
Falls Church, VA 22046

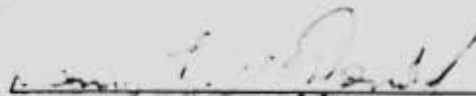
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents listed on the attachment to 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 30 days of receipt of this Order and Subpoena.


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WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this *14th* day of *March*, 1994.

For the Commission,

  
\_\_\_\_\_  
Danny L. McDonald  
Vice Chairman

ATTEST:

*for*   
\_\_\_\_\_  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions (2 pages)  
Questions and Document Requests (2 pages)

26043754575



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, 1986 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 listed below are defined as follows:

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"AFR" shall mean Americans for Robertson, Inc., including all officers, employees, agents or attorneys thereof.

"CFL" shall mean Computer Futures, Ltd., including all officers, employees, agents or attorneys thereof.

36043754577

"VCI" shall mean Victory Communications International, Inc., including all officers, employees, agents or attorneys thereof.

"RNC" shall mean the Republican National Committee, including all officers, employees, agents or attorneys thereof.

"PFA" shall mean Partners for America - State PAC, including all officers, employees, agents or attorneys thereof.

"NRSC" shall mean the National Republican Senatorial Committee, including all officers, employees, agents or attorneys thereof.

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INTERROGATORIES AND REQUESTS FOR DOCUMENTS

1. Identify the source of the funds used by you to satisfy a promissory note issued to you by VCI in September 1986. Produce all documents in any way related to the promissory note.
2. Identify all persons who in any way dealt with the RNC, on behalf of AFR, with respect to the rental of a mailing list by the RNC from AFR in July 1988. Identify all persons who dealt with AFR, on behalf of the RNC, with respect to the rental of a mailing list by the RNC from AFR in July 1988. Produce all documents in any way related to the rental of any such mailing list.
3. Identify all persons from whom James D. Higgins and/or JDH Enterprises, Inc. rented or purchased a mailing list in October 1988. Identify all persons involved in any such transaction. If any funds were issued to you by James D. Higgins and/or JDH Enterprises, Inc. in connection with this transaction, state the amount of money involved and the disposition of any and all portions of the funds. Produce all documents in any way related to any such transaction.
4. Identify all persons who rented a mailing list from James D. Higgins and/or JDH Enterprises, Inc. in December 1989 and January 1990. If any of the persons is a corporation, identify the owner(s) of the corporation and its officers, and provide its state of incorporation and principal place of business. Identify all persons who dealt with James D. Higgins and/or JDH Enterprises, Inc. on behalf of any such person purchasing or renting any such mailing list. Identify all other persons who were in any way involved in this transaction. Produce all documents in any way related to any such mailing list rental.
5. Produce all documents in any way related to the duties of MEM and Associates, Inc. with respect to the mailing list described in Questions 2 and 3.
6. Identify all persons who were aware of your duties at the RNC during the period April 20, 1988 through November 15, 1988. Produce all documents in any way describing your duties or activities on behalf of the RNC.
7. Identify all persons involved in the effort to satisfy the obligation of CFL to Beurt SerVaas. Produce all documents in any way related to the effort to satisfy the obligation of CFL to Beurt SerVaas.

8. Identify all persons who in any way dealt with Robert Beale, or any representative of Robert Beale, on behalf of Gordon Robertson or PFA, regarding the \$55,000 deposited into PFA's Sentry Federal Savings Bank account in November 1988. Identify all representatives of Robert Beale dealt with. Produce all documents which in anyway relate to this \$55,000.

9. Identify all persons who in any way dealt with the NRSC, on behalf of Gordon Robertson or PFA, which dealings resulted in the deposit of a check for \$50,000 into PFA's Sentry Federal Savings Bank account in July 1989. Identify all representatives of the NRSC dealt with. If the \$50,000 was for the purchase or rental of a mailing list, identify the owner of the mailing list, state when and from whom the owner obtained the mailing list, and describe the contents of the mailing list. Include in your description the number of names and addresses on the list, and how they are arranged (i.e. alphabetically, by zip code, or any other method). State how Gordon Robertson or PFA acquired the right to rent or sell the mailing list to the NRSC or any other person. Produce all documents in any way related to this transaction.

10. Produce all documents in any way related to any other attempt to rent or sell the mailing list described in Question 9.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20541

MARCH 14, 1994

HAND DELIVERED

Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

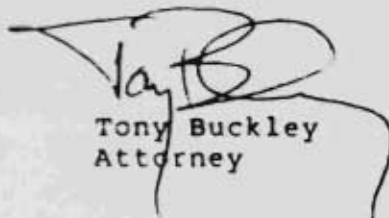
RE: MUR 3485

Dear Mr. Baran:

Pursuant to its investigation of this matter, the Federal Election Commission has issued an additional subpoena and order requiring your client, Gordon Robertson, to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code. It is required that your client comply with the enclosed subpoena and order within 30 days of your receipt of this subpoena and order.

In view of the arguments you have put forth with respect to the decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (1993), please notify us immediately as to whether your client will comply with the enclosed subpoena and order. If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Tony Buckley  
Attorney

Enclosure  
Subpoena and Order

96043754581

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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) MUR 3485  
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SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Gordon P. Robertson  
c/o Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

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 listed on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

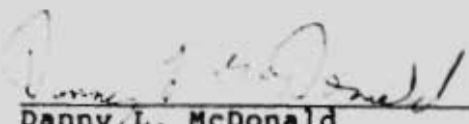
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

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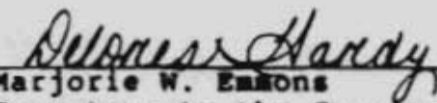


WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this 14th day of *March*, 1994.

For the Commission,

  
\_\_\_\_\_  
Danny L. McDonald  
Vice Chairman

ATTEST:

*for*   
\_\_\_\_\_  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions and Document Requests (1 page)

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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, 1988 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.

96043754504

DEFINITIONS

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

"You" shall mean the named respondent to whom these discovery requests are addressed, including all employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"PFA" shall mean Partners for America - State PAC, including all employees, agents or attorneys thereof.

"CFL" shall mean Computer Futures, Ltd.

"NRSC" shall mean National Republican Senatorial Committee, including all employees, agents or attorneys thereof.

"AFR" shall mean Americans for Robertson, Inc., including all employees, agents or attorneys thereof.

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INTERROGATORIES AND REQUESTS FOR DOCUMENTS

1. Identify all persons who in any way dealt with Robert Beale, or any representative of Robert Beale, on behalf of you or PFA, regarding the \$55,000 deposited into PFA's Sentry Federal Savings Bank account in November 1988. Identify all representatives of Robert Beale dealt with. Produce all documents which in anyway relate to this \$55,000.
2. Identify all persons, including you, who in any way dealt with the NRSC, on behalf of you or PFA, which dealings resulted in the deposit of a check for \$50,000 into PFA's Sentry Federal Savings Bank account in July 1989. Identify all representatives of the NRSC dealt with. If the \$50,000 was for the purchase or rental of a mailing list, identify the owner of the mailing list, state when and from whom the owner obtained the mailing list, and describe the contents of the mailing list. Include in your description the number of names and addresses on the list, and how they are arranged (i.e. alphabetically, by zip code, or any other method). State how you or PFA acquired the right to rent or sell the mailing list to the NRSC or any other person. Produce all documents in any way related to this transaction.
3. Produce all documents in any way related to any other attempt to rent or sell the mailing list described in Question 2.
4. Identify all persons who in any way dealt with Beurt SerVaas, or any representative of Beurt SerVaas, on behalf of you or PFA, or any other person, regarding in any way an IBM System 38 computer once owned by AFR. Produce all documents in any way related to any such dealings.
5. Identify all persons involved in the effort to satisfy the obligation of CFL to Beurt SerVaas. Produce all documents in any way related to the effort to satisfy the obligation of CFL to Beurt SerVaas.

260475456



FEDERAL ELECTION COMMISSION

MARCH 14, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

RE: MUR 3485

Dear Ms. Kerman:

Pursuant to its investigation in the above-captioned matter, the Federal Election Commission has issued an additional subpoena and order requiring your client, Beurt SerVaas, to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code. It is required that your client comply with the enclosed subpoena and order within 30 days of your receipt of this subpoena and order.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney

Enclosure  
Subpoena and Order

26043754587

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
) MUR 3485  
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**SUBPOENA TO PRODUCE DOCUMENTS**  
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Beurt SerVaas  
c/o Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

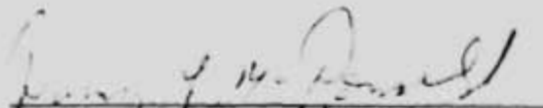
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents listed on the attachment to 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 30 days of receipt of this Order and Subpoena.




WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this 14<sup>th</sup> day of March, 1994.

For the Commission,

  
Danny J. McDonald  
Vice Chairman

ATTEST:

for   
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions (1 page)  
Document Request (1 page)

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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, 1988 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.

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DEFINITIONS

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

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"CFL" shall mean Computer Futures, Ltd., including all officers, employees, agents or attorneys thereof.

"AFR" shall mean Americans for Robertson, Inc., including all officers, employees, agents or attorneys thereof.

"PFA" shall mean Partners for America - State PAC, including all officers, employees, agents or attorneys thereof.

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INTERROGATORIES AND REQUESTS FOR DOCUMENTS

1. Identify all persons who in any way dealt with PFA, R. Marc Nuttle or Gordon Robertson, or any representative of PFA, R. Marc Nuttle or Gordon Robertson, on behalf of you, or any other person, regarding in any way an IBM System 38 computer once owned by AFR.
2. Identify all persons involved in the effort to satisfy the obligation of CFL to you. Produce all documents in any way related to the effort to satisfy the obligation of CFL to you.
3. Identify all persons who in any way dealt with the NRSC, on behalf of Gordon Robertson or PFA, regarding the purchase or rental of a mailing list. Identify all representatives of the NRSC dealt with by Gordon Robertson, PFA or their representatives. Produce all documents in any way related to this or any other attempt to rent or sell this mailing list.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20541

MARCH 14, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

William D. Harris, Executive Director  
National Republican Senatorial Committee  
425 Second Street, N.E.  
Washington, D.C. 20002

RE: MUR 3485

Dear Mr. Harris:

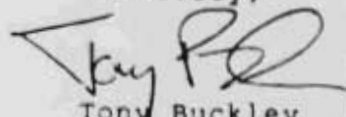
The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached subpoena and order which requires the National Republican Senatorial Committee ("NRSC") to provide certain information in connection with an investigation it is conducting. The Commission does not consider the NRSC 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.

The NRSC may consult with an attorney and have an attorney assist it in the preparation of its responses to this subpoena and order. However, the NRSC is required to submit the information within 30 days of its receipt of this subpoena and order. All answers to questions must be submitted under oath.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

Enclosure  
Subpoena and Order

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**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of

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MUR 3485

**SUBPOENA TO PRODUCE DOCUMENTS**  
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: National Republican Senatorial Committee  
425 Second Street, N.E.  
Washington, D.C. 20002

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 listed 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 30 days of receipt of this Order and Subpoena.

26043754594

WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this 14th day of March, 1994.

For the Commission,

  
\_\_\_\_\_  
Danny L. McDonald  
Vice Chairman

ATTEST:

*for Delores Hardy*  
\_\_\_\_\_  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions and Document Request (1 page)

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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, 1988 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 listed below are defined as follows:

"You" shall mean the named respondent to whom these discovery requests are addressed, including all employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"PFA" shall mean Partners for America - State PAC, including all employees, agents or attorneys thereof.

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INTERROGATORIES AND REQUEST FOR DOCUMENTS

1. Identify all persons who in any way dealt with Gordon Robertson or PFA, on behalf of you, which dealings resulted in the rental of a mailing list by you in July 1989. Identify all persons who represented you in these dealings. Produce all documents in any way related to this mailing list.

26043754528



FEDERAL ELECTION COMMISSION

MARCH 22, 1994

HAND DELIVERED

Frank J. Fahrenkopf, Jr.  
Hogan & Hartson  
Columbia Square  
555 13th Street, N.W.  
Washington, D.C. 20004-1109

RE: MUR 3485

Dear Mr. Fahrenkopf:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached subpoena which requires you to appear and give sworn testimony on Wednesday, April 6 at 10 a.m., 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 present with you at the deposition. If you intend to be so represented,

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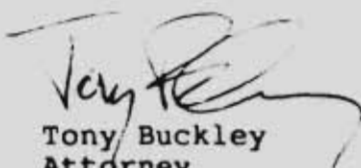
Frank J. Fahrenk... Jr.  
MUR 3485  
Page 2

please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40, plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

Within two days of your receipt of this notification, please confirm your scheduled appearance with me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

Enclosure  
Subpoena

26043754600

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

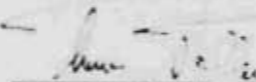
SUBPOENA

TO: Frank J. Fahrenkopf, Jr.  
Hogan & Hartson  
Columbia Square  
555 13th Street, N.W.  
Washington, D.C. 20004-1109

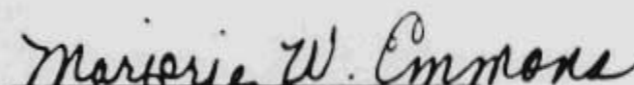
Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to certain activities of R. Marc Nuttle and the presidential election campaign of Pat Robertson. Notice is hereby given that the deposition is to be taken on Wednesday, April 6 in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 10 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 21 day of March, 1994.

For the Commission,

  
Trevor Potter  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

26043754601



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

MARCH 23, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

William J. Dooner  
640 River Chase Point  
Atlanta, GA 30328

RE: MUR 3485

Dear Mr. Dooner:

Pursuant to its investigation in the above-referenced matter, the Federal Election Commission sent you a letter dated February 16, 1994 requesting you to supply certain information helpful to the Commission. Since we have not received a response from you, the Commission has issued the attached subpoena requiring you to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena. A designation of counsel form is enclosed for your use. It is required that you submit all answers to questions under oath within 30 days of your receipt of this subpoena.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, reading "Holly J. Baker", is written over a horizontal line.

Holly J. Baker  
Attorney

Enclosures  
Subpoena  
Designation of counsel form

96043754602

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS

TO: William J. Dooner  
640 River Chase Point  
Atlanta, GA 30328

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas the documents listed on the attachment to this subpoena.

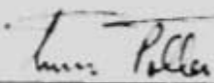
Notice is given that these documents must be submitted to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, within 30 days of your receipt of this subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

96043754603

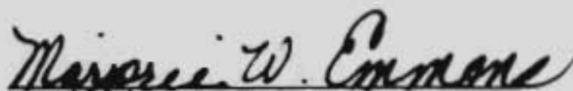


WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this 23<sup>rd</sup> day of  
March, 1994.

For the Commission,

  
\_\_\_\_\_  
Trevor Potter  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions and Definitions  
Document Request (1 page)

96043754604

### INSTRUCTIONS

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

Should you claim a privilege with respect to any documents requested by the following request 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, 1986 to December 31, 1987.

The following request for production of documents is 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 listed below are defined as follows:

"You" shall mean the named respondent to whom these discovery requests are addressed, including all employees, agents or attorneys thereof.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

06043754605

REQUEST FOR DOCUMENTS

1. Provide all documents pertaining or relating in any way to the check dated August 28, 1986 you wrote for \$50,000 (fifty thousand dollars) to Victory Communications International, Inc., including, but not limited to, agreements, terms, notes, correspondence, memoranda, phone messages, electronic messages, bank statements, and payments.

26043754606



FEDERAL ELECTION COMMISSION

(5, 5000, 1000, 1000)

MARCH 14, 1994

William LeBaron  
7982 Pass Road  
Sutter, CA 95982

RE: MUR 3485

Dear Mr. LeBaron:

This is to advise you that on February 8, 1994, the Federal Election Commission found that there is no probable cause to believe you violated 2 U.S.C. § 441a(a)(1)(A). Accordingly, the file in this matter has been closed as it pertains to you.

The file will be made part of the public record within 30 days after it has been closed with respect to all other respondents involved. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble  
General Counsel

26913754607

OGC 580  
RECEIVED

DICKSTEIN, SHAPIRO & MORIN

2101 L STREET, N.W.  
WASHINGTON, D.C. 20037-1521  
202 785-9700

FACSIMILE 202 871-0774  
TELEX 891808 DSM WDC

54 APR 18 PM 2:04

2300 ROONE BOULEVARD  
ALEXANDRIA, VIRGINIA 22304-2674  
703 847-9190

638 MADISON AVENUE  
NEW YORK, N.Y. 10022-1614  
212 832-1900

5 RUE DE MARIANNE  
75008 PARIS, FRANCE  
33 1 40 76 02 86

JUSTIN D. SIMON

CHECKED  
CC: BUREAU

March 18, 1994

Holly J. Baker  
Federal Election Commission  
Washington, D.C. 20463

CONFIDENTIAL TREATMENT  
REQUESTED UNDER FOIA

Re: MUR 3485

Dear Ms. Baker:

This letter is in response to your letter to Henry J. Smith of February 16, 1994 requesting his cooperation in the above referenced matter. Enclosed please find a copy of Mr. Smith's affidavit (to be followed by the original notarized affidavit on Monday March 21, 1994) and documents number stamped c001 to c006 which are the only documents Mr. Smith has been able to locate at this time. As we informed you, it is likely that the original notes were returned to Victory Communications when the note was repaid in October of 1986.

If you have any questions, do not hesitate to call.

Very truly yours,

*Justin D. Simon*  
Justin D. Simon

Enclosures

McClary

# CLARK / BARDES ORGANIZATION, INC.

3811 TURTLE CREEK BLVD., SUITE 1200, DALLAS, TEXAS 75219. 214/530-1900

August 29, 1986

Mr. Michael Roderick  
Victory Communications International, Inc.  
6617 N. Scottsdale Road  
Scottsdale, Arizona 85253

Dear Mr. Roderick:

Enclosed please find Mr. Smith's check in the amount of \$50,000.00 made payable to Victory Communications International, Inc. Also enclosed is a note, which is to be signed by Michael Clifford and returned to me. A copy of the note is included for his records.

Mr. Roderick, I am sending this to you as instructed by Wally Larsen. Please do not hesitate to contact either myself or Mr. Larsen if you have any questions regarding this matter.

Sincerely,

*Lynda Plemons*

Lynda Plemons  
Assistant to Henry J. "Bud" Smith

lp  
Enclosure

SENT BY AIRBORNE

84 AUG 31 11:45 AM '86

NOT RECORDED

96043754609

C 0001

2,521,000.00

Dallas, Texas

August 29 A.D. 1886

Twelve One Days

after date, for value received.

I, we, or either of us, promise to pay to the order of Bud Smith Organization of North

Caroline Inc.

the sum of

Fifty Thousand & 00/100

Dollars (\$ 28,400.00 )

with interest from date to maturity at the rate of \_\_\_\_\_ per cent (\_\_\_\_\_% ) per annum, payable \_\_\_\_\_

Dallas . Texas

WE THE MAKERS, SURETIES, ENDORSERS, AND GUARANTORS OF THIS NOTE HEREBY SEVERALLY WAIVE PRESENTATION FOR PAYMENT, NOTICE OF NON-PAYMENT, PROTEST AND NOTICE OF PROTEST AND VALIDENCE IN BRASSERS BUT AGAINST ANY PARTY THEREIN, AND CONSENT THAT THE TIME OF PAYMENT MAY BE EXTENDED WITHOUT NOTICE FROM TIME TO TIME. IT IS FURTHER EXPRESSLY AGREED THAT IN THE EVENT THIS NOTE IS PLACED IN THE HANDS OF AN ATTORNEY FOR COLLECTION, OR THAT IS BROUGHT ON SUE, OR IS COLLECTED THROUGH BANKRUPTCY OR PROBATE THEM, AND IN THAT EVENT, TO PAY THE ADDITIONAL AMOUNT OF FIFTEEN PER CENT (15%) ADDITIONAL ON THE PRINCIPAL AND INTEREST THEN DUE AS ATTORNEY'S FEE.

9-19-86

**ANSWER X**

**FIGURE 1**

x

Michael Clifford

## Victory Communications

0 8 0 4 3 7 5 4 6 1 0

C 0002



C 0003

Mr. Bud Smith  
September 25, 1986  
Page Two

If you agree with the provisions of the attached Note, we would appreciate you forwarding to us the previous Note signed by Victory marked "Paid by Renewal" or some appropriate fashion, to protect your organization legally. If this is not agreeable, please feel free to contact us and we would be pleased to work with you in formulating some kind of extension agreeable to you.

Thank you for all courtesies extended and assisting Victory Communications International, Inc. at this time and we look forward to working with you in the future and meeting you again soon.

With best regards.

Very truly yours,

STRUCKMEYER AND WILSON

  
Wallace L. Larson

WLL:es  
Enclosure  
cc: Michael K. Clifford  
(with enclosure)

26043754612

0004



October 23, 1986

Dear Bud,

September 17th was one of the most successful events in the history of communications, ministry, and politics!


Needless to say, it would not have been possible without your personal support and commitment. On behalf of my wife Lindsey, our entire staff, and myself I truly want to say thank you from the bottom of my heart.

Having been in business only three short years, we have had the honor of serving most of the large (and small) credible non-profit organizations in America. Never before have I personally felt such tremendous stress prior to an event and yet an undeniable peace about a project. God truly honored all of our prayers, our faith, and our basic gut desire to help make the world a better place in which to live for our children and grandchildren.

Enclosed you will find a payment, in full, in the amount of \$50,767.12. Again, from the bottom of my heart you'll never know how much we truly appreciate your support. In fact, I will be calling you and writing to you in the future regarding similar opportunities!

Until we share again, may God bless you and your family.

Sincerely,

  
Michael A. Clifford  
President

MKC:dc

Mr. Bud Smith  
The Bud Smith Organization of North Carolina  
3811 Turtle Creek Blvd.  
Suite 1200  
Dallas, Texas 75219

P.S. - BLESS YOU!

0000

CHECK NO.

8323

To: Bud Smith Organization of North Carolina 50,767.12 10/21/86

For: Payment of Promissory Note dated August 28, 1986

Principal  
Interest

50,767.12

~~50,767.12~~  
**VICTORY**  
50,767.12

Interest figured at 10% per annum, simple interest. 56 days from date of  
Promissory Note. Promissory note paid in full.

✓

26043754614

BEFORE THE FEDERAL ELECTION COMMISSION

In re: MUR 3485

)  
)  
)  
CONFIDENTIAL TREATMENT  
UNDER FOIA REQUESTED

AFFIDAVIT OF HENRY J. SMITH

In response to a Federal Election Commission request for information regarding MUR 3485, I, Henry J. Smith, having been duly sworn, do hereby state as follows:

1. My name is Henry J. Smith. My address is 3811 Turtle Creek Boulevard, #1200, Dallas, Texas. I am the owner of the Bud Smith Organization of North Carolina, Inc. and am Chairman of Clark/Bardes, Inc.

2. The Bud Smith Organization of North Carolina, Inc. is a company, incorporated in North Carolina since 1982. It is a private business corporation through which I conduct a number of independent business activities and investments.

3. Clark/Bardes provides consulting expertise to other businesses in the design and funding of executive retirement programs.

4. Sometime in the summer of 1986, I was approached by the owner of Victory Communications, Inc., Michael Clifford, who, at the time, I believe I had known for about a year. As I recall, Mr. Clifford was known to me as a man of character and judgment and he enjoyed an excellent reputation.

5. As best I can recall, Mr. Clifford said that his business involved producing certain events, including political events, for profit. I think he would, in essence, produce events on

96043754615

96043754616  
a fee basis. He indicated that he was working on or was about to be retained to product a major event and was in need of short-term working capital. He asked whether I would be in a position to loan his company, Victory Communications, Inc., approximately \$50,000 for something less than thirty days. He assured me that the earnings he would receive would be sufficient to repay the loan, with interest. I viewed this transaction as a straightforward commercial transaction.

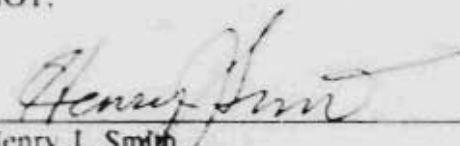
6. On August 29, 1986, the Bud Smith Organization of North Carolina, Inc. made a short term business loan to Victory Communications, Inc. in the amount of \$50,000. As I recall, Victory Communications, Inc. was required to document its repayment obligation by executing a promissory note, providing simple interest at a rate of 10% per annum.

7. In September of 1986, there was a delay in repayment. A second promissory note may have been executed providing additional time for repayment. It is my recollection that the extension was a relatively brief one.

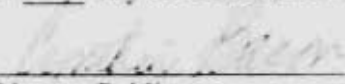
8. In fact, the Bud Smith Organization's records reflect that the loan was paid back in full on October 21, 1986. The repayment totaled \$50,767.00, which included interest accrued since August 29, 1993 at 10%.

9. I do not believe that the Bud Smith Organization of North Carolina, Inc. had any further business or other dealings with Victory Communications, Inc. or with Michael Clifford since October 1986.

FURTHER AFFIANT SAITH NOT.

  
Henry J. Smith

Subscribed and sworn to before me this 13 day of March, 1994

  
Notary Public

OGC 581

ROBERT ALAN DAHL, Esq.

1156 FIFTEENTH STREET, N.W., SUITE 550  
WASHINGTON, D.C. 20005  
TEL 202/466-8051  
FAX 202/828-5625

12:54 PM 3/21/94

March 18, 1994

Tony Buckley  
Office of the General Counsel  
Federal Election Commission  
999 E. Street, N.W.  
Washington, D.C. 20463

RE: MUR 3485 - Americans for Robertson, Inc., and  
Frederick H. Shafer, as treasurer

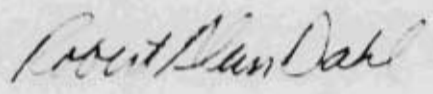
Dear Mr. Buckley:

This letter is in response to notification that the Federal Election Commission has voted to reinstate MUR 3485 and to ratify its earlier findings of reason to believe that Americans for Robertson, Inc., and Frederick H. Shafer, as treasurer, violated provisions of the Federal Election Campaign Act and FEC regulations.

Americans for Robertson, Inc., responded to the Commission's Order and Subpoena in MUR 3485 on June 21, 1993, and provided additional documents on September 16, 1993, following discussions with your office. AFR has no further response at this time. In so responding to your recent letter, however, AFR wishes to make clear it does not concede the validity of the current or previous proceeding against it, and does not waive any rights to challenge the legitimacy of Commission action in this matter, pursuant to the decision of the U.S. Court of Appeals for the District of Columbia in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. pending.

AFR also reaffirms its request for information and copies of documents upon which the Commission relied in its Factual and Legal Analyses in this matter. The requested items are detailed in correspondence dated September 16, 1993.

Sincerely,



Robert Alan Dahl

20040317 54617



06C 610

WILEY, REIN & FIELDING

1776 K STREET, N. W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

JAN WITOLD BARAN  
(202) 429-7330

March 22, 1994

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attn: Tony Buckley, Esq.

Re: MUR 3485 (Gordon Robertson)

Dear Mr. Noble:

I am in receipt of the Commission's letter dated February 18, 1994 notifying me that on February 8, 1994, the Commission revoted to find reason to believe that Gordon Robertson violated the Act in light of the United States Court of Appeals decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (1993) and enclosing an Order and Subpoena. I am also in receipt of the Commission's subsequent letter of March 14, 1994 enclosing a second Subpoena and Order.

Mr. Robertson has been out of the country for the past several weeks. This office no longer represents Mr. Robertson but his physical absence has prevented me from personally advising him of that fact. In order to avoid any further delays and to preserve all of Mr. Robertson's legal rights, I am returning the subpoenas to the Commission. I fully expect that Mr. Robertson will notify the Commission regarding the identity of his new counsel.

Sincerely,

  
Jan Witold Baran

cc: Gordon Robertson, Esq.

26043754618

0:11:22 00:00



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20061

MARCH 23, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

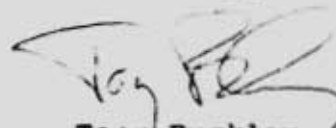
Frank J. Fahrenkopf, Jr.  
Hogan & Hartson  
Columbia Square  
555 13th Street, N.W.  
Washington, D.C. 20004-1109

RE: MUR 3485

Dear Mr. Fahrenkopf:

This is to confirm that, pursuant to the March 23, 1994 telephone conversation between your secretary, Ms. Gail Turner, and me, the date and time for your deposition, as required by subpoena dated March 21, 1994, has been changed. Your deposition will now be held on Tuesday, April 5, 1994 at 4:00 p.m. We look forward to seeing you then.

Sincerely,



Tony Buckley  
Attorney

20043754619

OBC# 617

**BAKER  
&  
HOSTETLER**  
COUNSELLORS AT LAW

WASHINGTON SQUARE, SUITE 1100 • 1050 CONNECTICUT AVENUE, N.W. • WASHINGTON, D.C. 20036-5304 • (202) 861-1500  
FAX (202) 861-1783 • TELEX 2357276  
WRITER'S DIRECT DIAL NUMBER (202) 861-1504

March 22, 1994

Lawrence Noble, Esquire  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attention: Anthony Buckley

Re: MUR 3485, Gordon Robertson

Dear Mr. Noble:

As I indicated in my telephone discussion with Tony Buckley, I have been retained to represent Mr. Robertson and Partners for America in MUR 3485. As indicated in his March 22, 1994 letter, Mr. Jan Baran no longer represents Mr. Robertson.

I look forward to making arrangements with your office to procure copies of all prior correspondence and materials regarding MUR 3485.

To make these arrangements, or if you have any questions regarding my request, please contact me at 861-1504. Thank you for your cooperation in this matter.

Sincerely,

*E. Mark Braden*

E. Mark Braden

EMB/hss  
Enclosures

March 22, 1994

VIA TELEFAX - (202) 861-1783

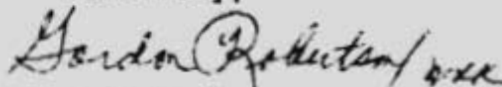
E. Mark Braden, Esquire  
Baker & Hostetler  
1050 Connecticut Avenue, N.W.  
Suite 1100  
Washington, DC 20036-5304

RE: MUR 3485

Dear Mark:

Please accept this letter as your authority to proceed as counsel for me and Partners for America in representation of our interests before the Federal Election Commission in connection with MUR 3485. If you need any further documentation or a designation of counsel, please let me know.

Sincerely,



Gordon P. Robertson

GPR/mlk

cc: Jan Baran, Esquire (via telefax - (202) 429-7207)

26043754621

March 22, 1994

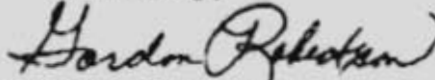
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

RE: MUR 3485

Dear Sir or Madam:

Please accept this letter as your authority to release copies of any and all documents pertaining to the above-referenced matter, to my counsel, E. Mark Braden, Esquire, Baker & Hostetler, 1050 Connecticut Avenue, N.W., Suite 1100, Washington, DC 20036 in representation of the interests of myself and Partners for America, before the Federal Election Commission in connection with MUR 3485.

Sincerely,



Gordon P. Robertson

GPR/mlk

96043754622



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MARCH 23, 1994

HAND DELIVERED

E. Mark Braden, Esq.  
Baker & Hostetler  
Washington Square, Suite 1100  
1050 Connecticut Avenue, N.W.  
Washington, D.C. 20036-5304

RE: MUR 3485

Dear Mr. Braden:

On March 22, 1994, this Office received the designation of counsel form naming you as the new counsel for Gordon P. Robertson and Partners for America in the above-captioned matter. With respect to your clients, the Federal Election Commission has taken the following actions. On January 12, 1993, the Commission found that there is reason to believe Gordon Robertson violated 2 U.S.C. § 441a(a)(1)(A), (3), and that Partners for America - State PAC, a political committee formed by your client and Ray W. King, knowingly and willfully violated 2 U.S.C. § 441a(a). On March 23, 1993, the Commission approved the issuance of a subpoena and order to Mr. Robertson, to which he has previously provided a response.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994) ("NRA"). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While the Commission petitions the Supreme Court for a writ of certiorari, the Commission, consistent with the NRA opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters.

On February 8, 1994, the Commission revoted to find reason to believe that Gordon Robertson violated 2 U.S.C. § 441a(a)(1)(A), (3), and that Partners for America - State PAC, a political committee formed by Gordon Robertson and Ray W. King,

26043754623

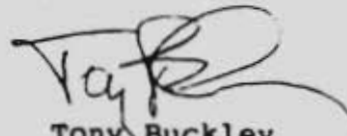
E. Mark Braden, Esq.  
MUR 3485  
Page 2

knowingly and willfully violated 2 U.S.C. § 441a(a), and to approve the Factual and Legal Analysis previously mailed to your client. A copy of that Factual and Legal Analysis is enclosed. In addition, on that date, the Commission voted to reauthorize the original subpoena and order, which is also enclosed. All responses to this Subpoena and Order must be submitted to the General Counsel's Office within 30 days of your receipt of this Subpoena and Order. Documents and responses previously submitted do not have to be re-submitted.

On March 10, 1994, the Commission issued an additional subpoena and order requiring Gordon Robertson to provide additional information in connection with its investigation in this matter. It is also required that your client comply with this Subpoena and Order within 30 days of your receipt of this Subpoena and Order.

This Office understands your desire to obtain all prior correspondence and materials in this matter relating to your clients, but believes that your first recourse should be to consult with your clients' previous counsel. If after exhausting that avenue you still are unable to obtain the documents you seek, contact this Office and we will discuss the matter further. In the meantime, if you have any questions, please contact me at (202) 219-3690.

Sincerely,



Tony Buckley  
Attorney

**Enclosures**

Factual and Legal Analysis  
First Subpoena and Order  
Second Subpoena and Order

06043/54624



**FEDERAL ELECTION COMMISSION**

**FACTUAL AND LEGAL ANALYSIS**

**RESPONDENTS:** Gordon Robertson and Partners for  
America - State PAC

**MUR:** 3485

**I. BACKGROUND**

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

**II. FACTUAL AND LEGAL ANALYSIS**

**A. The Law**

Pursuant to 2 U.S.C. § 433, every political committee must register as such by filing a statement of organization. Pursuant to 2 U.S.C. § 434, every political committee must file reports of receipts and disbursements, including contributions and expenditures. A political committee is "any committee, club, association, or other group of persons which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year." 2 U.S.C. § 431(4)(A).

Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. The term person includes an individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons.

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2 U.S.C. § 431(11). Pursuant to 2 U.S.C. § 441a(a)(3), no individual shall make contributions aggregating more than \$25,000 in any calendar year. The term contribution is defined as any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing a federal election. 2 U.S.C. § 431(8)(A)(i).

**B. Circumstances Giving Rise to Violations**

On September 30, 1987, R. Marc Nuttle, the campaign manager of Americans for Robertson, Inc. (the "Committee"), entered into an agreement with the Committee to purchase and lease back an IBM System 38 computer and related equipment. The agreement stated that the agreement was between the Committee and Computer Futures, Limited ("CFL") and that CFL was a Colorado limited partnership to be formed by its general partner, R. Marc Nuttle. The Committee was the principal campaign committee of Marion G. ("Pat") Robertson during his candidacy for the Republican nomination for the office of President of the United States. CFL had obtained funds in the form of investments from four strong supporters of Pat Robertson to finance its purchase of the computer from the Committee.

On December 1, 1988 and July 19, 1989, PARTNERS FOR AMERICA - STATE PAC ("PFA") issued checks totaling \$100,000 to CFL. The deposit slip for the December 1 check contained the notation "Computer Equipment." The July 19 check carried the notation "Computer Purchase." This check was signed by Gordon Robertson, Pat Robertson's son, and Ray King, an attorney who had previously represented the Committee in litigation. The address given for

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PFA was the same address as that of the law firm where both Gordon Robertson and Ray King worked. On November 21, 1989, CFL apparently sold the System 38 and related equipment purchased from the Committee for \$11,500 to Norwest Computer Company, Inc. ("Norwest").

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It appears that the transactions between CFL and PFA, and CFL and Norwest, each related to the same equipment, although clearly CFL could not have sold the computer system to PFA and then months later sold it again to Norwest. It further appears that the receipts from PFA were intended to make whole those individuals who had "invested" in CFL to pump money into the Committee, and that the attribution of such receipts to a computer purchase was meant to disguise this. The timing of such payments supports this conclusion, as Richard Brown, a CFL investor, was paid \$40,000 on December 5, 1988, four days after the deposit of the first check (for \$50,000), and Robert Beale, another CFL investor, was paid \$50,000 on July 25, 1989, six days after the deposit of the second check (for \$50,000). Thus, PFA's payments effectively reimbursed the investors for their excessive contributions to the Committee. Also, while Norwest is apparently a legitimate corporation which would purchase such a computer system in the normal course of its business, there is no evidence of what use PFA would have for such a computer system. Indeed, the Virginia State Board of Elections has no record of PFA, and thus its actual existence is questionable.

By retiring the debt, monies paid by PFA to CFL became contributions to the Committee. See FEC v. Ted Haley

Congressional Committee, 852 F.2d 1111 (9th Cir. 1988). Because such contributions were made on behalf of a Federal committee, and exceeded \$1,000, it appears that Gordon Robertson and Ray King effectively formed a political committee, which was required to register with and report the Commission. It has not done so. Because Gordon Robertson's name appears on a check drawn on the apparent committee's account, he appears to be a responsible party acting on behalf of this committee.

Therefore, there is reason to believe that Gordon Robertson knowingly and willfully violated 2 U.S.C. §§ 433 and 434.

PFA, as a political committee, was required to adhere to the contribution limitations at 2 U.S.C. § 441a(a). The \$100,000 contribution greatly exceeded these limitations.

Therefore, there is reason to believe that the political committee formed by Gordon Robertson and Ray King knowingly and willfully violated 2 U.S.C. § 441a(a).

It is also possible that the funds paid under the guise of PFA may have been personal funds of Gordon Robertson, although at this time it is unclear what portion of the \$100,000 is attributable to him. It is possible that Gordon Robertson exceeded the \$1,000 per candidate per election limitation and the \$25,000 per calendar year limitation.

Therefore, there is reason to believe that Gordon Robertson violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3).

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Gordon P. Robertson  
c/o Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

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 listed 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 30 days of receipt of this Order and Subpoena.

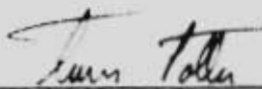
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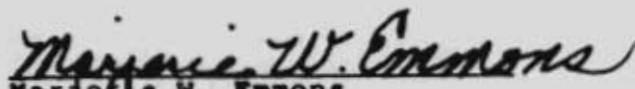
WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this 16<sup>th</sup> day of

February, 1994.

For the Commission,

  
\_\_\_\_\_  
Trevor Potter  
Chairman

ATTEST:

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

Attachments

Instructions  
Definitions  
Questions (1 page)  
Document Request (1 page)

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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, 1988 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.

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DEFINITIONS

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

"You" shall mean the named respondent to whom these discovery requests are addressed, including all employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"PFA" shall mean Partners for America - State PAC.

"CFL" shall mean Computer Futures, Ltd.

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INTERROGATORIES

1. Identify all accounts in financial institutions held or co-held in the name of PFA. Include in your answer the account number, the type and nature of each account, all owners of each account, all persons having signature authority on each account, the date each account was opened, and the date each account was closed.
2. List all transactions between PFA and CFL in which money was transferred from one party to the other. For each transaction state the date of the transaction, the purpose of the transaction, the amount of money transferred, and whether PFA gained ownership of any real or personal property as a result of that transaction. Identify the current owner of any such property.
3. With respect to any personal property identified in response to question 3, state what kind of property it is, and its make and model year.
4. Identify all persons who in any way dealt with CFL on behalf of PFA regarding any transaction.
5. Identify all other persons who did not deal directly with CFL, but who otherwise were in any way involved on behalf of PFA regarding any transaction.
6. Identify all persons who in any way dealt with you on behalf of CFL regarding any transaction.

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PRODUCTION OF DOCUMENTS

1. Produce all records of financial activity in accounts identified in response to question 1. Include in your response copies of all bank statements, deposit and withdrawal slips, checks, account transfers, and all other documents evidencing financial activity.
2. Produce all documents which relate in any way to any business conducted between PFA and CFL.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
) MUR 3485  
)

**SUBPOENA TO PRODUCE DOCUMENTS**  
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Gordon P. Robertson  
c/o E. Mark Braden, Esq.  
Baker & Hostetler  
Washington Square, Suite 1100  
1050 Connecticut Avenue, N.W.  
Washington, D.C. 20036-5304

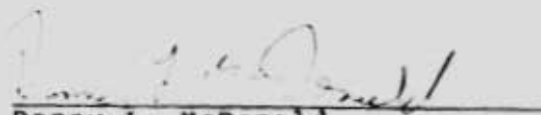
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents listed on the attachment to 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 30 days of receipt of this Order and Subpoena.

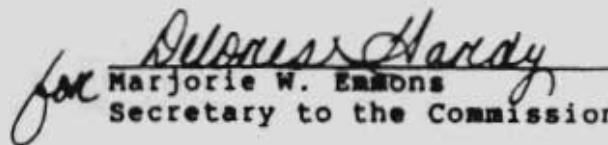
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WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this 14th day of March, 1994.

For the Commission,

  
\_\_\_\_\_  
Danny L. McDonald  
Vice Chairman

ATTEST:

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

Attachments  
Instructions  
Definitions  
Questions and Document Requests (1 page)

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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, 1988 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.

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DEFINITIONS

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

"You" shall mean the named respondent to whom these discovery requests are addressed, including all employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

"PFA" shall mean Partners for America - State PAC, including all employees, agents or attorneys thereof.

"CFL" shall mean Computer Futures, Ltd.

"NRSC" shall mean National Republican Senatorial Committee, including all employees, agents or attorneys thereof.

"AFR" shall mean Americans for Robertson, Inc., including all employees, agents or attorneys thereof.

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INTERROGATORIES AND REQUESTS FOR DOCUMENTS

1. Identify all persons who in any way dealt with Robert Beale, or any representative of Robert Beale, on behalf of you or PFA, regarding the \$55,000 deposited into PFA's Sentry Federal Savings Bank account in November 1988. Identify all representatives of Robert Beale dealt with. Produce all documents which in anyway relate to this \$55,000.
2. Identify all persons, including you, who in any way dealt with the NRSC, on behalf of you or PFA, which dealings resulted in the deposit of a check for \$50,000 into PFA's Sentry Federal Savings Bank account in July 1989. Identify all representatives of the NRSC dealt with. If the \$50,000 was for the purchase or rental of a mailing list, identify the owner of the mailing list, state when and from whom the owner obtained the mailing list, and describe the contents of the mailing list. Include in your description the number of names and addresses on the list, and how they are arranged (i.e. alphabetically, by zip code, or any other method). State how you or PFA acquired the right to rent or sell the mailing list to the NRSC or any other person. Produce all documents in any way related to this transaction.
3. Produce all documents in any way related to any other attempt to rent or sell the mailing list described in Question 2.
4. Identify all persons who in any way dealt with Beurt SerVaas, or any representative of Beurt SerVaas, on behalf of you or PFA, or any other person, regarding in any way an IBM System 38 computer once owned by AFR. Produce all documents in any way related to any such dealings.
5. Identify all persons involved in the effort to satisfy the obligation of CFL to Beurt SerVaas. Produce all documents in any way related to the effort to satisfy the obligation of CFL to Beurt SerVaas.

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RECEIVED  
FEDERAL ELECTION COMMISSION  
U.S.C.

EPSTEIN BECKER & GREEN, P.C.

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ATTORNEYS AT LAW

1227 25TH STREET, N.W.

WASHINGTON, D.C. 20037-1188

(202) 861-0900

TELECOPIER (202) 866-2882

DIRECT LINE

March 23, 1994

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NEW YORK, NEW YORK 10177-0077  
(212) 361-4800

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LOS ANGELES, CALIFORNIA 90067-2801  
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MIAMI, FLORIDA 33133  
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CONNECTICUT, VIRGINIA AND TEXAS ONLY

**VIA FACSIMILE  
AND HAND-DELIVERED**

Anthony T. Buckley, Esquire  
Office of General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, D.C. 20463

Re: **M.U.R. 3485: MOTION TO QUASH SUBPOENAS ISSUED TO  
BEURT SERVAAS ON FEBRUARY 16, 1994 AND MARCH 14,  
1994, OR IN THE ALTERNATIVE, TO MODIFY THE SUBPOENA  
ISSUED ON MARCH 14, 1994**

Dear Mr. Buckley:

Enclosed please find on behalf of our client, Dr. Beurt R. SerVass, a Motion to Quash Subpoenas Issued to Beurt SerVaas on February 16, 1994 and March 14, 1994, or in the Alternative, to Modify the Subpoena Issued on March 14, 1994.

Should you have any questions, please contact me at (202) 861-1877.

Sincerely,

*Leslie J. Kerman*

Leslie J. Kerman

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**IN FEDERAL ELECTION COMMISSION M.U.R. 3485**  
**RESPONDENT: Beurt SerVaas**

**MOTION TO QUASH SUBPOENAS ISSUED TO BEURT SERVAAS  
ON FEBRUARY 16, 1994 AND MARCH 14, 1994, OR IN THE ALTERNATIVE,  
TO MODIFY THE SUBPOENA ISSUED ON MARCH 14, 1994**

**I. INTRODUCTION**

By letter dated April 12, 1993, the Federal Election Commission (the "FEC" or "Commission") notified Beurt R. SerVaas that the Commission had found reason-to-believe that Dr. SerVaas knowingly and willfully violated 2 U.S.C. §441a(a)(1)(A) and §441a(a)(3) in connection with an alleged excessive contribution in September, 1987 to "Americans for Robertson, Inc.", Pat Robertson's principal campaign committee for the 1988 presidential campaign. In connection therewith, the Commission issued a subpoena to Dr. SerVaas dated April 9, 1993. Dr. SerVaas submitted responses to such subpoena on July 2, 1993.

Subsequently, on October 22, 1993, the United States Court of Appeals for the District of Columbia Circuit deemed the Commission unconstitutional. Federal Election Commission v. NRA Political Victory Fund, 6 F. 3d 821 (D.C. Cir. 1993). This rendered invalid the FEC's reason-to-believe findings against Dr. SerVaas. Moreover, it rendered unlawful the April 9, 1993 subpoena issued to Dr. SerVaas on the basis of invalid reason-to-believe findings.<sup>1</sup> In response to the NRA decision, the FEC reconstituted itself as a six-member Commission, and the reconstituted Commission adopted specific procedures for revoting or ratifying decisions pertaining to open enforcement matters. Accordingly, the reconstituted Commission on February 4, 1994 voted that there was reason-to-believe that Dr. SerVaas knowingly and willfully violated 2 U.S.C. §441a(a)(1)(A) and §441a(a)(3). In addition, the Commission, on February 16, 1994, issued to Dr. SerVaas a new subpoena, which is identical to the April 9, 1993 subpoena. Further, on March 14, 1994, the Commission issued an additional subpoena to Dr. SerVaas.

For the reasons provided below, both the February 16, 1994 and March 14, 1994 subpoenas are unlawful, and, accordingly, should be quashed.

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<sup>1</sup>The FEC have never officially acknowledged that its pre-NRA reason-to-believe findings are invalid or that its pre-NRA subpoena is unlawful. However, the Commission has acknowledged that it must comply with the NRA decision, unless and until it is overturned by the Supreme Court. Accordingly, the FEC reconstituted itself as a six-member Commission, and the reconstituted Commission is starting "anew" many of its enforcement cases, such as the instant matter, as Vice-Chairman McDonald recently testified to Congress.

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**II. THE FEBRUARY 16, 1994 AND MARCH 14, 1994 SUBPOENAS SHOULD BE QUASHED BECAUSE THE TAIN FROM THE COMMISSION'S PREVIOUSLY- ISSUED UNLAWFUL SUBPOENA DECIDED WHEN THE COMMISSION WAS UNCONSTITUTIONAL CANNOT BE REMOVED SIMPLY BY THE ISSUANCE OF NEW SUBPOENAS BY A NEWLY CONSTITUTED COMMISSION**

The holding in NRA provides no basis for the Commission's apparent position that re-voting or ratifying its prior unconstitutional action removes the unconstitutional defect from those actions. Specifically, the Commission stated in its letter dated February 18, 1994 to Dr. SerVaas that it had taken several actions to comply with the Court's decision, which included adopting specific procedure for ratifying or re-voting prior decisions pertaining to open enforcement matters. In the instant case, the Commission stated that it re-voted the Commission's earlier reason-to-believe findings against Dr. SerVaas, which were rendered when the agency was unconstitutional. Significantly, the February 18, 1994 letter to Dr. SerVaas did not contain a Factual and Legal Analysis. Rather, it referred to the Factual and Legal Analysis prepared in connection with the invalid reason-to-believe findings of January 12, 1993 and March 23, 1993. It is unclear how the Commission may cure the constitutional defect of the previous invalid reason-to-believe findings by simply re-voting the very same findings decided by the unconstitutional Commission based upon the very same Factual and Legal Analysis which was considered, discussed and approved by the unconstitutional Commission.

Thus, Dr. SerVaas objects to the validity of the Commission's re-votes and ratifications. Dr. SerVaas contends that the Commission may not remove the taint of the prior unconstitutional decisions simply by re-voting or ratifying those decisions with a reconstituted Commission. Accordingly, the February 16, 1994 and March 14, 1994 subpoenas are tainted and unlawful, and should be quashed.

**III. IN THE ALTERNATIVE, THE COMMISSION SHOULD QUASH THE SUBPOENAS ISSUED ON FEBRUARY 16, 1994 AND MARCH 14, 1994 BECAUSE THE COMMISSION IS LEGALLY REQUIRED TO RETURN DOCUMENTS IN ITS POSSESSION SUBMITTED BY DR. SERVAAS IN RESPONSE TO THE PREVIOUS UNLAWFUL SUBPOENA BEFORE IT MAY ATTEMPT TO OBTAIN SUCH DOCUMENTS THROUGH ANOTHER SUBPOENA**

In NRA, the Court stated that the Commission lacked authority to bring an enforcement action because its composition violated the Constitution's separation of powers doctrine. Therefore, the issuance of a subpoena by an unconstitutional body renders such subpoena invalid.<sup>2</sup> Accordingly, the subpoena issued to Dr. SerVaas on April 9, 1993 was unlawful and

---

<sup>2</sup>The Commission indirectly acknowledged that the April 9, 1993 subpoena was unlawful by issuing a new subpoena on February 16, 1994 (which is identical to the subpoena of April 9, 1993). If the FEC considered the April 9, 1993 subpoena to be currently valid, for what reason was a new subpoena issued?



the Commission is unlawfully in possession of Dr. SerVaas' document.<sup>3</sup> The Commission should have returned such documents to Dr. SerVaas immediately after the issuance of the NRA decision. It is well-established that when the government obtains property unlawfully, the government must return all responsive materials and any copies made of such materials as well as destroy records derived from them. See F.T.C. v. Invention Submission Corporation, 965 F.2d 1086, 1088, n. 1 (D.C. Cir. 1992); Office of Thrift Supervision, Department of Treasury v. Dobbs, 931 F.2d 956, 958 (D.C. Cir. 1991); F.T.C. v. Compagnie de Saint-Gobain-Pont-a-Mousson, 636 F.2d 1300, 1327 (D.C. Cir. 1980).<sup>4</sup>

Accordingly, the Commission had a duty, upon the issuance of the NRA decision, to immediately return the documents submitted by Dr. SerVaas in response to the unlawful subpoena. However, the Commission failed to return the documents unlawfully in its possession. The issuance of a new subpoena while the Commission is still in possession of the documents submitted in response to the unlawful subpoena is improper and disingenuous. Importantly, it serves to deprive Dr. SerVaas of the right to meaningfully challenge the new subpoena through all available administrative and judicial forums. Thus, until the documents submitted pursuant to the unlawful subpoena of April 9, 1993 are returned to Dr. SerVaas, the Commission may not attempt to obtain those same documents through the February 16, 1994 subpoena. Moreover, the Commission must stay all proceedings in this matter (including the issuance of the March 14, 1994 subpoena) until such documents are returned.

#### **IV. THE COMMISSION SHOULD QUASH THE SUBPOENAS ISSUED ON FEBRUARY 16, 1994 AND MARCH 14, 1994, BASED UPON CLEARLY ENUNCIATED AND ESTABLISHED COMMISSION POLICY REGARDING STALE ACTIVITIES**

The Commission's issuance of the instant subpoenas also is unlawful because the subpoenas relate to alleged activities and an alleged violation (a September, 1987 alleged excessive contribution) which occurred prior to the 1990 cycle and are, therefore, stale.<sup>5</sup> On December 13, 1993, the Commission announced in a press conference its dismissal of 137 pending enforcement matters. The Commission dismissed such cases because they were either

<sup>3</sup>The April 9, 1993 subpoena is clearly invalid because pursuant to case law and Commission policy, a subpoena may only be issued to a respondent in connection with a valid reason-to-believe finding. See FEC v. Citizens for Freeman, 602 F. Supp. 1250, 1252 (Maryland 1985). See also M.U.R. 3325 - Respondent Frederick W. Field (on August 5, 1993, FEC General Counsel's Office retracted the issuance of subpoena to Respondent, Mr. Field, because of the absence of an outstanding reason-to-believe finding against Mr. Field).

<sup>4</sup>The Eleventh Circuit in Citronelle-Mobile Gathering, Inc. v. Watkins, 934 F.2d 1180, 1188 (11th Cir. 1991) reaches a different conclusion regarding the Compagnie holding with respect to proper jurisdiction over a foreign corporation. However, it does not address the merits of Compagnie holding with respect to the return of documents as a result of an improper subpoena.

<sup>5</sup>Please note that the instant case against Dr. SerVaas does not involve allegations of ongoing violations. Moreover, the Commission has never made such assertions.

(1) relatively insignificant compared to other pending cases or (2) stale, meaning the activity occurred prior to the 1990 cycle.<sup>6</sup>

The Commission did not, however, cease its enforcement action against Dr. SerVaas although the alleged activities referenced in M.U.R. 3485 with respect to Dr. SerVaas are clearly "stale" as defined by the Commission's standards. The Commission's failure to dismiss this pre-1990 cycle matter against Dr. SerVaas in spite of the Commission's dismissal of many other pre-1990 cycle case based on "staleness" is an abuse of the Commission's discretion and, accordingly, unlawful because the Commission "inexplicably departed from established policies . . ." Wong Wing Hang v. Immigration and Naturalization Service, 360 F.2d 715, 719 (2d Cir. 1966). See also Democratic Congressional Campaign Committee v. Federal Election Commission, 831 F.2d 1131 (D.C. Cir. 1987). Agency policies must be applied with an even hand. Id. Agencies are not permitted to depart from established precedents. Donovan v. Adams Steel Erection, Inc., 766 F.2d 804 (3rd Cir. 1988); Graphic Communications International Union v. World Color Press, 834 F.2d 1490 (D.C. Cir. 1988), cert. den., World Color Press v. Dole, 489 U.S. 1011 (1989).

The Commission's failure to dismiss this action against Dr. SerVaas, and to instead issue additional subpoenas in this matter, is blatantly inequitable. This differential treatment inexplicably departs from established Commission policy and precedent regarding "stale-dated activities." By ignoring its own precedent, and according similar cases dissimilar treatment, the FEC is proceeding on a course "contrary to law." The issuance of the February 16, 1994 and March 14, 1994 subpoenas in connection with this matter, therefore, constitutes an abuse of discretion and is unlawful. Accordingly, such subpoenas should be quashed.

**V. THE COMMISSION MUST QUASH OR MODIFY THE MARCH 14, 1994 SUBPOENA BECAUSE IT IS IRRELEVANT AND/OR VAGUE AND OVERBROAD**

The scope of the March 14, 1994 subpoena is overbroad, indefinite and requests information irrelevant to this matter.<sup>7</sup> In addition to information regarding Computer Futures, Ltd., the instant subpoena request information related to Partner for America - State PAC ("PFA") and information concerning "NRSC" (such entity is not identified in the subpoena) and a mailing list. Requests for such information is clearly irrelevant to the matter involved.

Neither the Commission's reason-to-believe findings of January 12 and March 23, 1993 and corresponding Factual and Legal Analysis, nor the Commission's re-voted reason-to-believe findings of February 8, 1994 make any reference to either of these entities or any mailing list. Accordingly, such information is irrelevant and is not within the scope of the instant investigation.

<sup>6</sup>All but a handful of on-going matters which involved activities prior to the 1990 election cycle were dismissed.

In order to issue a lawful subpoena, the Commission must first find reason-to-believe. Citizens for Freeman at 1252. In addition, a lawful subpoena requires that the information sought be reasonably relevant to the matter involved. Id.

In addition, the request for information concerning the identification of "all person involved in the effort to satisfy the obligation of CFL" to the Respondent is vague and overbroad.

Therefore, the Commission must quash the March 14, 1994 subpoena because the request for information are irrelevant and/or vague and overbroad. Alternatively, at a minimum, the Commission must modify the instant subpoena to include only requests for information relevant to this matter, i.e., Computer Futures, Ltd.

\* \* \* \* \*

Accordingly, for the reasons stated herein, Dr. SerVaas respectfully requests that the Commission quash the subpoenas issued on February 16, 1994 and March 14, 1994, or in the alternative, modify the subpoena issued on March 14, 1994.<sup>8</sup>

Respectfully submitted,

ON BEHALF OF BEURT R. SERVAAS

Leslie J. Kerman  
Leslie J. Kerman

Laura A. Ryan  
Laura A. Ryan

Epstein Becker & Green, P.C.  
1227 25th Street, N.W.  
Suite 700  
Washington, DC 20037  
Tel. 202/861-0900

DATED: March 23, 1994

---

<sup>8</sup>Should the Commission deny the Respondent's Motion, it must provide an official explanation for its denial as required by the Administrative Procedure Act (the "APA"). Specifically, the APA requires that "[p]rompt notice shall be given of the denial in whole or in part or written application, petition, or other request of an interested person made in connection with any agency proceeding. Except in affirming a prior denial or when the denial is self-explanatory, the notice shall be accompanied by a brief statement of the ground for denial. 5 U.S.C. §555(e). See also Washington v. Office of the Comptroller of the Currency, 856 F.2d 507 (11th Cir. 1988).





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MARCH 24, 1994

Clarence A. Decker, Esq.  
The Decker Law Firm, P.C.  
11160 Huron Street  
Suite 37-201  
Denver, CO 80234

RE: MUR 3485

Dear Mr. Decker:

This is in response to your letter dated March 9, 1994, which we received on March 22, 1994, in which you state that you are unaware of any action concerning you, and that you have previously denied any wrongdoing and any intent to participate in any wrongdoing. You further state that the Federal Election Commission is mistaken in directing any correspondence to you or to anyone on your behalf. Your letter was prompted by the March 4, 1994 letter to this Office by Michael W. Reagor, which was copied to you. In that letter, Mr. Reagor informed this Office that he no longer represents you in this matter, and that all future correspondence should be sent directly to you.

On April 12, 1993, you were notified that the Commission had found reason to believe that you violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended. The Factual and Legal Analysis, which formed a basis for the Commission's decision, was provided to you at that time. On May 17, 1993, you initially responded to the Commission's finding. On June 28, 1993, we received a form designating Michael W. Reagor as your counsel in this matter.

On October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994) ("NRA"). In the aftermath of the NRA opinion, the Commission took several actions to comply with the court's decision. The Commission, consistent with that opinion, remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission adopted specific

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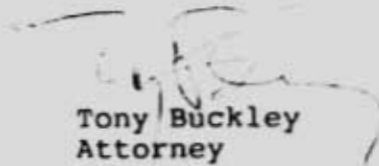
Clarence A. Decker, Esq.  
MUR 3485  
Page 2

procedures for revoting or ratifying decisions pertaining to open enforcement matters.

In this matter, on February 8, 1994, the Commission revoted to find reason to believe that you violated 2 U.S.C. § 441a(f), and to approve the Factual and Legal Analysis previously mailed to you. Consistent with your prior designation of counsel, Mr. Reagor was informed of the Commission's actions in a letter dated February 18, 1994.

Although you have denied any wrongdoing and any intent to participate in any wrongdoing, the Commission's finding with respect to you still stands, and its investigation in this matter is still ongoing. Should the Commission take any further action which affects you, you will be directly notified. If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Tony Buckley  
Attorney

96043754647





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MARCH 24, 1994

BY FACSIMILE

Thomas J. Scherer, Esq.  
Cravath, Swain & Moore  
Worldwide Plaza  
825 Eighth Avenue  
New York, NY 10019-7475


RE: MUR 3485

Dear Mr. Scherer:

This is in response to your letter dated March 24, 1994, which we received on that same date, requesting an extension until April 4, 1994 to respond to the subpoena and order issued to IBM by the Federal Election Commission. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, IBM's response is due by the close of business on April 4, 1994.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

96043754649

06C 678

**THOMAS, STIDHAM & ACREE**

ATTORNEYS AT LAW

SUITE 200

187 EAST MAIN STREET

LEXINGTON, KENTUCKY 40507-1393

606-253-4664

TELECOPIER 606-253-1226

RICK L. THOMAS  
GARNIE CLIFF STIDHAM  
GLENN E. ACREE  
DAVID L. KINSELLA  
DAVID M. ZORIN  
ZACHARY S. RAMSEY

Mar 28 11 19 AM '94

March 24, 1994

**VIA CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Ms. Holly Baker, Esq.  
Office of the General Counsel  
Federal Election Commission  
999 East Street, N.W.  
Washington, D.C. 20463

RE: Carolyn Ridley - MUR 3485

Dear Ms. Baker:

In keeping with our telephone conversation the other day, and in response to your letter of February 18, please find enclosed copies of the latest correspondence among myself, on Carolyn Ridley's behalf, Robert Dahl, attorney for Americans For Robertson ("AFR"), and Jan Baran, attorney for Pat Robertson.

I believe it is apparent, from reviewing the enclosed letters and our Written Answers and Documents Produced pursuant to the Commission's April 12, 1993 Order and Subpoena, that Ms. Ridley was unaware of any legal restrictions regarding her advancing expenses on behalf of the Robertson campaign; that AFR did not inform its employees/volunteers of any such restrictions; that at the time Ms. Ridley advanced the expenses she had every expectation of being promptly reimbursed based on her prior experience with AFR; that following AFR's failure to reimburse her, Ms. Ridley has diligently pursued reimbursement of such expenses, at no time agreeing or intending for such expenses to constitute a contribution to the campaign; that AFR has failed to timely and fairly respond to Ms. Ridley's requests for reimbursement and now seeks to put her off further with the bogus claim that the expenses were elective and not reimbursable; and that Ms. Ridley has promptly complied in the fullest possible manner to all requests of the FEC regarding this investigation. If the FEC, as a result of its investigation of AFR and Pat Robertson's campaign, is aware of any evidence or information that would indicate that the above assertions are incorrect, we would like to be notified of and have the opportunity to respond to same.

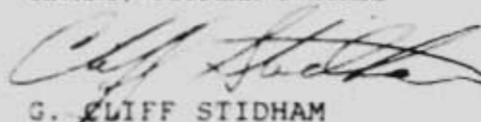
**THOMAS, STIDHAM & ACREE**

Ms. Holly Baker, Esq.  
Office of the General Counsel  
Federal Election Commission  
March 24, 1994  
Page 2

I hope you agree that fairness and equity require that the FEC's proceedings against Ms. Ridley be dismissed. Please let me know if we can provide you with any further information.

Very truly yours,

THOMAS, STIDHAM & ACREE



G. CLIFF STIDHAM

GCS/gcs  
cs:FEC.lt3

cc: Carolyn Ridley

96043754651







THOMAS, STIDHAM & ACREE

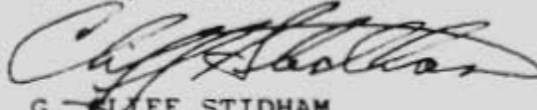
Robert Allen Dahl, Esq.  
March 24, 1994  
Page 2

entitled to reimbursement." Meaning no disrespect to you or your client, I suspect that AFR has mistreated other of its employees/volunteers in this manner and a clear pattern of abuse would be evident. Accordingly, if legal action is taken, I will make every effort to discover and bring suit on behalf of such other employees/volunteers so the economics of any recovery will justify the effort that will no doubt be required.

Please do not hesitate to contact me if you or anyone at AFR has any questions. I have sent a copy of this letter to Jan Baran.

Very truly yours,

THOMAS, STIDHAM & ACREE



G. CLIFF STIDHAM

GCS/gcs  
cc:dahl.ltr  
cc: Ms. Carolyn Ridley

Mr. Jan Baran  
WILEY, REIN & FIELDING

960443754653

ROBERT ALAN DAHL, ESQ.

1156 FIFTEENTH STREET, N.W., SUITE 550  
WASHINGTON, D.C. 20005  
TEL 202/466-8051  
FAX 202/828-5625

COPY

November 12, 1993

G. Cliff Stidham, Esq.  
Thomas & Stidham  
167 East Main Street  
Lexington, Kentucky 40507-1393

RE: FEC MUR 3485

Dear Mr. Stidham:

I wish to respond on behalf of Americans for Robertson (AFR) to your letter of July 30, 1993, which was forwarded to me by Jan Baran. You submitted therein a claim by Carolyn Ridley for payment of assertedly unreimbursed expenses from the 1988 Robertson campaign and for indemnification for legal fees and other costs associated with MUR 3485 brought by the Federal Election Commission.

I am informed the records of Americans for Robertson show Ms. Ridley's expenses in connection with the 1988 Presidential campaign were fully reimbursed by AFR and no debt to her remains.

Moreover, although any expense or inconvenience resulting from the FEC enforcement matter is regrettable, AFR is neither legally obligated nor financially able to indemnify your client for expenses arising from the MUR.

Should you wish to contact me to discuss this matter, please be advised I will be out of the country until December 21. I can be reached through the International Foundation for Electoral Systems in Washington (202/828-8507).

Sincerely,

*Robert Alan Dahl*

Robert Alan Dahl

11/15/93 11:51

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WILEY, REIN & FIELDING

1776 K STREET, N. W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

COPY

JAN WITOLD BARAN  
(202) 429-7330

August 10, 1993

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

G. Cliff Stidham, Esq.  
Thomas & Stidham  
Attorneys At Law  
167 East Main Street  
Lexington, Kentucky 40507-1393

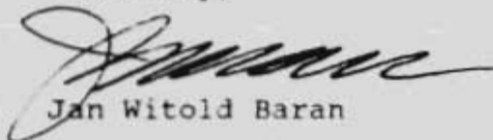
Re: Carolyn Ridley

Dear Mr. Stidham:

I am in receipt of your letter dated July 30, 1993. While this firm does represent Pat Robertson, we do not represent Americans for Robertson ("AFR"). Thus, I have taken the liberty of forwarding your letter and accompanying materials to Robert Dahl who represents AFR. I have also sent a copy of your letter to Pat Robertson as you requested.

Further, Dr. Robertson previously instructed us to be of assistance to those individuals and entities that seek guidance regarding the Federal Election Commission investigation. Thus, please feel free to call on us should you need assistance regarding this matter.

Sincerely,



Jan Witold Baran

cc: Dr. Pat Robertson  
Robert Dahl, Esq.

96043754655

5/11/93 11:31

RICK L. THOMAS  
GARNIE CLIFF STIDHAM  
DAVID L. KINSELLA

**THOMAS & STIDHAM**  
ATTORNEYS AT LAW  
SUITE 800  
187 EAST MAIN STREET  
LEXINGTON, KENTUCKY 40507-1393  
606-253-4884  
TELECOPIER 606-253-1226

**COPY**

July 30, 1993

Mr. Jan Baran, Esquire  
WILEY, REIN & FIELDING  
1776 K Street N.W.  
Washington, D.C. 20006

RE: Carolyn Ridley - Americans for Robertson, Inc.

Dear Mr. Baran:

I represent Carolyn Ridley, who was employed by Americans for Robertson, Inc. ("AFR") from October, 1987 through February, 1988. During the course of her employment, and as was customary for AFR employees, Ms. Ridley paid AFR expenses from her personal funds, for which she was reimbursed by AFR following her submission of expense reports. Unfortunately, in the latter days of Pat Robertson's campaign, Ms. Ridley was not reimbursed for AFR expenses paid from her personal funds, even though she timely and otherwise properly submitted expense reports.

As the enclosed copies of letters and other documents disclose, Ms. Ridley has repeatedly requested AFR to reimburse her for the expenses. While AFR has made some payments, the principal amount of unreimbursed expenses still due Ms. Ridley is \$6,907.60. This amount excludes interest from 1988 to the present date, interest which Ms. Ridley herself had to pay, since the majority of the expenses were charged to her American Express Card.

As result of AFR's failure to reimburse Ms. Ridley, Ms. Ridley's American Express Card was revoked, her credit rating was damaged, and she incurred attorney fees in attempting to collect the amount due her. In addition, and solely because of the unreimbursed expenses, she is now suffering the inconvenience, expense and humiliation of an investigation of her by the Federal Election Commission ("FEC"). As I'm sure you realize, she may also be subject to sanctions for violation of 2 U.S.C. § 441a(a)(1)(A).

Ms. Ridley was recently informed by Steven Halliday, Coopers & Lybrand, Norfolk, Virginia, that you represent Pat Robertson and AFR in connection with their investigation by the FEC. Accordingly, this letter is being sent to you to demand that your clients immediately

THOMAS & STIDHAM

Mr. Jan Baran, Esquire  
WILEY, REIN & FIELDING  
July 30, 1993  
Page 2


pay Ms. Ridley for the unreimbursed expenses noted above and fully substantiated by the enclosed documents. Clearly, prompt reimbursement will benefit your clients and mine. We are also demanding that Ms. Ridley be compensated for AFR's unauthorized use of her money over the past several years and the interest expense she has had to bear as noted above. Her attorneys fees are also demanded. Prompt payment to Ms. Ridley by certified funds in the amount of \$10,000.00 will be deemed satisfactory.

Please convey a copy of this letter to Mr. Robertson. He is a friend of Ms. Ridley and should be understanding of the difficulties she has encountered as a result of being one of his loyal campaign workers.

I look forward to hearing from you at your earliest opportunity.

Very truly yours,

THOMAS & STIDHAM



CLIFF STIDHAM

GCS/pi  
ref:crdley.101  
Enclosures

Copy to: Ms. Carolyn Ridley

96043754657

WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

JAN WITOLD BARAN  
(202) 429-7330

March 25, 1994

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attn: Tony Buckley, Esq.

Re: MUR 3485 (The Christian Broadcasting Network, Inc.)

Dear Mr. Noble:

I am in receipt of the Commission's letter dated February 18, 1994, notifying me that on February 8, 1994, the Commission, without notice to Respondent, revoted to find reason to believe that The Christian Broadcasting Network, Inc. ("CBN") violated the Act in light of the United States Court of Appeals decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (1993), and enclosing an Order and Subpoena. The Commission's letter also states that "[d]ocuments and responses previously submitted do not have to be re-submitted."

On January 25, 1994, this office sent you a letter stating Respondent's position with respect to NRA and objecting to past and future Commission activities in Matter Under Review 3485 with respect to CBN. Respondent herein reiterates the objections as set forth in that letter, and submits that the "revote" did not cure the separation of powers and due process defects in this proceeding.

Respondent maintains its objections to the validity of the present subpoena and do not acquiesce in the revote. Without waiving these objections, Respondent relies upon its response to the Commission's April 12, 1993, subpoena and supplements those responses with the enclosed additional documents and Supplemental Response to Interrogatory No. 4.

Sincerely,



Jan Witold Baran

9604375463



SUPPLEMENTAL RESPONSE OF THE CHRISTIAN BROADCASTING  
NETWORK, INC.  
TO INTERROGATORY NO. 4 OF  
THE FEDERAL ELECTION COMMISSION IN MUR 3485

Respondent Christian Broadcasting Network, Inc. objects to the February 16, 1994, subpoena issued by the Federal Election Commission on the grounds that it is unconstitutional, is invalid under the separation of powers doctrine, and violates Respondent's due process rights. Without waving these objections, Respondent submits the following amended answers to Interrogatory No. 4.

Question No. 4

Identify all individuals employed by CBN who simultaneously served as an officer or director of The Freedom Council, the Freedom Council Foundation, the National Legal Foundation and the National Perspectives Institute.

Amended Answer

CBN objects to this inquiry on the grounds that it is overbroad in time period and scope and seeks information that is not relevant to the issue in this matter.

Notwithstanding these objections and without waiving its objections, Dr. M.G. Robertson simultaneously served as a Director and President of the Freedom Council and as President of The Christian Broadcasting Network, Inc. from January 1, 1985, to September 30, 1985, at which time he resigned as Director and President of the Freedom Council.

2604-75469



CBN is aware of no other employee who simultaneously served as an officer or director of any of the entities named above.

I, Robert M. Prigmore, Vice President and Chief Financial Officer of The Christian Broadcasting Network, Inc., hereby state that the above information is true and correct to the best of my knowledge, information, and belief.

Robert M. Prigmore  
Robert M. Prigmore  
Vice President and Chief Financial Officer

Virginia Beach, Virginia

Subscribed to and sworn before me this 21<sup>st</sup> day of March, 1994.

Joyce W. Sanderlin  
Notary Public

My Commission Expires: 7-31-96

9604754660

MINUTES  
SPECIAL MEETING  
BOARD OF DIRECTORS  
THE FREEDOM COUNCIL  
September 24, 1986  
4:00 P.M. (E.D.T.)

A special meeting of the Board of Directors of The Freedom Council was held at the offices of Bob G. Slosser at 1000 Centerville Turnpike, Virginia Beach, Virginia 23463 on the 24th day of September, 1986, at 4:00 o'clock P.M. (E.D.T.) pursuant to Waiver of Notice, a copy of which is attached to these Minutes.

The following Directors were present at the meeting:

Bob G. Slosser  
Herbert W. Titus  
Robert K. Skolrood

being all the Directors of the Corporation and a quorum.

Other invited guests present:

Joe Gray  
Greg Jackson  
Randy Morell

Bob G. Slosser presided over the meeting as Chairman and Robert K. Skolrood served as Secretary.

The meeting was opened with prayer prior to discussion of the Agenda and the adoption of Resolutions.

I. G. B. Computer Services, Inc.

Greg Jackson reported on negotiations between The Freedom Council and G. B. Computer Services, Inc. regarding the termination of the contract with G. B. Computer Services, Inc.

## II. RESOLUTION

Upon motion made by Herbert W. Titus and second by Robert K. Skolrood, the following Resolution was unanimously adopted:

**RESOLVED:** That the continuation of The Freedom Council in its present form has become untenable to carry out the purpose and goals of the organization. That it has become increasingly impossible to recruit new personnel and to retain the present personnel. Further, that it has become increasingly difficult to maintain the proper perception of The Freedom Council to the public and to the community at large.

**THEREFORE:** Be it **RESOLVED**, that Gregory J. Jackson, as Executive Director, is hereby directed and authorized to cease operations of The Freedom Council, as of October 1, 1986, and to perform such other duties and activities as are necessary to wind down the operations with particular attention to the Articles of Incorporation, the ByLaws and the Internal Revenue Code in relation to ceasing operations of a charitable and educational organization.

## III. ADJOURNMENT

There being no further business to come before the meeting, the same was adjourned at 5:30 P.M. (E.D.T.).

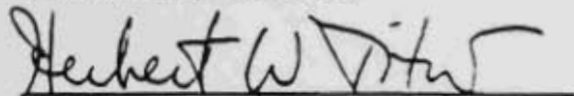


Robert K. Skolrood  
Secretary/Director

**APPROVED:**



Bob G. Slosser,  
President/Director



Herbert W. Titus,  
Vice President/Director

WAIVER OF NOTICE

The undersigned, being all of the Directors of The Freedom Council, hereby waive notice of the Special Meeting of the Board of Directors and agree that it should be held at 4:00 o'clock P.M. (E.D.T.), on September 24, 1986, at 1000 Centerville Turnpike, Virginia Beach, Virginia 23463.

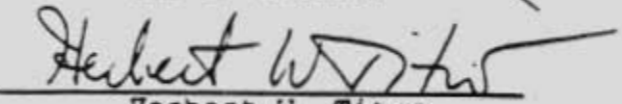
Date:

10/14/86

  
Bob G. Slosser

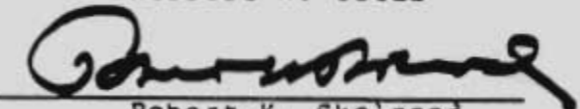
Date:

10/13/86

  
Herbert W. Titus

Date:

10/10/86

  
Robert K. Skolrood

96043754633

OGC 668

WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

JAN WITOLD BARAN  
(202) 429-7330

March 25, 1994

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attn: Jose M. Rodriguez, Esq.

Re: MUR 3485 (Airplanes, Inc.)

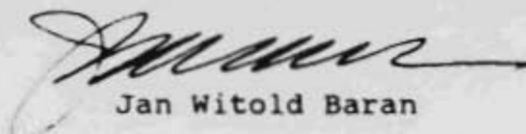
Dear Mr. Noble:

I am in receipt of the Commission's letter dated February 18, 1994, notifying me that on February 8, 1994, the Commission, without notice to Respondent, revoted to find reason to believe that Airplanes, Inc. violated the Act in light of the United States Court of Appeals decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (1993) and enclosing an Order and Subpoena. The Commission's letter also states that "[d]ocuments and responses previously submitted do not have to be re-submitted."

On January 25, 1994, this office sent you a letter stating Respondent's position with respect to NRA and objecting to past and future Commission activities in Matter Under Review 3485 with respect to Airplanes, Inc. Respondent herein reiterates the objections as set forth in that letter, and submits that the "revote" did not cure the separation of powers and due process defects in this proceeding.

However, you indicate that the Commission accepts the materials in its possession -- however obtained -- as full compliance with your order and subpoena. Accordingly, while we do not acquiesce in the revote, and continue to question the validity of the subpoena, we understand that no action by our client is required at this time.

Sincerely,

  
Jan Witold Baran

9604 184664

5:51 PM 3/25/94

WILEY, REIN & FIELDING

1776 K STREET, N. W.  
WASHINGTON, D. C. 20008  
(202) 429-7000

JAN WITOLD BARAN  
(202) 429-7110

March 25, 1994

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attn: Jose M. Rodriguez, Esq.

Re: MUR 3485 (KXTX, Inc.)

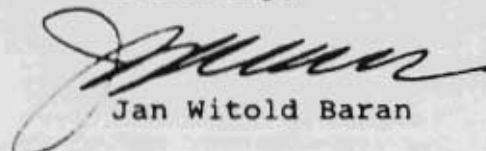
Dear Mr. Noble:

I am in receipt of the Commission's letter dated February 18, 1994, notifying me that on February 8, 1994, the Commission, without notice to Respondent, revoted to find reason to believe that KXTX, Inc. violated the Act in light of the United States Court of Appeals decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (1993) and enclosing an Order and Subpoena. The Commission's letter also states that "[d]ocuments and responses previously submitted do not have to be re-submitted."

On January 25, 1994, this office sent you a letter stating Respondent's position with respect to NRA and objecting to past and future Commission activities in Matter Under Review 3485 with respect to KXTX, Inc. Respondent herein reiterates the objections as set forth in that letter, and submits that the "revote" did not cure the separation of powers and due process defects in this proceeding.

However, you indicate that the Commission accepts the materials in its possession -- however obtained -- as full compliance with your order and subpoena. Accordingly, while we do not acquiesce in the revote, and continue to question the validity of the subpoena, we understand that no action by our client is required at this time.

Sincerely,



Jan Witold Baran

5/11/94 2:51 PM



26041754666

06/08/95 PM 3:57

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Jan Witold Baran



WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

JAN WITOLD BARAN  
(202) 429-7330

March 25, 1994

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attn: Jose M. Rodriguez, Esq.

Re: MUR 3485 (B. James Reid)

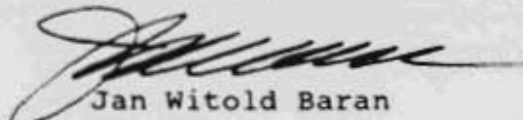
Dear Mr. Noble:

I am in receipt of the Commission's letter dated February 18, 1994, notifying me that on February 8, 1994, the Commission, without notice to Respondent, revoted to find reason to believe that B. James Reid violated the Act in light of the United States Court of Appeals decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (1993) and enclosing an Order and Subpoena. The Commission's letter also states that "[d]ocuments and responses previously submitted do not have to be re-submitted."

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However, you indicate that the Commission accepts the materials in its possession -- however obtained -- as full compliance with your order and subpoena. Accordingly, while we do not acquiesce in the revote, and continue to question the validity of the subpoena, we understand that no action by our client is required at this time.

Sincerely,



Jan Witold Baran

96043754667

ENCL 25 MAR 31 1994

DEWEY BALLANTINE

OGC 706

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-4406  
TELEPHONE 202 842-1000 FACSIMILE 202 842-1093

MYLES V. LYNK  
202 842-1047

March 28, 1994

**HAND DELIVERED**

Holly Baker, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

RE: MUR 3485  
Management Financial Services, Inc. and  
Arthur L. Williams, Jr.

Dear Ms. Baker:

Please find enclosed the response of the respondents identified above to the Federal Election Commission's Subpoena and Order, dated February 22, 1994. In addition, these respondents will submit to the Commission as soon as possible an affidavit which may also be responsive to this subpoena.

Please do not hesitate to call me if you have any questions regarding this response. I am,

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

BEFORE THE FEDERAL ELECTION COMMISSION

RE: MUR 3485

RESPONDENTS RESPONSE TO THE ORDER TO SUBMIT WRITTEN ANSWERS AND  
SUBPOENA FOR PRODUCTION OF DOCUMENTS

Respondents Management Financial Services, Inc., and  
Arthur L. Williams, Jr., hereby respond to the Order to Submit  
Written Answers and the Subpoena for Production of Documents  
dated February 22, 1994, as follows:

1. Identify all individuals involved, including their  
specific roles, in all transactions with Victory Communications  
International, Inc. ("VCI") during the period January 1, 1986  
through December 31, 1987, including but not limited to the  
planning of the "EAGLE-EAGLE/A.L. WILLIAMS" solicitations, the  
execution of these solicitations, and the efforts at collecting  
the \$47,161.56 that ALW Associates invoiced VCI in October 1986.

Ans.: Respondents have no information responsive to this  
request other than the material previously submitted.

2. Produce all documents in your possession that refer,  
relate, or in any way pertain to meetings held regarding the  
"EAGLE-EAGLE/A.L. WILLIAMS" solicitations in August and September  
1986 in connection with Pat Robertson's presidential campaign  
performed by A.L. Williams company, A.L. Williams & Associates,  
Inc., A.L. Williams Administrative Services, Inc., and/or these  
entities' subsidiaries or affiliates, including but not limited  
to agendas, minutes, letters, envelopes, memos, internal  
correspondence, notes of telephone conversations, and records of  
oral and/or written communications.

Ans.: Please find attached at TAB A documents Respondents  
have located which may be responsive to this request, in addition  
to documents previously submitted to the Commission in 1990 and  
1993.

3. To the extent not provided in response to question 2, produce all documents in your possession that refer, relate, or in any way pertain to other communications involving Arthur L. Williams, A.L. Williams Company, A.L. Williams & Associates, Inc., A.L. Williams Administrative Services, Inc., and/or these entities, subsidiaries or affiliates, or directors, officers, employees, or agents of any of the above-listed entities, and

a. Pat Robertson or any directors, officers, employees, or agents of Pat Robertson's presidential campaign;

b. Michael Clifford or directors, officers, employees, or agents of Victory Communications International, Inc.;

c. Bill Royall or directors, officers, employees, or agents of Royall & Company;

regarding the "EAGLE-EAGLE/A.L. WILLIAMS" solicitations performed in August and September 1986 in connection with Pat Robertson's presidential campaign, including but not limited to letters, envelopes, memos, internal correspondence, notes of telephone conversations, and records of oral and/or written communications.

Ans.: Please find attached at TAB B documents Respondents have located which may be responsive to this request, in addition to the material previously submitted to the Commission.

4. Regarding the \$50/thousand price for the A.L. Williams mailing list rental charged to VCI, identify the criteria used in setting this price.

Ans.: I am advised by Barbara King, who in 1986 was a Vice President with A.L. Williams & Associates, that she does not specifically recall how the \$50/thousand price for the A.L. Williams & Associates, Inc., mailing list was determined, but that the intent was to arrive at a commercially reasonable rate. The use of the mailing list was not to be donated to VCI; VCI would have to pay for it at a commercially reasonable rate. The mailing list was never turned over to VCI, and VCI never had physical possession of the mailing list. Instead, VCI paid to have material distributed to the people on this mailing list.

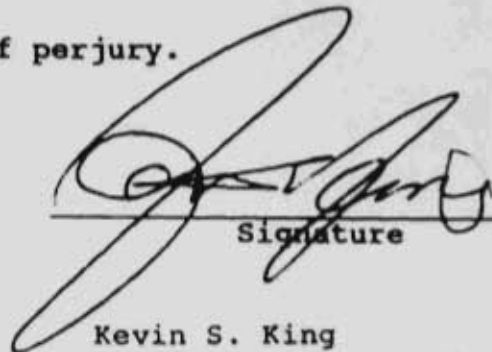
5. Regarding the \$47,161.56 that ALW Associates invoiced VCI in October 1986, describe in detail the attempts made by ALW Associates or related entities or individuals to collect this amount, and provide documents including but not limited to letters, envelopes, memos, internal correspondence, notes of telephone conversations, and records of oral and/or written communications.

Ans.: In addition to the information Respondents have already submitted to the Commission which is responsive to this question, Respondents will submit an affidavit from Barbara King describing the attempts made to collect this debt.

6. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

Ans: Mrs. Barbara King, 1819 Kanawha Trail, Stone Mountain, Georgia 30087. Ms. King was previously identified in material submitted to the Commission in 1993.

Signed under penalty of perjury.

  
\_\_\_\_\_  
Signature

Date: 3/28/94

Kevin S. King  
\_\_\_\_\_  
Print Name

Attorney - at - Law  
Counsel to Respondents  
\_\_\_\_\_  
Title and Relationship to the  
Respondents

960437546/2



Michael K. Clifford  
President

June 30, 1986

Dear Mr. & Mrs. King,

It was indeed an honor to be a part of your meeting at Stone Mountain.

The group of folks participating were indeed as sincere and talented as Mr. Williams had told us.

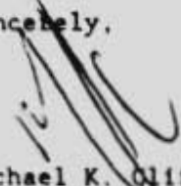
On behalf of Dr. Pat Robertson thank you and God bless you . . . we had a marvelous time!

As you can imagine, Mr. & Mrs. King, we have a huge effort ahead. This effort will require the dedicated prayers, sacrificial financial support, and volunteer work of many Americans like you and me.

I would like the opportunity of discussing some of our needs with you personally, and will be following up this letter with a telephone call to your office shortly.

Thanks again for your kind consideration in this matter of importance to us. Until we share again, may God bless you.

Sincerely,

  
Michael K. Clifford  
President

MKC:md

cc/Mr. A. L. Williams  
Dr. Pat Robertson

Mr. & Mrs. Al King  
A. L. Williams & Associates, Inc.  
3120 Breckinridge  
Duluth, GA 30199



Bill Canaga or Kanaga  
Kuh-nā-gah

'Businessmen for Robertson'

- Key people in newspaper = profile
- Barry M. Donald: M = Ronald Douglas -

USA Today Journal  
Wall Street  
Journal

- Lee Buck = New York Life
- Smith in Dallas

- 20 people on podium
- 4 each for 1 minute each

- \$300,000 short = for Sept. 17
- Fund raising event on Sept. 17 = will pay back  
the \$

Sept. 17 = 3 million  
put up half 1.5 million  
1/2 Americans for Robertson

Michigan = 89% reported in 8/3

8,357	delegates	
4,964	Bush, Kemp + a healthy Org.	
3,399	Robertson	40.6%

byl + > the byl + lsd  
decide will support Pat  
for Am.

Pat has asked me to be with her  
at Court. 2 he makes  
his announcement on Sept. 17 about  
his intentions

I want to let my friends know - to  
give you a chance to be there on  
site closest to you to witness.

As you know I have warned ) one  
time that our country got off track =  
loss of family = marriage - drugs -

One last 8 years, with slut-7 = America  
said we would not do this

Put the goodness back in our country -  
Positive now -

Changing the thinking of America

Now Y & L time in you - America  
on rebound - our children + grand  
have a future

But this is only begin - still  
a big job to do -  
continue to use good -  
deliberance -

I believe P.R. is the man  
r job =

One of my first feelings is that  
1. a shaker + mix pol. + reli

Not only a religious Ave =  
successful bus. man  
strong political background = prominently -  
brilliant = great moral character

what better character -

Excited = up-hill battle =  
starting behind = but A.L.W.  
used to that = when we started

We like challenges - I am enthusiastic  
to commit to = exciting thing to be  
a part of = I will support -  
+ work for =

Hal Smith -

- Suggest they attend this particular video conference

Enclosed is a letter from Pat Lake that I feel strongly should be brought to your attention. ... I am going to attend and strongly recommend that you attend the one closest to you.

- Live Conference in Const. Hall Washington, D.C.
- other conf. throughout U.S.  
List of conf. sites enclosed.

1st mailing = <sup>mailing serv.</sup> Express American <sup>(out of Richmond, Va.)</sup>

- 1- 2 - pay letter P.R.
- 2- 2 tickets
- 3- site sheet
- 4- Art's letter
- 5- address form

(6 separate slots total)

will fit a 6-stage Phillipsburg insert machine

mailed 9/1
Rec. 9/3
3 <sup>rd</sup> class

96043754677

mailing service at 2  
California  
2<sup>nd</sup> Mailing - Eagle Mailing  
• 2-Page P.R. letter  
• Return envelope  
• Art's letter  
4 sheets total

9-10 A  
9-18 fee  
314 clers

Other notes

- Can get gang-run rates if want to use their mailing services
- If want to combine with theirs - send to Bill Royall of Royall & Associates (a response development co)

96043754678

Wed. lunch - not in =

Const. Hall = sold out

200 seats

where pick up tickets

---

Only business men on podium

11:30 - 1:30 = Reception + Luncheon  
Press Club

2:30 - 3:15 Press Conference  
Constitution Hall  
Pat Robertson

4:00 - Rehearsal  
Const. Hall

6:30 - Const. Hall (doors open at 6 P.M.)

Arrival = go to 'C' Street entrance of  
Const. Hall

160

96043754680



96042754601

Check with Groome about  
doing video - take Pam  
to a rip with us.

---

Ask Groome about an AV suite

3 min.

Hotel rooms Low many

Willard Hotel = Holding rooms

Sick off of East.  
Not being telecast.  
black-tie,  
dinner

Press Conf.

Const. Hall = already

Customized press <sup>kit</sup> ~~kit~~ to all  
at

Paragraph in Press kit  
Imp. on East.

2/2-3/5-8000 from Leavitt

Michael Clifford

602-991-0878

Super Tuesday

11 Southern States

Union Council

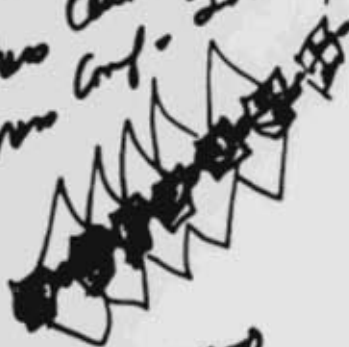
Natl. Legal Foundation

96043 / 5:4633

- Call Michael Clippus —  
Video tape of the program  
read right away =

done at 6:00 p.m.

11:30 - 1:30  
Press Club  
Press Conf. - 2:30  
Court. Hall next day =  
Released, 4:00 walk - then  
6:15 free stop at 6:30  
down link = 6:30



3800

Heart 1/2

Rominic

212 265-4621

C-Street  
Entrance of  
Court. Hall

Press

re check in

Derry - Schetty

# IMPORTANT MESSAGE

TO Phil

DATE 8-21-86 TIME 8:15 A.M. P.M.

M WHILE YOU WERE OUT

OF Victor's Community

Area Code 602-451-8444

A Exchange 602-451-8444

TELEPHONED		PLEASE CALL	
CALLED TO SEE YOU		WILL CALL AGAIN	
WANTS TO SEE YOU		URGENT	
RETURNED YOUR CALL			

Message \_\_\_\_\_

Operator Phil

Form No. 100

Technically not  
making a call.  
Bill = Victory Communication

5 9 4 6 / 2 4 0 9 6

royall & company

August 8, 1986

Mr. Jack Boland  
Milico  
3120 Breckinridge Blvd.  
Duluth, Georgia 30199-0001

Dear Mr. Boland:

With reference to the two A. L. Williams packages to be produced from Milico for Pat Robertson, I neglected to include the insert order and mail dates with my letter of August 7.

The Express America package should mail August 25. Postage will be sent by August 20. Insert sequence enclosed.

The Eagle package should mail September 17. Postage will be sent by September 12. Insert sequence enclosed.

Sorry to inconvenience you. Please call if you have questions.

Thank you.

Sincerely,

*Janet L. Kalupa*  
Janet L. Kalupa

*Need postage 2 days before >*

9604375466

Dear Friend,

Because you are "family" to me and Angela, we want to share our feelings with you on an issue that means a lot to us.

Many good things have happened in our lives, and it would be easy for Angela and me to just turn our heads to the greater issues in America today. But, at this time in our country's history, we feel we have an obligation to stand up and speak for what we believe is right. We believe we have yet another opportunity to commit to something truly worthwhile, and I want to share that opportunity with you.

I'd like to invite you to attend a history-making event in American politics. Enclosed with my letter is a letter from my friend, Pat Robertson, along with two tickets to attend a viewing of Pat's historic telecast in Constitution Hall on September 17. I plan to be on the podium with Pat, and I believe it will be an evening to remember.

As you know, for several years Angela and I have had some real concerns that our great country has gotten "off track," that we've lost our sense of direction. America has been plagued by many problems -- deterioration of public education, destruction of the family, drug and alcohol abuse and more.

But the last few years, something good has been happening. The majority of Americans, people like you and me, finally began to mobilize: they decided that they weren't going to let this great country go down the drain. They realized that it was time to put the "goodness" back into America.

I believe we can credit President Reagan with part of this turn-around. He came along at a time when we desperately needed strong leadership. He helped change the attitude of America. We've become more positive; we've finally begun to tackle some of the problems that built up during that period when we "lost faith."

America is on the rebound. We have a great future; but, if we're not careful, we can slip back into our old ways. If we want to continue our recovery, we need another great "head coach."

After much soul-searching, Angela and I have decided that Pat Robertson is the man to continue the Reagan revolution. We believe that his special blend of experience, intelligence and integrity can provide the much-needed foundation for the continuation of the rebirth of our country.



At first, Angela and I were concerned that Pat's background as a religious leader would hurt his chances. But the more we learned about Pat, the more we realized that his combination of accomplishments would overcome any obstacle. He is a graduate of the Yale law school; a successful businessman; a great leader of people; and he has a strong political background (Pat's father was a United States senator from Virginia).

We're excited about Pat's chances. We know it's an uphill battle; but, like us, he is accustomed to those kinds of challenges.

If you share our concerns and believe that Pat Robertson should be our next president, I encourage you to support him, should he decide to run.

Mine and Angela's support of Pat is a personal decision; we know that you will make your own decision. Freedom of choice is part of what has made this country great and freedom to be your own person is part of what has made A.L. Williams great. Whatever path you take, please know that your position in the company -- and my personal feelings toward you -- will never be affected.

If you wish to share your feelings with me and Angela, or with Pat, I hope that you will plan to attend the September 17 telecast at the site nearest you. Whatever route you take, I encourage you to stand up and be counted in whatever way you feel is appropriate.

GO! GO! GO!

Arthur L. Williams, Jr.

P.S. If you decide to join this exciting telecast, please don't forget to respond to reserve your space.

royall & company

August 8, 1986

Mr. Jack Boland  
Milico  
3120 Breckinridge Blvd.  
Duluth, Georgia 30199-0001

Dear Mr. Boland:

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The Eagle package should mail September 17. Postage will be sent by September 12. Insert sequence enclosed.

Sorry to inconvenience you. Please call if you have questions.

Thank you.

Sincerely,

*Janet L. Kalupa*  
Janet L. Kalupa

*Need postage 2 days before >*

96043754639

# VICTORY

CONFERENCE INTERNATIONAL

September 10, 1986

Dear Mr. Williams,

Just a quick note to bring you up to speed on the upcoming September 17th event with Dr. Pat Robertson . . . . .

I would like you, pending your very busy schedule, to contact me, personally, at your earliest convenience regarding your speech for the specific event. If at all possible, could you get us something in writing by Monday, September 15th? It can be in rough form for our review. Please Fed Ex (or Zap Mail) it to me at the Willard Hotel, 1401 Pennsylvania Avenue, N.W., Washington D.C. 20004. Our Fed Ex number is 1182-6756-7, please bill accordingly.

We will have on hand a very talented writer who works with us, by the name of Doug Brendel, to help you re-work any concepts of your presentation on site, September 16 and 17.

Our purpose in trying to find out what you will be saying is primarily to bring continuity to the program, so that all of our speakers don't get up and say the same thing. Each will be asked to touch on a particular subject or theme as it relates to the evening and Pat Robertson, all bathed in your own tone and personality.

We must also be conscious of the fact that all the major networks and media publications will be represented . . . . . You will not be speaking just to believers but to all America!

I am available at any time at our home office 602-951-8444 or 1-800-821-1989 ext. 326 or at home 602-991-9189 or on a mobile phone which is 602-228-5737. Please do not hesitate to call no matter if it's early or late as we hope to accommodate your needs.

The dress for the evening will be casual/business dress, but please remember that you will be on television, pick colors and dress accordingly. If we can help in this area don't hesitate to consult with me regarding that which you will desire to wear.

As far as scheduling for the day, Dr. Robertson would like you to come to a private reception at 11:30 a.m. in the Taylor Room of the Willard Hotel. Please confirm, with my Assistant, Heidi, in my office, that you will be able to attend, also if you are bringing any additional people with you (husbands and wives are more than welcome!). The reception will last until 12:30 p.m. at which time lunch will be served. Dr. Robertson has a Press Conference at 2:30 p.m. in Constitution Hall which you may want to attend to help you "catch the spirit" of the festivities that day. We can make arrangements for you to join us in Constitution Hall at this time.

Immediately following the Press Conference (approximately 3:30 p.m.) we would like you to report to the Conductor's Room immediately back stage in Constitution Hall where you will find some light refreshments prior to the rehearsal. We need you to stay in this room until we call you out to come on stage for the blocking and walk through of your portion. We should be completed with our rehearsal by 4:30 or 5:00 p.m., if everything goes smoothly.

You are then free to return to the Willard Hotel (we will have transportation provided for you).

The next time we will need you will be back in the Conductor's Room at Constitution Hall no later than 6:30 p.m. This will be our last chance to give you any final instructions regarding changes in the program format, etc. Again, Mr. Brendel will be on hand with a MacIntosh Computer for any last-minute re-writes that you may have in your presentation. You will need to stay in the Conductor's Room until 6:56 p.m. at which time we will escort you onto the stage/podium area. We will be forwarding you a seating chart as to where you sit on stage and give you clear direction.

From 7:00 to 7:30 p.m., there will be a rousing musical presentation on stage and you will be on-camera to all of the sites on the network. The actual presentation will begin promptly at 7:30 p.m. Please be aware that you will speak sometime between 7:30 and 8:00 p.m.

Please do not hesitate to contact me regarding any of the above. Again, on behalf of Dr. Pat Robertson and all of us involved, thank you so much for being a part of this historic event. Until we share again, may God continue to bless you.

Sincerely,

  
Michael K. Clifford  
President

MKC/dc

Mr. A. L. Williams  
A. L. and Associates, Inc.  
3120 Breckinridge  
Duluth, GA 30199

26043 / 54691

MICHAEL CLIPPED

602-951-8444

SEPT 17

2 DAYS BEFORE ON 15TH M250th POSTOFFICE

AGE MAILING BILLING

ART TEAM BOOSTERS CLUB

MAIL OF NAME 1st PROJECTION

NOV 7 1946 TEAM (HIS DAD'S TEAM)

9/12 745 4910

MICHAEL ROBEXICK

*Handwritten signature*

96043754692

~~121 ALKANE DRIVE NE SUITE 600~~  
~~ATLANTA GEORGIA 30348~~

AUGUST 26, 1986

S Suite 203  
O  
L Scottsdale, Arizona 85253

S Suite 203  
O Scottsdale, Arizona 85253  
D  
T  
O

SHIP TO

DATE	SALESMAN	ORDER NO.	ORDER DATE	SHIPPED VIA	TERMS	INVOICE NO.	DATE	NUMBER
			8/21/86					
QUANTITY ORDERED	QUANTITY SHIPPED	BACK ORDERED	ITEM NUMBER	DESCRIPTION	UNIT	UNIT PRICE	AMOUNT	
				Check #119 dated August 21, 1986 made payable to U.S. Post Office			\$19,250.00	
To: Jack Smith, Accounting A. L. Williams & Associates, Inc. 3483 Satellite Blvd., #210 Duluth, GA 30136 404/478-5837								
Make payable to: A. L. Williams & Associates, Inc.								
Thank You!								
								PLEASE RETURN THIS PORTION OF THE INVOICE WITH YOUR PAYMENT
NON TAXABLE	TAXABLE	SALES TAX	FREIGHT	MISC	INVOICE TOTAL		INVOICE TOTAL	
					519,250.00			

A. L. WILLIAMS & ASSOCIATES, INC.  
3483 SATELLITE BLVD SUITE 210  
DULUTH, GA 30136

No. 1190

August 21 1986

64-327  
611

PAY TO THE  
ORDER OF U. S. Post Office

Nineteen thousand, two hundred fifty and no/100ths

\$ 19,250.00

DOLLARS

THE BRAND BANKING COMPANY  
MEMBER FEDERAL  
RESERVE SYSTEM  
SNELLVILLE, GA.

A. L. WILLIAMS & ASSOCIATES, INC.



⑈001190⑈ • ⑈061103276⑈ 10-23-86



Barbara,

Could you please  
give Petlick's itinerary  
to him. He is waiting  
for it.

Thank you,  
Barbara G.

96043754695

# CRAVATH, SWAIN & MOORE

WORLDWIDE PLAZA  
825 EIGHTH AVENUE  
NEW YORK, N.Y. 10019-7475

TELEPHONE (212) 474-1000  
FACSIMILE (212) 474-3700

33 KING WILLIAM STREET  
LONDON EC4A 3DU ENGLAND  
TELEPHONE 071-8061142  
FACSIMILE 071-8801180

WRITER'S DIRECT DIAL NUMBER

(212) 474-1243

ALLEN F. MAULSBY  
JOHN R. HUPPER  
SAMUEL C. BUTLER  
BENJAMIN F. CRANE  
JOHN F. HUNT  
GEORGE J. GILLESPIE, JR.  
THOMAS D. BARR  
MELVIN L. BERRICK  
GEORGE T. LOWY  
ROBERT ROSENTHAL  
ALAN J. KRUSKA  
JOHN E. YOUNG  
JAMES H. EDWARDS  
DAVID S. ORMSBY  
RICHARD J. HIEGEL  
FREDERICK A. SCHWARTZ, JR.  
CHRISTINE BISHOP  
ROBERT S. BIFINO  
DAVID BOIES

DAVID D. BROWNWOOD  
PAUL M. DOOYE  
RICHARD M. ALLEN  
THOMAS R. BRODE  
ROBERT D. JOFFE  
ROBERT F. MULLEN  
HERBERT L. CAMP  
ALLEN FINNELSON  
RONALD S. ROLFE  
JOSEPH R. SAKID  
PAUL C. SAUNDERS  
MARTIN L. BENZEL  
DOUGLAS D. BROADWATER  
ALAN C. STEPHENSON  
JOSEPH A. MULLINS  
MAX R. SHULMAN  
STUART W. GOLD  
JOHN R. WHITE  
JOHN E. BEERSOWER

EVAN R. CRESLER  
PATRICIA GEORGEAN  
D. COLLIER KIRKHAM  
MICHAEL L. SCHLER  
DANIEL P. CUNNINGHAM  
KRIS F. HEINZELMAN  
B. ROBBINS KIESSLING  
ROGER D. TURNER  
PHILIP A. GELSTON  
RORY D. WILLSON  
NEIL P. WESTREICH  
FRANCIS P. BARRON  
RICHARD W. CLARY  
WILLIAM P. ROGERS, JR.  
JAMES D. COOPER  
STEPHEN L. GORDON  
ROBERT A. KUNDEL  
DANIEL L. MOLEY  
GREGORY H. SHAW

PETER S. WILSON  
JAMES C. VARDELL, II  
ROBERT H. SARON  
KEVIN J. GREHAN  
W. CLAYTON JOHNSON  
STEPHEN S. MADSEN  
C. ALLEN PARKER  
MARC S. ROSENBERG  
WILLIAM S. BRANNAN  
LEWIS R. STEINBERG  
SUSAN WEBSTER  
WILLIAM H. WIDEN  
TIMOTHY G. MASSAD  
DAVID MERCADO  
RONALD D. WILSON  
JOHN T. GAFFNEY

April 2, 1994

Re: MUR 3485

Dear Mr. Buckley:

Enclosed are: (i) IBM's Responses to the Federal Election Commission ("FEC") Subpoena To Produce Documents and Order to Submit Written Answers served on February 24, 1993; and (ii) subject to the objections contained in those Responses, copies of all documents responsive to the Subpoena that IBM was able to locate. These materials are being tendered to the FEC subject to the confidentiality requirements of 2 U.S.C. § 437g(a)(12)(A).

At this late date, IBM has only limited records relating to its transactions with GBCSI in 1985-1986 and several of the persons who worked on that transaction are no longer employed by IBM. Nevertheless, IBM has contacted each of the past or present IBM employees likely to be knowledgeable about the transactions and has answered the interrogatories to the fullest possible extent based upon those contacts and all available documents. IBM has not attempted to contact persons employed by GBCSI, AFR or ARMS Inc. (a vendor with whom IBM had a "local business partner" agreement in connection with the GBCSI account) that may have knowledge about IBM's transactions with GBCSI.

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Please contact me at the above number or  
Tom Scherer at (914) 288-4135 with any further  
communications to IBM in connection with this matter.

Very truly yours,

*Evan R. Chesler*

Evan R. Chesler

Tony Buckley, Esq.  
Attorney  
Federal Election Commission  
Washington, DC 20463

Encls.

VIA FEDERAL EXPRESS

96043154611

MUR 3485: IBM's Responses to the February 16, 1994  
Federal Election Commission Subpoena To Produce Documents  
and Order To Submit Written Answers

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General Objections: IBM objects to the Federal Election Commission's Subpoena To Produce Documents and Order To Submit Written Answers dated February 16, 1994, as being unduly burdensome and calling for information outside of IBM's custody or control, to the extent they seek information: (a) relating to a group of transactions that occurred 8 or more years ago for which much of the documentation no longer exists or cannot reasonably be located, or (b) relating to persons who were not, or are not, employed by IBM. Despite these objections, IBM has made all reasonable efforts to locate and produce documents relating to GBCSI and to identify and contact past and present IBM employees likely to be knowledgeable about IBM's sales to GBCSI and, if any, to AFR.

Subject to the foregoing general objections, IBM responds to Interrogatories 1-10 as follows:

1. Identify all persons who in any way dealt with GBCSI on behalf of you regarding the purchase of any product.

Response to Interrogatory 1: The following IBM employees dealt with GBCSI in connection with GBCSI's 1985-1986 purchases of an IBM System/38 computer, printers, peripherals, software and IBM maintenance. 1/ (IBM is aware

1/ These responses identify people using the title they held at the time in question.

of no equipment purchases GBCSI or AFR made from IBM after December, 1986) 2/ :

Samuel D. (Dave) Haga: Marketing Manager.

Mr. Haga is no longer employed by IBM.

Michael J. Langan: Branch Manager. Mr. Langan is no longer employed by IBM.

Ric Savory: Customer Engineer.

Rex L. Seute: Systems Engineer.

Susan E. Thompson: Marketing Representative.

Ms. Thompson is no longer employed by IBM.

Billie Sue Taylor: Marketing Administrator.

Because of an ongoing shortage of Systems Engineers in IBM's South-West Marketing Division, IBM engaged the services of a local business partner, ARMS Inc., 5501 Greenwich Road, Virginia Beach, VA 23451, (804) 490-1800, to assist in servicing the GBCSI account. The following ARMS personnel dealt with GBCSI, initially on behalf of IBM and, perhaps, later for ARMS' own account:

Doug Adams: Branch Manager.

Chris Johnson: Systems Engineer.

Margaret "Boh" Johnson: Marketing Representative.

2/ Microfiche records produced herewith (see entries relating to customer number 3592316 on pages bearing Bates numbers 0187-0190) indicate that IBM sent invoices to GBCSI in 1987. Those invoices are no longer available from IBM, but based upon information provided by persons familiar with the account, IBM assumes the 1987 invoices were for maintenance services, software and/or accounts receivable.

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2. Identify all other persons who did not deal directly with GBCSI, but who otherwise were in any way involved on behalf of you regarding the purchase of any product by GBCSI.

Response to Interrogatory 2:

The following IBM administrative, service and marketing personnel are identified in documents relating to the GBCSI account:

Thomas L. Chapman: Operations Manager.

Richard A. Coleman: Marketing Representative.

Mr. Coleman is no longer employed by IBM.

J. D. Davis: Marketing Manager.

Joyce Drustrup: Operations Manager. Deceased.

Barbara Ford: Word Processor. Ms. Ford is no longer employed by IBM.

Jane Irvis: Account Administrator. Deceased.

Shelby Hoggard: Receptionist.

Larry D. Lowton: Systems Engineer. Mr. Lowton is no longer employed by IBM.

Linda M. Rowland: Account Administrator.

Herb Rector: Administration Manager. Mr. Rector is no longer employed by IBM.

Susan J. Schramm Wilson: Marketing Representative. Ms. Schramm Wilson is no longer employed by IBM.

Lisa Smith: Account Administrator. Ms. Smith is no longer employed by IBM.

Joyce M. Stang: Account Administrator.

William C. Tanner: Account Administrator.

Keith E. Willyard: Administration Manager.

Mr. Willyard is no longer employed by IBM.

3. Identify all persons who in any way dealt with you on behalf of GBCSI regarding the purchase of any product.

Response to Interrogatory 3: The following GBCSI employees dealt with IBM:

George Border: President.

Steve W. Davis: Controller.

George T. Hilliker: Director of Computer Services.

Terry Ribeado: Computer Operator.

Margaret L. Stertachini (sp?): Position unknown.

In addition, the IBM records being produced indicate that the following organization and individual apparently employed by that organization may have dealt with IBM on behalf of GBCSI:

The Freedom Council, 850-G Greenbrier Circle, Chesapeake, VA.

Wendy Van Geut: Position unknown.

4. Identify all products purchased by GBCSI from you. Your identification should include the model name and number, cost, the date on which payment was made, and the date on which the product was delivered.

Response to Interrogatory 4: GBCSI ordered, and in some cases, purchased: a System/38 computer, three



printers, software, peripherals and a maintenance contract from IBM during the period November 1985 through approximately August 1986. More specific information, where available, is shown on the chart appended as Exhibit 1 hereto. Payment for peripherals, software and maintenance services tended to be partial or delinquent.

5. Describe any arrangement between you and GBCSI related to the financing of any purchase of any product by GBCSI.

Response to Interrogatory 5: IBM does not now know how GBCSI financed its purchases, but believes that IBM informally agreed to an incremental payment arrangement.

IBM originally recommended IBM Credit Corporation ("ICC") financing and suggested that Ms. Billie Sue Taylor of IBM contact GBCSI on ICC's behalf. However, ICC and GBCSI could not agree upon financing terms.

IBM believes that it agreed to a payment plan that called for 3 payments from GBCSI for the purchase of the S/38 and associated peripherals. The first payment of \$50,000 was to be received with the order; the second payment, amounting to half of the purchase price, was to be received at the time of installation; and the balance was to be received thirty days after installation.

The result of this payment plan was that IBM was scheduled to receive payment for the GBCSI System/38 earlier than would ordinarily have been the case. The prevailing

procedure at the time was for customers to pay for a System/38 after completion of a test period when the machine was accepted, which tended to occur approximately one month after installation. (See also footnote 1 to Exhibit 1 hereto.)

6. Identify all persons who in any way dealt with AFR on behalf of you regarding the purchase of any product.

7. Identify all other persons who did not deal directly with AFR, but who otherwise were in any way involved on behalf of you regarding the purchase of any product by AFR.

8. Identify all persons who in any way dealt with you on behalf of AFR regarding the purchase of any product.

9. Identify all products purchased by AFR from you. Your identification should include the model name and number, cost, the date on which payment was made, and the date on which the product was delivered.

10. Describe any arrangement between you and AFR related to the financing of any purchase of any product by AFR.

Response to Interrogatories 6-10: IBM cannot locate records relating to, and past and present IBM employees questioned about the matter do not recall, any purchase of any product by AFR, but in the absence of more complete records from the period in question, IBM cannot be certain that there was no such purchase.

THE ATTACHMENTS SUBMITTED WITH THIS RESPONSE  
HAVE BEEN REMOVED FROM THE PERMANENT FILE

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

April 4, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Richard E. Messick, Esq.  
Suite 700, North Building  
601 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004

RE: MUR 3485  
Ray W. King

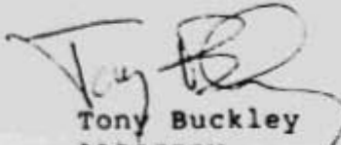
Dear Mr. Messick:

As we have previously discussed, enclosed please find the subpoena issued by the Federal Election Commission to your client, Ray W. King, requiring Mr. King to appear and give sworn testimony on Thursday, April 21, 1994.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40, plus mileage. Subsequent to the deposition, your client will be sent a check for the witness fee and mileage.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

Enclosure  
Subpoena

96043705

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA

TO: Ray W. King, Esq.  
c/o Richard E. Messick, Esq.  
Suite 700, North Building  
601 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on Thursday, April 21 in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 12:30 p.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this *4th* day of *April*, 1994.

For the Commission,

*Trevor Potter*  
\_\_\_\_\_  
Trevor Potter  
Chairman

ATTEST:

*Marjorie W. Emmons*  
\_\_\_\_\_  
Marjorie W. Emmons  
Secretary to the Commission

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Beurt SerVaas, et al. ) MUR 3485  
 )

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On February 8, 1994, the Commission, in response to the D.C. Circuit's decision in Federal Election Commission v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, (U.S. No. 93-1151, Jan. 18, 1994) ("NRA"), reviewed the possible violations arising from the audit referral of Americans for Robertson, Inc. and, upon revote, again found reason to believe that, inter alia, Beurt SerVaas knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). In addition, the Commission reauthorized and reissued, inter alia, a Subpoena to Produce Documents and Order to Submit Written Answers substantively identical in every respect to the outstanding subpoena and order to Mr. SerVaas.<sup>1</sup> On March 10, 1994, the Commission approved an additional Subpoena to Produce Documents and Order to Submit Written Answers to Mr. SerVaas. On March 24, 1994, Respondent Beurt SerVaas filed a motion entitled "Motion to Quash Subpoenas Issued to Beurt SerVaas on February 16, 1994 and March 14, 1994, or in the Alternative, to Modify the Subpoena Issued on March 14, 1994." Attachment 1. Many of Respondent's

1. The original subpoena and order to Mr. SerVaas was authorized on March 23, 1993.

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arguments are ones that have arisen in the aftermath of the NRA decision, and have already been previously addressed by the Commission.

## II. FACTUAL AND LEGAL ANALYSIS

### A. Motion to Quash Both Subpoenas

Counsel for Beurt SerVaas first argues that the Commission was unable to cure any constitutional defect by revoting or ratifying its prior unconstitutional actions. Counsel cites nothing in support of this argument. Contrary to counsel's bald assertion, one court has already determined that the Commission's actions in reconstituting itself and in ratifying its prior cases rectify any constitutional infirmity. See FEC v. National Republican Senatorial Committee, No. 93-1612 (D.D.C. Feb. 8, 1994) (granting the Commission's motion for reconsideration to reopen the case previously dismissed by the court based on the NRA opinion, upon showings that, in accordance with the NRA opinion the Commission restructured itself, and the restructured Commission ratified its earlier probable cause to believe finding and subsequent decision to institute the civil action). Accordingly, this argument should be dismissed on its face.

Counsel next argues that because the original subpoena in this matter was issued by an unconstitutional Commission and was thus invalid, all documents received in response to the subpoena must be returned. Moreover, the argument continues, the Commission is prevented from reissuing the subpoena until it has returned those documents previously produced. Counsel further contends that the Commission is prohibited from taking any

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corrective action, including the issuance of a new subpoena, until it returns all previously produced documents.

This Office has previously analyzed these exact arguments, noting that these arguments are entirely premised on the assumption that the original subpoena was invalid.

This Office has already advised that it is unlikely that the original subpoena is invalid under NRA, id. at 4-5, and that, even if NRA did invalidate the Commission's past actions, they may still be held valid under the de facto officer doctrine. Id. at 5-6. This Office has also advised that, by voluntarily responding to a first subpoena, and thereby foregoing judicial review of the subpoena's validity, a respondent impliedly waives any claim he or she may have had for the return of documents due to the alleged invalidity of the original subpoena. Id. Moreover, this Office has also counseled that, even assuming that the original subpoena was invalid, there is no legal basis requiring the return of the previously produced documents before the Commission may take corrective action. Id. at 8. All of these arguments apply to the instant case.

For the above reasons, the Commission should deny the motion to quash both subpoenas.

Counsel advances one more reason as to why both subpoenas should be quashed, arguing that the Commission's recent closing of pre-1990 cycle "stale" cases under the Enforcement Prioritization System should have required it to close the matter with respect to Mr. SerVaas as well. Counsel states that "the

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subpoenas relate to alleged activities and an alleged violation (a September, 1987 alleged excessive contribution) which occurred prior to the 1990 cycle and are, therefore, stale." Attachment 1 at 4 (footnote omitted). Counsel argues that the failure to dismiss the matter against Mr. SerVaas "is an abuse of the Commission's discretion and, accordingly, unlawful because the Commission 'inexplicably departed from established policies . . .'" Wong Wing Hang v. Immigration and Naturalization Service, 360 F.2d 715, 719 (2d Cir. 1966)."<sup>2</sup>

Counsel is mistaken in comparing this matter with those closed by the Commission. First, in this matter, violations surround a presidential primary election campaign which received over \$10 million in public funds, and the Commission has already decided to pursue all audit referrals arising out of the 1988 presidential election campaign because of the significance of the public funding issue. Second, the larger fact pattern in which Respondent's activities have to be considered, the funding of Computer Futures, Ltd. ("CFL") and the subsequent reimbursement of its investors, demonstrated some activity occurring during the 1990 election cycle, albeit not by Mr. SerVaas. Documents since produced by Mr. SerVaas have, however, shown that the effort to

2. Counsel also cites Democratic Congressional Campaign Committee v. FEC, 831 F.2d 1131 (D.C. Cir. 1987); Donovan v. Adams Steel Erection, Inc., 766 F.2d 804 (3d Cir. 1988); and Graphic Communications International Union v. World Color Press, 834 F.2d 1490 (D.C. Cir. 1988), cert. denied, World Color Press v. Dole, 489 U.S. 1011 (1989); as supporting this general proposition.

reimburse him for the CFL transaction occurred well into the 1990 election cycle.<sup>3</sup>

**B. Motion to Quash or Modify the Second Subpoena and Order**

Counsel also seeks to have the Commission quash or modify the March 14, 1994 subpoena to Beurt SerVaas because it is "overbroad, indefinite and requests information irrelevant to this matter." Attachment 1 at 5. Counsel identifies questions relating to Partners for America - State PAC, the NRSC and a mailing list as "clearly irrelevant to the matter involved," because "[n]either the Commission's reason-to-believe findings of January 12 and March 23, 1993 and corresponding Factual and Legal Analysis, nor the Commission's re-voted reason-to-believe findings of February 8, 1994 make any reference to either of these entities or any mailing list." Id.

The Commission should deny this motion for the simple reason that the questions asked do relate to Mr. SerVaas' initial transaction with CFL. For example, in response to the first subpoena and order, Mr. SerVaas produced certain documents related to his attempt to recover the full amount he invested in CFL, along with appropriate interest. One of these documents, an unsigned letter from attorney Stephen E. Plopper to the Respondent dated July 17, 1989, states that Mr. Plopper "spoke with Gordon Robertson concerning the sale of the mailing list to the Republican National Senatorial Committee [sic]." Other documents

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3. Indeed, the Commission has never suggested that, when certain activity occurred in a matter during or after the 1990 election cycle, its policy would be to sever out all pre-1990 election cycle activity from that matter.

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show that Mr. SerVaas was kept apprised of the progress of the sale of the computer from CFL to PFA, which apparently was undertaken solely to provide funds to CFL with which to reimburse the Respondent. Thus, the new questions merely build on what has been discovered so far during the course of the investigation. Accordingly, this motion should be denied.<sup>4</sup>

Counsel also complains that the request for the identifications of all persons involved in the effort to satisfy the obligation of CFL is vague and overbroad. However, Counsel merely interposes this objection, without providing any support or logic for it. Accordingly, this motion should also be denied.

Counsel has asserted that the Commission is required under Section 555(e) of the Administrative Procedures Act, 5 U.S.C. § 551 et seq., to provide an official explanation for any denial of Respondent's motion. The Commission, however, has previously determined that Section 555(e) does not apply to Commission enforcement decisions such as these.

This Office has prepared a letter which it intends to send to Counsel regarding the Commission's determinations in this matter, and which is attached for the Commission's information. See Attachment 2.

It is not clear from Respondent's motion that he will comply with the March 14, 1994 subpoena and order upon notification that his motion has been denied. Indeed, as Respondent has challenged

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4. Counsel points out that "NRSC" is not otherwise defined in the subpoena. This Office will inform counsel that "NRSC" should be considered to mean "National Republican Senatorial Committee" (a/k/a "Republican National Senatorial Committee").


the validity of the Commission's revotes and ratifications, it would be consistent for Respondent to refuse to comply.

Accordingly, this Office recommends that the Commission authorize the Office of the General Counsel to file a civil suit against Beurt SerVaas to ensure compliance with the Commission's March 14, 1994 Subpoena to Produce Documents and Order to Submit Written Answers.<sup>5</sup>

### III. RECOMMENDATIONS

1. Deny the "Motion to Quash Subpoenas Issued to Beurt SerVaas on February 16, 1994 and March 14, 1994, or in the Alternative, to Modify the Subpoena Issued on March 14, 1994."
2. Authorize the Office of the General Counsel to file a civil suit against Beurt SerVaas to ensure compliance with the Commission's March 14, 1994 Subpoena to Produce Documents and Order to Submit Written Answers.
3. Approve the appropriate letter.

96043754713  
Date 4/7/94

  
Lawrence M. Noble  
General Counsel

Attachments:

1. Motion to Quash or Modify
2. Letter

Staff Assigned: Tony Buckley

<sup>5</sup> Respondent has already complied with the February 16, 1994 subpoena and order. Such compliance occurred well before the NRA decision, when Respondent apparently felt he had no cause to oppose the Commission's investigation.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Beurt SerVaas, et al. ) MUR 3485

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on April 12, 1994, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 3485:

1. Deny the "Motion to Quash Subpoenas Issued to Beurt SerVaas on February 16, 1994 and March 14, 1994, or in the Alternative, to Modify the Subpoena Issued on March 14, 1994."
2. Authorize the Office of the General Counsel to file a civil suit against Beurt SerVaas to ensure compliance with the Commission's March 14, 1994 Subpoena to Produce Documents and Order to Submit Written Answers.
3. Approve the appropriate letter as recommended in the General Counsel's report dated April 7, 1994.

Commissioners Aikens, Elliott, McDonald, Potter, and Thomas voted affirmatively for the decision; Commissioner McGarry was not present.

Attest:

4-12-94  
Date

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

26043754714





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

April 13, 1994

VIA FACSIMILE AND  
CERTIFIED MAIL -  
RETURN RECEIPT REQUESTED

Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

RE: MUR 3485

Dear Ms. Kerman:

On April 12, 1994, the Federal Election Commission considered the "Motion to Quash Subpoenas Issued to Beurt SerVaas on February 16, 1994 and March 14, 1994, or in the Alternative, to Modify the Subpoena Issued on March 14, 1994," submitted by you on behalf of your client. The Commission has rejected your motions. In responding to the Commission's March 14, 1994 Subpoena and Order, your client should construe the term "NRSC" to mean the National Republican Senatorial Committee (a/k/a the Republican National Senatorial Committee).

The Commission has also authorized the Office of the General Counsel to seek judicial enforcement of the Commission's March 14, 1994 Subpoena and Order should your client not provide a timely response. Your client's response is due by the close of business on April 18, 1994.

For your information, the Commission has concluded that Section 555(e) of the Administrative Procedure Act, 5 U.S.C. § 551, et seq., does not apply to Commission determinations concerning discovery motions.

Should you have any questions, please contact Stephen E. Hershkowitz, Assistant General Counsel for Litigation, at (202) 219-2400.

Sincerely,

Lawrence M. Noble  
General Counsel

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THE 16 DEPOSITION TRANSCRIPTS CAN BE  
FOUND AT THE END OF THIS CASE FILE.

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LAW OFFICES

# HOLLAND & KNIGHT

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
ADMINISTRATIVE DIVISION

APR 13 3 43 PM '94

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SPECIAL COUNSEL  
SHAW, LICHTA,  
PARENTE, ESERNIO  
& SCHWARTZ, P.C.  
GARDEN CITY, NY  
NEW YORK, NY

April 12, 1994

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

ATTN: Tony Buckley, Esq.

Re: MUR 3485

Dear Mr. Noble,

This is in response to a subpoena and order which was forwarded to the National Republican Senatorial Committee ("the Committee") by the Federal Election Commission ("the Commission") on March 14, 1994 and received by the Committee on or about March 16, 1994. The order and subpoena requested that the Committee supply written answers to a series of questions concerning the rental, by the Committee, of a mailing list in July, 1989 and, in addition, to supply copies of any documents in the possession of the Committee that relate to this transaction.

As counsel to the Committee in this matter, I think it appropriate to bring several matters involving this transaction to the attention of the Commission.

First, nearly five (5) years have elapsed since this transaction was initiated. With the exception of one individual, none of the principals involved in this transaction have been employed by the Committee for a number of years. In addition, the documents in the possession of the Committee which relate to this transaction have been in storage for a number of years and it required a substantial effort on the part of the Committee to locate the documents which are appended hereto. Because of the substantial passage of time since 1989 and because these materials were archived many years ago, one document which appears to be related to the transaction cannot be located.

Lawrence M. Noble, Esq.  
April 12, 1994  
Page 2

Second, the context surrounding this transaction bears some importance to the transaction itself. In early 1989, then Chairman Don Nickles initiated a massive direct-mail prospecting effort to secure a new financial foundation for the Committee's future efforts in the 1990, 1992 and 1994 election cycles. Senator Nickles became Chairman of the Committee in early 1989 and became convinced that the Committee's donor base had to be substantially expanded from the base which existed during the 1986 and 1988 election cycles. To accomplish this task, the Committee's Finance Division was given the authority to begin a massive direct-mail campaign to prospect for new contributors. As a part of this undertaking, the Finance Division directly contacted a number of mailing list vendors. In addition, because this prospecting effort was so large and because the Committee's need for new mailing lists became clear to the national direct-mail community as the result of the Committee's contacts with direct-mail list vendors in the Washington, D.C. area, vendors of such lists often approached the Committee on their own initiative. Throughout 1989 and 1990, the Committee rented hundreds of mailing lists from vendors across the country.

Third, the rental of mailing lists by the national party committees is a routine fact of modern political life. The value placed on the mailing list remains a matter of some speculation until the list is actually mailed by a party committee and the number and dollar amount of the resulting contributions are audited. When a list is rented for the first time by a renter, it can, at best, have only some, limited confidence that the list has produced adequate results in the past and that the names on the list might be reasonably be expected to react favorably to the direct-mail solicitation of the renter. These factors come into play when a vendor and potential renter negotiate a rental fee for the list. As a general guideline, a list of proven or potential political contributors will generally rent for a range of between \$0.08 and \$0.16 per name, per use. The agreement between the parties will thus include the cost per name as well as the number of times the names on the list can be mailed by the renter.

The following information responds to the specific questions set forth in the order and subpoena dated March 14, 1994:

(1) **Question:** "Identify all persons who in any way dealt with Gordon Robertson or PFA, on behalf of you, which dealings resulted in the rental of a mailing list by you in July 1989."

Lawrence M. Noble, Esq.  
April 12, 1994  
Page 3

**Answer:** Based upon the present recollection of the persons whom I interviewed, the following former employees of the Committee may have played a role in this transaction: Doyce Boesch, then Executive Director; Albert Mitchler, then Finance Director; Richard Shelby, then Political Director; and James Hagen, then Treasurer of the Committee. In addition, Ms. Derby Watkins, who was at that time and remains today, an employee of the Committee's Finance Division, recalls that she played a limited role in the actual use of the list to mail, on one occasion, for prospective members of the Committee's "NRSC Taskforce", a membership group within the Finance Division. It is the present recollection of these individuals that the "PFA" list was brought to the Committee's attention, unsolicited, by either Mr. Robertson, by Mark Nuttle, or by a third party. For your information, Mr. Nuttle may once have been associated with Mr. Robertson but was not then (in early 1989), nor subsequently, either an employee or agent for the National Republican Senatorial Committee.

(2) **Question:** "Identify all persons who represented you in these dealings."

**Answer:** Albert Mitchler, at the time, the Committee's Finance Director, would have represented the Committee in the negotiations which resulted in the rental of this mailing list.

(3) **Question:** "Produce all documents in any way related to this mailing list."

**Answer:** An exhaustive search of the Committee's archived 1990 cycle records and files has produced three (3) documents which appear to relate to this mailing list. At Tab "A" you will find a copy of the invoice presented by Gordon P. Robertson to the Committee on or about June 1, 1989 for the potential use, on three occasions, of this list. Although the invoice presented by Mr. Robertson to the Committee for the rental of this list references an "Agreement" between the parties dated May 9, 1989, no such document can be presently located by the Committee, either at its offices or at the location where past files are archived.

At Tab "B" you will find a copy of the Committee's check to Mr. Robertson, dated July 7, 1989, for the rental of this list.

Lawrence M. Noble, Esq.  
April 12, 1994  
Page 4

At Tab "C" you will find a copy of a Committee computer print-out which shows that the "Robertson Donors" list, which we believe to a reference to the "PFA" list, was mailed, on one occasion, on June 30, 1989 to 136,943 addressees. The computer print-out also illustrates the large number of prospect mailings which were also undertaken on that same date.

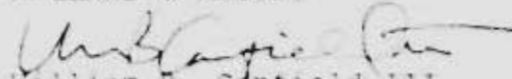
In interviewing the individuals listed above in response to Question 1, several points were made to me about this particular transaction. The transaction which resulted in the rental of this list from Mr. Robertson was conducted, at all times, in the normal course of business by the Committee. For example, the invoice states (and any "Agreement" which might have existed would probably have provided for) an understanding that the list of 175,000 names could be mailed three times under the lease. An agreement providing for 175,000 names to be mailed three times at a cost of \$50,000 would have equaled a per name, per use cost of \$0.095. This cost to the Committee for the use of this list is well within the industry norm for the rental of a contributor list of this type.

Despite the fact that this list was rented for three uses by the Committee, the computer document at Tab "C" indicates that the list was only mailed on one occasion. The use of the list in only one instance appears to be based upon its lack of success as a fundraising prospect vehicle. As the document at Tab "C" shows, on March 30, 1990 (the "Cage Date"), the date when the final financial returns from the mailing were prepared and reconciled by the Committee's bank, the 136,943 pieces of mail from the "PFA" list produced only 1009 donors with gross contributions of \$34,503. Thus, the net return to the Committee, after expenses, was a loss of \$14,796. For that reason, the list was not used for the second and third mailings which were provided for in the rental agreement.

I trust that this information is fully responsive to the order and subpoena in MUR 3485. The Committee remains available to you for any additional assistance which it might be able to offer about this transaction.

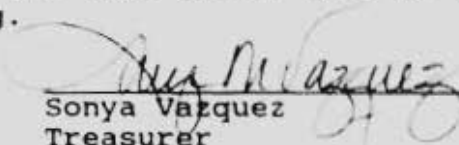
Sincerely,

HOLLAND & KNIGHT


  
William B. Canfield III

Lawrence M. Noble, Esq.  
April 12, 1994  
Page 5

The above matters have been brought to my attention. I swear under oath that these matters are true to the best of my understanding.

  
Sonya Vazquez  
Treasurer

National Republican Senatorial Committee

  
Notary Public

My Commission Expires on 7/14/97

attachments:

- Tab "A" - Robertson invoice
- Tab "B" - N.R.S.C. check
- Tab "C" - N.R.S.C. computer document

WAS 5/24



A

Shay Rely  
430-024

Republican National Senatorial Committee  
Ronald Reagan Republican Center  
425 2nd St. N.E.  
Washington, D.C. 20002  
Attn. Albert Mitchler

INVOICE

-----

For rental of 3 uses of 175,000 names list pursuant to Agreement dated May 9, 1989 between Partners for America and Republican National Senatorial Committee.

Amount Due \$50,000.00

Remit to:

Gordon P. Robertson  
500 World Trade Center  
Norfolk, VA 23510

96043154722





DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-6605  
TELEPHONE 202 862-1000 FACSIMILE 202 862-1093

MYLES V. LYNK  
202 862-1047

April 13, 1994

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RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Holly Baker, Esq.  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Management Financial Services, Inc. and  
Arthur L. Williams, Jr.

Dear Ms. Baker:

In further response to the Commission's Subpoena and Order of February 22, 1994, to the respondents identified above, please find enclosed an affidavit from Ms. Barbara King.

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

MVL:ao  
Enclosure

BEFORE THE FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C.

RE: MUR 3485

AFFIDAVIT OF BARBARA KING

Now comes your deponent, who, being duly sworn, deposes and says:

1. My name is Barbara King and I reside at 1819 Kanawha Trail, Stone Mountain, Atlanta, Georgia.

2. In 1986 I was employed as a Vice President of A.L. Williams & Associates, Inc. I facilitated the implementation of the contract between Michael Clifford and his company, Victory Communications (International), Inc. ("VCI"), and A.L. Williams Administrative Services, Inc. ("Administrative Services")

3. This affidavit is based on my recollection of events that happened eight years ago. To the best of my recollection, I recall our efforts to have VCI pay its \$47,161.56 debt as follows.

4. First, when Administrative Services entered into the contract with VCI, I understood that VCI would pay Administrative Services in advance of any expenditure by us for all costs incurred with the August and September 1986 EAGLE mailings.

5. In fact, it is my recollection that VCI did pay for the August mailing in advance. We also billed VCI \$19,250 for postal fees on August 23, 1986, and VCI did pay us \$19,250 on or before October 3, 1986.

6. Unfortunately, when we requested from Michael Clifford, President of VCI, that he advance us the funds to cover the cost of the September mailing, he told me that VCI did not then have

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the money for that purpose. Apparently, VCI did not have enough money to pay us in advance of the second mailing. We therefore saw no point in presenting VCI with a final bill at this time, since no unreimbursed expenses had yet been paid by A.L. Williams & Associates, Inc.

7. We had retained a company to label, stuff, affix postage and batch the envelopes for the second mailing, and had obtained commitments from other companies for their share of the work. At that point, as a practical matter, we did not feel that we could tell these companies to stop work on this project, and by this time some companies had already completed their work.

8. On or before October 15, 1986, A.L. Williams & Associates, Inc., paid the companies with which we had contracted to provide specific services. After an accounting, on October 23, 1986, we billed VCI for the full amount remaining of this expense: \$47,161.56.

9. Thereafter, I, as well as others at my company, was in communication with Mr. Clifford during November and December 1986 and into January 1987, to see that we were paid by VCI as quickly as possible. Mr. Clifford kept promising me that he would send us the money, but he did not do so. He then explained to me that he simply did not have the money to send.

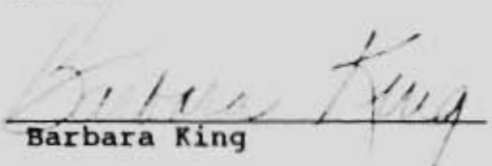
10. I believe I also wrote twice to Mr. Clifford about this matter. Finally, Mr. Clifford wrote me a letter dated January 22, 1987, enclosing his check dated January 16, 1987, for \$47,161.56. The check was immediately deposited in the A.L.

Williams & Associates, Inc. , bank account.

11. Mr. Clifford wrote in his January 22 letter to me that, "[e]nclosed you will find the check we discussed. I am sorry that it was so late but I hope you will convey my explanation to the powers that be accordingly." The explanation that Mr. Clifford was referring to was the fact that he had told me previously that his company did not have the money in October, November, or December to pay our October 23, 1986, bill.

12. In seeking to get Mr. Clifford and VCI to pay this bill, I treated them as I would have treated any other commercial debtor under similar circumstances.

Further, your deponent sayeth not.

  
Barbara King

  
Notary Public

My commission expires: \_\_\_\_\_

Notary Public, Wilkes County, Georgia  
My Commission Expires Sept. 17, 1987

26043727



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

April 13, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Pat McMahon  
McMahon Accountants, P.C.  
765 West Little Creek Road  
Suite 4  
Norfolk, Virginia 23505

RE: MUR 3485

Dear Ms. McMahon:

As we have previously discussed, the Federal Election Commission has issued the attached subpoena which requires you to appear and give sworn testimony in connection with an investigation it is conducting. By mutual agreement, your deposition has been set for Friday, April 22 at 12:30 p.m. 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 present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

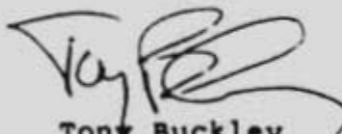
26043754/228

Pat McMahon  
MUR 3485  
Page 2

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40, plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

If you have any questions, please contact me at (800) 424-9530.

Sincerely,

  
Tony Buckley  
Attorney

Enclosure  
Subpoena

26043754729



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)


SUBPOENA

TO: Pat McMahon  
McMahon Accountants, P.C.  
765 West Little Creek Road  
Suite 4  
Norfolk, Virginia 23505

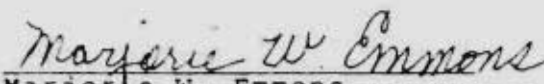
Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to George Border and GB Computer Services, Inc. Notice is hereby given that the deposition is to be taken on Friday, April 22 in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 12:30 p.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 12<sup>th</sup> day of April, 1994.

For the Commission,

  
\_\_\_\_\_  
Trevor Potter  
Chairman

ATTEST:

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

26043754730



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

APRIL 14, 1994

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

William W. Moore, President  
Response Media Direct, Inc.  
5321 South Sheridan  
Suite 29  
Tulsa, OK 74145-7612

RE: MUR 3485

Dear Mr. Moore:

We are in receipt of your June 8, 1993 response to the Commission's Subpoena and Order. Upon review, it appears that certain of the requested information has not been provided and that additional information is necessary.

Specifically, question one of the Commission's Subpoena requested the identification of two nonpolitical clients for which you performed mailed solicitations in calendar year 1988. The Subpoena also requested that you provide for each of the identified clients:

- copies of all contracts entered into between you and the client;
- copies of all documents regarding any escrow accounts for the entire period that the account was open, including bank statements, canceled checks (both sides), deposit documentation, and debit and credit memos;
- copies of all canceled checks (both sides) relating to payments made by you on behalf of the client along with all invoices, bills, statements, and correspondence, and drop dates for all mailing;
- copies of all canceled checks (both sides) issued by the client relating to any transactions with you along with all invoices, bills, statements, and correspondence relating to all transactions between the client and you.

Although your response notes that such documents had been previously supplied and that additional copies were attached to the response, no such documents could be found in the

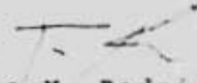
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Commission's records and no such documents were in fact enclosed with the response. Therefore, please now provide the above requested information.

Additionally, in response you note that the only reason the company entered into the financial arrangements at issue was to guarantee payment by the campaign during a period of insolvency, when the company could ill afford a loss. So that we can properly evaluate your company's financial position at the time of the transactions at issue, please now provide us with a list of your client base for the period from January 1, 1986, through December 31, 1989. We specifically request documents relative to the individual client accounts, including but not limited to contracts, accounting ledgers, checks (both sides) and any other documents concerning these individual accounts. We also request similar information concerning the company generally, including but not limited to ledgers reflecting in part the company's debit and credits, bank statements for the company's various accounts, and any other documents reflecting the company's solvency.

We would appreciate a response to these requests within fifteen days of receipt. Please contact me if you have any questions concerning these requests, at (202) 219-3690.

Sincerely,

  
Jose M. Rodriguez  
Attorney

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

APRIL 14, 1994

Marlene Elwell  
25270 Ridgewood  
Farmington Hills, MI 48336

RE: MUR 3485  
Marlene Elwell

Dear Ms. Elwell:

On February 16, 1994, the Commission issued to you a Subpoena to Produce Documents and an Order to Submit Written Answers. Our records indicate that you received the Subpoena and Order on February 25, 1994. Accordingly, your submission was due March 28, 1994. To date, this Office has received no response from you.

If you wish to rely upon your previous response dated May 19, 1993, please resubmit it under oath. As I explained in my letter to you of November 4, 1993, you must sign and swear to your response under oath before a notary public. I have enclosed a copy of your previous response for your convenience. Please return your signed and sworn response in the enclosed self-addressed and postage-paid envelope immediately upon receipt.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

Holly J. Baker  
Attorney

Enclosures

26043754733

25270 Ridgewood  
Farmington Hills, MI 48336

May 19, 1993

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

Dear Mr. Thomas:

Enclosed please find my response to the interrogatories in your letter of request dated April 12, 1993, MUR 3485.

1. I was the Midwest Political Director of Americans for Robertson. I was responsible for the organization of the states in this region, which included Michigan, Iowa, Minnesota, Illinois, and Ohio. I held this position until June of 1988.

In addition to this position, I was the Americans for Robertson convention chairman at the Republican National Convention held in New Orleans, Louisiana, in August, 1988. Mr. Robertson retained his delegates going into the convention. My role was to organize and deliver the delegates to the nominee, George Bush.

2. I no longer have these records.
3. I am unable to provide this information as the account which would contain these records has been closed.
4. I no longer have these records.
5. They agreed to and did reimburse my expenses which were submitted monthly or bi-monthly as the situation required.
6. My attempts for collection of expenses was the submission of my bills followed by a telephone conversation of confirmation and, on rare occasions late in the campaign, a letter of request. All of my expenses were paid in full.
7. I discussed repayment of expenses with routine office personnel assigned to finances as well as Allen Sutherland and Gordon Robertson. This was done mostly by telephone and on a few occasions in written form. I have no records of notes. The request was from my home in Michigan to the Virginia office and was always to confirm the amount and time of reimbursement.
8. I recall making a small personal monetary contribution to the campaign but have no record of such. Further, at no time did I contribute anything in the way of goods or services.
9. To the best of my recollection I do not recall personally charging expenses on behalf of Americans for Robertson, Inc. on the Master Card account of Kenneth P. and Ione R. Dilley.

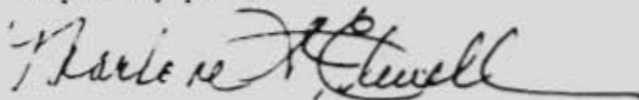
26043754 / 34

10. I consulted no one nor did anyone assist me in preparation of the answers to these questions.

PRODUCTION OF DOCUMENTS

1. I have no documents listed in this question relating to Americans for Robertson, Inc.
2. I have no records of oral or written communications relating to Americans for Robertson, Inc.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Marlene D. Elwell", with a long horizontal flourish extending to the right.

Marlene D. Elwell

96043754735



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 18, 1994

VIA FACSIMILE

Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

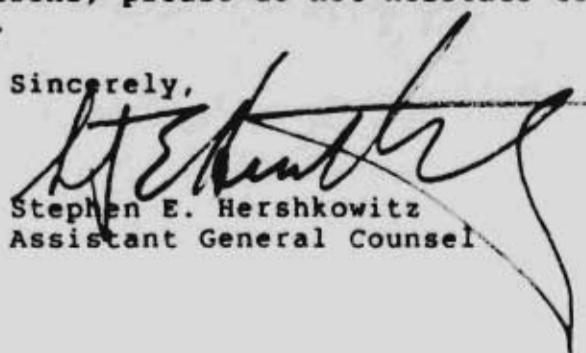
Re: MUR 3485

Dear Ms. Kerman:

This confirms your client's agreement to comply with the Commission's March 14, 1994 subpoena and order to answer questions by providing your client's sworn response to the order by close of business Tuesday, April 19, 1994, and by providing all documents responsive to the subpoena by close of business May 3, 1994. This compliance schedule is satisfactory.

Should you have any questions, please do not hesitate to contact me at (202) 219-3690.

Sincerely,

  
Stephen E. Hershkowitz  
Assistant General Counsel

9604754736



cc 1040

**EPSTEIN BECKER & GREEN, P.C.**

ATTORNEYS AT LAW

1227 25TH STREET, N.W.

WASHINGTON, D.C. 20037-11561

(202) 861-0900

TELECOPIER (202) 296-2882

DIRECT LINE

250 PARK AVENUE  
NEW YORK, NEW YORK 10177-0077  
(212) 361-4800

1875 CENTURY PARK EAST  
LOS ANGELES, CALIFORNIA 90067-2501  
(310) 886-8881

SIX LANDMARK SQUARE  
STAMFORD, CONNECTICUT 06901-27041  
(203) 348-3737

ONE RIVERFRONT PLAZA  
NEWARK, NEW JERSEY 07102-84011  
(201) 642-1900

75 STATE STREET  
BOSTON, MASSACHUSETTS 02109  
(617) 342-4000

2 EMBARCADERO  
SAN FRANCISCO, CALIFORNIA  
(415) 398-3100

12750 MERIT DRIVE  
DALLAS, TEXAS 75231-1201  
(214) 480-1133

116 SOUTH MONROE STREET  
TALLAHASSEE, FLORIDA 32301-1530  
(904) 881-0888

2400 SOUTH DIXIE HIGHWAY, SUITE 100  
MIAMI, FLORIDA 33133  
(305) 856-1100

510 KING STREET, SUITE 301  
ALEXANDRIA, VIRGINIA 22314-31321  
(703) 684-1204

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
APR 19 1994

April 19, 1994

P.C. NEW YORK, WASHINGTON, D.C., NEW JERSEY,  
CONNECTICUT, VIRGINIA AND TEXAS ONLY

**HAND-DELIVERED**

Stephen E. Hershkowitz, Esquire  
Assistant General Counsel for Litigation  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, D.C. 20463

**RE: M.U.R. 3485: RESPONDENT DR. BEURT R. SERVAAS**

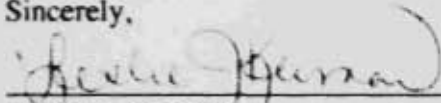
Dear Mr. Hershkowitz:

Per our agreement, enclosed please find Dr. SerVaas' response to the interrogatories issued to him by the Federal Election Commission on March 14, 1994. The documents responsive to the Subpoena and Order will be produced by close-of-business on May 3, 1994.

As also discussed, Dr. SerVaas continues to raise the objections set forth in our filing of March 23, 1994 with your office. However, as his only recourse to prevent the public disclosure of this ongoing confidential enforcement action in a Commission-threatened public subpoena enforcement action, and without prejudicing his right to vigorously challenge the Commission's referenced actions, Dr. SerVaas is complying with the March 14, 1994 Subpoena and Order.

Please call me at (202) 861-1877 if you have any questions regarding the enclosed document.

Sincerely,

  
Leslie J. Kerman

Enclosure

96043754737

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of

)  
)  
)

**MUR 3485**

**RESPONDENT'S RESPONSE TO INTERROGATORIES**

COMES NOW the Respondent, Dr. Beurt R. SerVaas, by counsel, and for his Response to the Federal Election Commission's Interrogatories issued on March 14, 1994, states as follows:

**INTERROGATORY NO. 1.** Identify all persons who in any way dealt with PFA, R. Marc Nuttle or Gordon Robertson, or any representative of PFA, R. Marc Nuttle or Gordon Robertson, on behalf of you, or any other person, regarding in any way an IBM system 38 computer once owned by AFR.

**ANSWER:** To the best of his current knowledge and information, the Respondent states as follows:

1. Gene R. Leeuw, Esquire  
Klineman, Rose, Wolf and Wallack  
135 North Pennsylvania Street  
Indianapolis, Indiana 46204-2456  
Tel. (317) 264-5000
2. Stephen E. Plopper, Esquire  
Klineman, Rose, Wolf and Wallack  
135 North Pennsylvania Street  
Indianapolis, Indiana 46204-2456  
Tel. (317) 264-5000

26043754738

3. Clarence Ormsby  
SerVaas Investments, Inc.  
1000 Waterway Boulevard  
Indianapolis, Indiana 46202  
Tel. (317) 633-2040

In addition, other individuals may have dealt with PFA, R. Marc Nuttle or Gordon Robertson, or any representatives of same, in connection with an IBM System 38 computer once owned by AFR on an isolated, incidental and/or administrative basis: the Respondent, however, has no specific recollection regarding the identity of any such individuals.

The Respondent further states that his overall recollections regarding the transactions in question have faded due to the passage of time.

**INTERROGATORY NO. 2.** Identify all persons involved in the effort to satisfy the obligation of CFL to you.

**ANSWER:** To the best of his current knowledge and information, the Respondent states as follows:

1. Gene R. Leeuw, Esquire  
Klineman, Rose, Wolf and Wallack  
135 North Pennsylvania Street  
Indianapolis, Indiana 46204-2456  
Tel. (317) 264-5000
2. Stephen E. Plopper, Esquire  
Klineman, Rose, Wolf and Wallack  
135 North Pennsylvania Street  
Indianapolis, Indiana 46204-2456  
Tel. (317) 264-5000

- 26043754740
3. Clarence Ormsby  
SerVaas Investments, Inc.  
1000 Waterway Boulevard  
Indianapolis, Indiana 46202  
Tel. (317) 633-2040
  4. Gordon P. Robertson, Esquire  
Vandeventer, Black, Meredith & Martin  
500 World Trade Center  
Norfolk, Virginia 23510  
Tel. (804) 446-8600
  5. R. Marc Nuttle, Esquire  
224 W. Gray  
Suite 202  
Norman, Oklahoma 73069  
Tel. (405) 364-5946
  6. Allan Sutherlin  
5525 Allisonville Road  
Indianapolis, Indiana 46220  
Tel. (317) 582-0000

Moreover, other individuals may have been involved on the Respondent's behalf regarding CFL on an isolated, incidental and/or administrative basis: the Respondent, however, has no specific recollection regarding the identity of any such individuals.

The Respondent further states that his overall recollections regarding the transactions in question have faded due to the passage of time.

**INTERROGATORY NO. 3.** Identify all persons who in any way dealt with the NRSC, on behalf of Gordon Robertson or PFA, regarding the purchase or rental of a mailing list. Identify all representatives of the NRSC dealt with by Gordon Robertson, PFA or their representatives.

**ANSWER:** To the best of his current knowledge and information, the Respondent has no knowledge regarding the identity of any persons who in any way dealt with the NRSC, on behalf of Gordon Robertson or PFA, regarding the purchase or rental of a mailing list. Further, the Respondent has no knowledge regarding the identity of any representatives of the NRSC who dealt with Gordon Robertson, PFA or their representatives.

The Respondent further states that his overall recollections regarding the transactions in question have faded due to the passage of time.

\* \* \* \* \*

The Respondent affirms under the penalties for perjury that the foregoing statements of fact are true to the best of his belief and knowledge.

Executed this 19th day of April, 1994, on behalf of Respondent Dr. Beurt R. SerVaas.

By:



Leslie J. Kerman  
EPSTEIN BECKER & GREEN, P.C.  
Counsel to the Respondent

Dated: April 19, 1994

BAKER  
&  
HOSTETLER  
COUNSELLORS AT LAW

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
ADMINISTRATIVE DIVISION

APR 25 10 50 AM '94

WASHINGTON SQUARE, SUITE 1100 • 1050 CONNECTICUT AVENUE, N.W. • WASHINGTON, D.C. 20036-5304 • (202) 861-1500  
FAX (202) 861-1783 • TELEX 2357276  
WRITER'S DIRECT DIAL NUMBER (202) 861-1504

April 19, 1994

Tony Buckley, Esquire  
General Counsel Office  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485

Dear Mr. Buckley:

I am writing to memorialize our telephone conversation of today's date. As I indicated to you, Gordon Robertson has been outside of the country in either Kiev, Ukraine or in the Philippine virtually continuously since my receipt of the Commission's additional subpoena in this matter. I have not had the opportunity to meet with Mr. Robertson nor review any document which might potentially be within the reach of the new subpoena.

Mr. Robertson is returning to the country on April 27. I presently plan to meet with Mr. Robertson on the following day and review the subpoena and potential documents with him. I am requesting that the time for response be extended until Monday, May 2 pursuant to our discussion. It is my understanding that you believe such an extension is agreeable.

If you should have any additional questions or if in any way this letter does not accurately memorialize our discussion, please do not hesitate to contact me.

Thank you for your cooperation.

Sincerely,

*E. Mark Braden*

E. Mark Braden

BMB/bss

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

APR 25 3 05 PM '94





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

April 26, 1994

BY FACSIMILE

E. Mark Braden, Esq.  
Baker & Hostetler  
Washington Square, Suite 1100  
1050 Connecticut Avenue, N.W.  
Washington, D.C. 20036-5304

RE: MUR 3485

Dear Mr. Braden:

This is in response to your letter dated April 19, 1994, regarding an extension of time until the close of business on Monday, May 2, 1994, for your client, Gordon Robertson, to respond to the subpoena and order issued to him by the Federal Election Commission on March 10, 1994. We had discussed an appropriate extension in our telephone conversation on April 19, 1994. You stated in our conversation, and your letter also states, that the extension is necessary because Mr. Robertson has been outside of the country for an extended period of time and will not return until April 27, and that you will need the extra time to meet with him to review the subpoena and responsive documents with him.

This Office is willing to grant the requested extension because good cause has been demonstrated. However, Mr. Robertson has previously, through other counsel, challenged the Commission's authority to further pursue this matter as a result of the D.C. Circuit's decision in Federal Election Commission v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, 62 U.S.L.W. 3511 (U.S. Jan. 18, 1994) (No. 93-1151), ("NRA"). Accordingly, we require an assurance that your client will comply fully with the Commission's subpoena and order before we can agree to the requested extension. Please respond by facsimile with this assurance no later than the close of business on April 28, 1994.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney

26043754743





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 20, 1994

BY FACSIMILE

Dr. Herbert Titus  
1433 Lake James Drive  
Virginia Beach, Virginia 23510

RE: MUR 3485

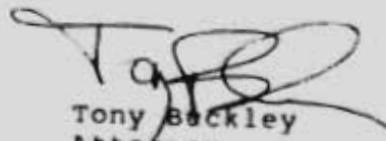
Dear Dr. Titus:

We last spoke on February 22, 1994, when you called with questions regarding the Federal Election Commission's reason to believe finding against you in MUR 3485. As a result of our conversation, a copy of the Commission's Factual and Legal Analysis was sent to you by facsimile that same day.

As of today's date, we have not heard from you regarding the Commission's reason to believe finding. While our investigation is still in progress, and we are not prepared to recommend to the Commission that it take further action against you at this time, such a recommendation may occur. Your comments with respect to this matter will be taken into consideration when this Office decides whether to make further recommendations against you.

I am available to discuss the facts surrounding the Commission's reason to believe finding, and the enforcement process generally, should you so desire. Please contact me at (202) 219-3690.

Sincerely,

  
Tony Beckley  
Attorney

26043754744

06c 1247

William W. Moore  
5321 South Sheridan #29  
Tulsa, Oklahoma 74145-7612

April 26, 1994

RE: MUR 3485

Dear Mr. Rodriguez:

In response to your request for additional information from Response Media Direct, Inc. from 1988 concerning other accounts, it is impossible for me to provide the information at this time. The company was acquired by another company because it was insolvent. In 1993, that company went out of business and had all the records for Response Media Direct, Inc.

I originally supplied all the requested documents that were in existence and copies of all checks.

In regard to your new request for financial records of Response Media Direct, Inc., as I stated above, the company was acquired by a supplier, Response Media Inc. which has gone out of business. At the time they acquired my company, it was because of non-payment of bills. Response Media acquired all the assets.

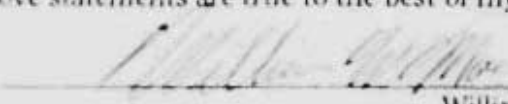
Again, the reason the amount of credit to Americans for Robertson, Inc., was extended was because Prudential Bache charged back a check for \$259,143.20 after they informed me that the Americans for Robertson check had cleared and good funds were available. Because of the size and amount of the check, I held the mailing up until the check cleared. The "midnight deadline" for rejecting checks by any collecting bank had expired. It appeared that the check for \$259,143 was lost in the system and that American Bank and Prudential Bache were not entitled to deduct the money from my account. I filed a law suit against Prudential Bache in an attempt to collect the money.

- A) Copy of lawyer's letter attached 3-28-88
- B) Copy of lawsuits case #88-C-402-E (attached)

The only reason credit was extended, postage advanced, and escrow account established was in an effort to get paid uncollected invoices. I had called the campaign on a weekly basis in an attempt to collect the funds. Response Media Direct was not more lenient in pursuing debt owned by the committee than any other client. We did not have the money personally or corporately. In fact, it almost put us out of business and did cause us extreme hardship.

All the debit was paid off because as a result of the extension of credit. This was the only good business way for me to recover the previous unpaid past debt that resulted in an error by Prudential Bache.

The above statements are true to the best of my knowledge.

  
William W. Moore

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OFFICE OF GENERAL  
COUNSEL  
MAY 3 1994

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Response Media Direct/Response Marketing or myself/wife (William and Jeri Moore) have never before supported a political candidate or made any corporate contributions to any candidates. Our relationship with Pat Robertson was only that of a supplier.

I have already paid \$20,000 in legal fees to get my original money back. At this time, I do not have the \$5,000 that I was quoted by a lawyer to handle my case. I hope this will provide you with the information you need. My wife and myself have been already personally hurt both financially and emotionally over the entire matter.

Sincerely,



William W. Moore

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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OKLAHOMA

RECEIVED  
U.S. DISTRICT COURT  
NORTHERN DISTRICT OF OKLAHOMA  
MAY 3 1988

WILLIAM W. MOORE and JERI )  
MOORE, d/b/a RESPONSE MARKETING, )

Plaintiffs, )

vs. )

Case No. 88-C-402-E

PRUDENTIAL-BACHE SECURITIES, )  
INC., and PRUDENTIAL BANK AND )  
TRUST COMPANY, )

Defendants. )

PLAINTIFFS' REQUEST FOR PRODUCTION  
TO THE DEFENDANTS

TO: Prudential Bank and Trust Company  
c/o Oliver S. Howard  
Gable and Gotwals  
2000 Fourth National Bank Building  
Tulsa, Oklahoma 74119

Pursuant to Fed. R. Civ. P. 34, you are hereby requested to produce the following for Plaintiffs' inspection and/or copying, at the office of Moyers, Martin, Santee, Imel & Tetrick, 320 South Boston Building, Suite 920, Tulsa, Oklahoma 74103, during normal business hours, within thirty (30) days of the date of service of this request. You are further required to supplement your responses pursuant to Fed. R. Civ. P. 26(e).

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## DEFINITIONS

1. Document shall mean, without limitation, the following items, whether printed, recorded, reproduced, or written by hand: all writings of any kind, including originals and non-identical copies, whether different from the originals by reason of any notation made on such copies or otherwise, including, without limitation, correspondence, memoranda, notes, diaries, letters, telegrams, minutes, contracts, agreements, reports, studies, checks, statements, receipts, interoffice and intra-office communications, notations of any sort of conversations, telephone calls, meetings or other communications, bulletins, printed matter, computer print-outs, teletypes, telefax, invoices, worksheets; all drafts, alterations, modifications, changes and amendments of any of the foregoing, and any document contained in graphic, oral electronic or mechanical records, including, without limitation, microfiche, microfilm, videotape, tapes, cassettes, discs, recordings, and computer memory, all of which may be in the possession, custody or control of either Defendant or their agents, employees or representatives.

2. "The Check" shall mean check number 2011 in the amount of \$259,143.30 from Americans for Robertson, Inc., as maker payable to William W. Moore, d/b/a Response Marketing as payee.

REQUEST NO. 1: Any and all document(s) as defined herein and/or any other type of document(s) which refers to, relates to or evidences any type of communication between any agent, employee,

or representative of Prudential-Bache Securities, Inc., or Prudential Bank and Trust Company and any agent, employee, or representative of the collecting bank, American Bank, for the period of time beginning January 1, 1988 to the present which in any way refers or relates to the Check.

REQUEST NO. 2: Any and all document(s) as defined herein and/or any other type of document(s) which refers to, relates to or evidences any type of communication between any agent, employee, or representative of Prudential-Bache Securities, Inc., or Prudential Bank and Trust Company and William W. Moore or Jeri H. Moore or any of their agents, employees, or representatives, for the period of time beginning January 1, 1988 to the present which in any way refers or relates to the Check.

REQUEST NO. 3: Any and all document(s) as defined herein and/or any other type of document(s) which refers to, relates to or evidences any type of communication between any agent, employee, or representative of Prudential-Bache Securities, Inc., or Prudential Bank and Trust Company and any agent, employee, or representative of Sovran Bank, for the period of time beginning January 1, 1988 to the present which in any way refers or relates to the Check.

REQUEST NO. 4: Any and all document(s) as defined herein and/or any other type of document(s) which refers to, relates to or



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evidences any type of communication between any agent, employee, or representative of Prudential-Bache Securities, Inc., or Prudential Bank and Trust Company and any agent, employee, or representative of Americans for Robertson, Inc., for the period of time beginning January 1, 1988 to the present which in any way refers or relates to the Check.

REQUEST NO. 5: Any and all document(s) as defined herein and/or any other type of document(s) which refers to, relates to or evidences any type of communication between any agent, employee, or representative of Prudential-Bache Securities, Inc., or Prudential Bank and Trust Company and any agent, employee, or representative of First Tulsa Bank, for the period of time beginning January 1, 1988 to the present which in any way refers or relates to the Check.

REQUEST NO. 6: Any and all document(s), as defined herein, and/or any other type of document(s) which refers to, relates to, identifies or evidences the "command account agreement" and/or "written agreement" identified by Defendant Prudential-Bache Securities, Inc. in Paragraph Two (2) of its Answer filed May 24, 1988.

REQUEST NO. 7: Any and all document(s), as defined herein, and/or any other type of document(s) which refers to, relates to, identifies or evidences the "command account agreement" and/or "written agreement" identified by Defendant Prudential Bank



and Trust in Paragraph Two (2) of its Answer filed May 24, 1988.

REQUEST NO. 8: Any and all document(s), as defined herein, and/or any other type of document(s) which refers to, relates to, identifies or evidences the actions taken by either Defendant or any other party to collect, put into the collection process, negotiate or otherwise transfer, charge-back, or in any manner deal with the Check in the collection or charge-back process, the Check [deposited into the account of Response Marketing, William M. Moore & Jeri H. Moore, a sole proprietorship, otherwise known as account number [REDACTED] (hereinafter referred to as "the Account")].

REQUEST NO. 9: Any and all document(s), as defined herein, and/or any other type of document(s) which were generated as a result of the "certain checks written by Plaintiffs [that] were not cleared for payment", as identified by Defendant Prudential-Bache in Paragraph 6 of their Answer filed May 24, 1988 and by Defendant Prudential Bank and Trust in Paragraph 6 of their Answer filed May 24, 1988.

REQUEST NO. 10: Any and all document(s), as defined herein, and/or any other type of document(s) which refers to, relates to, identifies or were generated in the normal course of business, by your facility, concerning "the account" and any transactions effecting "the account" for the period of time beginning January 1, 1988 to the present.

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REQUEST NO. 11: Any and all files maintained by either Defendant containing document(s) reflecting negotiations, agreements, contracts between either of the Defendants, William W. Moore, Jeri H. Moore, or Response Marketing or evidencing any service rendered to Response Marketing, William W. Moore or Jeri H. Moore, for the period of time beginning January 1, 1988 to the present.

REQUEST NO. 12: The complete manual maintained by, used by, and/or supplied to the employees of each Defendant, which reflects or outlines the procedures used by each Defendant in processing a check for payment, collecting on a check and crediting to an account the sums collected on a check, in the normal course of business of each Defendant.

---

James H. Ferris, OBA #2883  
R. Scott Savage, OBA #7926  
MOYERS, MARTIN, SANTEE,  
IMEL & TETRICK  
320 South Boston Building  
Suite 920  
Tulsa, Oklahoma 74103  
(918) 582-5281

CERTIFICATE OF MAILING

I hereby certify that on this \_\_\_\_ day of June, 1988, I mailed a true and correct copy of the foregoing "Plaintiffs' Request for Production to the Defendants", by certified mail, return receipt requested to:

Oliver Howard, Esquire  
GABLE & GOTWALS, INC.  
2000 Fourth National Bank Building  
Tulsa, Oklahoma 74119

\_\_\_\_\_  
James H. Ferris

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

April 28, 1994

Randolph A. Sutliff, Esq.  
Miles & Stockbridge  
Suite 500  
11350 Random Hills Road  
Fairfax, Virginia 22030

RE: MUR 3485

Dear Mr. Sutliff:

This is in connection with the deposition of your client, Pat McMahon, conducted by this Office on April 22, 1994. During the course of the deposition, Ms. McMahon was unable to answer certain questions, but agreed to forward answers to us after reviewing her records. We promised Ms. McMahon that we submit a written reminder of the questions she agreed to answer. Hence, the purpose of this letter.

Ms. McMahon agreed to provide the following information:  
a) the dates during which she worked for Coopers & Lybrand;  
b) whether she performed work for the National Perspectives Institute and, if so, what the scope of that work was; c) the dates of a United States Postal Service subpoena to GB Computer Services, Inc.; and d) the date she prepared work papers and tax returns for the National Legal Foundation, and the year for which any such tax return was filed. We would appreciate Ms. McMahon's answers to these questions no later than two weeks from your receipt of this letter.

Additionally, as you were previously informed, Ms. McMahon is entitled to a witness fee and reimbursement for mileage for her deposition appearance. Please ask her to forward her total mileage to us so that we may process her check.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney

26043754754

**BAKER  
&  
HOSTETLER**  
COUNSELLORS AT LAW

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

APR 29 12 00 PM '94

WASHINGTON SQUARE, SUITE 1100 • 1680 CONNECTICUT AVENUE, N.W. • WASHINGTON, D.C. 20006-8804 • (202) 661-1800  
FAX (202) 661-1782 • TELEX 2367279  
WIRELESS DIRECT DIAL NUMBER (202) 661-1904

April 29, 1994

Tony Buckley, Esquire  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: NIR 3485

Dear Mr. Buckley:

I am writing in response to your letter of April 26, 1994. Gordon Robertson will respond to the Commission's interrogatories and request for documents before the close of business on May 2, 1994.

Mr. Robertsons' response should not be interpreted as a recognition of any Commission authority to further pursue this matter as a result of D.C. Circuit decision in Federal Election Commission v. NRA Political Victory Fund, 6 F. 3d 821 (D.C. Cir. 1993), petition for cert. filed 62 U.S.L.W. 3511 (U.S. January 18, 1994). Our substantive position on that issue remains unchanged.

If you should have any questions, please do not hesitate to contact me. Thank you for your cooperation in this matter.

Sincerely,



E. Mark Braden

EMB/bss

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**EPSTEIN BECKER & GREEN, P.C.**

ATTORNEYS AT LAW

1227 25TH STREET, N.W.

WASHINGTON, D.C. 20037-11561

(202) 861-0900

TELECOPIER (202) 296-2882

DIRECT LINE

250 PARK AVENUE  
NEW YORK, NEW YORK 10177-0077  
(212) 381-4800

1875 CENTURY PARK EAST  
LOS ANGELES, CALIFORNIA 90067-2501  
(310) 558-8881

SIX LANDMARK SQUARE  
STANFORD, CONNECTICUT 06901-27041  
(203) 348-3737

ONE RIVERFRONT PLAZA  
NEWARK, NEW JERSEY 07102-84011  
(201) 642-1900

75 STATE STREET  
BOSTON, MASSACHUSETTS 02109  
(617) 342-4000

2 EMBARCADERO  
SAN FRANCISCO, CALIFORNIA 94111-8884  
(415) 398-3800

12750 MERIT DRIVE  
DALLAS, TEXAS 75251-1275  
(214) 490-6888

116 SOUTH MONROE STREET  
TALLAHASSEE, FLORIDA 32301-116  
(904) 881-2888

2400 SOUTH DIXIE HIGHWAY SUITE 100  
MIAMI, FLORIDA 33133  
(305) 888-1100

810 KING STREET, SUITE 301  
ALEXANDRIA, VIRGINIA 22314-31321  
(703) 884-1204

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

May 3, 1994

P.C. NEW YORK, WASHINGTON, D.C. NEW JERSEY  
CONNECTICUT, VIRGINIA AND TEXAS ONLY

**HAND-DELIVERED**

Stephen E. Hershkowitz, Esquire  
Assistant General Counsel for Litigation  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, D.C. 20463

**RE: M.U.R. 3485: RESPONDENT DR. BEURT R. SERVAAS**

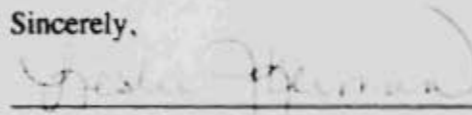
Dear Mr. Hershkowitz:

Enclosed please find Dr. SerVaas' Response to the Request for Documents issued by the Federal Election Commission on March 14, 1994 in connection with the above-referenced matter.

Dr. SerVaas continues to raise the objections set forth in our filing of March 23, 1994 with your office. However, as his only recourse to prevent the public disclosure of this ongoing confidential enforcement action in a Commission-threatened public subpoena enforcement action, and without prejudicing his right to vigorously challenge the Commission's referenced actions, Dr. SerVaas is complying with the March 14, 1994 Subpoena and Order.

Please call me at (202) 861-1877 if you have any questions regarding the enclosed document.

Sincerely,

  
Leslie J. Kerman

Enclosure

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BEFORE THE FEDERAL ELECTION COMMISSION

M.U.R. 3485

RESPONDENT: DR. BEURT R. SERVAAS

RESPONSE TO FEC'S  
SECOND REQUEST FOR DOCUMENTS

RECEIVED  
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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

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COMES NOW the Respondent, Dr. Beurt R. SerVaas, by counsel, and for his Response to the Federal Election Commission's Request for Documents, issued on March 14, 1994, responds as follows:

DOCUMENT REQUEST NO. 1. Produce all documents in any way related to the effort to satisfy the obligation of CFL to you (request set forth as part of Interrogatory No. 2).

ANSWER:

In the Commission's first request for production of documents to Respondent (issued on April 9, 1993), Respondent was asked to produce "all documents which relate in any way to your transaction with CFL." Documents numbered 12 through 23, 25 through 40, 42, and 43, produced on July 2, 1993 in response to this request, are also responsive to the instant Request No. 1.

In addition, Respondent reasserts the attorney-client privilege and attorney work-product doctrine with respect to various documents that contain requests for legal advice or that communicate legal advice and recommendations from his attorneys, or constitute attorney work-product. Specifically, Respondent reasserts the attorney-client privilege or attorney work-product doctrine for documents numbered 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, and 15, as described in his July 2, 1993 response to the April 9, 1993 Subpoena.

DOCUMENT REQUEST NO. 2. Produce all documents in any way related to this or

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any other attempt to rent or sell this [NRSC] mailing list (request set forth as part of Interrogatory No. 3).

**ANSWER:** Document number 25, produced as part of Respondent's Response to Request for Production of Documents dated July 2, 1993, is also responsive to the instant Request No. 2.

\* \* \* \* \*

Executed this 3rd day of May, 1994, on behalf of Respondent Dr. Beurt R. SerVaas.

By: \_\_\_\_\_

Leslie J. Kerman  
EPSTEIN, BECKER & GREEN, P.C.  
Counsel to the Respondent

Dated: May 3, 1994

26043754738



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

May 3, 1994

**BY FACSIMILE AND  
CERTIFIED MAIL -  
RETURN RECEIPT REQUESTED**

Marion Edwyn Harrison, Esq.  
107 Park Washington Court  
Falls Church, VA 22046

RE: MUR 3485

Dear Mr. Harrison:

On April 25, 1994, this Office received the response of your client, R. Marc Nuttle, to subpoenas and orders issued to him by the Federal Election Commission on February 18 and March 14, 1994. It does not appear that Mr. Nuttle has made a good faith attempt to comply with the Commission's subpoenas and orders.

Although this letter is not intended to catalog each instance in Mr. Nuttle's responses which appears to be inadequate, a few examples are instructive. First, he has provided no documents in response to the subpoenas and orders. Although Mr. Nuttle did produce documents to the Commission during the audit of Americans for Robertson, Inc., many documents which would be responsive to the subpoenas and orders were not obtained during the course of that audit. Second, certain answers where Mr. Nuttle fails to provide information do not state specifically that he does not have any such information. For example, Question 9 of the March 14, 1994 subpoena and order instructed Mr. Nuttle to identify all persons who in any way dealt with the National Republican Senatorial Committee on behalf of Gordon Robertson or Partners for America - State PAC ("PFA"), which dealings resulted in the deposit of a check for \$50,000 into PFA's Sentry Federal Savings Bank account in July 1989. The question also asks for additional information. In response to this, Mr. Nuttle has stated that "[the question] speaks to a period during which I had no connection with the . . . NRSC and at no time did I have a connection with Partners for America." Nowhere does Mr. Nuttle state that he does not have the requested information. Mr. Nuttle

Marion Edwyn Harrison, Esq.  
MUR 3485  
Page 2

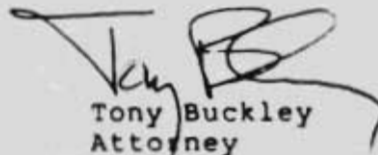
should either state that he cannot answer the question because he does not have any information, or he should provide whatever information he has.

These two examples do not exhaust the areas where Mr. Nuttle's responses appear inadequate. In light of this letter, he should review his responses to be certain that he has fully complied. The instructions and definitions to the subpoenas and orders issued to Mr. Nuttle describe the efforts he must undertake. Again, answers should be submitted under oath.

Because the due date for compliance has already passed, any additional response should be submitted as soon as possible, but by no means later than the close of business on Monday, May 9, 1994. No extensions of time will be granted.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

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**BAKER  
&  
HOSTETLER**  
COUNSELLORS AT LAW

WASHINGTON SQUARE, SUITE 1100 • 1050 CONNECTICUT AVENUE, N.W. • WASHINGTON, D.C. 20036-5304 • (202) 861-1500  
FAX (202) 861-1783 • TELETYPE 2357276  
WRITERS' DIRECT DIAL NUMBER (202) 861-1504

May 2, 1994

Tony Buckley, Esquire  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

MAY 3 9 05 AM '94

Dear Mr. Buckley:

Enclosed please find the Response of Gordon P. Robertson to the Federal Election Commission ("Commission") Interrogatories and Request for Documents.

As I stated in my prior letter, Mr. Robertson's replying to the interrogatories and the request for documents should not be viewed by the Commission as any recognition of its authority in light of Federal Election Commission v. NRA Political Victory Fund, 4 F. 3rd 821 (D.C. Cir. 1993). It remains our view that as a result of this decision, the Commission lacks any statutory authority.

If you should have any questions, please do not hesitate to contact me. I appreciate your cooperation in this matter. It is our interest to resolve this matter in the most expeditious manner possible. The original signed interrogatories will come by separate package.

Sincerely,



E. Mark Braden

EMB/bss  
Enclosure

**RESPONSE TO INTERROGATORIES AND REQUEST FOR DOCUMENTS**

1. Identify all persons who in any way dealt with Robert Beale, or any representative of Robert Beale, on behalf of you or PFA, regarding the \$55,000 deposited into PFA's Sentry Federal Savings Bank account in November 1988. Identify all representatives of Robert Beale dealt with. Produce all documents which in anyway relate to this \$55,000.

**Response:** Marc Nuttle.  
Enclosed documents.

2. Identify all persons, including you, who in any way dealt with the NRSC, on behalf of you or PFA, which dealing resulted in the deposit of a check for \$50,000 into PFA's Sentry Federal Savings Bank account in July 1989. Identify all representatives of the NRSC dealt with. If the \$50,000 was for the purchase or rental of a mailing list, identify the owner of the mailing list, state when and from whom the owner obtained the mailing list, and describe the contents of the mailing list. Include in your description the number of names and addresses on the list, and how they are arranged (i.e. alphabetically, by zip code, or any other method). State how you or PFA acquired the right to rent or sell the mailing list to the NRSC or any other person. Produce all documents in any way related to this transaction.

**Response:** Alan Sutherland and Gordon Robertson. \$50,000 was for the rental of the Americans for Robertson Donor List. Americans for Robertson authorized PFA to rent the list. I am unaware of the exact manner in which names and addresses of donors are encoded on the magnetic tape.

Enclosed documents.

3. Produce all documents in any way related to any other attempt to rent or sell the mailing list described in Question 2.

**Response:** Enclosed documents.

4. Identify all persons who in any way dealt with Beurt SerVaas, or any representative of Beurt SerVaas, on behalf of you or PFA, or any other persons, regarding in any way an IBM System 38 computer once owned by AFR. Produce all documents in any way related to any such dealings.

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
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Response: Gordon Robertson, Stephen Plopper, Marc Nuttle, Alan Sutherland, Marion Harrison.

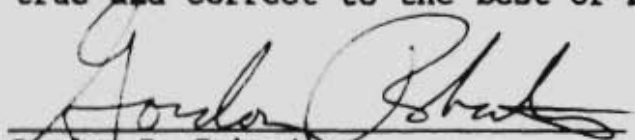
Enclosed documents.

5. Identify all persons involved in the effort to satisfy the obligation of CFL to Beurt SerVaas. Produce all documents in any way related to the effort to satisfy the obligation of CFL to Beurt SerVaas.


Response: Gordon Robertson, Stephen Plopper, Marc Nuttle, Alan Sutherland, Marion Harrison.

Enclosed documents.

The above information is true and correct to the best of my knowledge and belief.

  
Gordon P. Robertson

My Commission Expires: 4/30/98.

  
Maurice L. Kimmett  
Notary Public

QUESTIONS #1

NONE OTHER THAN PRIOR RESPONSE DOCUMENTS

36043754164



RESPONSE TO QUESTIONS 2 & 3

96043754765

May 17, 1989

Memorandum

To : Gordon P. Robertson

From : J. J. Lerner

Subject : Rental Agreement concerning computer

The following is the Agreement as received from Marion Harrison.

I spoke with Marc Nuttle late yesterday, and he advised me that the executed copy of the agreement with the senatorial committee was being sent via express. We have not received as of 10:30 AM.

Marc further advised that the Senatorial Committee was planning to drop the entire list immediately with a proven package. The drop is currently being prepared in a big direct mail house other than Response. Marc says we need to protect ourselves, but the list needs to go to the direct mail house.

I agree fully with the need to protect ourselves... my experience with political mailers is they are for the most part, bandits. Here is my recommendation.

1. Enter into confidentiality contract directly with the Senatorial Committee's direct mail house.

2. Salt the list with unique decoy names through U.S. Monitor service to allow for a specific trace. I would recommend 3 names to 30 different addresses / 150 in total. This would allow us to check for unauthorized uses.

3. Your thoughts on further protection? I could do some research on this, if possible.

I have executed the copy of the contract and await your response.

Allen

96043754766

AGREEMENT FOR LEASE OF COMPUTER AND MAILING LIST

This Agreement is made as of January 2, 1989 by and between Americans For Robertson, Inc., a District of Columbia corporation ("AFR"), and Partners For America, an unincorporated political action committee ("Partners").

I. Recitals

1.1 Sale and Leaseback. Under date of September 30, 1987, by a certain written Agreement, AFR sold to, and leased back from, Computer Futures, Ltd. certain equipment and computer program ("Computer") more fully described and listed in said Agreement.

1.2 Use by AFR and Payment through December 31, 1988. Through December 31, 1988, AFR utilized the Computer and as of December 31, 1988 AFR is current in its rental payments to Computer Futures, Ltd.

1.3 Purchase By Partners of Computer. On December 31, 1988, Partners purchased the Computer from Computers Futures, Ltd.

1.4 Use of Computer in 1989. AFR is desirous of continuing to utilize the Computer through the year 1989 and Partners is desirous of leasing the Computer to AFR.

1.5 Mailing List. AFR has right, title and interest in, and control of, that certain mailing list ("List"), consisting of 175 thousand entries, more or less, each entry being the name or names and the address of a person or persons who donated to AFR in support of the Pat Robertson presidential nominating campaign.

1.6 Usage of List. Partners agree to accept nonexclusive rights to three mailings of the List in lieu of payment by AFR to Partners of the sum of \$50,000.00, and to accept such usage as payment in full, for the utilization of the Computer during the period January 1-May 31, 1989.

## II. Agreement

2.1 Mailings of List. During the period set forth in §2.8, below, AFR authorizes, and shall provide for, the use of the List by Partners for the mailing by Partners of the List or any portion thereof, not to exceed three mailings per entry on the List.

2.2 Lease of Computer. Until May 31, 1989 AFR shall have the continued right to utilize the Computer and shall provide maintenance, rent, air conditioning and electrical support, all at the expense of AFR. Partners shall provide software at the expense of Partners.

2.3 Consideration. AFR shall pay to Partners no cash rent for the use of the Computer as set forth in §2.2, above. Partners shall pay no cash rent to AFR for the use of the List as set forth in §2.1, above. Such use of the Computer shall constitute consideration for the mailing of the List and such mailing of the List shall constitute consideration for the use of the Computer.

2.4 Concurrent Rights in Mailing Lists. Partners shall have the right to authorize, for such consideration as Partners may deem appropriate, a party or parties other than Partners to mail the List, or any portion thereof, provided that the total number of mailings per entry shall not exceed three mailings. There is no restriction upon the right of AFR to mail the List or any portion thereof or to contract with other parties to do so except that AFR shall not authorize a political action committee other than Partners to mail the List or any portion thereof during the period set forth in §2.8, below.

2.5 Transmittal of List to Computer House. AFR, upon request of Partners, shall transmit to Response Marketing, Inc., Tulsa, Oklahoma, a computer house ("Response"), a set of tapes containing the List, for such use as Partners may direct not inconsistent with this Agreement.

2.6 Drop Dates Notification. Partners shall advise AFR as early as practicable of the estimated drop date of a mailing under this Agreement so that AFR, to the extent feasible, may avoid mailing during the same time window in which Partners or any person or entity contracting with Partners mails.

2.7 No Reporting by Partners. Partners shall have no responsibility or obligation to account or otherwise report to AFR as to the response to any mailing under this Agreement.

2.8 Return of List and Termination of Agreement. Upon completion of such mailings as Partners shall undertake under this Agreement, or upon November 1, 1990, whichever first shall occur, Partners shall authorize and direct Response to return the List to AFR and this Agreement shall terminate.

2.9 Post-termination Conditions. Upon and after termination of this Agreement, Partners shall have no further

right, title or interest in the List; provided, however, that Partners may compile, and utilize as Partners deems prudent, a list of names/addresses responsive to any mailing under this Agreement, which data Partners need not share with, or otherwise disclose to, Partners.

2.10 Applicable Law. This Agreement shall be construed according to the laws of the Commonwealth of Virginia.

AMERICANS FOR ROBERTSON, INC.

By  President  
Its Authorized Signatory

PARTNERS FOR AMERICA

By \_\_\_\_\_  
Its Authorized Signatory

afrrpart



LIST RENTAL AGREEMENT

This Agreement is made this fifth day of May 1989 by and between the REPUBLICAN NATIONAL SENATORIAL COMMITTEE ("Senatorial") and PARTNERS FOR AMERICA *an unincorporated association* ~~a corporation organized and existing under the laws of the Commonwealth of Virginia~~ ("Partners").

I. Recitations

1.1 Warranty. Partners warrants that Partners has the right to rent that certain mailing list, consisting of 175 thousand entries, more or less, of names/addresses of persons donated to Americans for Robertson, Inc., in support of the presidential nominating campaign of Pat Robertson.

1.2 Use of List. Senatorial is desirous of renting the list for a maximum of three funds solicitation mailings per year in connection with Senatorial's ordinary and usual political activity.

II. Agreement

Therefore, upon receipt by Partners from Senatorial of the sum of fifty thousand dollars (\$50,000.00) and upon the stipulations recited here, which receipt Partners hereby acknowledges, Senatorial and Partners stipulate and agree as follows:

2.1 Transmittal of List to Computer House. Partners as soon as practicable, and in no event later than May 15, 1989, shall transmit to Response Marketing, Inc., Tulsa, Oklahoma, a computer house ("Response"), a set of tapes containing the List, for such use as Senatorial may direct not inconsistent with this Agreement.

2.2 Mailings of List. Senatorial may direct Response to mail the List or any portion thereof not to exceed three mailings per entry on the List. For purposes of this Agreement, an entry on the List is a name/address of a donor or donors as set forth in 1.1, above.

2.3 Drop Dates Notification. Senatorial shall advise Partners as early as practicable of the estimated drop date of a mailing under this Agreement so that Partners, to the extent feasible, may avoid mailing during the same time window in which Senatorial mails.

2.4 No Reporting by Senatorial. Senatorial shall have no responsibility or obligation to account or otherwise report to Partners as to the response to any mailing under this Agreement.

2.5 Period of List and Termination of Agreement. Upon the completion of such mailings as Senatorial shall undertake under this Agreement, or upon November 1, 1990, whichever first

shall occur, Senatorial shall authorize and direct Response to return the List to Partners and this Agreement shall terminate.

2.6 Post-termination Conditions. Upon and after termination of this Agreement, Senatorial shall have no further right, title or interest in the List; provided, however, that Senatorial may compile, and utilize as Senatorial deems prudent, a list of names/addresses responsive to any mailing under this Agreement, which data Senatorial need not share with, or otherwise disclose to, Partners.

2.7 Applicable Law. This Agreement shall be construed according to the laws of the Commonwealth of Virginia.

AMERICAN NATIONAL SENATORIAL COMMITTEE

by \_\_\_\_\_  
Its Authorized Signatory

PARTNERS FOR AMERICA *[Signature]*

by \_\_\_\_\_  
Its Authorized Signatory

26043754774

RESPONSE TO QUESTIONS 4 & 5

06043754775

LAW OFFICES

VANDEVENTER, BLACK, MEREDITH & MARTIN

BRADEN VANDEVENTER  
WALTER B. MARTIN, JR.  
CHARLES F. TUCKER  
JOSEPH A. GAWNE  
MORTON H. CLARK  
JOHN M. RYAN  
G. WILLIAM BIRNHEAD  
JAMES S. MATHEWS  
GEOFFREY F. BIRNHEAD  
ANITA O. POSTON  
ROBERT L. O'DONNELL  
CARTER T. GUNN  
DANIEL R. WECHSTEIN  
MARK T. COHENLY  
F. NASH BILINSKY

500 WORLD TRADE CENTER  
NORFOLK, VIRGINIA 23510

CABLE HUOBSVAN  
TELEX 880 671  
TELECOPIER (804) 446-8670

TELEPHONE (804) 446-8600

WRITER'S DIRECT DIAL (804) 446-

MICHAEL P. COTTER  
R. JOHN BARNETT  
PATRICK W. HERMAN  
WILLIAM E. FRANCIS  
THOMAS M. LUCAS  
GORDON P. ROBERTSON  
DEAN T. BUCKEUS  
MICHAEL L. STERLING  
BRYANT C. MCGARR  
JAMES D. TUCKER  
DEBORAH L. MANCOLI  
BILLY J. COOPER  
ROBERT V. TIMMS, JR.  
NEIL S. LOWENSTEIN

HUGH S. MEREDITH  
OF COUNSEL

November 16, 1989

VIA FEDERAL EXPRESS

Stephen Plopper, Esq.  
Klineman, Rose, Wolf & Wallack  
135 N. Pennsylvania Street  
Suite 2100  
Indianapolis, Indiana 46204

Dear Steve:

Enclosed please find a Draft Agreement between Buert Servaas and Computer Futures, Ltd., wherein Buert gives up his interest in the Note in return for title to the computer. Also enclosed is a bid for the hardware in the amount of \$10,000. Please note that the software, the 18 IBM PC's, and one of the printers is not included in the bid. We have also received a bid of \$1,500 for the metal work station desks.

Please note that the Campaign, the PAC, and Christian Coalition plan to vacate the premises on December 1, 1989. Accordingly, time is critical on this transaction. Please give me your comments as soon as possible.

Sincerely,

VANDEVENTER, BLACK, MEREDITH & MARTIN

  
Gordon P. Robertson

GPR/mvk  
Enclosures

06043754776

**NORWEST**

Computer Company, Inc.

3445 Midway Rd. • Suite 105 • Carrollton, Texas 75006

Texas (214) 990-8970 • Toll-Free 1-800-858-0042 • FAX (214) 248-1248

November 13, 1989

Mr. Ralph Reed  
**THE CHRISTIAN COALITION**  
2127 Smith Ave.  
Chesapeake, VA 23320

Dear Ralph,

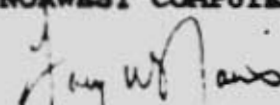
Norwest Computer Company is increasing the original offer of  
\$ 9,700.00 to \$ 10,000.00.

Also, Norwest will pay for deinstallation of the system and  
arrange the recertification of IBM Maintenance. If the equipment  
is currently meeting Sorbus maintenance standards, IBM  
recertification is not required.

Thank you for your consideration and I will keep this bid open  
thru noon Wednesday.

Best Regards,

**NORWEST COMPUTER COMPANY, INC.**

  
Gary W. Norris  
President

/gn

# NORWEST

Computer Company, Inc.

2448 Midway Rd. • Suite 108 • Carrollton, Texas 75006

Telex (214) 380-8870 • Toll-Free 1-800-888-0048 • FAX (214) 248-1848

November 7, 1989

Mr. Ralph Reed  
THE CHRISTIAN COALITION  
2127 Smith Ave.  
Chesapeake, VA 23320

Dear Ralph,

Norwest Computer Company is interested in purchasing the following IBM System 38.

5381-020 System Unit  
(3) 3370-012 Disk Drive  
3430-A01 Tape Drive  
(16) 5291-200 Display Station  
(3) 3179-200 Display Station

Norwest will pay \$ 9,700.00 in full prior to pick up. Norwest will be responsible for freight charges to remove the equipment from its current location.

Thank you for your consideration on this request and I will look forward to hearing from you.

Best Regards,

NORWEST COMPUTER COMPANY, INC.

*Gary W. Norris*  
Gary W. Norris  
President



LAW OFFICES  
VANDEVENTER, BLACK, MEREDITH & MARTIN

BRADEN VANDEVENTER  
WALTER B. MARTIN, JR.  
CHARLES F. TUCKER  
JOSEPH A. GAWYTS  
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G. WILLIAM BIRKHEAD  
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DANIEL E. WICKSTEIN  
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BILLY J. COOPER  
ROBERT V. TIMMS, JR.  
NEIL S. LOWENSTEIN

HUGH S. MEREDITH  
OF COUNSEL

November 16, 1989

PERSONAL AND CONFIDENTIAL

VIA FEDERAL EXPRESS

R. Marc Nuttle  
National Republican Congressional Committee  
320 First St. S.E.  
Washington, DC 20003

Dear Marc:

Enclosed please find draft agreements for exchanging the computer with Buert Servaas in return for canceling the Note and also for releasing Partners of America - State PAC from any liability under the contract. Partners in turn releases any claim of ownership of the computer. Also enclosed is a copy of the most recent bid submitted for the computer, which is \$10,000. Please note that this bid does not include the 18 IBM PC's nor does it include the software or the laser printer. We have received a separate bid of \$1,500 for the 15 metal work stations that went along with the computer.

Please note that the Campaign, the PAC and Christian Coalition will vacate the premises as of December 1, 1989. Accordingly, time is critical to this transaction so please let me have your thoughts as soon as possible.

Sincerely,

VANDEVENTER, BLACK, MEREDITH & MARTIN

  
Gordon P. Robertson

GPR/mvk

AGREEMENT OF SALE

THIS AGREEMENT is made as of the \_\_\_\_\_ day of November, 1989, by and between Computer Futures, Ltd. (hereinafter referred as the "Seller") and Buert Servaas (hereinafter referred to as the "Buyer").

WHEREAS, the Seller is desirous of selling and the Buyer is desirous of buying from the Seller one (1) IBM System 38 computer and modified direct mail software located at 2137 Smith Avenue, Chesapeake, Virginia, together with those items listed in Exhibit A (hereinafter referred to as the "Computer") on the terms and conditions hereinafter set forth.

NOW IT IS AGREED as follows:

1. Sale and Purchase. The Seller agrees to sell and the Buyer agrees to buy the computer and any and all maintenance manuals, wire diagrams, checklists, software and any other records, paperwork or spare parts and minor equipment which normally is considered a part of the Computer, including but not limited to those on Exhibit A attached hereto. The Computer is sold to the Buyer "AS IS, WHEREAS" and no warranty has been made by Seller in reference to the computer unless expressly included in this written Agreement of Sale between Seller and Buyer.

2. Price. The Buyer holds a certain note executed by Computer Futures, Ltd. in the principal sum of \$150,000.00. Computer Futures, Ltd. has paid \$100,000 on the note and as of November \_\_\_\_, 1989, there remains due and owing under the Note the sum of \_\_\_\_\_. In return for the sale of the Computer and those items listed on Exhibit A, the Buyer agrees to cancel and forever discharge Seller from any obligation under the note and will return the Note the Seller marked "Paid in Full."

3. Warranty of Sale. Seller warrants that it will convey to the Buyer good, marketable title to the Computer, free and clear of all liens, encumbrances, and rights in others. Seller further warrants that no other person or entity has any claim of ownership to the Computer. These warranties shall survive the closing of this purchase.

EXECUTED in duplicate this \_\_\_\_ day of November, 1989.

COMPUTER FUTURES, LTD.

By \_\_\_\_\_  
R. Marc Nuttle, General Partner

\_\_\_\_\_  
BURT SERVAAS

AGREEMENT OF RELEASE

THIS AGREEMENT is made as of the \_\_\_\_ day of November, 1989, by and between Computer Futures, Ltd. and Partners for America-State PAC.

WHEREAS, Partners for America - State PAC has defaulted under that certain contract between the parties dated November 30, 1988 and revised as of May 1, 1989; and

WHEREAS, Computer Futures, Ltd. and Partners for America-State Pac are desirous of releasing each other from any and all claims resulting from those certain contracts dated November 30, 1988 and May 1, 1989.

NOW IT IS AGREED as follows:

1. Computer Futures, Ltd. hereby releases Partners for America - State Pac from any and all obligations under those certain agreements of sale dated November 30, 1988 and May 1, 1989 wherein Partners for America - State PAC agreed to purchase an IBM System 38 Computer and modified direct mail software for a purchase price of \$150,000. To date, Partners for America-State PAC has only made \$100,000 payment on those certain contracts and has failed to pay the remaining \$50,000. Computer Futures, Ltd. hereby releases Partners for America - State PAC from any and all liability for paying the remaining \$50,000.

2. Partners for America - State PAC hereby acknowledges that it has defaulted under those certain contracts dated November 30, 1988 and May 1, 1989 wherein it agreed to purchase one IBM System 38 Computer and modified direct mail software for a purchase price of \$150,000. Partners for America - State PAC hereby releases Computer Futures, Ltd. from any obligation to complete the sale of the Computer as contemplated by the Agreement and hereby releases any and all claim of ownership, right, title or interest in that certain IBM System 38 Computer and modified direct mail software.

3. The parties to this Agreement jointly agree that the \$100,000 paid by Partners for America - State PAC to Computer Futures, Ltd. shall be deemed fair market rental for the computer for the period from January 1, 1989 until October 30, 1989.

EXECUTED this in duplicate this \_\_\_\_ day of November, 1989.

COMPUTER FUTURES, LTD.

By \_\_\_\_\_  
R. Marc Nuttle, General Partner

PARTNERS FOR AMERICA - STATE PAC

By \_\_\_\_\_  
Gordon P. Robertson, Trustee

26043154782

**NORWEST**

Computer Company, Inc.

2448 Midway Rd. • Suite 105 • Carrollton, Texas 75006

Texas (214) 380-8970 • Toll Free 1-800-858-0042 • FAX (214) 248-1246

November 13, 1989

Mr. Ralph Reed  
THE CHRISTIAN COALITION  
2127 Smith Ave.  
Chesapeake, VA 23320

Mr. Ralph,

Norwest Computer Company is increasing the original offer of  
\$ 9,700.00 to \$ 10,000.00.

Also, Norwest will pay for deinstallation of the system and  
arrange the recertification of IBM Maintenance. If the equipment  
is currently meeting Sorbus maintenance standards, IBM  
recertification is not required.

Thank you for your consideration and I will keep this bid open  
thru noon Wednesday.

Best Regards,

NORWEST COMPUTER COMPANY, INC.

*[Signature]*  
Gary W. Norris  
President

# NORWEST

Norwest Computer Company, Inc.

2445 Midway Rd. • Suite 108 • Carrollton, Texas 75006

Texas (214) 380-8870 • Toll-Free 1-800-898-0042 • FAX (214) 248-1348

November 7, 1989

Mr. Ralph Reed  
THE CHRISTIAN COALITION  
2127 Smith Ave.  
Chesapeake, VA 23320

Dear Ralph,

Norwest Computer Company is interested in purchasing the following IBM System 38.

5381-020 System Unit  
(3) 3370-012 Disk Drive  
3430-A01 Tape Drive  
(16) 5291-200 Display Station  
(3) 3179-200 Display Station

Norwest will pay \$ 9,700.00 in full prior to pick up. Norwest will be responsible for freight charges to remove the equipment from its current location.

Thank you for your consideration on this request and I will look forward to hearing from you.

Best Regards,

NORWEST COMPUTER COMPANY, INC.

*John H. Norris*  
John H. Norris  
President

# NORWEST

Computer Company, Inc.

2445 Midway Rd. • Suite 106 • Carrollton, Texas 75006

Telex (214) 380-8870 • Toll-Free 1-800 538-0042 • FAX (214) 248-1246

November 7, 1989

Mr. Ralph Reed  
THE CHRISTIAN COALITION  
2127 Smith Ave.  
Chesapeake, VA 23320

Dear Ralph,

Norwest Computer Company is interested in purchasing the following IBM System 38.

5381-020 System Unit  
3375-012 Disk Drive  
3430-A01 Tape Drive  
3191-200 Display Station  
3375-200 Display Station

Norwest will pay \$ 9,700.00 in full prior to pick up. Norwest will be responsible for freight charges to remove the equipment from its current location.

Thank you for your consideration on this request and I will look forward to hearing from you.

Best Regards,

NORWEST COMPUTER COMPANY, INC.

*[Signature]*  
Gary W. Norris  
President





Gordon Robertson

P. O. Box 1988  
Chesapeake, VA 23320  
(804) 523-1988

October 25, 1988

Mr. Marc Nuttle, General Partner  
Computer Futures LTD.  
224 West Gray #202  
Norman, OK 73069

Dear Marc:

Enclosed please find a check in the amount of \$52,000 for lease payments on the computer, software, microcomputers and office furniture as follows:

July 4, 1988	\$10,400
August 4, 1988	10,400
September 4, 1988	10,000
October 4, 1988	10,000
November 4, 1988	10,400

In addition, we propose a lease termination payment in the amount of \$115,000. We would ask that the lease would be terminated effective December 3, 1988. Enclosed is a partial payment toward the lease termination in the amount of \$58,000. Upon your acceptance of this proposal, we would forward the balance of \$57,000 by November 3, 1988. The computer and all equipment will be available for removal from the premises of Americans for Robertson, Inc. on December 4, 1988.

Please confirm your acceptance of this offer.

Very truly yours,

Allan R. Sutherlin, CEO  
Americans for Robertson, Inc.

FRANKIE SUE DEL PAPA  
Secretary of State

Telephone (702) 885-5203  
Fax (702) 885-3471

STATE OF NEVADA



DENNIS C. MYERS  
Chief Deputy Secretary  
of State

SHERWOOD COOK  
Deputy Secretary  
for Securities Regulation

DEPARTMENT OF STATE  
Capitol Complex  
Carson City, Nevada 89710

May 31, 1988

TO: Gordon Robertson

FROM: Patti Isaman *PI*  
Elections Division

\*\*\*\*\*

Regarding your letter of May 27, 1988, Nevada has no requirement for pac's to file any reports. We do have a requirement in NRS 294A.041 which requires a report to be filed if you advocate an election for a candidate, group of candidates, ballot question or group of ballot questions. I sent you this information in an envelope after your call on Friday, May 27, 1988.

If you have any further questions, please feel free to contact the election division.

3604374767

UNANIMOUS WRITTEN CONSENT OF THE TRUSTEES  
IN LIEU OF THE ORGANIZATIONAL MEETING  
OF  
PARTNERS FOR AMERICA

We, the undersigned, being all the initial trustees of Partners for America, hereby approve and adopt the following action to serve as and in place of the organizational meeting of the Trustees of the Committee, effective as of June 26, 1988:

ARTICLES OF ASSOCIATION:

The attached copy of the Articles of Association are hereby ratified to be the Articles of the Committee.

OFFICERS:

The following persons are hereby elected to the offices preceding their names to serve until the next annual meeting, or until their successors are duly elected and qualified:

Chairman	Gordon P. Robertson
Secretary /Treasurer	Ray W. King

POWER TO TRANSACT BUSINESS:

It is hereby:

RESOLVED, that for the purpose of authorizing the Committee to do business in any state, territory or dependency of the United States or any foreign country in which it is necessary or expedient for this Committee to transact business, the proper officers of this Committee are hereby authorized to appoint and substitute all necessary agents or attorneys for service of process, to designate and change the location of all necessary statutory offices and, to make and file all necessary certificates, reports, powers of attorney and other instruments as may be required by the laws of such state, territory, dependency or country to

authorize the Committee to transact business therein.

REIMBURSEMENT OF EXPENSES:

It is hereby:

RESOLVED, that the Treasurer of the Committee be and hereby is authorized to pay all charges and expenses incident to or arising out of the organization of the Committee and to reimburse any person who has made any disbursement therefor.

BANK ACCOUNTS:

It is hereby:

RESOLVED, that the Treasurer be and hereby is authorized to open a bank account on behalf of the Committee with Valley Bank located in Las Vegas, Nevada and Central Fidelity Bank located in Norfolk, Virginia and a resolution for that purpose on the printed forms of said banks was adopted and was ordered appended to the minutes of this meeting.

GENERAL:

It is hereby:

RESOLVED, that the actions of M. G. Robertson in retaining the law firm of Vandeventer, Black, Meredith & Martin as legal counsel and in directing them to take the necessary steps to assist in the formation of Partners for America are approved; and

RESOLVED, that the Committee proceed to carry on the business for which it was formed; and

FURTHER RESOLVED, that the signing of this Written Consent by its signatories will constitute full ratification hereof of the actions of the Committee as and for the Organizational Meeting of the Committee.

Date:

June 27, 1989

Steve Wark  
Steve Wark

Date:

June 27, 1989

M. G. Robertson  
M. G. Robertson

Date:

June 27, 1989

Gordon P. Robertson  
Gordon P. Robertson

000040754790

ARTICLES OF ASSOCIATION

OF

PARTNERS FOR AMERICA

ARTICLE I

NAME

The name of this association shall be Partners for America (hereinafter referred to as the "Committee").

ARTICLE II

PRINCIPAL OFFICE AND ADDRESS

The principal office of the Committee shall be located in Nevada. The Committee may maintain such other offices in other states as may be necessary to carry out the Committee's purposes.

ARTICLE III

ORGANIZATION

The Committee shall be a voluntary, nonprofit, unincorporated association, operating as a political committee independent of any organization or group.

66043754791

## ARTICLE IV

### PURPOSES AND POWERS

Section 1. The purpose of the Committee shall be to provide the opportunity for individuals interested in good government to contribute to the support of worthy candidates for state office who believe, and have demonstrated their beliefs in, the principles to which the Committee is dedicated. To further these purposes, the Committee is empowered to solicit, directly or indirectly, and accept, voluntary contributions from permissible sources and to make contributions and expenditures in connection with the attempt to influence the selection, nomination, or election of any individual to any state office.

Section 2. The Committee, and its officers and subcommittees, shall possess and may exercise all powers and privileges set forth in these Articles or incidental thereto, together with all powers and privileges necessary or convenient to the conduct, promotion, or attainment of the purposes of the Committee or these Articles.

## ARTICLE V

### PARTICIPATION

All United States citizens are eligible to contribute to the



Committee, and the Committee is authorized to solicit and accept contributions from any person or entity from whom contributions may be lawfully solicited.

## ARTICLE VI

### CONTRIBUTIONS

Section 1. All contributions to the Committee shall be voluntary, and no contribution to the Committee shall be solicited or secured by physical force, job discrimination or financial reprisal, or threat thereof, or as a condition of employment.

Section 2. Basic policies with respect to the expenditure or distribution of all contributions to the Committee shall be within the sole discretion of the Trustees of the Committee.

Section 3. No contribution shall be accepted, and no expenditure shall be made, by or on behalf of the Committee, at a time when there is a vacancy in the office of the Treasurer.

## ARTICLE VII

### TRUSTEES

Section 1. The governing body of the Committee shall be a Board of Trustees, composed of from three to nine members. The

initial Trustees are:

Gordon P. Robertson, Trustee

M. G. Robertson, Trustee

Steve Wark, Trustee

26043754774  
The Trustees are empowered to set basic policies with respect to expenditures to be made by the Committee, and to direct disbursements to specific candidates. The Trustees shall determine the procedures for collection and distribution of funds to the candidates and political committees that the Committee shall support and the amount of all expenditures and disbursements by the Committee. On an annual basis, the Trustees shall elect those persons who shall serve as Trustees for the coming year.

Section 2. A trustee shall not be entitled to any compensation for his or her services as a trustee, unless such compensation for one or more trustee is authorized in a resolution approved by a majority of the Trustees of the Committee then in office. The foregoing shall not prevent the Trustees from providing reasonable compensation to a trustee for services which are beyond the scope of his or her duties as a trustee or from reimbursing any trustee for expenses actually and necessarily incurred in the performance of his or here duties as a trustee or from entering into a contract, directly or indirectly, with a trustee for the providing of goods and

services to the Committee if such contract is in the best interest of the Committee and on fair and reasonable terms, as determined by a vote of trustees not having a material financial interest in the matter.

26043754795  
Section 3. The Committee may, whenever its general interests require the same, borrow money and issue its promissory note or bond for the repayment thereof with interest, and may in like case mortgage its property for security for its debts or otherwise lawful engagements. In addition to the powers mentioned in and implied above, the Trustees shall have the power to authorize the borrowing or raising of money for Committee purposes, the issuance of bonds or notes, the security of such obligations by mortgage or other lien upon any and all of the property of the Committee.

Section 4. Regular meetings of the Trustees shall be held at a specified time and place designated by the Trustees. The Trustees shall meet as often as necessary to transact the business of the Corporation. Notice of regular meetings shall be provided as prescribed by the Trustees by resolution. Special meetings of the Trustees may be called at the request of not less than two (2) of the members of the Trustees. Notice of special meetings shall be mailed, sent by telegram or delivered to each trustee not less than twenty-four (24) hours before the time of such meeting, unless, in case of emergency, the Trustees calling

the meeting shall specify shorter notice periods to be provided personally or by telephone or telegram. Notice of special meetings shall state the purposes for the special meeting and at such meeting no other business than that stated in the notice shall be transacted as official business.

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Section 5. Any meeting of the Trustees may be deemed to have been validly and legally called if all of the Trustees entitled to vote on the day of the meeting sign a written waiver of notice, either before or after the meeting. Attendance of a trustee at any meeting shall constitute a waiver of notice of that meeting and no written waiver need be obtained from that trustee except when the trustee attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. All such waivers, consents or approvals shall be filed with the Committee records.

Section 6. Any action required or permitted at any meeting of the Trustees may be taken without a meeting, without prior notice and without a vote if all of the Trustees entitled to vote thereon consent in writing. Said written consents shall be filed with the minutes of the proceedings and shall have the same effect as a vote for all purposes.

Section 7. A majority of Trustees and a majority of the voting members of any committee of the Trustees shall constitute a quorum for the transaction of business. Whenever less than a quorum is present at any duly noticed meeting of the Trustees, or

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of any committee of the Trustees, a majority of those present may adjourn the meeting without notice, other than by announcement at the meeting, until a quorum is present. Each trustee shall have one vote on each matter submitted to the Trustees for their vote, consent, waiver, release or other action. The vote of a majority of the Trustees present at any meeting at which there is a quorum shall be the act of the Trustees or of the committee except as a larger vote may be required by the laws of the Commonwealth of Virginia or these Articles of Association. Trustees shall not be entitled to vote by proxy but may send a representative to any meeting of the Trustees which he cannot attend. Such representative shall be entitled to speak for or against any question presented to the meeting but shall not be entitled to vote.

Section 8. A member of the Trustees or of a committee designated by the Trustees may participate in a meeting by the means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear one another. Participation in a meeting in this manner constitutes presence in person at the meeting.

#### ARTICLE VIII

##### OFFICERS

Section 1. The officers of the Committee shall be the Chairman, Treasurer, and Secretary.

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Section 2. The Chairman and Treasurer of the Committee shall be elected annually and may be Trustees. The dates of elections and the procedures governing them shall be determined by the Trustees.

Section 3. Subject to the determinations of the Trustees, the Chairman shall administer and have general and active management and supervision of all the affairs of the Committee. The Chairman shall preside at all Committee meetings.

Section 4. The Treasurer shall be the chief financial officer of the Committee, shall keep the financial and other records of the Committee, shall comply with all applicable legal requirements, and shall perform such other duties as may be assigned by the Chairman, or the Trustees.

Section 5. The Secretary shall be responsible for maintaining the records of the meetings of Trustees.

Section 6. The Trustees may appoint a Vice Chairman and Assistant Treasurer to succeed to the offices of Chairman and Treasurer in the event of a vacancy in either of those offices. Should a vacancy occur in the office of Chairman or Treasurer, the Trustees shall immediately elect a successor to serve until the next regular annual election of officers.



## ARTICLE IX

### REMOVAL

A Trustee may be removed by unanimous vote of the other Trustees.

## ARTICLE X

### FISCAL POLICY

Section 1. The fiscal year of this Committee shall be the period beginning on January 1 of each year and ending on December 31 of the same year.

Section 2. The books and records of the Committee shall be audited at such times and in such manner as the Trustees shall from time to time determine by resolution or order.

Section 3. All checks, drafts, or orders for the payment of money, shall be executed in the name of the Committee in such manner by such officer or officers or employees as the Trustees shall determine by resolution or order.

Section 4. When the execution of any contracts, conveyances or other instruments has been authorized without specifying the executing officers, any officer may execute the same in the name and on behalf of this Committee. Such authority may be general



or confined to specific instances and unless so authorized by the Trustees, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose.

Section 5. The Trustees shall adopt a budget for each fiscal year and the Committee shall function within the totals of such budget. Any expenditures in excess of such budget must be authorized by the Trustees.

## ARTICLE XI

### DISSOLUTION

The Committee may be dissolved at any time by the majority vote of the Trustees. In the event of such dissolution, all funds contained in the Committee's campaign depository(ies) shall be expended as determined by the Trustees for the purposes set forth in Article IV and in accordance with applicable laws and regulations.

## ARTICLE XII

### INDEMNIFICATION

Section 1. The Committee shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by

reason of the fact that he is or was a trustee or officer of the Committee, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he (a) was not guilty of wilful misconduct or a knowing violation of the criminal law in the performance of his duty to the Committee; (b) acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation; (c) with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful; (d) in the case of amounts paid in settlement, that such settlement was reasonable and in, or not opposed to, the best interests of the Corporation. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Committee, and, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his conduct was unlawful.

Section 2. To the extent that a trustee or officer of the Committee has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Section 1 of this Article or in defense of any claim, issue or matter

therein, he shall be indemnified against expenses (including attorneys' fees), actually and reasonably incurred by him in connection therewith.

Section 3. Any indemnification under Section 1 of this Article (unless ordered by a court) shall be made by the Committee only as authorized in the specific case upon a determination that indemnification of the trustee or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 of this Article. Such determination shall be made either (a) by the Trustees by a majority vote of trustees who were not parties to such action, suit, or proceeding; or (b) if such a vote is not obtainable, or, even if obtainable, and a majority of disinterested trustees so direct, by independent legal counsel in a written opinion. Notwithstanding the failure or refusal of the Trustees or counsel to make provision therefor, such indemnification shall be made if a court of competent jurisdiction makes a determination that the trustee or officer has a right to indemnification hereunder in any specific case upon the application of such person, or if a court of competent jurisdiction determines that such person has satisfied the standards for indemnification specified in Section 1 of this Article.

Section 4. Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be

paid by the Committee in advance of the final disposition of such action, suit or proceeding as authorized by the Trustees in the specific case upon receipt of an undertaking by or on behalf of the trustee or officer, to repay such amount unless it shall be determined ultimately that he is entitled to be indemnified by the Committee.

Section 5. Neither the Committee nor its Trustees or officers nor any person acting on its behalf shall be liable to anyone for any determination as to the existence or absence of conduct which would provide a basis for making or refusing to make any payment under this Article or for taking or omitting to take any other action under this Article, if such action or omission is made in reliance upon the advice of counsel.

Section 6. Each reference herein to Trustees or officers, shall be deemed to include references to former Trustees, officers, and their respective heirs, executors, and administrators. The indemnification hereby provided shall not be exclusive of any other rights to which any person may be entitled, including any right under policies of insurance that may be purchased and maintained by the Committee or others, with respect to claims, issues, or matters in relation to which the Committee would not have the power to indemnify such person under the provisions of this Article.

ARTICLE XIII

AMENDMENTS

These Articles of Association may be amended by a majority vote of the Trustees at a duly convened meeting for which advance notice of a period not less than twenty-four (24) hours shall have been given as to the purpose of the meeting and the particulars of any amendments. Said notice being served upon each Trustee at the address provided by that Trustee.

Effective Date: June 1, 1984

PARTNERS FOR AMERICA

M. G. Robertson

Gordon P. Robertson

Steve Wark



Republican  
National  
Committee

Michael A. Hess  
Chief Counsel

Thomas J. Josefiek  
Deputy Chief Counsel

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

May 2, 1994

Mr. Anthony Buckley  
Federal Election Commission  
Office of the General Counsel  
999 E Street, N.W.  
Washington, D.C. 20463

RE: MUR 3485

Dear Mr. Buckley:

Enclosed per your recent request are copies of relevant contracts between the Republican National Committee and E. Marc Nuttle.

If you need any further information, please do not hesitate to contact me.

Sincerely,

Michael A. Hess



# Republican National Committee

E. Mark Braden  
Chief Counsel

Michael A. Hess  
Randall Davis  
Deputy Chief Counsels

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

May 6 1 03 PM '94

April 20, 1988

## MEMORANDUM TO CONTRACT FILE

RE: Contract between the Republican National Committee and  
R. Marc Nuttle

The attached document sets forth, in detail, the agreement between  
the parties involved.

This memorandum, when properly dated and initialed as indicated  
below, will constitute approval of the agreement and must be  
completed before signature by the Chairman. It will then become a  
permanent part of the file relating to the contract between the RNC  
and the above party.

APPROVED	Initials	Date
Chief of Staff	<i>[Signature]</i>	4/20/88
Legal Counsel	<i>RW</i>	4/20/88
Comptroller	<i>QJB</i>	4/20/88
Division Director		

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# Republican National Committee

E. Mark Braden  
Chief Counsel

Michael A. Hess  
Randall Davis  
Deputy Chief Counsels

April 20, 1988

Mr. R. Marc Nuttle  
224 West Gray, Suite 202  
Norman, OK 73069

Dear Mr. Nuttle:

This letter will set forth the terms and conditions of the agreement between you and the Republican National Committee ("RNC"). Under the terms of this agreement, you are hereby retained by the RNC as a consultant to the Chairman's Office. Your primary duties and responsibilities will be to provide your professional services as required by the Chairman's Office.

In return for your services as described above, the RNC agrees to pay you Five Thousand Dollars (\$5,000.00) per month. The RNC shall pay this sum to you upon receipt of your billing invoice.

The RNC will reimburse to you those business-related travel or other expenses reasonably and necessarily incurred by you in connection with the performance of your duties under the terms of this agreement, provided such expenses are approved in advance by the Chief of Staff. Fees and expenses will be paid upon submission by you of your statement for services rendered and expenses. Only those expenses incurred in compliance with RNC expense policy will be reimbursed. A copy of the RNC Comptroller's Manual is attached for your guidance in seeking reimbursement for expenses.

It is understood that the RNC will not be responsible for the payment of, or withholding of, federal, state and/or local taxes, payroll taxes, Social Security taxes, health insurance, unemployment insurance, and any other similar personnel costs in connection with this agreement.

The term of this agreement shall be from April 1, 1988, through June 30, 1988. Either party to this agreement may terminate said agreement, with or without cause, upon ten (10) days written notice to the other party. In the absence of such notice of termination prior to June 30, 1988, this agreement shall terminate automatically on that date.

In connection with the performance of your duties under the terms of this agreement, it is understood that you will enter into no contract or agreement on behalf of the RNC without the prior approval of the Chairman of the RNC and the Chief Counsel of the RNC. It is further understood that the performance of your duties and responsibilities under the terms of this agreement will, at all times, be subject to the direction of the Chairman of the RNC, but coordinated directly with the Chief of Staff.

The RNC is an unincorporated association created by the Rules of the Republican Party adopted by the 1984 Republican National Convention on August 20, 1984, in Dallas, Texas. The members, officers, employees and agents of the Republican National Committee, as well as the members of the Executive Committee of the RNC, shall not be personally liable for any debt, liability, or obligation of the RNC. All persons, corporations or other entities extending credit to, contracting with, or having any claim against the RNC, may look only to the funds and property of the RNC for payment of any such contract or claim or for the payment of any debt, damages, judgment or decree or any money that may otherwise become due or payable to them from the RNC.

The signatures of the parties affixed below will constitute the acceptance of the terms of this agreement. The terms set forth above constitute the full and complete agreement between the parties, and any modification thereto must be agreed to by the parties, set forth in writing, and signed by the parties.

Very truly yours,

*Randall Davis*

Randall Davis

RD:jd  
Enclosure

ACCEPTED AND AGREED TO

REPUBLICAN NATIONAL COMMITTEE

BY: *R. Marc Nuttle*  
R. Marc Nuttle

BY: *Frank J. Fahrenkopf, Jr.*  
Frank J. Fahrenkopf, Jr.  
Chairman

443-48-0874  
Social Security Number



Republican  
National  
Committee

E. Mark Braden  
Chief Counsel

Michael A. Hess  
Randall Davis  
Deputy Chief Counsels

July 8, 1988

MEMORANDUM TO CONTRACT FILE

RE: Contract between The Republican National Committee and  
R. Marc Nuttle, Esquire, consultant to the Chairman's Office.

The attached document sets forth, in detail, the agreement  
between the parties involved.

This memorandum, when properly dated and initialed, as indicated  
below, will constitute approval of the agreement and must be  
completed before signature by the Chairman. It will then become  
a permanent part of the file relating to the contract between the  
RNC and the above party.

APPROVED	Initials	Date
Chief of Staff	AW	7/12/88
Legal Counsel	es	7/11
Admin. Director	JB	7/11/88
Division Director		



**Republican  
National  
Committee**

**E. Mark Braden**  
Chief Counsel

**Michael A. Hess**  
**Randall Davis**  
Deputy Chief Counsels

July 8, 1988

R. Marc Nuttle, Esquire  
224 West Gray, Suite 202  
Norman, OK 73069

Dear Marc:

This letter will extend the agreement between you and the Republican National Committee (RNC) as set forth in the letter of agreement, dated April 20, 1988.

Your agreement to function as a consultant to the Chairman's Office of the RNC is hereby extended from July 1, 1988, through September 30, 1988. All other terms of the agreement between you and the RNC remain identical to those contained in the initial letter of agreement, dated April 20, 1988.

Very truly yours,

E. Mark Braden

ACCEPTED AND AGREED TO

REPUBLICAN NATIONAL COMMITTEE

BY:

R. Marc Nuttle  
R. Marc Nuttle

443-48-0874  
Social Security Number

BY:

Frank J. Fahrenkopf Jr.  
Chairman



**Republican  
National  
Committee**

**E. Mark Braden**  
Chief Counsel

**Michael A. Hee**  
**Randall Davis**  
Deputy Chief Counsels

September 27, 1988

**MEMORANDUM TO CONTRACT FILE**

RE: Contract between the Republican National Committee and  
R. Marc Nuttle, consultant to the Chairman's office.

The attached document sets forth, in detail, an extension of the  
agreement between the parties involved.

This memorandum, when properly dated and initialed as indicated  
below, will constitute approval of the agreement and must be  
completed before signature by the Chairman. It will then become a  
permanent part of the file relating to the contract between the RNC  
and the above party.

APPROVED	Initials	Date
Chief of Staff	fw	9/28/88
Chief Counsel	AD	9/27/88
Admin. Director	AB	9/27/88
Division Director		



Republican  
National  
Committee

E. Mark Braden  
Chief Counsel

Michael A. Hess  
Randall Davis  
Deputy Chief Counsels

September 27, 1988

R. Marc Nuttle, Esquire  
224 West Gray, Suite 202  
Norman, OK 73069

Dear Mr. Nuttle:

This letter will further extend the agreement between you and the Republican National Committee (RNC) as set forth in the letter of agreement, dated April 20, 1988, and the letter of extension, dated July 8, 1988.

Your agreement to function as a consultant to the Chairman's Office of the RNC is hereby extended from October 1, 1988, to November 15, 1988. All other terms of the agreement between you and the RNC remain identical to those contained in the initial letter of agreement, dated April 20, 1988, and the letter of extension.

Sincerely,

Randall Davis

ACCEPTED AND AGREED TO

REPUBLICAN NATIONAL COMMITTEE

BY:

R. Marc Nuttle

443-48-0874  
Social Security Number

BY:

Frank J. Fahrenkopf Jr.  
Chairman



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EPSTEIN BECKER & GREEN, P.C.

ATTORNEYS AT LAW

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WASHINGTON, D.C. 20037-11561

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ONE RIVERFRONT PLAZA  
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(415) 398-3800

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DALLAS, TEXAS 75281-12081  
(214) 490-3143

116 SOUTH MONROE STREET  
TALLAHASSEE, FLORIDA 32301-1530  
(904) 681-0588

2400 SOUTH DIXIE HIGHWAY, SUITE 100  
MIAMI, FLORIDA 33133  
(305) 856-1100

510 KING STREET, SUITE 301  
ALEXANDRIA, VIRGINIA 22314-31321  
(703) 684-1204

May 5, 1994

\*P.C. NEW YORK, WASHINGTON, D.C., NEW JERSEY,  
CONNECTICUT, VIRGINIA AND TEXAS ONLY

VIA FACSIMILE AND FIRST-CLASS MAIL

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, D.C. 20463

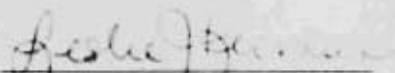
Re: M.U.R. 3485: Respondent Dr. Beurt R. SerVaas

Dear Mr. Buckley:

Per our telephone conversation of yesterday, May 4, 1994, this is to confirm that the redactions from documents numbered #35 and #36 in Dr. SerVaas' July 2, 1993 filing with your office do not pertain to, address, or otherwise reference the National Republican Senatorial Committee, the Partners for America - State Pac, and/or the purchase or rental of any mailing list.

Please contact me if you have any further questions regarding this matter.

Sincerely,

  
Leslie J. Kerman

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

MAY 9, 1994

E. Mark Braden, Esq.  
Baker & Hostetler  
Washington Square, Suite 1100  
1050 Connecticut Avenue, N.W.  
Washington, D.C. 20036-5304

RE: MUR 3485

Dear Mr. Braden:

The Office of the General Counsel has examined the response of your client, Gordon Robertson, to the Subpoena and Order issued to him by the Federal Election Commission on March 10, 1994. In our opinion, your client has not been responsive to that Subpoena and Order.


First, we note that the last documents authored by your client which were produced are letters dated November 16, 1989 to R. Marc Nuttle and Stephen Plopper. We are aware, through other sources, that your client also authored an August 10, 1990 letter to Mr. Plopper. This letter and all attachments and enclosures should have been produced.

Second, your client has failed to submit the preceding or subsequent correspondence from Messrs. Nuttle and Plopper that you indicated he had received. Your client's explanation that he could find certain correspondence but not others indicates a lack of due diligence in responding to the Commission's Subpoena and Order.

If your client has exhausted all possible sources of information responsive to the Subpoena and Order, we would appreciate a statement under oath to this effect. Your client is also reminded that the Commission's Subpoena and Order is continuing in nature, so as to require him to produce these, and any other relevant documents, should he obtain them.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

36043754814



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20461

MAY 9, 1994

Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

RE: MUR 3485  
Beurt R. SerVaas

Dear Ms. Kerman:

The Office of the General Counsel has conducted an initial review of the response of your client, Beurt SerVaas, to the subpoena and order issued to him by the Federal Election Commission on March 10, 1994. Our review has raised certain questions.

First, a July 24, 1990 letter from Stephen Plopper to Gordon Robertson, number 35 by your numbering, discusses the effort to obtain satisfaction of the promissory note issued to Mr. SerVaas by Computer Futures, Ltd., and makes demand for payment of the outstanding balance due of \$68,655.84. Your client may wish to review his records to confirm that there are no additional documents which would either continue negotiations toward resolving this debt, transmit payment, or otherwise address this issue.

Second, two of the documents submitted by your client, numbers 35 and 36, have been redacted. You have explained these redactions in a May 5, 1994 letter, stating that "they do not pertain to, address, or otherwise reference the National Republican Senatorial Committee, the Partners for America - State PAC, and/or the purchase or rental of any mailing list." Did you also intend to include the effort to satisfy the obligation of Computer Futures, Ltd. to your client? If not, please review the redacted portions of the documents for information relevant to this issue.

Third, it appears that the redacted August 10, 1990 letter from Gordon Robertson to Stephen Plopper, number 36, is responsive because it responds to the July 24, 1990 letter from Stephen Plopper, discussed above, which addressed the satisfaction of the promissory note. Also, although all but the opening sentence has been redacted, the end of the document indicates that an enclosure accompanied it. The next document in the series, number 37, is a draft Agreement of Sale between Computer Futures, Ltd. and Beurt SerVaas for the System 38 computer and other equipment. Is this

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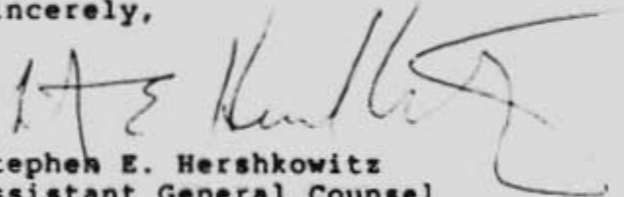
Leslie J. Kerman, Esq.  
MUR 3485  
Page 2

draft Agreement the enclosure to the August 10, 1990 letter? As this enclosure is not referenced in the unredacted portion of number 36, it appears that it is referenced in the redacted portion of that same document. Accordingly, the redacted portion appears to be within the scope of the Commission's March 10, 1994 subpoena and order, and should be produced.

Finally, please provide a statement signed by your client, under oath, affirming your representations in response to the subpoena and order. A response to these questions would be appreciated by May 16, 1994.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "S. E. Hershkowitz", with a stylized flourish at the end.

Stephen E. Hershkowitz  
Assistant General Counsel

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OLC 1291

LAW OFFICES  
**MARION EDWYN HARRISON**

WASHINGTON  
FALLS CHURCH  
ZURICH

TELEPHONE (703) 965-0800  
TELEPHONE (703) 532-0303  
FACSIMILE (703) 532-0086

MARION EDWYN HARRISON (DC, VA)  
JOHN S. BAKER, JR. (DC, LA)  
DANIEL M. REDMOND (DC)

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COMMISSION  
ADMINISTRATIVE DIVISION

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CORRESPONDENCE TO:  
107 PARK WASHINGTON COURT  
FALLS CHURCH, VIRGINIA 22046

May 9, 1994

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: **FEC MUR 3485**

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RECEIVED  
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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Dear Tony:

We are unsure of the purpose of your letter of May 3, 1994.

Frankly, in more than 40 years at the bar, and with considerable discovery and other litigation experience, I have run into few questions as ineptly worded as some we have received in this matter. It is troublesome enough to dribble questions out over a period of approximately a year. It is the more troublesome when the questions are repetitious and/or unclear. Some of the questions if asked in an open hearing would be subject to sustainable objection. Notwithstanding the foregoing, we have not objected upon those grounds to any question but have attempted to answer them all, merely noting, and thereby reserving, our other objections.

Question #9, which you cite, is illustrative of the problem. To ask a third party, having no relationship with two other parties, *to identify all persons who in any way dealt with the other two parties*, at best is objectionable, especially when the questioner already knows that Respondent was connected with neither of the other two parties at the time to which the question speaks. It is as though you were asked seven years after you graduated from Villanova Law School, a law school with which you have had no subsequent connection except as an alumnus, *to identify all persons who in any way dealt with Villanova and some other organization with*

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Anthony T. Buckley, Esquire  
May 9, 1994  
Page 2

which you had no connection and about which you know nothing except a little hearsay. Even if the question were properly phrased, it would lead to no discovery in this instance because, while Respondent may have heard at one time of one or more individuals about whom you enquire he, having no connection with either entity, obviously could not *identify all persons* and, indeed, after five years, could not identify any, assuming he had heard of any by heresay in the first place.

You know, because asked and answered, when Respondent was connected with AFR; when he was connected with NRSC; and that he never had anything to do with PFA. Hence, #9, even if properly phrased, is useless.

Please bear in mind that Respondent voluntarily turned over to FEC those records FEC appeared to want; had no duty to retain records; has satisfied all tax obligations; and now, from five to eight years after events, is being asked, over a period of almost a year, to produce documents and answer questions. This approach is neither timely, fair nor competent.

I doubt I have written a letter like this before, and, in view of what appears to be your agreeable nature, do not enjoy writing this one, but if you are going to memorialize by written communication the proposterousness of the interrogatory approach undertaken, there is no alternative but to respond in writing.

If FEC had been serious about investigating Respondent's activities, the time to have done so long since has past.

By a rather detailed Affidavit submitted July 23, 1993 - almost a year ago - we provided considerably more information than the totality of the interrogatories requested - and did so after Respondent personally, and without counsel, met at FEC with FEC personnel, answering all questions asked and furnishing all documents requested.

Anthony T. Buckley, Esquire

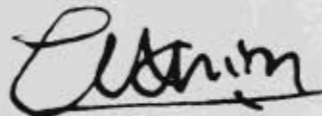
May 9, 1994

Page 3

This investigation and the series of interrogatories partakes of institutional harassment and must be stopped.

We point out that, as you have acknowledged, FEC does have documents from Respondent, some of which apparently are in Audit and others in the General Counsel's Office, and possibly some of which FEC mislaid. If FEC were serious and mindful of the burden these continuing interrogatories place upon Respondent, FEC not only would have issued these interrogations upon a timely basis but also would have identified the documents which Respondent gave to FEC. Further, a specific interrogatory, such as #9 to which you refer, would attach the document about which FEC seeks to question, as required by the normal procedures for cross-examination in administrative and judicial proceedings.

Sincerely,



MARION EDWYN HARRISON

cc: R. Marc Nuttle, Esquire



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Nov 11 2 32 PM '94

In the Matter of

AMERICANS FOR ROBERTSON et al  
(R. MARC NUTTLE)

MUR 3485

**AFFIDAVIT OF R. MARC NUTTLE, ESQUIRE**

R. Marc Nuttle, Esquire, first sworn, deposes and says as follows:

1. During the period March 1989 - March 1991, I was a consultant to the National Republican Congressional Committee ("NRCC") and carried the title Executive Director. During that period Trevor Potter, Esquire was an associate and/or partner in the law firm of Wiley, Rein & Fielding, Washington, D.C. Said law firm, through a more senior partner, Jan Witold Baran, Esquire, was counsel to NRCC. *Mr. Potter specifically was assigned as my attorney.*
2. Upon a number of occasions during that period of approximately one year Mr. Potter gave confidential attorney-client privileged advice to me, including advice about some of the very matters into which FEC through MUR 3485 now enquires and about which FEC is



making, or will consider making, findings. Mr. Potter's advice included, but was not limited to, visits to my NRCC office, where I shared confidential information with Mr. Potter to which the attorney-client privilege is applicable.

3. At no time have I been asked to consent to, or consented to, the release or use of any such information by Mr. Potter or Mr. Potter's participation against me in MUR 3485.

Further Affiant sayeth not.

R. Marc Nuttle  
R. MARC NUTTLE

State of Oklahoma        }  
                                  }ss  
County of Cleveland     }

Subscribed and sworn to before me this 11<sup>th</sup> day of May, 1994.

\_\_\_\_\_  
Notary Public

My commission expires \_\_\_\_\_

FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

In the Matter of

AMERICANS FOR ROBERTSON et al  
(R. MARC NUTTLE)

MUR 3485

**MOTION OF RESPONDENT R. MARC NUTTLE  
TO RECUSE COMMISSIONER TREVOR POTTER  
AND TO RECONSIDER MUR 3485 VOTES**

R. Marc Nuttle, Esquire, a Respondent in these proceedings, moves to recuse Commissioner Trevor Alexander McClurg Potter from any and all participation in any matter directly or indirectly relating to Respondent Nuttle, MUR 3485.

During the period March 1989 - March 1991, Respondent Nuttle was under contract with the National Republican Congressional Committee ("NRCC") and carried the title Executive Director. During that period Mr. Potter was an associate and/or partner in the law firm of Wiley, Rein & Fielding, Washington, D.C. Said law firm, through a more senior partner, Jan Witold Baran, Esquire, was counsel to NRCC. Mr. Potter specifically was assigned as attorney for Respondent Nuttle. Nuttle Affidavit, attached.

Upon a number of occasions during that period of approximately two years Mr. Potter gave confidential attorney-client privileged advice to Respondent Nuttle, including advice about some of the very matters into which FEC through MUR 3485 now enquires and about which

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FEC is making, or will consider making, findings. Mr. Potter's advice included, but was not limited to, visits to Respondent Nuttle's NRCC office, where Respondent Nuttle shared confidential information with Mr. Potter to which the attorney-client privilege is applicable. Nuttle Affidavit.

Until recused or enjoined, Commissioner Potter (1) votes upon adversarial proceedings against Respondent Nuttle and (2) ultimately will sit in judgment on the matters about which he advised Respondent Nuttle. Were FEC to take adverse action against Respondent Nuttle in MUR 3485, Respondent Nuttle's former counsel, as Commissioner Potter, would be a member of FEC, the very regulatory agency which would be adverse to Respondent Nuttle in administrative and/or judicial proceedings.

Mr. Potter at all times material has been, and is, a member of the District of Columbia and Illinois Bars.

Under Rule 1.11, American Bar Association Model Rules of Professional Conduct, and more particularly Rule 1.11(c)(1) and 1.11(d)(1), Commissioner Potter may not pass judgment upon, or participate in, an adverse action against Mr. Potter's former client, Respondent Nuttle.

Under the most fundamental principles of fairness, Mr. Potter is obligated to preserve the confidences and secrets of his former client and to refrain from directly or indirectly using any such information.

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The District of Columbia Bar Rule, explicitly applicable to Mr. Potter as a member since 1988, is to the same effect. Rule 1.9.

Respondent Nuttle's rights in MUR 3485 only can be protected if Commissioner Potter recuses himself from any and all participation in MUR 3485 with respect to Respondent Nuttle and FEC issues to Counsel for Respondent Nuttle an official FEC minute acknowledging said recusal.

Respondent Nuttle also moves FEC to reconsider every vote taken in MUR 3485 which directly or indirectly relates to Respondent Nuttle, to assure that each such vote, nunc pro tunc, receives a minimum of four affirmative votes.

Respondent Nuttle reserves all rights in the premises.

---

Commissioner Potter should recuse himself as to any respondent in MUR 3485 in view of his tainted role as a former counsel to Respondent Nuttle in matters into which FEC now is conducting both investigative and adversary proceedings. Respondent Nuttle reserves the right to share these pleadings with Bar [disciplinary] Counsel of the District of Columbia Bar. Respondent Nuttle believes that Commissioner Potter should share this pleading and all action taken consequent to it with counsel for other Respondents in MUR 3485 so that each may be advised of the issue to enable each to make his own determination as to whether recusal should be sought as to other Respondents.

*Clarissa*

MARION EDWYN HARRISON  
LAW OFFICES MARION EDWYN HARRISON  
107 Park Washington Court  
Falls Church, Virginia 22046  
703 532-0303

May 9, 1994

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COUNSEL

MAY 11 2 33 PM '94

FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

In the Matter of

AMERICANS FOR ROBERTSON et al  
(R. MARC NUTTLE)

MUR 3485

ANSWERS TO INTERROGATORIES

1. **Objection.** Asked and answered. See Nuttle Affidavit, July 23, ("Nuttle Affidavit"), ¶3.
2. **Objection.** Irrelevant and not designed to lead to relevant information; invasion of privacy; beyond the scope of FEC jurisdiction.
3. **Objection.** Irrelevant and not designed to lead to relevant information; invasion of privacy; beyond the scope of FEC jurisdiction.
4. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, I consulted an attorney in Washington, D.C. as to the lawfulness of a sale leaseback of a computer to a political committee and retained a lawyer in Denver expert in limited partnerships to advise with respect to a limited

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partnership and to draw the papers.

5. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, I recall talking with one or more brokers, computer consultants and bankers but do not recall their names. I also consulted a lawyer. I talked with Marion G. (Pat) Robertson; with Stephen E. Plopper, Esquire, an Indiana attorney for Dr. Beurt SerVaas; and with an attorney whose name I do not recall for Mr. Robert Beale. I may have spoken with others. The matter was not considered secret or confidential.

6. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, I am reasonably sure that some of the investors spoke to Pat Robertson. There probably were other conversations of which I was unaware or do not recall.

7. **Objection.** Barred by laches and imputed statutes of limitations.

Notwithstanding the foregoing objections and without waiver, I cannot recall any such person and am unsure that there was any such person.



8. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, I believe Pat Robertson and the Treasurer as well as computer personnel of Americans for Robertson, Inc. ("AFR") dealt on behalf of AFR but I have no specific recollection.

9. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, see Nuttle Affidavit, ¶¶18-19. Beyond the transaction discussed therein, there was no transaction.

- 10.-12. **Objection.** Barred by laches and imputed statutes of limitations.

Notwithstanding the foregoing objections and without waiver, see Nuttle Affidavit, ¶16 and particularly ¶16b and ¶16c. I cannot identify the persons at CBN Continental or AFR who dealt with one another in leasing aircraft and, except possibly by hearsay, probably could not have identified them at the time of any such lease. I do not know from what or from whom AFR leased aircraft other than, upon information and belief, from CBN Continental. See also Nuttle Answers to Interrogatories July 23, 1993, ¶¶10-12.

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R. Marc Nuttle

R. MARC NUTTLE  
900 36th Avenue, N.W.  
Suite 202  
Norman, Oklahoma 73072

State of Oklahoma       }  
                                  }ss  
County of Cleveland     }

Subscribed and sworn to before me this 25<sup>th</sup> day of April, 1994.

Tracy L. Campbell  
Notary Public

My commission expires Jan 7, 1996

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INTERROGATORIES

1. List all positions held by you within AFR. Include the time period (month, day and year) during which each position was held.
2. For the period January 1, 1985 through December 31, 1990, list all positions held by you outside of AFR. Include the person for whom you worked, in either a volunteer or paid position, and the time period (month, day and year) during which each position was held.
3. List all positions held by you in the one-year period following your tenure with AFR. Include the person for whom you worked, in either a volunteer or paid position, and the time period (month, day and year) during which each position was held.
4. Identify all persons with whom you discussed the formation of CFL.
5. Identify all persons with whom you discussed the purchase by CFL of a computer system from AFR.
6. Identify all persons who in any way dealt with AFR on behalf of CFL regarding the purchase of a computer system.
7. Identify all other persons who did not deal directly with AFR, but who otherwise were in any way involved on behalf of CFL regarding the purchase of a computer system from AFR.
8. Identify all persons who in any way dealt with CFL on behalf of AFR regarding CFL's purchase of a computer system.
9. List all transactions involving the purchase, sale or lease of a computer or computer equipment by CFL. Identify all persons from whom computers and/or computer equipment were bought and the model names and numbers of any such computers and/or equipment and the date of these transactions; all persons to whom computers and/or equipment were leased and the model names and numbers of any such computers and/or equipment and the dates of these transactions; and all persons to whom computers and/or computer equipment were sold and the model names and numbers of any such computers and/or equipment and the dates of these transactions.
10. Identify all persons at CBN Continental involved in the lease of any aircraft to AFR.
11. Identify all persons at AFR involved in the lease of any aircraft.
12. Identify all entities or individuals from whom AFR leased aircraft.

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WASHINGTON, D.C. 20463

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MAY 11 2 33 PM '94

In the Matter of

AMERICANS FOR ROBERTSON et al  
(R. MARC NUTTLE)

MUR 3485

**ANSWERS TO INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, if I had the alleged promissory note I might recall, I have no documentation. If specific information truly is sought, the usual procedure in discovery should be followed - namely, specific identification of times, dates and documents, with copy of documents furnished.

2. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, I cannot identify "all persons who in any way dealt with the" Republican National Committee ("RNC") and Americans for Robertson, Inc. ("AFR") in July 1988. The transaction to which #2 apparently refers was not handled by me although I recommended it (and would have recommended the rental of any

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potentially useful mailing list).

3. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, no funds were issued to me by James D. Higgins and/or JDH Enterprises, Inc. My recollection is that my understanding was that negotiations on behalf of AFR were conducted by Gordon P. Robertson, Esquire, but in any event I did not conduct them.

4. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, I cannot identify "all [such] persons". I have no way of knowing the business affairs of James D. Higgins and/or JDH Enterprises, Inc.

5. **Objection.** Barred by laches and imputed statute of limitations; beyond FEC jurisdiction.

Notwithstanding the foregoing objections and without waiver, I never did know, and do not know, the details of the Higgins JDR business. Here again, if I am alleged to have been involved in a transaction, FEC would facilitate response by identifying the transaction and documentation.

- 2 6 0 4 3 7 5 4 8 3
6. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, I would presume that many people at the RNC were aware of some of my activities during the period.

7. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, I believe Messrs. Gordon P. Robertson and Stephen E. Plopper were involved.

8. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, I have no way of identifying "all [such] persons". #8 speaks to November 1988 - long after I had departed AFR - and to individuals and an entity with which I had no connection. See Affidavit of July 23, 1993 ("Nuttle Affidavit"), ¶22b. #8 appears to assume, contrary to fact, that I had a connection with Partners For America or with Gordon P. Robertson, Esquire. I have no such document.

9. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objections and without waiver, #9 speaks to a period

3

during which I had no connection with the National Republican Senatorial Committee ("NRSC")  
and at no time did I have a connection with Partners for America.

10. **Objection.** Barred by laches and imputed statute of limitations.

Notwithstanding the foregoing objection, and without waiver, I have no such document,  
and no such knowledge.

*R. Marc Nuttle*

R. MARC NUTTLE  
900 36th Avenue, N.W.  
Suite 202  
Norman, Oklahoma 73072

State of Oklahoma                    }  
County of Cleveland                }        }ss

Subscribed and sworn to before me this 24 day of April, 1994.

*Joseph B. Campbell*  
\_\_\_\_\_  
Notary Public

My commission expires \_\_\_\_\_



INTERROGATORIES AND REQUESTS FOR DOCUMENTS

1. Identify the source of the funds used by you to satisfy a promissory note issued to you by VCI in September 1986. Produce all documents in any way related to the promissory note.
2. Identify all persons who in any way dealt with the RNC, on behalf of AFR, with respect to the rental of a mailing list by the RNC from AFR in July 1988. Identify all persons who dealt with AFR, on behalf of the RNC, with respect to the rental of a mailing list by the RNC from AFR in July 1988. Produce all documents in any way related to the rental of any such mailing list.
3. Identify all persons from whom James D. Higgins and/or JDH Enterprises, Inc. rented or purchased a mailing list in October 1988. Identify all persons involved in any such transaction. If any funds were issued to you by James D. Higgins and/or JDH Enterprises, Inc. in connection with this transaction, state the amount of money involved and the disposition of any and all portions of the funds. Produce all documents in any way related to any such transaction.
4. Identify all persons who rented a mailing list from James D. Higgins and/or JDH Enterprises, Inc. in December 1989 and January 1990. If any of the persons is a corporation, identify the owner(s) of the corporation and its officers, and provide its state of incorporation and principal place of business. Identify all persons who dealt with James D. Higgins and/or JDH Enterprises, Inc. on behalf of any such person purchasing or renting any such mailing list. Identify all other persons who were in any way involved in this transaction. Produce all documents in any way related to any such mailing list rental.
5. Produce all documents in any way related to the duties of MEM and Associates, Inc. with respect to the mailing list described in Questions 2 and 3.
6. Identify all persons who were aware of your duties at the RNC during the period April 20, 1988 through November 15, 1988. Produce all documents in any way describing your duties or activities on behalf of the RNC.
7. Identify all persons involved in the effort to satisfy the obligation of CFL to Beurt SerVaas. Produce all documents in any way related to the effort to satisfy the obligation of CFL to Beurt SerVaas.

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8. Identify all persons who in any way dealt with Robert Beale, or any representative of Robert Beale, on behalf of Gordon Robertson or PFA, regarding the \$55,000 deposited into PFA's Sentry Federal Savings Bank account in November 1988. Identify all representatives of Robert Beale dealt with. Produce all documents which in anyway relate to this \$55,000.

9. Identify all persons who in any way dealt with the NRSC, on behalf of Gordon Robertson or PFA, which dealings resulted in the deposit of a check for \$50,000 into PFA's Sentry Federal Savings Bank account in July 1989. Identify all representatives of the NRSC dealt with. If the \$50,000 was for the purchase or rental of a mailing list, identify the owner of the mailing list, state when and from whom the owner obtained the mailing list, and describe the contents of the mailing list. Include in your description the number of names and addresses on the list, and how they are arranged (i.e. alphabetically, by zip code, or any other method). State how Gordon Robertson or PFA acquired the right to rent or sell the mailing list to the NRSC or any other person. Produce all documents in any way related to this transaction.

10. Produce all documents in any way related to any other attempt to rent or sell the mailing list described in Question 9.

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WASHINGTON, D.C. 20463

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MAY 11 2 33 PM '94

In the Matter of

AMERICANS FOR ROBERTSON et al  
(R. MARC NUTTLE)

MUR 3485

**ANSWER TO REQUEST FOR THE PRODUCTION OF DOCUMENTS**

1. **Objection.** Duplicative. Laches. Imputed statute of limitations. I do not know if I ever had any. Formation would be handled by counsel. If I did, FEC has them, from my files or from the files of AFR.

2. See #1, above.

3. See #1, above. Further, the individual investors should have documentation, if any, pertaining to them.

4. **Objection.** Duplicative. Laches. Imputed statute of limitations. AFR rented

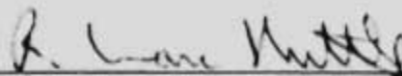
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no list while I was with AFR.

5. **Objection.** Duplicative. Laches. Imputed statute of limitations. I have no such document.

6. **Objection.** See #5, above.

7. **Objection.** See #5, above. I have no such document. I restate the ignored point: I had no role in leasing aircraft.



R. MARC NUTTLE  
900 36th Avenue, N.W.  
Suite 202  
Norman, Oklahoma 73072

26043754838

State of Oklahoma

County of Cleveland

} ss

Subscribed and sworn to before me this 25<sup>th</sup> day of April, 1994.

Isaac L. Campbell  
Notary Public

My commission expires Jan 7, 1996.

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PRODUCTION OF DOCUMENTS

1. Produce all documents which relate in any way to the formation of CFL.
2. Produce all documents which relate in any way to the purchase and/or lease back of a computer system by CFL from AFR.
3. Produce all documents which relate in any way to investments by individuals in CFL.
4. Produce all documents which relate in any way to the rental or sale by AFR of any of its mailing lists.
5. Produce all documents which relate in any way to the receipt by AFR of a check for \$50,000 from Wayne Bailey in August 1987.
6. Produce all documents which relate in any way to the sale or purchase of computers and/or computer equipment by CFL.
7. Produce all documents which relate in any way to the lease of aircraft by AFR.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

**SENSITIVE**

MEMORANDUM

TO: Lois Lerner  
Associate General Counsel

FROM: Marjorie W. Emmons/Deidre M. Daniel *DM*  
Secretary of the Commission

DATE: May 12, 1994

SUBJECT: MUR 3485 - Ex Parte Communication

Attached is a copy of Commissioner Potter's memorandum on the above subject matter.

Attachments

cc: Commissioners  
Staff Director  
General Counsel

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WASHINGTON, D.C. 20461

MAY 12 2 23 PM '94

**MEMORANDUM**

**TO:** Marjorie Emmons  
Secretary of the Commission

**FROM:** Trevor Potter  
Commissioner

**DATE:** May 12, 1994

**RE:** MUR 3485

Enclosed is a copy of an ex parte communication I have received in this matter, along with a copy of my acknowledgment. The General Counsel has received a separate motion and affidavit concerning these same issues, and I have been advised that OGC will circulate those materials to Commissioners' offices.

Attachments

TP/jab

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R. MARC NUTTLE  
*Attorney at Law*

900 16th Avenue NW, Suite 202  
Norman, Oklahoma 73072

Telephone (405) 364-9946  
Facsimile (405) 329-9143

May 9, 1994

**VIA FAX**

Commissioner Trevor Alexander McClurg Potter, Esquire  
Chairman  
Federal Election Commission  
Washington, DC

Re: MUR #3485

Dear Trevor:

As you may or may not be personally aware, the Federal Election Commission, pursuant to the above cited MUR, is requesting information and production of documents from me. I have responded fully to the best of my ability to all of these requests. However, I am totally confused and quite honestly outraged at the latest allegation by Mr. Tony Buckley, FEC Staff Counsel, that I am possibly being uncooperative.

This latest request for documents and information dates as far back as 1986 in relation to the presidential campaign of Marion G. "Pat" Robertson and his effort to seek the Republican nomination for president in 1988. Following Super Tuesday in 1988 there was a complete and total "changing of the guard" in that campaign. My office was literally boxed up and moved to a store room to prepare for my replacement's arrival. I had no inside or direct access to that campaign from that day forward. I have stated this to the FEC many times in writing through my answers to interrogatories and in person during formal interviews with FEC officials. Yet the Commission continues to ask me questions about events which I have no knowledge of what happened after that date.

In 1989 I was asked to produce records and information which I gladly did. I collected every piece of information in my possession, boxed it up and carried it to the FEC. FEC officials went through my files, took what they wanted, and gave me back documents not pertinent to their inquiry. I have voluntarily interviewed with the audit committee at least six hours or more. I tried to help in every way that I could to answer all their questions.

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In 1990 I had discussions with FEC officials in reference to any pending matters concerning the Robertson campaign. I was told that I had cooperated fully. They understood all matters, including why and how we tried to replace the existing computer in the campaign and they didn't foresee needing me for any more documentation at that time.

Further, I was asked by at least one commissioner to give the FEC advice on my opinion of what the coming communications revolution would do to make current FEC regulations obsolete in reference to presidential campaigns. I discussed these matters as asked and I am still willing to do so in the future.

Strangely and completely without any prior notice, I am notified by the FEC that they want further production of records almost four years to the day after my last request for documents. This lapse of time is unconscionable. I moved my office five times in that period. Each time I would cull my files and records and throw away things that were not needed and were over three years old. I saw no need not to do so.

The timing of these new requests followed on the heels of the 1992 election cycle. I don't know if that had anything to do with it or not, but it seems more than coincidental.

This new set of interrogatories is incredibly broad and sweeping. I have tried to comply to the best of my ability. I have spent time and money on it and I have been as cooperative as I can. I have no further information or documents other than those that I have provided. I feel that the interrogatories are not designed to get the full picture of what happened but to find documents that, when taken out of context, could be part of an attempt to weave a larger negative picture which could not be farther from the truth.

Every matter under audit can be explained and justified. Each project or action resulted from a bona fide need. All options were researched carefully. A legal review was conducted and a legal opinion rendered on each and every action taken. If the campaign made mistakes, it was as a campaign and not as individuals.

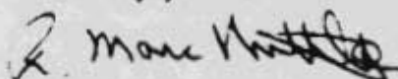
As campaign manager I acted on behalf of the campaign executing decisions the campaign made based upon the above operating procedure. I don't know what else a campaign manager could do but respond to a need, review options, obtain a legal opinion and then act to the best of his ability based upon that opinion.

As for the computer, we obtained appraisals for fair market value at the time, took the appropriate loss, and insured that there were no net contributions made to the campaign. Legal counsel was retained with a specialty in the field of computer transactions. We reported the activity early to the FEC in 1987 which, in my opinion, shows good faith.

I want to help further but asking me about an obscure document that was executed eight years ago is very difficult. However, I am willing to help if I can.

Given the fact that Mr. Buckley seems to have no sensitivity to the format of his questions or the amount of time that has passed in this matter, I am concerned about any further actions the FEC may take. You were my legal counsel at the National Republican Congressional Committee in 1989 and 1990. Normally, if there is a conflict of interest between a lawyer and his client, the two would discuss it and decide what to do. I am advised by counsel that in this situation, that is not appropriate. Some of the matters about which I am being requested to produce information, I discussed with you as my counsel. It doesn't matter how many issues you acted on as counsel, I am not supposed to have to worry about that. In order to protect myself, you, and the other parties involved, I am requesting by motion that you recuse yourself from this and all other matters involving me and the Federal Election Commission and MUR#3485. I am in hopes that we can bring this entire matter to a close quickly.

Sincerely yours,



R. Marc Nuttle

RMN:ic



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

OFFICE OF THE CHAIRMAN

May 11, 1994

R. Marc Nuttle, Esq.  
900 36th Avenue, N.W.  
Suite 202  
Norman, Oklahoma 73072

Dear Mr. Nuttle:

I am in receipt of your letter of May 9, 1994. I will be responding in full as soon as possible.

Sincerely,

  
Trevor Potter

TP/slr

26043754846



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MAY 12, 1994

Richard E. Messick, Esq.  
Suite 700, North Building  
601 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004

RE: MUR 3485  
Ray W. King

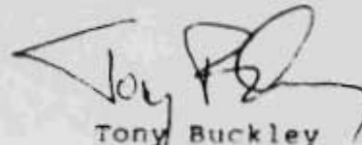
Dear Mr. Messick:

This is to advise you that this Office has received the transcript of the deposition of your client, Ray W. King, which was conducted on April 21, 1994. As we mentioned to you at the time of that deposition, because of the confidential nature of our investigation, we will maintain the transcript in our offices, and Mr. King will be allowed to review and sign the transcript here, should he so desire.

Also, this Office has not yet received a calculation of Mr. King's mileage. Please forward that information to me as soon as possible, so that we can process the check for his witness fee.

If you wish to set up a time for Mr. King to review his deposition transcript, or if you have any other questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

26043754847



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MAY 12, 1994

Randolph A. Sutliff, Esq.  
Miles & Stockbridge  
Suite 500  
11350 Random Hills Road  
Fairfax, Virginia 22030

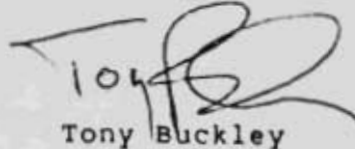
RE: MUR 3485

Dear Mr. Sutliff:

This is to advise you that this Office has received the transcript of the deposition of your client, Pat McMahon, which was conducted on April 22, 1994. As we mentioned to your client at the time of that deposition, because of the confidential nature of our investigation, we will maintain the transcript in our offices, and Ms. McMahon will be allowed to review and sign the transcript here, should she so desire.

If you wish to set up a time for Ms. McMahon to review her deposition transcript, or if you have any other questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tony Buckley", is written over the typed name.

Tony Buckley  
Attorney

36043754848





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

VIA FACSIMILE  
AND FIRST-CLASS MAIL

May 13, 1994

Marion Edwyn Harrison  
107 Park Washington Court  
Falls Church, VA 22046

MUR 3485

Dear Mr. Harrison:

This is to acknowledge receipt on May 11, 1994 of the motion of your client, R. Marc Nuttle, to recuse Chairman Trevor Potter and to reconsider Commission votes in Matter Under Review ("MUR") 3485. This matter has been referred to me for consideration as the Commission's Alternate Ethics Official. I will be contacting you further in processing this matter.

Sincerely,

Kim Bright-Coleman

Kim Bright-Coleman  
Associate General Counsel



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 17, 1994

Marion Edwyn Harrison, Esquire  
Law Offices Marion Edwyn Harrison  
107 Park Washington Court  
Falls Church, Virginia 22046

Re: MUR 3485

Dear Mr. Harrison:

As noted in my May 13, 1994 letter to you, the Office of General Counsel is in receipt of your motion to recuse Chairman Trevor Potter from MUR 3485 and the supporting affidavit from R. Marc Nuttle. I note initially that the May 9, 1994 letter from R. Marc Nuttle constituted an ex parte communication in MUR 3485 to a Commissioner, and it will therefore be placed in the official file of that matter pursuant to 11 C.F.R. § 7.15(c).

In order for this Office to process your request further and to advise the Commission on this issue, we need additional information. Therefore, we request that your client, R. Marc Nuttle, answer the following questions to help clarify the allegations set forth in the motion. Please submit responses to the following questions within ten (10) days from your receipt of this letter:

(1) You state that Chairman Potter gave you legal advice on matters pertaining to MUR 3485. How was this advice provided? Please specify the date(s), time(s), and place(s) this advice was provided. Please provide any documents which memorialize the meeting(s) or illustrate that the meeting(s) took place (i.e., notes taken contemporaneously with the meeting, entries into daily planner/calendar, office log, etc.).

(2) Were other individuals present when these discussions and/or meetings took place? If so, please provide the names of the individual(s).

(3) State generally what matters were discussed with Chairman Potter. Provide any documentation supporting the nature of these discussions. Please state whether these discussions concerned business and legal matters of your employer, or your own personal legal matters.

Letter to Marion Edwyn Harrison  
Page 2

(4) In your affidavit you state that Chairman Potter was "specifically assigned as [your] attorney" at the National Republican Congressional Committee ("NRCC"). Please state who made this designation, how you were informed of this designation, and who else was informed of this designation. In addition, please provide any documents which memorialize this assignment.

(5) Specify the time frame during which you state Chairman Potter acted as your counsel. What representations did Chairman Potter make which gave you the impression that he was acting as your counsel regarding MUR 3485?

(6) If Chairman Potter acted as your attorney, what was the scope of his representation? Did you personally pay for his services?

If you have any further questions regarding this matter, please contact me at (202)219-3690.

Sincerely,

*Kim Bright-Coleman*

Kim Bright-Coleman  
Associate General Counsel

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FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

MAY 18 4 26 PM '94

**EPSTEIN BECKER & GREEN, P.C.**

ATTORNEYS AT LAW

1227 25TH STREET, N.W.

WASHINGTON, D.C. 20037-11561

(202) 681-0900

TELECOPIER (202) 296-2662

DIRECT LINE

250 PARK AVENUE  
NEW YORK, NEW YORK 10177-0077  
(212) 381-4800

1875 CENTURY PARK EAST  
LOS ANGELES, CALIFORNIA 90067-2901  
(310) 556-8861

SIX LANDMARK SQUARE  
STANFORD, CONNECTICUT 06901-2704  
(203) 348-3737

ONE RIVERFRONT PLAZA  
NEWARK, NEW JERSEY 07102-8401  
(201) 842-1900

75 STATE STREET  
BOSTON, MASSACHUSETTS 02108  
(617) 342-4000

2 EMBARCADERO  
SAN FRANCISCO, CALIFORNIA 94111-8894  
(415) 398-3800

12750 HERIT DRIVE  
DALLAS, TEXAS 75251-1209  
(214) 490-3143

116 SOUTH MONROE STREET  
TALLAHASSEE, FLORIDA 32301-1530  
(904) 681-0556

2400 SOUTH DIXIE HIGHWAY, SUITE 100  
MIAMI, FLORIDA 33133  
(305) 556-1100

510 KING STREET, SUITE 301  
ALEXANDRIA, VIRGINIA 22314-3132  
(703) 684-1204

May 18, 1994

P.C. NEW YORK, WASHINGTON, D.C., NEW JERSEY,  
CONNECTICUT, VIRGINIA AND TEXAS ONLY

**VIA FACSIMILE (202/219-3923)  
AND HAND-DELIVERED**

Stephen E. Hershkowitz, Esquire  
Assistant General Counsel for Litigation  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, D.C. 20463

**RE: M.U.R. 3485: RESPONDENT DR. BEURT R. SERVAAS**

Dear Mr. Hershkowitz:

This responds to your letter of May 9, 1994 concerning the above-referenced matter.

In response to your second question, please be advised that the redacted portions of documents numbered #35 and #36 in Dr. SerVaas' July 2, 1993 filing with your office do not pertain to, address or otherwise reference Computer Futures, Ltd. ("CFL"), including efforts to satisfy the obligation of CFL to Dr. SerVaas. As stated on the face of both documents, "[i]nformation which is not relevant to the CFL transaction has been redacted from this document." More specifically, the redacted portions of documents numbered #35 and #36 concern an entity which was represented by Gordon Robertson and a matter involving this entity -- said entity and matter do not involve CFL (including efforts to satisfy CFL's obligation to Dr. SerVaas), the National Republican Senatorial Committee, the Partners for America-State PAC and/or the purchase or rental of any mailing list. The redacted portions of documents numbered #35 and #36 are related to the efforts to satisfy CFL's obligations to Dr. SerVaas only to the extent that they are also addressed in the referenced letters.

In response to your third question, this is to reconfirm that the opening sentence of the August 10, 1990 letter from Gordon Robertson to Stephen Plopper is the only sentence in the letter which

Stephen E. Hershkowitz, Esquire  
May 18, 1994  
Page 2

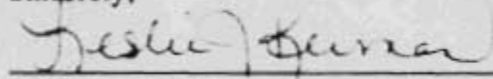
concerns CFL (including efforts to satisfy CFL's obligation to Dr. SerVaas). The second sentence of the letter and the remaining text responds exclusively to the additional matter addressed in Mr. Plopper's July 24, 1990 letter to Mr. Robertson.

Further, document #37 is not the enclosure referenced in Mr. Robertson's August 10, 1990 letter. Moreover, the enclosure referenced in document #36 does not pertain to, address or otherwise reference CFL (including efforts to satisfy CFL's obligation to Dr. SerVaas), the National Republican Senatorial Committee, the Partners for America-State PAC and/or the purchase of rental or of any mailing list.

Finally, to the best of his current knowledge, my client has fully complied with the March 10, 1994 subpoena and order. However, per your request, a further review of my client's records have been undertaken to confirm that there are no additional documents in his possession which are responsive to the subpoena. This review should be completed by the beginning of next week. Once the review is completed, we will respond in writing to your first question, and comply with your request with respect to a signed statement from Dr. SerVaas.

Please call me at (202) 861-0900 if you have any questions regarding the matters addressed herein. As discussed, I will be out-of-town from Thursday, May 19, 1994 through Sunday, May 22, 1994, and back in the office on Monday, May 23, 1994.

Sincerely,

  
\_\_\_\_\_  
Leslie J. Kerman

060 # 1485

LAW OFFICES  
**MARION EDWYN HARRISON**

WASHINGTON  
FALLS CHURCH  
ZURICH

MARION EDWYN HARRISON (DC, VA)  
JOHN S. BAKER, JR. (DC, LA)  
DANIEL M. REDMOND (DC)

TELEPHONE (202) 965-0800  
TELEPHONE (703) 532-0303  
FACSIMILE (703) 532-0086

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
ADMINISTRATIVE  
MAY 31 9 35 AM '94  
CORRESPONDENCE TO:  
107 PARK WASHINGTON COURT  
FALLS CHURCH, VIRGINIA 22046

May 25, 1994

Kim Bright-Coleman, Esquire  
Associate General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
MAY 31 9 35 AM '94

Re: MUR 3485

Dear Mrs. Bright-Coleman:

Your letter of May 17, 1994 is unacceptable.

Spreading upon the record the answers to the questions you ask would violate the very attorney-client privilege of our client, Mr. R. Marc Nuttle, which he specifically does not waive. We also note that the National Republican Congressional Committee has not waived, and does not waive, its attorney-client privilege.

Commissioner Trevor Potter knows the answers to your questions. It is the legal and ethical responsibility of Commissioner Potter to recuse himself. He cannot obviate his ethical and legal responsibility by assigning the matter to somebody else. We find it extraordinary that

---

Please note that you misstate the facts in the first sentence of your interrogatory (1). Obviously Mr. Potter did not give "legal advice on matters pertaining to MUR 3485" because MUR 3485 was not in existence at the time. Please read our Motion carefully.

LAW OFFICES  
MARION EDWYN HARRISON

Kim Bright-Coleman, Esquire  
May 25, 1994  
Page 2

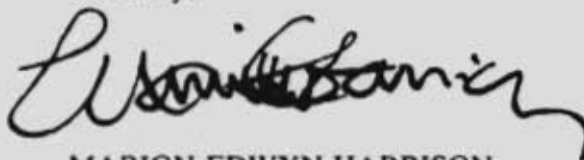
Mr. Potter would entertain the slightest doubt. He should have recused himself sua sponte.<sup>2</sup>

The sole acceptable course of conduct is a complete recusal by Commissioner Potter in all matters relating to Mr. Nuttle in MUR 3485 and a reconsideration by the Commissioners of any vote relating to Mr. Nuttle in MUR 3485 in which Mr. Potter voted.

Mr. Potter is a member of the District of Columbia Bar. Our client shall pursue his remedy there and elsewhere if need be.

Because other Commissioners apparently are not informed in the premises, we send herewith to each a copy of our Motion to Recuse, your letter of May 17 and this letter.

Sincerely,



MARION EDWYN HARRISON

cc: Hon. Trevor Potter  
R. Marc Nuttle, Esquire

---

<sup>2</sup> Although corroborative testimony likely would not be required in a D.C. Bar disciplinary proceeding or in a civil suit, our client could adduce testimony that Mr. Potter, confidentially and in an attorney-client relationship, was informed about, discussed, and advised as to, matters now encapsulated within MUR 3485.





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

JUNE 3, 1994

Chase Bank of Arizona  
ATTN: Suzanne Rostan  
Legal Operations  
3700 North 3rd Avenue  
Phoenix, AZ 85013

RE: MUR 3485

Dear Ms. Rostan:

Pursuant to the Commission's outstanding subpoena, we now request that you provide legible copies of all checks and checking debit memos in the amount of \$5,000 or more, from May 1, 1986 through January 31, 1987, written on or drawn from Victory Communications International, Inc.'s account # 2-4218440. You previously supplied bank statements of credits and debits and copies of deposits into that account.

Please send copies of the checks and debit memos within 15 days of your receipt of this letter along with an invoice for your services.

Should you have any questions, please contact me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, appearing to read "Holly J. Baker", is written above the typed name.

Holly J. Baker  
Attorney

16043754856



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

JUNE 9, 1994

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

Irvin Baldwin, President  
Commonwealth Jet Service, Inc.  
2412 Mount Blanco  
Chester, VA 23831

RE: MUR 3485

Dear Mr. Baldwin:

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. Pursuant to 2 U.S.C. § 437g, the Commission is conducting a confidential investigation in the above-captioned matter. The Commission does not consider you a respondent in this matter, but rather a witness only.

In furtherance of this investigation, the Commission requests certain information regarding services the company may have provided Americans for Robertson, Inc., the Christian Broadcasting Network, Inc. and related entities. Specifically, please identify by make, model, and seating capacity all aircraft leased, chartered, or otherwise provided by you to the Christian Broadcasting Network, Inc., CBN Continental Broadcasting Network, Inc. (now KXTX, Inc.), Airplanes, Inc., Donald Miracle, and/or Americans For Robertson, Inc. for the period from January 1, 1984 to December 31, 1989. Please also produce all billings, invoices, flight logs, manifests, and passenger lists for the above listed aircraft.

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.

754857

MUR 3485  
Commonwealth Jet Service, Inc.  
Page 2

Please submit your response within 30 days of receipt.  
Please also submit such answers under oath. If you have any  
questions, please contact me at (800) 424-9530.

Sincerely,

  
Jose M. Rodriguez  
Attorney

06043754358



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

JUNE 9, 1994

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

Martin A. Kempe, President  
MartinAir, Inc.  
5745 Huntsman Road  
Sandstone, VA 23150

RE: MUR 3485

Dear Mr. Kempe:

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. Attached are interrogatories and a request for the production of documents seeking 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.

Please submit your response to the attached interrogatories and request for the production of documents within 30 days of receipt. Please also submit such answers under oath. If you have any questions, please contact me at (800) 424-9530.

Sincerely,

Jose M. Rodriguez  
Attorney

Enclosure  
Interrogatories and Request for  
Production of Documents

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS

TO: MartinAir Inc.  
5745 Huntsman Road  
Sandstone, VA 23150

26043754860

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 30 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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.

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.

26043 / 5481



DEFINITIONS

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

"You" shall mean the named entity to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"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.

5043754362



QUESTIONS AND DOCUMENT REQUESTS

1. Please identify by make, model, and seating capacity all aircraft leased, chartered, or otherwise provided by you to the Christian Broadcasting Network, Inc., CBN Continental Broadcasting Network, Inc. (now KXTX, Inc.), Airplanes, Inc., Donald Miracle, and/or Americans For Robertson, Inc. for the time period from January 1, 1984 to December 31, 1989.

2. Please produce all billings, invoices, flight logs, manifests, and passenger lists for the above listed aircraft.

26043754833

**BAKER  
&  
HOSTETLER**  
COUNSELLORS AT LAW

WASHINGTON SQUARE, SUITE 1100 • 1050 CONNECTICUT AVENUE, N.W. • WASHINGTON, D.C. 20036-5304 • (202) 861-1500  
FAX (202) 861-1783 • TELEX 2357276  
WRITER'S DIRECT DIAL NUMBER (202) 861-1504

June 8, 1994

Tony Buckley, Esquire  
Office of General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485

Dear Mr. Buckley:

I am writing in response to your letter of May 9, 1994 in which you expressed your opinion that Mr. Robertson has not been responsive to your subpoena and order of March 10. Your opinion is wrong.

In response to the Commission's request of March 10, Mr. Robertson diligently examined his files and provided to the Commission all documents within the parameters of the Commission's request. As a courtesy to the Commission, Mr. Robertson has again reviewed his files. He has no additional documents to provide to the Commission. Even assuming that your statement is correct that other letters were authored by Mr. Robertson or received by Mr. Robertson that may fit within the parameters of the Commission's request, it is a mystery to me why the office of the General Counsel is surprised that Mr. Robertson has not retained these correspondences, some of which would be in excess of five years old. Certainly the Commission cannot be asserting that Mr. Robertson had any legal responsibility to retain such documents. If you have some theory under which Mr. Robertson must retain all correspondence, please explain it to me. I am unaware of any reason to believe the Federal Election Campaign Act required Mr. Robertson to retain all correspondence he may have received or sent in 1989 or 1990. Your assertion that his failure to find documents which you believe exist indicates a lack of due diligence is based on pure speculation. The assertion is false.

Mr. Robertson has been totally cooperative with the General Counsel's office. He has diligently examined his files and has

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JUN 13 2 53 PM '94

Tony Buckley, Esquire  
June 9, 1994  
Page 2

produced all responsive documents. A thank you for our willing cooperation would be more appropriate than the May 9 letter.

If you have any questions, please contact me.

Sincerely,



E. Mark Braden

EMB/bss

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

**EPSTEIN BECKER & GREEN, P.C.**

ATTORNEYS AT LAW

1227 25TH STREET, N.W.

WASHINGTON, D.C. 20037-11561

(202) 861-0900

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250 PARK AVENUE  
NEW YORK, NEW YORK 10177-00771  
(212) 361-4800

1875 CENTURY PARK EAST  
LOS ANGELES, CALIFORNIA 90067-2501  
(310) 566-8861

SIX LANDMARK SQUARE  
STAMFORD, CONNECTICUT 06901-27041  
(203) 348-3737

ONE RIVERFRONT PLAZA  
NEWARK, NEW JERSEY 07102-84011  
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116 SOUTH MONROE STREET  
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MIAMI, FLORIDA 33133  
(305) 858-1100

510 KING STREET, SUITE 301  
ALEXANDRIA, VIRGINIA 22314-31321  
(703) 684-1204

\* P.C. NEW YORK, WASHINGTON, D.C., NEW JERSEY,  
CONNECTICUT, VIRGINIA AND TEXAS ONLY

June 15, 1994

**HAND-DELIVERED**

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Suite 657  
Washington, DC 20463

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JUN 15 2 33 PM '94

RE: M.U.R. 3485: Subpoena of March 14, 1994 Issued to Beurt R. SerVaas

Dear Mr. Buckley:

Per your request, enclosed please find a signed statement from Dr. SerVaas in connection with the above-referenced matter.

Please call me at 202/861-0900 if you have any questions regarding the enclosed statement.

Sincerely,



Leslie J. Kerman

Enclosure (1)

STATEMENT OF BEURT R. SERVAAS

I, Beurt R. SerVaas, do hereby state that my counsel Leslie J. Kerman was and is authorized to sign, on my behalf, responses to the Subpoena to Produce Documents and Order to Submit Written Answers ("the Subpoena") issued to me on March 14, 1994 by the Federal Election Commission ("the Commission") in connection with M.U.R. 3485.

Moreover, I affirm under the penalties for perjury that the statements contained in the responses to the Subpoena filed with the Commission to date are true to the best of my belief and knowledge.

DATED: June 14, 94

Beurt R. SerVaas  
Beurt R. SerVaas

To Be Filed With: Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20061

JUNE 16, 1994

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

James E. Millen, Jr.  
333 S. 9th Street  
Akron, PA 17501

RE: MUR 3485

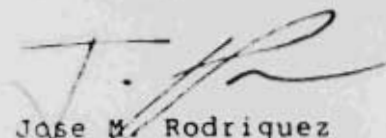
Dear Mr. Millen:

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. Attached are interrogatories and a request for the production of documents seeking 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.

Please submit your response to the attached interrogatories and request for the production of documents within 30 days of receipt. All answers must be submitted under oath. If you have any questions, please contact me at (800) 424-9530.

Sincerely,

  
Jose M. Rodriguez  
Attorney

Enclosure  
Interrogatories and Request for  
Production of Documents

06043754863

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS

TO: James E. Millen, Jr.  
333 S. 9th Street  
Akron, PA 17501

9 6 0 4 3 7 5 4 8 6 2

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 30 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.



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.

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.

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DEFINITIONS

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

"You" shall mean the named individual to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

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QUESTIONS AND DOCUMENT REQUESTS

1. Please identify by make, model, and seating capacity all aircraft provided by you to the Christian Broadcasting Network, Inc., CBN Continental Broadcasting Network, Inc. (now KXTX, Inc.), Airplanes, Inc., D&M Fuel Company, Americans For Robertson, Inc., and/or Mr. Donald Miracle for the time period from January 1, 1986, to December 31, 1988. List the specific dates on which the aircraft was provided and specify the entity or individual being provided the aircraft for the each listed date. Also, produce all documents, including but not limited to flight logs, manifests and passenger lists relating to the above entities' use of the listed aircraft.
2. For the listed aircraft, please indicate if the aircraft was provided under a lease, charter, or other for hire agreement. Produce any documents, including but not limited to contracts, billings and invoices, relating to the provision of the aircraft.
3. Please identify all individuals at the above entities involved in the use of the listed aircraft.

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BEFORE THE FEDERAL ELECTION COMMISSION

June 27 9 50 AM '94

In the Matter of )  
 ) MUR 3485  
Americans for Robertson, Inc., )  
and Frederick H. Shafer, as )  
treasurer, et al. )

**SENSITIVE**

JUN 7 1994

**EXECUTIVE SESSION**

**GENERAL COUNSEL'S REPORT**

**I. BACKGROUND**

On February 16, 1994, the Commission issued subpoenas to Victory Communications International, Inc. ("VCI") and its president, Michael Clifford, and to Chase Bank of Arizona ("the Bank") for the records of VCI.<sup>1</sup> These subpoenas pertain to this Office's investigation of VCI's possible violations of 2 U.S.C. § 441b in connection with the financing of Marion G. ("Pat") Robertson's presidential campaign. A review of the materials received during formal and informal discovery indicates that an additional three individuals and a corporation may also have violated the Act by making contributions, in the form of loans ranging from \$50,000 to \$100,000, to the Robertson campaign through VCI. This report recommends that the Commission make reason to believe findings against these additional respondents and authorize civil suit for enforcement of its subpoena to one individual, William Dooner.

1. The Commission first authorized and issued subpoenas to VCI and Chase Bank of Arizona (formerly Continental Bank) on April 12, 1993, but as a consequence of FEC v NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, 62 U.S.L.W. 3511 (U.S. Jan. 18, 1994) (No. 93-1151), authorized and issued them again on February 16, 1994.

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VCI materials received in the discovery process revealed that certain individuals with close connections to Pat Robertson might have knowledge about the financing of VCI's work for the Robertson campaign, especially the funding of a major video-conferencing event held on September 17, 1986 at Constitution Hall in Washington, D.C. ("Constitution Hall event"). This event was a multi-million dollar undertaking occurring early in the campaign which, despite several fundraisers, was not at that time well-financed. Among the records sent by Chase Bank were copies of checks which had been deposited into VCI's account in August 1986. The memo lines of two of the checks bore the inscriptions "loan." From the discovery materials received from Campus Crusade, a nonrespondent witness organization which had hired VCI in 1985 and 1986 to perform video-conferencing services, came information about how VCI handled the financing of events similar to the Constitution Hall event. Typically, VCI and or its media vendors required certain payments in advance of an event. The timing of the deposits into VCI's account at Chase Bank appeared to coincide with the kinds of advance payments that media vendors might require for Robertson's Constitution Hall event.

consequence, this Office did not know the nature of VCI's transactions. See MUR 3485, General Counsel's Report dated March 4, 1994.

Absent

information from VCI, this Office attempted to contact the individuals who had written the checks to VCI. Given the information at hand, the individuals were contacted informally as nonrespondent witnesses.

In response to this Office's informal request for information regarding the deposits, Henry J. Smith expressed hostility in a telephone call to staff of this Office on February 23, 1994, and indicated that he would not volunteer any information. Because of Mr. Smith's hostility and the lack of response at that time from Mr. Dooner and Mr. Warner, this Office sought Commission authorization of document and deposition subpoenas for all of the makers of the above-referenced checks, and on March 10, 1994, the Commission so authorized subpoenas to Henry J. ("Bud") Smith, president of The Bud Smith Organization of North Carolina, Inc.; William Dooner; and Lucien Warner. See MUR 3485, General Counsel's Report dated March 4, 1994. William Dooner has not responded to either informal or formal process; Lucien Warner responded voluntarily, obviating the need to send compulsory process; and Mr. Smith also voluntarily submitted documents after his counsel met with staff of this Office. For the reasons detailed below, information received from Mr. Warner and Mr. Smith, along with subsequently

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received documents from VCI and A.L. Williams, leads this Office to recommend that the Commission now make reason to believe findings against the makers of the checks.

## II. LAW

The Federal Election Campaign Act of 1971, as amended ("the Act") provides, generally, that it is unlawful for any corporation to make a contribution or expenditure in connection with a federal election, and for any candidate, political committee, or other person knowingly to accept or receive any such corporate contribution. See 2 U.S.C. § 441b(a). The Act further provides that it is unlawful for an officer or a director of a corporation to consent to any prohibited corporate contribution or expenditure. See 2 U.S.C. § 441b(a).

Under the Act, a contribution includes any gift, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office. 2 U.S.C. § 431(8)(A).

The Act limits how much an individual may contribute to candidates and political committees: not in excess of \$1,000 per candidate per election, and not in excess of \$5,000 per political committee. See 2 U.S.C. § 441a(a)(1). Further, under the Act, an individual's total contributions must not exceed \$25,000 per year. 2 U.S.C. § 441a(a)(3).

## III. ANALYSIS

As noted in the General Counsel's Report dated March 4, 1994, VCI has argued that its extensions of credit to

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Americans for Robertson, Inc. ("AFR" or "Committee") were in the ordinary course of business. A review of VCI's financial records, however, indicates that certain individuals with close connections to Pat Robertson made loans or deposits in amounts between \$50,000 and \$100,000 to VCI, and these loans appear to be outside the normal course of financing VCI's business.<sup>2</sup>

Documents received from VCI and others suggest that the loans may have constituted the advance payments required by media-vendors and sub-contractors for the Constitution Hall event. In a letter from VCI to Pat Robertson, dated August 14, 1986, Michael Clifford details VCI's immediate need for money to pay bills prior to the Constitution Hall event. He states that the shortfall is \$750,000 [changed to \$850,000] "over and above the cash that Victory has on hand after borrowing \$400,000 [changed to \$300,000] this last week." The letter goes on to breakdown the shortfall, noting that "[i]f Momentum Enterprises (vendor New York City) will advance the \$370,000.00 that is due it and the sites, the total amount needed is reduced . . . ." Attachment 1 at 1. This shortfall is confirmed by a document from the subpoena issued to A.L. Williams which this Office received on

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2. J.D. Higgins and JDH Enterprises also each made a deposit of \$50,000 on August 12, 1986 and August 27, 1986, respectively. The Commission previously made reason to believe findings and authorized subpoenas in regard to them. According to counsel, "Mr. Higgins said he made loans to [VCI] . . . and both loans were repaid within approximately a week and the purchase was to help alleviate some cash flow problems of [VCI]. . . ."

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March 28, 1994. Among her undated notes from a telephone conversation, Barbara King, former Vice-President of A.L. Williams and Associates, wrote the following:

--\$300,000 short - for Sept. 17  
--Fund raising event on Sept. 17 - will pay back the \$  
Sept. 17 - 3 million  
put up half 1.5 million  
1/2 Americans for Robertson

Attachment 2. There is no indication in the information at hand that A.L. Williams contributed any money to cover the shortfall noted in the phone memo,<sup>3</sup> but the amount of money deposited into VCI's Chase Bank account in August 1986 by Warner, Dooner, Bud Smith, and Higgins totaled \$300,000, the exact amount mentioned in Barbara King's memo. Under the Act, loans made through VCI to produce the Constitutional Hall event appear to constitute contributions subject to the limits and prohibitions of 2 U.S.C. § 441a and 441b. Information about each of the loan transactions is set forth separately below.

A. Lucien Warner

In response to an informal request for information, Attachment 3 at 1, Mr. Warner explicitly acknowledged that his check of \$100,000, dated August 12, 1986, was to provide advance money needed by VCI to produce the Constitution Hall

3. Records do indicate that on August 4, 1986, A.L. Williams contributed through VCI \$100,000 to The Freedom Council, a Robertson-connected organization. See MUR 3485, First General Counsel's Report dated November 27, 1992, p. 22 and Attachment 26.

event.<sup>4</sup> Under oath, Mr. Warner states:

The check I wrote for \$100,000 to [VCI] dated August 12, 1986 was for the purpose of providing capital necessary to allow Victory to accomplish a close-circuit TV broadcast which had as its purpose the raising of funds in connection with Pat Robertson's potential candidacy for the Republican nomination in 1988. As contributions were received by Victory, I was repaid in full shortly after the broadcast. This was in keeping with the idea that this was to be an advance to facilitate the broadcast, with a source of repayment in the form of contributions by the many people who viewed the telecast.

Attachment 3 at 2-3.

According to the Promissory Note dated August 11, 1986 and signed by Michael Clifford as president of VCI, the principal and 10% interest per year were payable on or before February 11, 1987. Attachment 3 at 4-5. Documents that Mr. Warner submitted indicate that VCI actually repaid Mr. Warner in two installments, the first on October 21, 1986 (\$51,972.60), the second and final one on October 31, 1986 (\$50,136.99). Attachment 3 at 6.

With his loan of \$100,000 made through VCI, Mr. Warner may have contributed at least \$100,000 to Pat Robertson's presidential campaign, resulting in a contribution in excess of the limits established by the Act.<sup>5</sup> Therefore, this Office recommends that the Commission find

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4. The check was written on the joint account of "L.M. Warner" and "Fae Warner," but it bears the signature of "L.M. Warner." All the documentation that Mr. Warner submitted in response to the FEC's inquiries concern Mr. Warner alone.

5. Commission records indicate that Mr. Warner made no direct contributions to the Robertson campaign. He is, however, listed on VCI documents as a \$25,000 host for a May 16, 1986 fundraiser, although another document lists him as one of those who had sent checks for \$5,000. Whether this fundraiser benefited Pat Robertson's campaign is unclear at this time.

reason to believe that Lucien Warner violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3).

B. Henry J. Smith and The Bud Smith Organization

Henry J. "Bud" Smith, president of The Bud Smith Organization of North Carolina, Inc., a North Carolina corporation, (North Carolina Corporate Office), wrote a check on the Corporation's account for \$50,000 on August 29, 1986 to VCI. The memo line bears the inscription, "loan due 9-19-86." Attachment 4 at 2.

Initially, Bud Smith informed staff of this Office that the check represented a "personal loan." At that same time, he also angrily stated that he knew that the FEC's inquiries about the "loan" were actually about Pat Robertson's presidential campaign. Later, on March 15, 1994, Mr. Smith's counsel indicated that the check was a "short term business loan" with an interest rate "high for the time." In his affidavit dated March 18, 1994, Mr. Smith, like Mr. Warner, albeit less explicitly, concedes that the "loan" pertained to the Constitution Hall event, the only event that VCI was involved in during August and September, 1986. Mr. Smith, in his affidavit, however, characterizes his "loan" as a "straightforward commercial transaction":

[Michael Clifford] indicated that he was working on or was about to be retained to produce (sic) a major event and was in need of short-term working capital. He asked whether I would be in a position to loan his

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company. . . approximately \$50,000 for something less than 30 days. He assured me that the earnings he would receive would be sufficient to repay the loan, with interest. I viewed this transaction as a straightforward commercial transaction."

(Emphasis added.) Attachment 4 at 11.

Mr. Smith's two characterizations of the loan are clearly incompatible with one another, and documents submitted in response to the Commission's subpoena indicate that Michael Clifford initially negotiated the loan of August 28, 1986 as a 21 day loan at no interest. Attachment 4 at 5, 6. The loan was not paid according to the negotiated terms. Subsequently, an attorney for Michael Clifford renegotiated the loan, and substituted a second note on September 25, 1986, back-dated to August 28, 1986. This second note called for a due date of October 31, 1986 at 10% interest starting from August 29, 1986. It was paid in full on October 21, 1986 (\$50,767.12). Attachment 4 at 9.

The Act at Section 441b prohibits a corporation from making a loan and a president of a corporation from consenting to the corporation's making a loan in connection with a federal election. Thus, by signing a loan check to VCI on The Bud Smith Organization's account, Mr. Smith may have consented to a corporate contribution in violation of the Act.<sup>6</sup> Based on the information provided above, this

6. FEC records indicate that Mr. Smith as an individual made no direct contributions to the Robertson campaign. He is listed as contributing \$5,000 to the Robertson-connected political action committee, Committee for Freedom, on May 12, 1986, which at that time was heavily involved in fundraising efforts that may have benefited Pat Robertson's campaign.



Office recommends that the Commission find reason to believe that Henry J. Smith, as president, and The Bud Smith Organization of North Carolina, Inc., each violated 2 U.S.C. § 441b(a).

C. William J. Dooner

Mr. Dooner signed a check in the amount of \$50,000 dated August 28, 1986 that was deposited into VCI's Chase Bank account. Attachment 5 at 1. Mr. Dooner has not responded to either this Office's letter dated February 16, 1994 or to the Commission's subpoena dated March 23, 1994. Attachment 5 at 2-7. Attempts by this Office to contact Mr. Dooner by telephone have been unsuccessful.

Given Mr. Warner's acknowledgment that the loan he made was to advance capital for a Robertson campaign event, and given Mr. Smith's statement that the purpose of the loan he made was to provide financing for a major event that VCI was producing in August 1986, it may be that Mr. Dooner's loan was also related to the Robertson campaign.<sup>7</sup> In light of the amount of money at issue and its infusion into the campaign at an early stage, this Office recommends that the Commission find reason to believe that William Dooner violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). Moreover, this Office further recommends that the Commission authorize

7. FEC records indicate that Mr. Dooner made direct contributions to AFR of \$800 (\$1,000 on September 17, 1987 with \$200 refunded on January 30, 1988).

this Office to file a civil suit for enforcement of its subpoena in U.S. District Court against William Dooner.

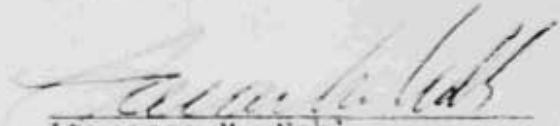
**D. Conclusion**

Following the Commission's finding of reason to believe against Mr. Warner, Mr. Dooner, and The Bud Smith Organization and Mr. Smith, as president, this Office intends to depose the Respondents under the subpoenas previously authorized by the Commission in order to determine the relationships among and between the loan transactions, VCI's production costs, and the Robertson presidential campaign.

**IV. RECOMMENDATIONS**

1. Find reason to believe that Lucien M. Warner and William Dooner each violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3).
2. Find reason to believe that Henry J. Smith, as president, and The Bud Smith Organization of North Carolina, Inc., each violated 2 U.S.C. § 441b(a).
3. Authorize the Office of General Counsel to file a civil suit for relief in United States District Court against William Dooner.
4. Approve the attached Factual and Legal Analyses.
5. Approve the appropriate letters.

5/25/94  
Date

  
Lawrence M. Noble  
General Counsel

**Attachments**

1. Michael Clifford letter to Pat Robertson
2. Telephone notes of Barbara King
3. Lucien Warner documents
4. Bud Smith documents
5. William Dooner documents
6. Factual and Legal Analyses (3)

Attorney assigned: Holly Baker

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 3485  
Americans for Robertson, Inc., )  
and Frederick H. Shafer, as )  
treasurer )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on June 7, 1994, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 3485:

1. Find reason to believe that Lucien M. Warner and William Dooner each violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3).
2. Find reason to believe that Henry J. Smith, as president, and The Bud Smith Organization of North Carolina, Inc., each violated 2 U.S.C. § 441b(a).
3. Authorize the Office of General Counsel to file a civil suit for relief in United States District Court against William Dooner.
4. Approve the Factual and Legal Analyses recommended in the General Counsel's report dated May 25, 1994.

(continued)

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5. Approve the appropriate letters as recommended in the General Counsel's report dated May 25, 1994.

Commissioners Aikens, Elliott, McDonald, McGarry, and Thomas voted affirmatively for the decision. Commissioner Potter did not participate with respect to this matter and was not present during its consideration.

Attest:

6-8-94  
Date

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

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20543

JUNE 16, 1994

Justin Simon, Esq.  
Dickstein, Shapiro & Morin  
2101 L Street, N.W.  
Washington, D.C. 20037-1526

RE: MUR 3485  
The Bud Smith Organization of  
North Carolina, Inc. and  
Henry J. Smith, as president

Dear Mr. Simon:

On June 7, 1994, the Federal Election Commission found that there is reason to believe that your clients, The Bud Smith Organization of North Carolina, Inc. and Henry J. Smith, as president violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Your clients may submit any factual or legal materials that they believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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

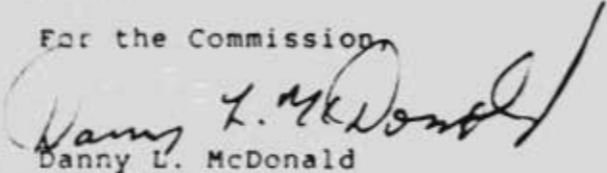
Justin Simon, Esq.  
Page 2

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

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless your clients notify the Commission in writing that they wish the investigation to be made public.

For your information, we have enclosed a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission

  
Danny L. McDonald  
Vice Chairman

Enclosures  
Factual and Legal Analysis  
Procedures

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MUR: 3485

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The Federal Election Campaign Act of 1971, as amended ("the Act"), provides generally that it is unlawful for any corporation to make a contribution or expenditure in connection with a federal election, and for any candidate, political committee, or other person knowingly to accept or receive any such corporate contribution. See 2 U.S.C. § 441b(a). The Act further provides that it is unlawful for an officer or a director of a corporation to consent to any prohibited corporate contribution or expenditure. See 2 U.S.C. § 441b(a).

Under the Act, a contribution includes any gift, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office. 2 U.S.C. § 431(8)(A).

Henry J. "Bud" Smith, president of The Bud Smith  
Organization of North Carolina, Inc., a North Carolina

corporation, wrote a check on the Corporation's account for \$50,000 on August 29, 1986 to Victory Communications International, Inc. ("VCI"). The memo line bears the inscription "loan due 9-19-86."

Initially, Bud Smith stated that the check represented a "personal loan." At that same time, he also stated that he knew that the Commission's inquiries about the "loan" were actually about Pat Robertson's presidential campaign. Later, on March 15, 1994, Mr. Smith's counsel indicated that the check was a "short term business loan" with an interest rate "high for the time." In his affidavit dated March 18, 1994, Mr. Smith concedes that the "loan" pertained to the video broadcast produced by VCI for the Robertson campaign at Constitution Hall on September 17, 1986. Mr. Smith, in his affidavit, however, characterizes his "loan" as a "straightforward commercial transaction":

[Michael Clifford] indicated that he was working on or was about to be retained to product (sic) a major event and was in need of short-term working capital. He asked whether I would be in a position to loan his company. . . approximately \$50,000 for something less than 30 days. He assured me that the earnings he would receive would be sufficient to repay the loan, with interest. I viewed this transaction as a straightforward commercial transaction."

(emphasis added).

Mr. Smith's two characterizations of the loan are clearly incompatible with one another, and documents indicate that Michael Clifford initially negotiated the loan of August 28, 1986 as a 21 day loan at no interest. The loan was not paid according to the negotiated terms.

Subsequently, an attorney for Michael Clifford renegotiated the loan, and substituted a second note on September 25, 1986, back-dated to August 28, 1986. This second note called for a due date of October 31, 1986 at 10% interest starting from August 29, 1986. It was paid in full on October 21, 1986 (\$50,767.12).

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The Act at Section 441b prohibits a corporation from making a loan and a president of a corporation from consenting to the corporation's making a loan in connection with a federal election. Thus, by signing a loan check to VCI on The Bud Smith Organization's account, Mr. Smith<sup>1</sup> may have consented to a corporate contribution in violation of the Act. Therefore, there is reason to believe that Henry J. Smith, as president, and The Bud Smith Organization of North Carolina, Inc. each violated 2 U.S.C. § 441b(a).

1. FEC records indicate that Mr. Smith as an individual made no direct contributions to the Robertson campaign. He is listed as contributing \$5,000 to the Robertson-connected political action committee, Committee for Freedom, on May 12, 1986.





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

MARCH 23, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

William J. Dooner  
640 River Chase Point  
Atlanta, GA 30328

RE: MUR 3485

Dear Mr. Dooner:

Pursuant to its investigation in the above-referenced matter, the Federal Election Commission sent you a letter dated February 16, 1994 requesting you to supply certain information helpful to the Commission. Since we have not received a response from you, the Commission has issued the attached subpoena requiring you to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena. A designation of counsel form is enclosed for your use. It is required that you submit all answers to questions under oath within 30 days of your receipt of this subpoena.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, reading "Holly J. Baker", is written over a horizontal line.

Holly J. Baker  
Attorney

Enclosures  
Subpoena  
Designation of counsel form

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# SUBPOENA TO PRODUCE DOCUMENTS

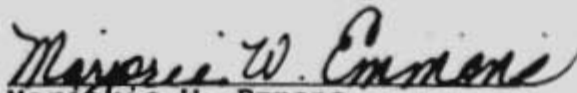
Notice is given that these documents must be submitted to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, within 30 days of your receipt of this subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this 23<sup>rd</sup> day of  
March, 1994.

For the Commission,

  
\_\_\_\_\_  
Trevor Potter  
Chairman

ATTEST:

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

Attachments  
Instructions and Definitions  
Document Request (1 page)

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#### INSTRUCTIONS

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

Should you claim a privilege with respect to any documents requested by the following request 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, 1986 to December 31, 1987.

The following request for production of documents is 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 listed below are defined as follows:

"You" shall mean the named respondent to whom these discovery requests are addressed, including all employees, agents or attorneys thereof.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

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REQUEST FOR DOCUMENTS

1. Provide all documents pertaining or relating in any way to the check dated August 28, 1986 you wrote for \$50,000 (fifty thousand dollars) to Victory Communications International, Inc., including, but not limited to, agreements, terms, notes, correspondence, memoranda, phone messages, electronic messages, bank statements, and payments.

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: William Dooner

MUR: 3485

This matter was generated from information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

Under the Federal Election Campaign Act of 1971, as amended ("the Act"), a contribution includes any gift, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office. 2 U.S.C. § 431(8)(A).

The Act limits how much a person may contribute to candidates and political committees: not in excess of \$1,000 per candidate per election, and not in excess of \$5,000 per political committee. See 2 U.S.C. § 441a(a)(1). Further, under the Act, an individual's total contributions must not exceed \$25,000 per year. 2 U.S.C. § 441a(a)(3).

A check in the amount of \$50,000 signed by Mr. Dooner and dated August 28, 1986 was deposited into the bank account of Victory Communications International, Inc. ("VCI"). Documents in the possession of the Commission indicate that Mr. Dooner's check may have been a loan to provide advance money needed for the video broadcast held on September 17,

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1986 at Constitution Hall in Washington, D.C. to benefit Pat Robertson's presidential campaign. Therefore, there is reason to believe that William Dooner violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3).

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

JUNE 10, 1994

**VIA FEDERAL EXPRESS**

William Dooner  
8555 Laurens Lane  
San Antonio, TX 78218

RE: MUR 3485  
William Dooner

Dear Mr. Dooner:

On March 23, 1994, the Federal Election Commission issued a Subpoena directing that you supply the Commission with certain specified documents (copy enclosed). Since you have not responded, on June 7, 1994, the Commission authorized the Office of the General Counsel to file a civil suit for relief in the United States District Court to compel your compliance with the outstanding Subpoena.

Should you wish to comply with the Subpoena prior to suit, please contact Tonda Phalen, the attorney assigned to this matter, at (202) 219-3400, within five days of your receipt of this letter.

Also on June 7, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's reason to believe findings. Statements should be submitted under oath. All additional materials must be submitted within 15 days of your receipt of this letter. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

You may consult with an attorney and have an attorney assist you in the preparation of your responses. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name,

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William Dooner  
Page 2

address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

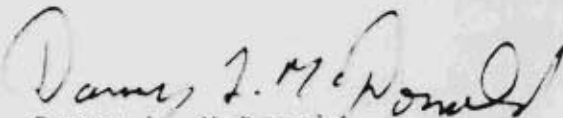
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending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

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

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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. As explained above, should you wish to comply with the Commission's Subpoena prior to suit, or if you have any questions, please contact Tonda Phalen, at (202) 219-3400, within five days of your receipt of this letter.

For the Commission,

  
Danny L. McDonald  
Vice Chairman

Enclosures  
Subpoena  
Factual and Legal Analysis  
Procedures  
Designation of Counsel Form



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

JUNE 16, 1994

Lucien M. Warner  
11411 N. Tatum Blvd.  
Phoenix, AZ 85028

RE: MUR 3485  
Lucien M. Warner

Dear Mr. Warner:

On June 7, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause

Lucien M. Warner  
Page 2

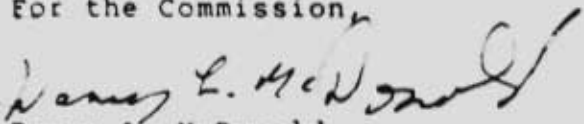
must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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

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 investigation to be made public.

For your information, we have enclosed a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Holly Baker, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

  
Danny L. McDonald  
Vice Chairman

Enclosures  
Factual and Legal Analysis  
Procedures  
Designation of Counsel Form

16043754901

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Lucien M. Warner

MUR: 3485

This matter was generated from information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that a contribution includes any gift, loan, advance, or deposit or money or anything of value made by any person for the purpose of influencing any election for Federal office. 2 U.S.C. § 431(8)(A).

The Act limits how much a person may contribute to candidates and political committees: not in excess of \$1,000 per candidate per election, and not in excess of \$5,000 per political committee. See 2 U.S.C. § 441a(a)(1). Further, under the Act, an individual's total contributions must not exceed \$25,000 per year. 2 U.S.C. § 441a(a)(3).

In response to an informal request for information from the Commission, Mr. Warner acknowledged that he wrote a check for \$100,000, dated August 12, 1986, and that that check was a loan to provide advance money needed by Victory Communications International, Inc. ("VCI") to produce a video broadcast for Pat Robertson on September 17, 1986 at

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Constitution Hall in Washington, D.C.<sup>1</sup> Under oath, Mr.

Warner states:

The check I wrote for \$100,000 to [VCI] dated August 12, 1986 was for the purpose of providing capital necessary to allow Victory to accomplish a close-circuit TV broadcast which had as its purpose the raising of funds in connection with Pat Robertson's potential candidacy for the Republican nomination in 1988. As contributions were received by Victory, I was repaid in full shortly after the broadcast. This was in keeping with the idea that this was to be an advance to facilitate the broadcast, with a source of repayment in the form of contributions by the many people who viewed the telecast.

According to the Promissory Note dated August 11, 1986 and signed by Michael Clifford as president of VCI, the principal and 10% interest per year were payable on or before February 11, 1987. Documents that Mr. Warner submitted indicate that VCI actually repaid Mr. Warner in two installments, the first on October 21, 1986 (\$51,972.60), the second and final one on October 31, 1986 (\$50,136.99).

With his loan of \$100,000 made through VCI, Mr. Warner may have contributed at least \$100,000 to Pat Robertson's presidential campaign, resulting in a contribution in excess of the limits established by the Act.<sup>2</sup> Therefore, there is

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1. The check was written on the joint account of "L.M. Warner" and "Fae Warner," but it bears the signature of "L.M. Warner." All the documentation that Mr. Warner submitted in response to the Commission's inquiries concern Mr. Warner alone.

2. Commission records indicate that Mr. Warner made no direct contributions to the Robertson campaign. He is, however, listed on VCI documents as a \$25,000 host for a May 16, 1986 fundraiser, although another document lists him as one of those who had sent checks for \$5,000.

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reason to believe that Lucien Warner violated 2 U.S.C.  
§§ 441a(a)(1)(A) and 441a(a)(3).

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

JUNE 17, 1994

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

David Sterbonic  
Calcutta Aircraft Leasing, Inc.  
971 S. Kirby Rd.  
Bloomington, IN 47403

RE: MUR 3485

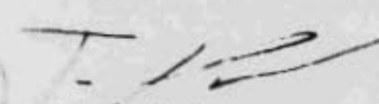
Dear Mr. Sterbonic:

As discussed in our telephone conversation, attached are interrogatories and a request for the production of documents seeking certain information in connection with an investigation being conducted by the Federal Election Commission. The 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 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.

Please submit your response to the attached interrogatories and request for the production of documents within 30 days of receipt. All answers must be submitted under oath. If you have any questions, please contact me at (800) 424-9530.

Sincerely,

  
Jose M. Rodriguez  
Attorney

Enclosure  
Interrogatories and Request for  
Production of Documents

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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) MUR 3485  
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INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS

TO: David Sterbonic  
Calcutta Aircraft Leasing, Inc.  
971 S. Kirby Rd.  
Bloomington, IN 47403

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In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 30 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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.

With the exception of request number five (5), the discovery request shall refer to the time period from April 1, 1985, to December 31, 1988.

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 listed below are defined as follows:

"You" shall mean the named individual to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

QUESTIONS AND DOCUMENT REQUESTS

1. Please list all positions held by you with CBN Continental Broadcasting, Inc. ("CBN Continental") (now KXTX, Inc.) and/or Airplanes, Inc., including the dates during which these positions were held. Produce all employment contracts concerning the listed positions.
2. State if you ever received any indication of CBN Continental's need or purpose in purchasing the BAC 1-11, and/or in hiring you as its pilot. If so, identify by name and office the source of the information and the date such information was conveyed.
3. Please identify all other pilots hired to fly the BAC 1-11, and their employer.
4. Please produce all documents, including but not limited to flight logs, manifests, passenger lists, billings, and invoices concerning the BAC 1-11.
5. Please produce all documents relating to Donald W. Miracle v. David Sterbonic and Calcutta Aircraft Leasing, Inc., No. 28C01-9101-CP-16 (Ind., Green Cir. Crt.), including all pleadings, depositions, and other related materials.

26043754909



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

JUNE 17, 1994

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

Paul D. Trice  
6178 Egypt Valley Court  
Ada, MI 49301

RE: MUR 3485

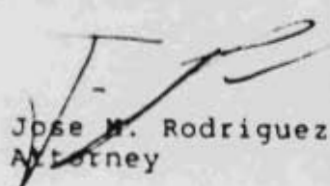
Dear Mr. Trice:

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. Attached are interrogatories and a request for the production of documents seeking 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.

Please submit your response to the attached interrogatories and request for the production of documents within 30 days of receipt. All answers must be submitted under oath. Please call me at (800) 424-9530 to discuss this matter.

Sincerely,

  
Jose M. Rodriguez  
Attorney

Enclosure  
Interrogatories and Request for  
Production of Documents

96043754910



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
) MUR 3485  
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**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Paul D. Trice  
6178 Egypt Valley Court  
Ada, MI 49301

26043754911  
In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 30 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.



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.

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.

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"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.

36042754913

QUESTIONS AND DOCUMENT REQUESTS

1. Please list all positions held by you with CBN Continental Broadcasting, Inc. ("CBN Continental") (now KXTX, Inc.) and/or Airplanes, Inc., including the dates during which these positions were held, for the period from April 1, 1985 to December 31, 1988. Produce all employment contracts, severance contracts, and other documents concerning your employment in the listed positions.
2. State if you ever received any indication of CBN Continental's need or purpose in purchasing the BAC 1-11, and/or in hiring you as its pilot. If so, identify by name and office the source of the information and the date such information was conveyed.
3. Please identify all other pilots hired to fly the BAC 1-11, and their employer.
4. Please produce all documents, including but not limited to flight logs, manifests, passenger lists, billings, and invoices concerning the BAC 1-11.

160448754914



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

JUNE 17, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

David Phillip Walen  
P.O. Box 1140  
Coats, NC 27521

RE: MUR 3485

Dear Mr. Walen:

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. Attached are interrogatories and a request for the production of documents seeking 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.

Please submit your response to the attached interrogatories and request for the production of documents within 30 days of receipt. All answers must be submitted under oath. Please call me at (800) 424-9530 to discuss this matter.

Sincerely,

Jose M. Rodriguez  
Attorney

Enclosure

Interrogatories and Request for  
Production of Documents

26043754915

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS

TO: David Phillip Walen  
P.O. Box 1140  
Coats, NC 27521

26042154916

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 30 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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.

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

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"You" shall mean the named individual to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"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.



QUESTIONS AND DOCUMENT REQUESTS

1. Please list all positions held by you with CBN Continental Broadcasting, Inc. ("CBN Continental") (now KXTX, Inc.) and/or Airplanes, Inc., including the dates during which these positions were held, for the period from April 1, 1985 to December 31, 1988. Produce all employment contracts, severance contracts, and other documents concerning your employment in the listed positions.
2. State if you ever received any indication of CBN Continental's need or purpose in purchasing the BAC 1-11, and/or in hiring you as its pilot. If so, identify by name and office the source of the information and the date such information was conveyed.
3. Please identify all other pilots hired to fly the BAC 1-11, and their employer.
4. Please produce all documents, including but not limited to flight logs, manifests, passenger lists, billings, and invoices concerning the BAC 1-11.

26048754919



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

JUNE 17, 1994

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Edward R. Parker  
Piedmont Aviation, Inc.  
5511 Staples Mill Rd.  
Richmond, VA 23228

RE: MUR 3485

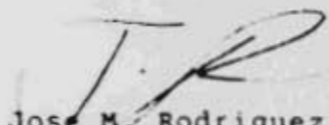
Dear Mr. Parker:

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. Attached are interrogatories and a request for the production of documents seeking certain information in connection with an investigation it is conducting. The Commission does not consider Piedmont Aviation 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.

Please submit your response to the attached interrogatories and request for the production of documents within 30 days of receipt. All answers must be submitted under oath. Please call me at (800) 424-9530 to discuss this matter.

Sincerely,

  
Jose M. Rodriguez  
Attorney

Enclosure  
Interrogatories and Request for  
Production of Documents

96043754920

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3485  
)

INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS

TO: Edward R. Parker  
Piedmont Aviation, Inc.  
5511 Staples Mill Rd.  
Richmond, VA 23228

36043754921

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 30 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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, 1984, to December 31, 1989.

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.

760431549222

DEFINITIONS

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

"You" shall mean the named entity to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"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.

36043754923

QUESTIONS AND DOCUMENT REQUESTS

1. Please identify by make, model, and seating capacity all aircraft provided by you to the Christian Broadcasting Network, Inc., CBN Continental Broadcasting Network, Inc. (now KXTX, Inc.), Airplanes, Inc., D&M Fuel Company, Americans For Robertson, Inc., and/or Mr. Donald Miracle for the time period from January 1, 1986, to December 31, 1988. List the specific dates on which the aircraft was provided and specify the entity or individual being provided the aircraft for the each listed date. Also, produce all documents, including but not limited to flight logs, manifests and passenger lists relating to the above entities' use of the listed aircraft.
2. For the listed aircraft, please indicate if the aircraft was provided under a lease, charter, or other for hire agreement. Produce any documents, including but not limited to contracts, billings and invoices, relating to the provision of the aircraft.
3. Please identify all individuals at the above entities involved in the use of the listed aircraft.

36045754924





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

JUNE 20, 1994

Mary Anne Jenkins, Esq.  
First Interstate Bank of Arizona  
Dept. 773  
100 West Washington  
Phoenix, AZ 85038

RE: MUR 3485

Dear Ms. Jenkins:

As I explained in my phone conversation with you on June 15, 1994, the Federal Election Commission has been informed by Timothy Welch of your bank that 1986 financial records covered by the Commission's outstanding Subpoena issued in connection with a confidential enforcement investigation to the Chase Bank of Arizona may have been destroyed. Enclosed are copies of the Subpoena and communications the Office of the General Counsel had with Chase Bank.

Timothy Welch further informed this Office on June 17, 1994 that significant steps are being taken to ascertain whether the 1986 records have in fact been destroyed. He has also indicated that First Interstate Bank will immediately provide the 1987 records subject to the Commission's Subpoena.

If the 1986 records no longer exist, please confirm in writing that the records have been destroyed. Please provide the name and address of the person(s) responsible for ordering the destruction of the records and the date the records were destroyed. Include the written policy of Chase Bank for the destruction of records. Further, please indicate the policy Chase Bank followed to mark or otherwise specify that financial records were covered by an outstanding subpoena.

The Commission appreciates your cooperation in this matter. If you have any questions, please call me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script that reads "Holly J. Baker".  
Holly J. Baker  
Attorney

Enclosures

26043754925





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

RECEIVED  
FEDERAL ELECTION COMMISSION  
JUN 21 11 30 AM '94

JUNE 3, 1994

Chase Bank of Arizona  
ATTN: Suzanne Rostan  
Legal Operations  
3300 North 3rd Avenue  
Phoenix, AZ 85013

RE: MUR 3465

Dear Ms. Rostan:

Pursuant to the Commission's outstanding subpoena, we now request that you provide legible copies of all checks and checking debit memos in the amount of \$5,000 or more, from May 1, 1986 through January 31, 1987, written on or drawn from Victory Communications International, Inc.'s account # 2-4218440. You previously supplied bank statements of credits and debits and copies of deposits into that account.

Please send copies of the checks and debit memos within 15 days of your receipt of this letter along with an invoice for your services.

Should you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker  
Attorney

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL

JUN 21 12 15 PM '94

17 CHASE BANK

VICTORY COMMUNICATIONS

01 ACCOUNT NO 2-4218440

INTERNATIONAL INC  
MICHAEL K & LINDSEY - CLIFFORD/DBA  
6617 N SCOTTSDALE RD  
SCOTTSDALE AZ 85253

PERIOD ENDING 1-30-87

PAGE NO 1 1-66

SUMMARY

NAME OF ACCOUNT	PREVIOUS BALANCE	DEPOSITS	NO	WITHDRAWALS	NO	NEW BALANCE
SUPER NOW	25278684	43135704	11	35126305	147	30286083

DETAIL

DATE	AMOUNT	DESCRIPTION	BALANCE
		**** SUPER NOW ****	
1-14	36334960	CHECKING DEPOSIT	
1-22	650000	CHECKING DEPOSIT	
1-23	684949	CHECKING DEPOSIT	
1-26	50000	CHECKING DEPOSIT	
1-26	77918	CHECKING DEPOSIT	
1-26	100000	MAIL DEPOSIT	
1-15	3083	MAIL DEPOSIT	
1-15	31700	MAIL DEPOSIT	
1-20	38600	MAIL DEPOSIT	
1-14	30000	CREDIT MEMO	
1-30	112494	INTEREST PAYMENT	
1-08	350000	CHECKING DEBIT MEMO	
1-14	300000	CHECKING DEBIT MEMO	
1-15	300000	CHECKING DEBIT MEMO	
1-15	12500227	CHECKING DEBIT MEMO	
1-28	5000750	CHECKING DEBIT MEMO	
1-12	124877	CHECK	
1-04	8884	2063 CHECK	
1-00	8826	1995 CHECK	
1-02	8537	19867 CHECK	
1-02	8843	1658 CHECK	
1-03	8846	5250 CHECK	
1-03	8848	54925 CHECK	
1-03	8851	4079 CHECK	
1-03	8855	5000 CHECK	
1-03	8856	41500 CHECK	
1-03	8858	9447 CHECK	
1-03	8859	5832 CHECK	
1-03	8864	10708 CHECK	
1-03	8865	44417 CHECK	
1-03	8866	50570 CHECK	
1-03	8867	2777 CHECK	
1-03	8868	411653 CHECK	
1-03	8869	15140 CHECK	
1-03	8870	9814 CHECK	
1-03	8872	6000 CHECK	
1-03	8873	8071 CHECK	
1-03	8876	116400 CHECK	
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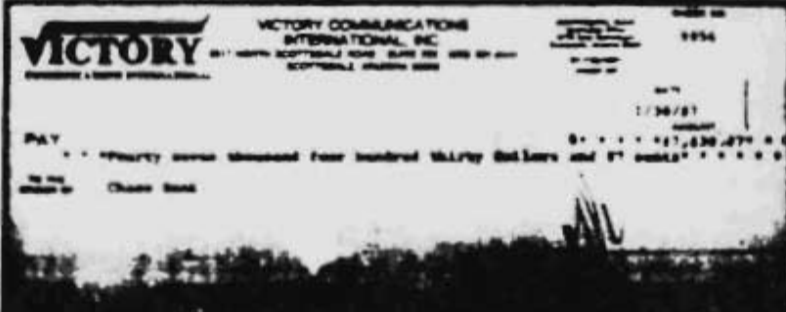
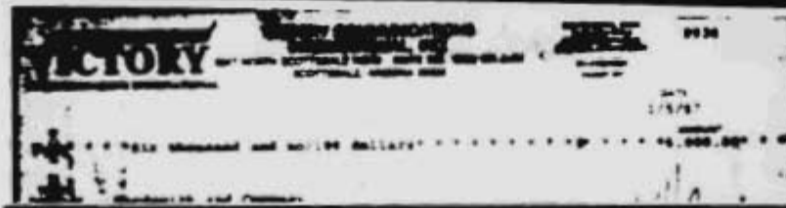
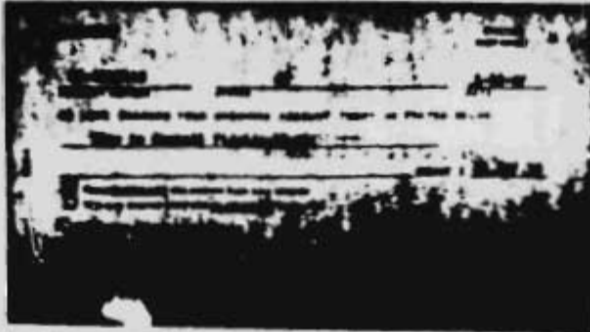
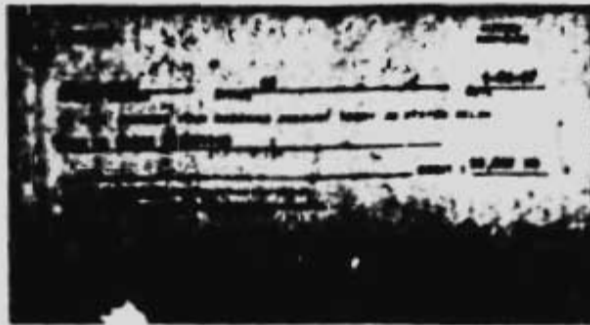
PLEASE EXAMINE AT ONCE AND ADVISE US PROMPTLY OF ANY DISCREPANCIES  
CONTACT YOUR ACCOUNT

35040754927

$\Delta H_{\text{f}}^{\circ}(\text{kJ mol}^{-1})$ :  $\text{CH}_4$  -75,  $\text{CO}_2$  -394,  $\text{H}_2\text{O}$  -286,  $\text{C}_2\text{H}_6$  -85,  $\text{C}_2\text{H}_4$  52,  $\text{C}_2\text{H}_2$  227,  $\text{C}_2\text{H}_6\text{O}$  -277,  $\text{C}_2\text{H}_4\text{O}$  -52,  $\text{C}_2\text{H}_2\text{O}$  131,  $\text{C}_2\text{H}_4\text{O}_2$  -484,  $\text{C}_2\text{H}_2\text{O}_2$  191,  $\text{C}_2\text{H}_4\text{O}_3$  -699,  $\text{C}_2\text{H}_2\text{O}_3$  -247,  $\text{C}_2\text{H}_4\text{O}_4$  -1028,  $\text{C}_2\text{H}_2\text{O}_4$  -369,  $\text{C}_2\text{H}_4\text{O}_5$  -1482,  $\text{C}_2\text{H}_2\text{O}_5$  -511,  $\text{C}_2\text{H}_4\text{O}_6$  -1871,  $\text{C}_2\text{H}_2\text{O}_6$  -641,  $\text{C}_2\text{H}_4\text{O}_7$  -2265,  $\text{C}_2\text{H}_2\text{O}_7$  -791,  $\text{C}_2\text{H}_4\text{O}_8$  -2659,  $\text{C}_2\text{H}_2\text{O}_8$  -941,  $\text{C}_2\text{H}_4\text{O}_9$  -3053,  $\text{C}_2\text{H}_2\text{O}_9$  -1091,  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$$P = 0.04 \quad (1) \quad \text{and} \quad N = 0.001 \quad (2)$$

$$P(A) = \frac{1}{2}, P(B) = \frac{1}{2}, P(A \cap B) = \frac{1}{4}, P(A \cup B) = \frac{3}{4}$$



26043754931



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

JUN 24 2 57 PM '94

June 24, 1994

**SENSITIVE**

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble *LMN*  
General Counsel

BY: Richard B. Bader *RBB*  
Associate General Counsel

Stephen E. Hershkowitz *SEH*  
Assistant General Counsel

Denitta D. Ward *DDW*  
Attorney

RE: Beurt R. SerVaas -- Subpoena Enforcement (MUR 3485)

On April 12, 1994 the Commission authorized the Office of the General Counsel to file a civil suit to enforce the March 14, 1994 Subpoena and Order in the above-referenced matter. Mr. SerVaas has subsequently complied with the Subpoena and Order. Therefore, the civil action will not be filed.



USAir

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JUN 24 12 39 PM '94

June 23, 1994

Jose M. Rodriguez, Esq.  
Federal Election Commission  
Room 659  
999 E Street, N.W.  
Washington, DC 20463

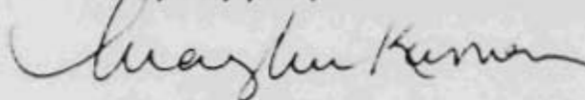
RE: In the Matter of MUR 3485

Dear Mr. Rodriguez:

In response to the Interrogatories and Request for Production of Documents served on USAir in the above case, please be advised that Piedmont Airlines and USAir merged on August 5, 1989. You are seeking Piedmont records and information for the time period January 1, 1986 to December 31, 1988. According to company policy, all charter records are destroyed in the usual course of business after three years. Accordingly, USAir does not have any records or any information responsive to this request.

If you should have any questions or wish to speak with me regarding this matter, please call me at 703/418-5239.

Very truly yours,



Mary Lee Kamen  
Legal Assistant

MLK:hs



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

JUNE 3, 1994

Chase Bank of Arizona  
ATTN: Suzanne Rostan  
Legal Operations  
3700 North 3rd Avenue  
Phoenix, AZ 85013

RE: MUR 3485

JUN 7 12 15 PM '94

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Dear Ms. Rostan:

Pursuant to the Commission's outstanding subpoena, we now request that you provide legible copies of all checks and checking debit memos in the amount of \$5,000 or more, from May 1, 1986 through January 31, 1987, written on or drawn from Victory Communications International, Inc.'s account # 2-4218440. You previously supplied bank statements of credits and debits and copies of deposits into that account.

Please send copies of the checks and debit memos within 15 days of your receipt of this letter along with an invoice for your services.

Should you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker  
Attorney

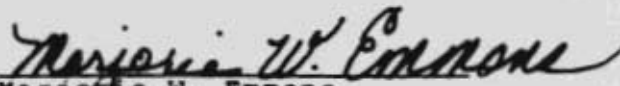
Notice is given that these documents must be submitted to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, within 30 days of your receipt of this subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C., on this 16<sup>th</sup> day  
of February, 1994.

For the Commission,

  
Trevor Potter  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Document Requests

26043754936

DOCUMENT REQUESTS

1. For Victory Communications International, Inc. ("VCI") account #024218440 and any other VCI account, and for any other corporate accounts on which Michael K. Clifford had signature authority, provide copies of checks, statements, deposit slips, and instruments deposited.

2. For VCI account #024218440 and any other VCI account, and for any other corporate accounts on which Michael K. Clifford had signature authority, provide copies of all documents regarding loans, lines of credit, and letters of credit.

3. For any of the data described above maintained electronically, provide formats for the data, a description of any codes/symbols utilized, the software used to create the electronic records, and readable computer diskettes 3 1/2" or 5 1/4" or magnetic tape if stored on tape.

34041754931



First Interstate Bank  
of Arizona, N.A.  
Operations Center  
P.O. Box 29700  
Phoenix, AZ 85038-9700  
602 894-3600

June 30, 1994

mur 3485

Holly J. Baker  
Federal Election Commission  
999 E. St., NW  
Washington, DC 20463

Re: Victory Communications

Dear Ms. Baker,

In regards to your subpoena dated June 20, 1994 in the above reference matter, First Interstate Bank of Arizona successor by merger to Chase Bank of Arizona has a retention of records for seven years and there for is unable to provide requested information pertaining to Victory Communications International Inc for the time period of May 1, 1986 thru January 31, 1987

If you have any questions, please call Carolynne Holtz at (602) 902-3455. Please use reference number LX-0727

Sincerely,

Geri Russell  
Assistant Vice President  
Southwest Regional Manager

JUN 7 12 15 PM '94

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OFFICE OF GENERAL  
COUNSEL

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DICKSTEIN, SHAPIRO & MORIN, LLP

2101 L STREET, N.W.  
WASHINGTON, D.C. 20037-1524  
202 785 9700

FACSIMILE 202 487 0868  
TELETYPE 202 487 0868

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OFFICE OF GENERAL  
COUNSEL

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598 MADISON AVENUE  
NEW YORK, N.Y. 10022-6144  
212 632-1900

WRITERS DIRECT DIAL

(202) 828-2211

June 24, 1994

VIA MESSENGER

Holly Baker, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

**CONFIDENTIAL TREATMENT  
REQUESTED UNDER FOIA**

Re: MUR 3485  
The Bud Smith Organization of North Carolina, Inc.  
and Henry J. Smith, as president

Dear Ms. Baker:

This letter will acknowledge receipt of your letter dated June 16, 1994 concerning the Bud Smith Organization and Henry J. Smith. In your letter, you state that the Federal Election Commission ("FEC"), on the recommendation of the General Counsel's Office, has found "reason to believe" that the above-identified persons may have violated the Federal Election Campaign Act of 1971, as amended ("FECA").

At the risk of appearing unduly confrontational, I am compelled to observe that I am disappointed that the FEC is now considering an enforcement action against an individual who was called out of the blue by the Commission Staff regarding a transaction that took place nearly eight years ago, who cooperated with Commission Staff, and who then retained counsel to facilitate continued cooperation with the Commission. Despite Mr. Smith's openness and cooperation, this proceeding was initiated without even consulting with his counsel to resolve any factual issues. As we demonstrate below, there is no basis for an enforcement action against either subject of the above-identified MUR. The expense and formality required by the Commission's finding is unnecessary. As someone who has practiced before the Commission since 1975, I find such action on the part of the Staff to be regrettable and counterproductive to efforts by the Commission to be viewed as an effective and creditable regulatory authority.



Holly Baker, Esq.  
June 24, 1994  
Page 2

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In addressing the "substance" of this MUR, little need be said. First, while the Staff's Factual and Legal Analysis ("Analysis") dwells at great length on the question of whether the transaction was a "personal" or "business" loan, this issue is irrelevant. There is no basis in the Analysis for finding this loan transaction to be a contribution within the meaning of the FECA. 2 U.S.C. § 431(8)(A). On the contrary, the Staff's Analysis makes clear that the recipient of the funds was a corporation, Victory Communications, Inc. ("Victory"), which repaid the loan with interest less than two months after receiving the funds. We are aware of no evidence that anyone other than Victory received the funds. Nor are we aware of any information subjecting this transaction to the jurisdiction of the FEC.

Second, had the Commission Staff consulted with counsel, it would have been apparent that the "incompatible" characterizations of the loan transactions are not at all in conflict. As you know, Bud Smith is chairman of Clark/Bardes. He was also the principal owner of a company bearing his name through which he pursued personal investment activities in corporate form. To the extent that your notes may reflect my client's reference to a Bud Smith Organization "personal" loan, this is nothing other than a colloquial reference (by a layman) to his own company, not a legally significant distinction. The fact remains that an interest-bearing loan was made to Victory by Mr. Smith's corporation and that the funds were repaid in timely manner.

Furthermore, the fact that the initial receipt for the loan did not reference a specific interest term is an irrelevant oversight; as soon as the loan was properly documented -- days later -- the interest term was included. The informal receipt to which the Staff refers does not state that the loan was "interest free" or that there was "-0-" interest -- it merely omits a stated interest amount. The actual interest rate charged was a healthy 10 percent.

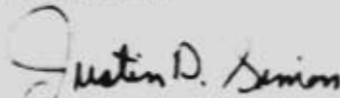
Finally, the most I can divine from the Staff's Analysis is that we are dealing with a loan transaction where the loan was repaid, with interest, nearly eight years ago. The loan was between two corporations. The Commission's Analysis cites no basis for concluding that any portion of the funds were contributions to a candidate or political committee in violation of the FECA, let alone any basis for implying that my clients

Holly Baker, Esq.  
June 24, 1994  
Page 3

would have knowledge of such matters. The mere fact that Victory may have had separate contractual dealings with a candidate or political committee does not subject its dealings with my clients for its own account to regulation by the FEC. In short, the Staff's Analysis does not even allege a factual basis for invoking the jurisdiction of the Commission on the grounds that this transaction somehow involved a "contribution". 2 U.S.C. § 431(8)(A). At most, this MUR reflects a digressive detour by the Staff based on an "inconsistency" which, upon a moment's scrutiny, is no inconsistency at all.

This MUR should be closed with no further action and before any further expense is visited upon Mr. Smith and his Company.

Sincerely,

  
Justin D. Simon

JDS:emd

cc: Lawrence M. Noble, Esq.  
Henry J. Smith



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

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COMMISSION  
SECRETARIAT

JUL 8 10 39 AM '94

July 8, 1994

**SENSITIVE**

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble *LMN*  
General Counsel

Kim Bright-Coleman *KBC*  
Associate General Counsel

Gregory R. Baker *GRB*  
Special Assistant General Counsel

SUBJECT: MUR 3485 -- Motion for Recusal

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FEDERAL ELECTION  
COMMISSION  
SECRETARIAT  
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On May 11, 1994, we received a motion by R. Marc Nuttle requesting that Chairman Potter recuse himself from all matters pertaining to MUR 3485 (Robertson). The motion also requested that the Commission reconsider its votes with respect to MUR 3485. In addition, the motion contained an affidavit from R. Marc Nuttle. On May 13, 1994, this Office sent Mr. Nuttle's attorney, Marion Edwyn Harrison, a letter acknowledging receipt of the motion. This Office sent Mr. Harrison a letter on May 17, 1994, requesting that he provide additional information in support of the motion. We received a letter from Mr. Harrison on May 31, 1994, stating that our request for additional information was "unacceptable." We have attached these documents for your information.

Based upon past Commission practice in similar matters involving motions to recuse a Commissioner, Chairman Potter has requested that this Office provide him with a formal ethics opinion regarding his specific rights and duties with respect to this matter. We are currently researching the issue and will provide Chairman Potter with our analysis. This Office will

26043754942

Memorandum to the Commission  
MUR 3485 -- Motion for Recusal  
Page 2

make recommendations to the Commission regarding the revoting of the findings in MUR 3485 after the recusal issue has been resolved.

Attachments

1. Motion to Recuse Chairman Potter and to Reconsider MUR 3485 Votes.
2. Affidavit from R. Marc Nuttle.
3. Letter to Marion Edwyn Harrison, dated May 13, 1994.
4. Letter to Marion Edwyn Harrison, dated May 17, 1994.
5. Letter from Marion Edwyn Harrison, dated May 25, 1994.

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**MARTINAIR**

AIRCRAFT CHARTER/MANAGEMENT

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FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

2 46 PM '94

11 00 AM '94

Office of the General Counsel  
Federal Election Commission  
Room 659  
999 E Street, N.W.  
Washington DC 20463  
July 6, 1994

Reference: MUR 3485

To whom it may concern:

I have examined our records for the time period January 1, 1984 to December 31, 1989. I did not find any aircraft chartered, leased, or otherwise provided by Martinair Inc. to the Christian Broadcasting Network, Inc., CBN Continental Broadcasting Network, Inc. (now KXTX, Inc.), Airplanes, Inc., Donald Miracle, and/or Americans for Robertson, for the time period from January 1, 1984 to December 31, 1989.

*Susan M. Hebel*  
Susan M. Hebel  
Accountant for Martinair Inc.

RICHARD J. BLAKINGER  
JAMES H. THOMAS  
MICHAEL D. BULL  
EDWARD L. MILLER  
FRANK P. MINCARELLI  
STEPHEN M. KRAYBILL  
DAN A. BLAKINGER  
BARRY A. SOLODKY  
SUSAN E. GROSH  
ELIZABETH A. HAMBRICK STOWE  
FRANK J. VARGISH III  
SAMUEL A. GOODLEY JR.  
THOMAS D. DELL  
DAVID R. WORKMAN  
GEORGE T. COOK  
LAURA A. LYON  
W. BRYAN BYLER  
CHERYL SATTIN

\*ALSO MEMBER MO. BAR

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
ADMINISTRATIVE  
OFFICE  
BLAKINGER, BYLER & THOMAS, P.C.  
ATTORNEYS AT LAW  
28 PENN SQUARE  
LANCASTER, PA 17602  
(717) 299-1100  
RECEIVED  
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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JUL 13 11 43 AM '94

JUL 13 2 36 PM '94

CHARLES B. GROVE, JR.  
(1955-1985)

SAMUEL S. WENGER  
(1938-1989)

M. ELVIN BYLER  
(1965-1992)

COUNSEL  
THEODORE L. THOMAS

FAX  
(717) 299-9529

WRITER'S DIRECT DIAL #

July 7, 1994

399-2279

Jose M. Rodriguez, Esquire  
Federal Election Commission  
Washington, D.C. 20463

Re: Investigation MUR 3485

Dear Attorney Rodriguez:

Pursuant to our telephone conversation, I am attaching a response to your Interrogatories and Request for Production of Documents. I have further provided copies of checks received for the usage of the airplane, a copy of the Aircraft Rental Agreement and a copy of the transfer of registration. If you have further questions, please do not hesitate to contact me.

Very truly yours,

BLAKINGER, BYLER & THOMAS, P.C.



Thomas D. Dell

TDD:mog

QUESTIONS AND DOCUMENT REQUESTS

1. Please identify by make, model, and seating capacity all aircraft provided by you to the Christian Broadcasting Network, Inc., CBN Continental Broadcasting Network, Inc. (now KXTX, Inc.), Airplanes, Inc., D&M Fuel Company, Americans For Robertson, Inc., and/or Mr. Donald Miracle for the time period from January 1, 1986, to December 31, 1988. List the specific dates on which the aircraft was provided and specify the entity or individual being provided the aircraft for the each listed date. Also, produce all documents, including but not limited to flight logs, manifests and passenger lists relating to the above entities' use of the listed aircraft.
2. For the listed aircraft, please indicate if the aircraft was provided under a lease, charter, or other for hire agreement. Produce any documents, including but not limited to contracts, billings and invoices, relating to the provision of the aircraft.
3. Please identify all individuals at the above entities involved in the use of the listed aircraft.

93043154906



ANSWERS

1. Beech Craft King Air 100B-26N-74TF leased to Donald W. Miracle pursuant to Aircraft Rental Agreement dated September 1, 1987 (copy attached as Exhibit A). Any and all flight logs, manifests or passenger lists were sold with the airplane as transferred 3-11-89 (see attached transfer of registration documents - Exhibit B).

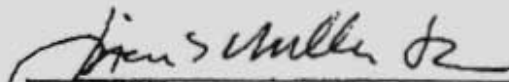
2. Lease identified above (Exhibit A). Also attached find copies of all checks and correspondence received (Exhibit C).

3. Contact with Donald Miracle, lessee of the aircraft. Use of the craft in question was under the direction and control of individuals other than the responding witness, James E. Millen, Jr.

2504754947

VERIFICATION

I, James E. Millen, Jr., hereby affirm and attest that the information provided pursuant to the Interrogatories and Request for Production of Documents is true and accurate to the best of my knowledge.

  
James E. Millen, Jr.

Dated: July 11, -, 1994.

26044754948

AIRCRAFT RENTAL AGREEMENT

1. PARTIES: This Agreement is made in Lancaster, Pennsylvania, this 1st day of September, 1987, between JAMES E. MILLEN, JR., Akron, Pennsylvania, ("Owner") and DONALD W. MIRACLE, c/o Norfolk International Airport, Norfolk, Virginia, 23501, ("User").

2. FACTS: The Owner of that certain Beech Craft King Air 100 B-26N-74TF, and all the equipment located therein, (collectively "the aircraft") and User agree that:

a. Owner hereby rents the aircraft to User and User hereby rents the aircraft from Owner. The aircraft is and at all times shall remain the sole property of Owner and User shall have no right, title or interest therein or any proceeds thereof, except as expressly provided herein.

3. TERM: This Agreement shall be for one (1) year commencing on September 1, 1987 ("the commencement date"). This Agreement may be terminated by Owner on 30 days notice if the aircraft is sold or by either party upon 30 days notice.

4. PAYMENTS:

a. Rent: User shall pay to the owner Three Hundred Eighty-Seven Dollars (\$387.00) per hour of hourly usage. Hourly usage shall mean the time the aircraft is used while in the possession of the User as determined by the meter installed in the aircraft. User shall prepare and deliver to Owner within 10 days after the close of each month an accounting of the aircraft's use during such month specifying the aircraft flight hours, the number of hours flown by the User and for which the User shall be liable to the Owner for rental, the hours during that month used for all other purposes, if any, and the totals which shall equal the total hours elapsed as recorded by the meter in the aircraft. The rent shall be paid within the first 10 days of the following month for the month just past. The first payment for the month of September is due by October 10, 1987, and each month thereafter by the 10th of the month. If the Lessee fails to pay any part of the rent herein required to be paid within 10 days after the due date thereof, the Lessee shall pay to the Lessor a penalty charge of 10% of the amount due.

~~5. TAXES: Owner shall pay or cause to be paid all taxes incurred by reason of ownership of the aircraft during the term of this Agreement, but User shall pay all operating taxes (including sales tax related to User's use of the aircraft), fees and charges, and any tax or fee assessed or charged for the use of any airport or facilities or for the use of premises occupied and forced landings, relating to the User's operation of the aircraft.~~

6. OPERATIONAL CONTROL; USE:

a. Operational Control: During the term of this Lease, User shall have sole and exclusive operational control of the aircraft and the exclusive right to schedule the aircraft and shall provide properly certificated and qualified pilots for the aircraft.

Owner shall have the right to the use of the aircraft if its use has not been scheduled by the User. In the event Owner gives notice to terminate this Lease within 30 days as provided above and User has scheduled the aircraft for a longer period, Owner will honor the commitments made by User if no sufficient substitute aircraft can be located.

b. Use: User shall be solely responsible for the security of the aircraft except during such times as Owner may use the aircraft for his own use and shall operate the aircraft in accordance with all applicable rules, regulations and laws. User shall use and operate the aircraft in a manner which will not invalidate or be in conflict with any insurance policy maintained with respect to the aircraft nor in violation of any Federal Aviation Regulations or any other law or regulation of the Federal, State, Local or Foreign governments and shall be solely responsible for any fines, penalties or forfeitures occasioned by any violation thereof while the aircraft is in User's possession and control.

#### 7. MAINTENANCE AND REPAIRS; OPERATING COSTS; OTHER SERVICES:

a. Maintenance and Repairs: All inspections, repairs, maintenance, modifications, service bulletins, airworthiness directives and overhaul work to be made or accomplished shall be at Owner's expense by personnel qualified to perform such work and shall be in accordance with the standards required by the Federal Aviation Administration, other governmental agencies, the manufacturer's specifications and F.A.R. 91 regulations. User will schedule all inspections and repairs and cause them to be performed at Owner's expense. User will keep the aircraft clean inside and out at User's expense.

b. Operating Costs: Owner shall provide all fuel and all necessary additions of oil during User's rental of the aircraft. User may deduct the costs for oil and fuel from the monthly rental payment required hereunder. A complete written report is required. All other operating costs of the aircraft shall be paid by the Owner, except landing and parking fees.

c. Other Services: The aircraft shall be available to User without charge for flight crew training and FAA required flight crew checks for amounts of time reasonably consistent with User's commercial use of the aircraft. Such use shall not exceed a total of 10 hours in any calendar year. User's pilots will provide without charge reasonable check pilot services to Owner to allow Owner to remain current in the aircraft.

8. CONDITION UPON TERMINATION: Upon termination of this Agreement, the aircraft shall be in good repair, condition and working order, ordinary wear and tear excepted.

9. ALTERATIONS: User shall not make any alterations, additions or improvements to the aircraft without the Owner's prior written consent. All additions and improvements to the aircraft shall belong to the Owner.

10. ASSIGNMENT WITHOUT OWNER'S PRIOR WRITTEN CONSENT: User shall not assign, transfer, pledge, hypothecate or otherwise dispose of this Agreement, the aircraft

or any interest therein. Subject to the foregoing, this Agreement inures to the benefit of and is binding upon the successors and assigns to the parties hereof.

# 11. MISCELLANEOUS:

a. Time of the Essence: Time is of the essence of this Agreement and all times, terms, conditions and agreements contained herein.

b. Severability: If any provisions hereof are or are construed to be unenforceable, the remaining provisions thereof shall be severed therefrom and this Agreement shall be carried into effect insofar as possible, absent the invalid and unenforceable provisions.

c. Notices: Service of all notices under this Agreement shall be sufficient if given personally or mailed to the party involved at its respective address set forth herein or at such other address or addresses as said party may provide to the other in writing from time to time. Any such notice mailed to said address shall be deemed received by the addressee 48 hours after deposit in the United States Mail, certified or registered mail, duly addressed and with postage paid.

d. Additional Documents: At the reasonable request of Owner, User shall execute and deliver or cause to be executed and delivered any documents or take any action deemed by Owner reasonably necessary or appropriate in connection with the aircraft, this Agreement or any assignment by Owner thereof.

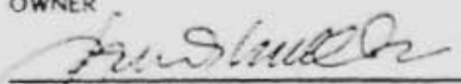
e. Owner's Use: Subject to User's prior commitment to its clients, Owner may use the aircraft for his own purposes by scheduling such use with the operations office of User.

f. Warranties: User has inspected the aircraft and has been operating the aircraft prior to the commencement of this Agreement. User relies on its inspection and knowledge of the aircraft to determine that the aircraft is suitable for its use. Owner makes no representation, warranty, promise, guarantee or agreement, oral or written, expressed or implied, including a warranty of merchantability or fitness for a particular purpose.

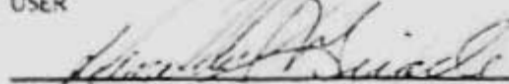
g. User's Mechanics: Since the aircraft will be based at User's facility, User's mechanics shall perform all required inspections and maintenance on the aircraft without further approval from Owner.

h. Default: If either party should default in the performance of any duty required by this Agreement, the non-defaulting party shall have the right to terminate this Agreement and collect from the defaulting party damages reasonably caused by such default.

OWNER

  
James E. Millen, Jr.

USER

  
Donald W. Miracle

DATED: 9-9-87

☆ U.S. GOVERNMENT PRINTING OFFICE: 1985-689-407

UNITED STATES OF AMERICA  
 DEPARTMENT OF TRANSPORTATION  
**AIRCRAFT BILL OF SALE**

FORM APPROVED  
 OMB NO. 2120-0042

FOR AND IN CONSIDERATION OF \$ THE  
 UNDERSIGNED OWNER(S) OF THE FULL LEGAL  
 AND BENEFICIAL TITLE OF THE AIRCRAFT DES-  
 CRIBED AS FOLLOWS:

UNITED STATES  
 REGISTRATION NUMBER **N 610JM**  
 AIRCRAFT MANUFACTURER & MODEL  
**Beech 100**  
 AIRCRAFT SERIAL No.  
**B-26**

DOES THIS DAY OF 19  
 HEREBY SELL, GRANT, TRANSFER AND  
 DELIVER ALL RIGHTS, TITLE, AND INTERESTS  
 IN AND TO SUCH AIRCRAFT UNTO:

Do Not Write In This Block  
 FOR FAA USE ONLY

NAME AND ADDRESS  
 (IF INDIVIDUAL(S), GIVE LAST NAME, FIRST NAME, AND MIDDLE INITIAL.)


PURCHASER

Skyhawk Development Corporation  
 P. O. Box 882  
 Bridgeport, WV 26330

DEALER CERTIFICATE NUMBER

AND TO EXECUTORS, ADMINISTRATORS, AND ASSIGNS TO HAVE AND TO HOLD  
 SINGULARLY THE SAID AIRCRAFT FOREVER, AND WARRANTS THE TITLE THEREOF.

IN TESTIMONY WHEREOF HAVE SET HAND AND SEAL THIS DAY OF 19

SELLER	NAME (S) OF SELLER (TYPED OR PRINTED)	SIGNATURE (S) (IN INK) (IF EXECUTED FOR CO-OWNERSHIP, ALL MUST SIGN.)	TITLE (TYPED OR PRINTED)
	James E. Millen dba/ Jemco		Owner



ACKNOWLEDGMENT (NOT REQUIRED FOR PURPOSES OF FAA RECORDING; HOWEVER, MAY BE REQUIRED  
 BY LOCAL LAW FOR VALIDITY OF THE INSTRUMENT.)

ORIGINAL: TO FAA

26043754902



## REGISTRATION NOT TRANSFERABLE

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION CERTIFICATE OF AIRCRAFT REGISTRATION		This certificate must be in the aircraft when operated.
NATIONALITY AND REGISTRATION MARKS <b>N 610JM</b>	AIRCRAFT SERIAL NO <b>8-26</b>	
MANUFACTURER AND MANUFACTURER'S DESIGNATION OF AIRCRAFT <b>BEECH 100</b>		
<b>MILLEN JAMES E DBA</b> <b>100 SOUTH 7TH ST</b> <b>AKRON PA 17501</b>  <b>INDIVIDUAL</b>		This certificate is issued for registration purposes only and is not a certificate of title. The Federal Aviation Administration does not determine rights of ownership or between private persons.
It is certified that the above described aircraft has been entered on the register of the Federal Aviation Administration, United States of America, in accordance with the Convention on International Civil Aviation dated December 7, 1944 and with the Federal Aviation Act of 1958, and regulations issued thereunder.		 U.S. Department of Transportation Federal Aviation Administration
DATE OF ISSUE <b>JAN. 28, 1986</b>	 Administrator	

AC Form 8050-2 (7-87) Supersedees previous editions

## EFFECT OF REGISTRATION

Section 5010(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1401) provides: "Registration shall not be evidence of ownership of an aircraft in any proceeding in which such ownership by a particular person is, or may be, in issue."  
 THIS CERTIFICATE MUST BE SIGNED AND RETURNED BY THE REGISTERED OWNER WITHIN 60 DAYS WHEN IT IS NO LONGER IN EFFECT FOR ANY REASON UNDER 14 C.F.R. 47.41(a)(1) THROUGH (9):

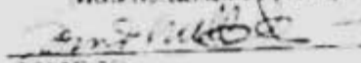
- a. ☐ Registration is cancelled at the request of the owner. (Also check and/or complete Block b, c, d, e, or f.)
- b. ☐ The aircraft is totally destroyed or scrapped.
- c. ☐ United States citizenship has been lost, or the owner's status as a resident alien has changed (unless changed to that of a U.S. citizen).
- d. ☐ Thirty days have elapsed since the death of the registered owner (estate representative should sign).

- e. ☐ The aircraft is to be registered under the laws of a foreign country.

NAME OF FOREIGN COUNTRY:

- f. ☒ The ownership of the aircraft is transferred to:

NAME: STAVE (Wares -)  
Stacy Hawk Aircraft Corp  
P.O. Box 882  
 ADDRESS: Bridgeton, W.V. 26330  
 CITY, STATE, ZIP: BRIDGETON, WV 26330

  
 SIGNATURE: \_\_\_\_\_

3-11-89  
 (P.T.O.)

3-11-89  
 DATE:

THIS CERTIFICATE MUST BE RETURNED TO:  
 FAA AIRCRAFT REGISTRY, P.O. BOX 25604, OKLAHOMA CITY, OKLAHOMA 73125

3 2 2 4 5 7 5 4 4 3



BN - DON MIRACLE

DONALD W. MIRACLE

480

9/15 1987

Pay to the order of JAMES E. MILLER \$5,177 <sup>20</sup>/<sub>100</sub>

Five thousand one hundred and seventy seven and 20/100 Dollars

Donald W. Miracle

84687 215 MRS

1ST CK CED 9/18/87

DEPOSIT TO JEMCO

Q.

93042/34934

②

21.6 x 387.00:  
\$ 8,359.20

Dep. to. b. n. c.

DONALD W. MIRACLE		482
Pay to the order of <u>Tones E. Phillips</u>		850 1984
<u>Capital Investment</u>		\$ 8,359.20
First State Bank		Dollars
1901 Central Express / Building, Texas 1000		BU 2304 111821
Memo: <u>2160 lbs 74 lbs</u>		

3

DONALD W. MIRACLE

485

10-25 1987

88-2384  
111933

Pay to the order of James E. Miller JR \$ 8,514 <sup>00</sup>/<sub>100</sub>

Eight thousand five hundred and 14/100 Dollars

 **First State Bank**  
1000 Grand Drive / Salisbury, Maryland 21801

Money order 74 FF (250)

Donald W. Miracle

[Redacted signature line]

96043754956

(H)

491

DONALD W. MIRACLE

11-27 1957

BN 2004  
111832

Pay to the order of JAMES E. MILLER JR

Five Thousand Four Hundred and 39/100 \$5,379.39

Dollars

First State Bank  
1901 Central Drive / North  
Wilmington, Delaware 19801

11/87

Charles E. Smith

DEC 04 1987

ICC CENTER #329  
Virginia Beach, VA 23463  
November 30, 1987

Mr. James E. Millen, Jr.  
100 South Seventh Street  
Akron, PA 17501

Dear Mr. Millen:

Enclosed is a check for 13.9 flight hours in November. During the month there were four cancellations: One due to mechanical difficulty, two due to weather and one scheduled trip was cancelled.

For December, 20 flight hours are already scheduled and may increase as the monthly schedule is firmed up.

Pat now has secret service protection which means that both planes will be flying in tandem in order to carry the secret service entourage. The new requirements will substantially increase flight time.

As soon as the hours and costs are available, I will analyze the costs and make any adjustments in the rate to assure that your costs are covered. The fuel costs are averaging \$1.72 an hour, I have not been able to obtain discount fuel as with the BAC-111.

When the ownership of the BAC-111 is moved, you will have an opportunity to bid on the insurance.

I have been out of town for the last few weeks and have not had the opportunity to call; however, I will call you in a few days.

Sincerely,



Donald Miracle

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 03-10-88

INVOICE NO: 88-1016

TO: James E. Millen, Jr.  
100 South 7th St.  
Akron, Pa. 17501

For fuel consumption in February 1988 as follows:

85gal./hr x 20.3 hours = 1,726.0 gallons.  
1,726.0 gal x \$1.72 gal. = \$2,968.72

FEB. 88  
20.3 HOURS x 387.00 =  
7,856.00

DONALD W. MIRACLE

512

1988

Pay to the order of J. Millen

\$ 7,856.00

Dollars

First State Bank

1901 Central Drive / Mechanicsville, VA

745

D & M FUEL CO.  
P. O. BOX 481  
EULESS, TX 76039

1003

4/20 19 85

88-2384/1119

Pay to the  
order of

*First Interstate Bank of Texas* \$ *12,072.97*  
*First Interstate Bank of Texas* *97* Dollars



FIRST INTERSTATE BANK  
OF BEDFORD  
P.O. BOX 808  
BEDFORD, TEXAS 76005

For

*74.17*

*Mark H. Hinkle*

⑆111923843⑆1003⑈067 3053⑈

*Rec'd 4/20/85*

C  
32.9 \*

387. =

12,732.30 \*

12,732.30 \*

500.00 -

150.00 -

12,073.25 \*

C



FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 03-14-88

INVOICE NO: 88-1018

TO: James E. Millen, Jr.  
100 South 7th St.  
Akron, Pa. 17501

For maintenance expenses as follows:

Piedmont Aviation #29520	\$150.00
Total	\$150.00

1  
6  
9  
4  
5  
7  
3  
4  
0  
6  
2

FROM:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

REMIT TO:  
DONALD MIRACLE  
CBN CENTER ICC 401  
VIRGINIA BEACH, VA 23463  
(804) 424-7777 EXT. 2405

DATE: 02-27-88

INVOICE NO: 88-1013

TO: James E. Millen, Jr.  
100 South 7th St.  
Akron, Pa. 17501

For maintenance expenses as follows:

Piedmont Aviation #28408	\$150.00
Piedmont Aviation #28887	\$209.05
Piedmont Avaition #29062	\$150.00
Total	<u>\$509.05</u>

2604015492

**William J. Dooner**

8555 Laurens Lane  
San Antonio, Texas 78218  
(210) 820-3181

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
JUL 15 1 00 PM '94

July 14, 1994

Ms. Holly Baker  
Federal Election Commission  
999 East Street, NW.  
Washington, D.C. 20463

Dear Ms. Baker,

Regarding M U R #3485:

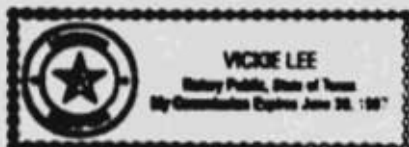
At the request of Ms. Tonda Phalen I am writing you concerning the above subject matter.

I recall writing the check to Victory Communications in the amount of \$50,000.00 and within weeks (or days) I received a return check from them for the same amount. I am sure their bank account reflects such a disbursement.

The check was not a political contribution.

I can find no records such as agreements, terms, notes, correspondence, or statements regarding the subject transaction.

*William J. Dooner*



July 12, 1994

JUL 15 12 49 PM '94

Ms. Holly J. Baker, Esq.  
Federal Election Commission  
Washington, D.C. 20463

Re: MUR: 3485 Lucien M. Warner

Dear Ms. Baker:

I have consulted with an attorney and he has advised me that the limitations on campaign contributions provided in the Federal Election Campaign Act of 1971 apply to contributions to political committees and conduits for political committees. The limitations also apply to loans to political committees. However, in this instance, the loan I made was a business transaction between myself and Victory Communications International (VCI), a vendor to the Robertson campaign. This loan was an arm's length business transaction which had the purpose of financing the business of Victory Communications. The business being financed was the contract that Victory had with the Robertson campaign. The promissory note given by VCI was for a market rate of interest on commercially reasonable terms. At the time, VCI was a Scottsdale, Arizona based company and I was a Phoenix Scottsdale area resident. I and Michael Clifford had a prior relationship as friends. I had often provided business advice to Mr. Clifford and was a natural person for Mr. Clifford to turn to for financing a project for which bank financing was not available to him.

The funds were not diverted to the campaign, but were used to finance the project VCI had contracted to do. I was repaid in a timely manner with interest under the terms of the Note.

I am advised that if this loan had been made to a political committee, it would not be considered a contribution once it was repaid in accordance with AO 1975-69. At least the same rule should apply to this loan, since it was not even made to a political committee and is at least one step removed from the situation described in the advisory opinion.

If this loan is a violation of the Campaign Act, then any private loan to any vendor to a campaign would be a violation of the Act. If a printer finances his business through a private individual loan secured by accounts receivables and printing is done for a campaign, then that loan would be a violation under the analysis produced by the Commission. This surely cannot be the result intended under the Act. If the Act is applied to the present facts as proposed by the Commission, then no vendor can borrow any money from a private individual to finance any work for a campaign committee.

Ms. Holly J. Baker, Esq.  
July 12, 1994  
Page Two

Additionally, Robertson was NOT a declared candidate for almost a year after the loan was made to VCI. I respectfully request conciliation.

Very truly yours,

  
L. M. Warner

LMW:mvm

26042754905



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20063

JUNE 17, 1994

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

David Phillip Walen  
P.O. Box 1140  
Coats, NC 27521

RE: MUR 3485

Dear Mr. Walen:

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. Attached are interrogatories and a request for the production of documents seeking 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.

Please submit your response to the attached interrogatories and request for the production of documents within 30 days of receipt. All answers must be submitted under oath. Please call me at (800) 424-9530 to discuss this matter.

Sincerely,

Jose M. Rodriguez  
Attorney

Enclosure

Interrogatories and Request for  
Production of Documents

96043754966

QUESTIONS AND DOCUMENT REQUESTS

1. Please list all positions held by you with CBN Continental Broadcasting, Inc. ("CBN Continental") (now KXTX, Inc.) and/or Airplanes, Inc., including the dates during which these positions were held, for the period from April 1, 1985 to December 31, 1988. Produce all employment contracts, severance contract, and other documents concerning your employment in the listed positions.
2. State if you ever received any indication of CBN Continental's need or purpose in purchasing the BAC 1-11, and/or in hiring you as its pilot. If so, identify by name and office the source of the information and the date such information was conveyed.
3. Please identify all other pilots hired to fly the BAC 1-11, and their employer.
4. Please produce all documents, including but not limited to flight logs, manifests, passenger lists, billings, and invoices concerning the BAC 1-11.

96043754967



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

MUR3485

ANSWERS TO INTERROGATORIES REQUESTED OF DAVID P. WALEN

1. I was employed from 1 Dec. 1986 until 1 October 1988 by Continental Broadcasting as a pilot and mechanic on their BAC 1-11: N88NB. I am enclosing herewith copies of expense reports still in my possession which were filed by me while at Continental for the purpose of daily per diem while on road trips as a pilot. I have no other documents concerning my employment as listed above.

2. The only information I am aware of regarding my hiring is that I happened to call at the time my predecessor was leaving and was hired by Don Miracle to replace him. I do not know the name of my immediate predecessor nor have I ever met him. I was never made aware of any particular purpose or circumstance regarding the acquisition of the aircraft. I regarded it as a typical business aircraft and to my knowledge that was the only purpose for which it was acquired.

3. The only other pilots I was aware of were Donald W. Miracle; whom I understand but cannot confirm is currently employed by America West Airlines in Phoenix, Arizona; and David Sterbonic, who as of my last information, is employed by Calcutta Aircraft; a subsidiary of Cook Group, Inc., in Bloomington, IN.

4. See enclosures consisting of:

1. Copies of the pages of my personal pilot logbook for the period of my employment as a pilot with Continental Broadcasting.

2. Copies of employee expense reports which I filed routinely for per diem purposes while on the road.

STATE OF NORTH CAROLINA

COUNTY OF Cumberland

DAVID PHILLIP WALLEN, being first duly sworn, says: the foregoing information is complete and true of my own knowledge.

*David Phillip Wallen*

Signature

Sworn to and subscribed before me this, 5th day of

June, 1997

*Jolynn R. Brown*

My Commission Expires 2-3-97

Notary Public



[illegible]

[illegible]

## EXPENSE REPORT

**ATTACH BILL OR ITEMIZED RECEIPT FOR ITEMS OF \$5 OR MORE**

[illegible]



## EXPENSE REPORT

ATTACH BILL OR ITEMIZED RECEIPT FOR ITEMS OF \$5 OR MORE.

NAME		ADDRESS		LOCATION		DATE RECEIVED		DATE		
<b>IN-TOWN EXPENSES</b>						<b>ADVANCES AND AMOUNTS PAID BY COMPANY</b>				
DATE	AUTO TOLLS PRNG 361	AUTO REPAIRS 364	SUPPLIES MISC. EXP 472	POSTAGE 525	PHONE 764	OTHER		DATE	DESCRIPTION	AMOUNT
						AMOUNT	DATE			
								PREVIOUS BAL. DUE COMPANY		
								AMOUNTS CHARGED FOR:		
								AIR TRAVEL		
								AUTO RENTAL		
								DEDUCT UNUSED AIR TRAVEL		
								NET ADVANCES		
TOTALS								TO SUMMARY (2)		
<b>OUT-OF-TOWN EXPENSES</b>										
TRIP PURPOSE:										
DATE	CITY	AIR TRAVEL 376	HOTEL 378	OTHER EAT & DRINK 379	CONFER 377	ENTERTAIN 378	TRANSPORT 379	AUTO RENTAL 380	EXPENSE CONVENTN 381	OTHER
TOTALS (3)										
<b>EXPENSE REPORT SUMMARY</b>										
TOTAL IN-TOWN EXPENSES										2
TOTAL OUT-OF-TOWN EXPENSES										3
TOTAL BUSINESS MEETING EXPENSES										4
TOTAL EXPENSES										5
BALANCE										6
EMPLOYEE'S CHECK OR ATTACH										
UNPAID BALANCE DUE COMPANY										
EMPLOYEE SIGNATURE										DATE
APPROVAL'S DATES										
<b>FOR ACCOUNTING USE ONLY</b>										
DATE RECEIVED	BUDGET COMPARISON									
BUDGETED YEAR TO DATE EXPENSES										
ACTUAL YEAR TO DATE EXPENSES										
USE BACK OF PAGE IF EXPLANATIONS REQUIRED										

NAME		ADDRESS		LOCATION		ACCOUNT TO BE CHARGED DIV. DEPT. CODE		DATE		PAGE		
<b>IN-TOWN EXPENSES</b>										<b>ADVANCES AND AMOUNTS PAID BY COMPANY</b>		
DATE	AUTO TOLLS PERM 361	AUTO REPAIRS 364	SUPPLIES MISC. EXP 472	POSTAGE 525	PHONE 544	OTHER AMOUNT CODE		EXPLANATIONS		DATE	DESCRIPTION	AMOUNT
										PREVIOUS BAL. DUE COMPANY		
TOTALS									TO SUMMARY (2)	AMOUNTS CHARGED FOR:		
										AIR TRAVEL		
										AUTO RENTAL		
										DEDUCT UNUSED AIR TRAVEL		
										NET ADVANCES		1
<b>OUT-OF-TOWN EXPENSES</b>										<b>EXPENSE REPORT SUMMARY</b>		
TRIP PURPOSE:										TOTAL IN-TOWN EXPENSES		2
										TOTAL OUT-OF-TOWN EXPENSES		3
										TOTAL BUSINESS MEETING EXPENSES		4
										TOTAL EXPENSES		5
DATE	CITY	AIR TRAVEL 376	RAIL 378	BUS OR FERRY 379	LODGING 379	MEALS 379	ENTERTAINMENT 379	RENTAL 379	AUTO RENTAL 387	EMPLOYER CONTRIBUTION 385	BALANCE DUE	
											<input type="checkbox"/> COMPANY (1) AMOUNT \$ <input type="checkbox"/> EMPLOYEE (3) AMOUNT \$	
TOTALS (3)											EMPLOYEE'S CHECK CASH ATTEND	
										UNPAID BALANCE DUE COMPANY		
										EMPLOYEE SIGNATURE		DATE
										APPROVALS/DATES		
										DEPT. HEAD		
										DIV. HEAD		
										USE BACK OF PAGE IF EXPLANATIONS REQUIRED		
										BUDGET COMPARISON		
										BUDGETED YEAR-TO-DATE EXPENSES		
										ACTUAL YEAR-TO-DATE EXPENSES		/
										FOR ACCOUNTING USE ONLY		
										<input type="checkbox"/> PROPER RECEIPTS <input type="checkbox"/> AUTO DISCOUNT <input type="checkbox"/> AUTO INSURANCE <input type="checkbox"/> UNUSED TICKETS		
										<input type="checkbox"/> EXTENSIONS <input type="checkbox"/> PREV. BAL. & ADV. <input type="checkbox"/> USE OF ADV. <input type="checkbox"/> TOTAL AMT.		
										<input type="checkbox"/> SUMMARY <input type="checkbox"/> BUDGET CLAMP <input type="checkbox"/> PROPER APPROVAL <input type="checkbox"/> POLICY EXCEPTION		
										DATE BY/DATE:		



[illegible]

[illegible]

NAME		ADDRESS						LOCATION		ACCOUNT TO BE CHARGED DEPT CODE			
<b>IN-TOWN EXPENSES</b>										<b>ADVANCES AND AMOUNTS PAID BY COMPANY</b>			
DATE	AUTO TOLLS PERMITS 381	AUTO REPAIRS 384	SUPPLIES MISC EXP 472	POSTAGE 525	PHONE 584	OTHER AMOUNT CODE		EXPLANATIONS		DATE	DESCRIPTION	AMOUNT	
										PREVIOUS BAL DUE COMPANY			
TOTALS								TO SUMMARY (2)		AMOUNTS CHARGED FOR:			
<b>OUT-OF-TOWN EXPENSES</b>										AIR TRAVEL			
<b>TRIP PURPOSE:</b>										AUTO RENTAL			
DATE	CITY	AIR TRAVEL 378	HOTELS 379	BREAKFAST 379	LUNCH 379	DINNER 379	BARBERSHOP 380	AUTOMOBILE RENTAL 381	CONVINCENCE 381	DEDUCT UNUSED AIR TRAVEL			
										NET ADVANCES 1			
TOTALS (3)													
<b>EXPENSE REPORT SUMMARY</b>										TOTAL IN-TOWN EXPENSES 2			
										TOTAL OUT-OF-TOWN EXPENSES 3			
										TOTAL BUSINESS MEETING EXPENSES 4			
										TOTAL EXPENSES 5			
										BALANCE DUE [ ] COMPANY [ ] EMPLOYEE 6			
										EMPLOYEE'S CHECK CASH ATTCHED			
										UNPAID BALANCE DUE COMPANY			
										EMPLOYEE SIGNATURE DATE			
										APPROVALS DATES			
										DEPT HEAD			
										DIV HEAD			
<b>FOR ACCOUNTING USE ONLY</b>										<b>BUDGET COMPARISON</b>			
<input type="checkbox"/> PROPER RECEIPTS <input type="checkbox"/> AUTO DISCOUNT <input type="checkbox"/> AUTO INSURANCE <input type="checkbox"/> UNUSED TICKETS										BUDGETED YEAR-TO-DATE EXPENSES			
<input type="checkbox"/> EXTENSIONS <input type="checkbox"/> PREV BAL & ADV <input type="checkbox"/> USE OF AMEX <input type="checkbox"/> TOTAL AMEX										ACTUAL YEAR-TO-DATE EXPENSES 7			
<input type="checkbox"/> SUMMARY <input type="checkbox"/> BUDGET COMP <input type="checkbox"/> PROPER APPROVAL <input type="checkbox"/> POLICY EXCEPTION										USE BACK OF PAGE IF EXPLANATIONS REQUIRED			
AUDITED BY/DATE :													

NAME			ADDRESS			LOCATION			ACCOUNT TO BE CHARGED (CHECK ONE)					
<b>IN-TOWN EXPENSES</b>											<b>ADVANCES AND AMOUNTS PAID BY COMPANY</b>			
DATE	AUTO TOLLS PERM 381	AUTO REPAIRS 384	SUPPLIES MISC EXP 472	POSTAGE 525	PHONE 584	OTHER AMOUNT CODE		EXPLANATIONS			DATE	DESCRIPTION	AMOUNT	
									PREVIOUS BAL DUE COMPANY					
TOTALS									TO SUMMARY (2)			AMOUNTS CHARGED FOR: AIR TRAVEL AUTO RENTAL DEDUCT UNUSED AIR TRAVEL NET ADVANCES		1
<b>OUT-OF-TOWN EXPENSES</b> TRIP PURPOSE:														
DATE	CITY	AIR TRAVEL 376	TRITE 378	IMELAN FAST 379	LUNCH 379	OTHER 379	BRIDGE TOLLS 380	AUTO RENTAL 381	TEMPORARY LIVQUARTERS 382	OTHER	AMOUNT	CODE		
TOTALS (3)														
DATE RECEIVED		FOR ACCOUNTING USE ONLY <input type="checkbox"/> PROPER RECEIPTS <input type="checkbox"/> AUTO DEDUCT <input type="checkbox"/> AUTO INSURANCE <input type="checkbox"/> UNUSED TICKETS				<input type="checkbox"/> EXTENSIONS <input type="checkbox"/> PREV BAL & ADV <input type="checkbox"/> USE OF AMT <input type="checkbox"/> TOTAL AMT				<input type="checkbox"/> SUMMARY <input type="checkbox"/> BUDGET COMP <input type="checkbox"/> PROPER APPROVAL <input type="checkbox"/> POLICY EXCEPTION				
		AUDITED BY/DATE:				BUDGET COMPARISON				BUDGETED YEAR-TO-DATE EXPENSES ACTUAL YEAR-TO-DATE EXPENSES				
										USE BACK OF PAGE IF EXPLANATIONS REQUIRED				
EMPLOYEE SIGNATURE												DATE		
APPROVALS/DATES														
DEPT HEAD														
DIV HEAD														



## EXPENSE REPORT

**ATTACH BILL OR ITEMIZED RECEIPT FOR ITEMS OF \$5 OR MORE**

NAME	ADDRESS	LOCATION	ACCOUNT TO BE CHARGED TO	DATE
DAVID WALEN	3809 FORRESTER LN	FLIGHT OPS	LOW DEPT. CODE	3 24 88

## TOWN EXPENSES

[illegible]**TRIP PURPOSE:**

DATE	CITY	AIR TRAVEL 37%	HOTEL 37%	BREAKFAST 37%	LUNCH 37%	ENTERTAINMENT 37%	RENTAL CAR 37%	TOTAL 37%	TOTAL	
									AMOUNT	CASH
3/20	DAL			Meals	25.00					
3/21	↓									
3/22									10.00	
3/23	↓									
3/24	↓									
TOTALS (3)						125.00			10.00	

## ADVANCES AND AMOUNTS PAID BY COMPANY

DATE	DESCRIPTION	AMOUNT
	PREVIOUS BAL DUE COMPANY	
	AMOUNTS CHARGED FOR:	
	AIR TRAVEL	
	AUTO RENTAL	
	DEDUCT UNUSED AIR TRAVEL	
	NET ADVANCES	1

### EXPENSE REPORT SUMMARY

TOTAL IN-TOWN EXPENSES	2	
TOTAL OUT-OF-TOWN EXPENSES	3	135.00
TOTAL BUSINESS MEETING EXPENSES	4	
TOTAL EXPENSES	5	135.00
BALANCE DUE	6	
(1) COMPANY     (4 AMOUNT 5)		
(2) EMPLOYEE   (5 AMOUNT 6)		
EMPLOYEE 5 CHECK CASH ATTEND		
UNPAID BALANCE DUE COMPANY		

EMPLOYEE SIGNATURE <i>David W. Allen</i>	DATE 3-24-80
APPROVALS DATES	

DATE RECEIVED	FOR ACCOUNTING USE ONLY		
	<input type="checkbox"/> PROPER RECEIPTS <input type="checkbox"/> AUTO DISCOUNT <input type="checkbox"/> AUTO INSURANCE <input type="checkbox"/> UNUSED TICKETS	<input type="checkbox"/> EXTENSIONS <input type="checkbox"/> PREV BAL & ADV <input type="checkbox"/> USE OF AMEX <input type="checkbox"/> TOTAL AMEX	<input type="checkbox"/> SUMMARY <input type="checkbox"/> BUDGET CLAMP <input type="checkbox"/> PROPER APPROVAL <input type="checkbox"/> POLICY EXCEPTION
AUDITED BY/DATE :			

BUDGET COMPARISON	
BUDGETED YEAR-TO-DATE EXPENSES	
6 / 6 / 6 /	
ACTUAL YEAR-TO-DATE EXPENSES	

USE BACK  
OF PAGE IF  
EXPLANATIONS  
REQUIRED

DEPT HEAD

DIV HEAD

2008-09-01

<b>NAME</b>				<b>ADDRESS</b>				<b>LOCATION</b>				<b>ACCOUNT TO BE CHARGED DIV. OF FUND</b>				
<b>IN-TOWN EXPENSES</b>												<b>ADVANCES AND AMOUNTS PAID BY COMPANY</b>				
DATE	AUTO TOLLS PKNG 361	AUTO REPAIRS 364	SUPPLIES MISC. EXP. 472	POSTAGE 525	PHONE 564	OTHER		EXPLANATIONS				DATE	DESCRIPTION	AMOUNT		
							AMOUNT					CODE	PREVIOUS BAL.	DUE COMPANY		
TOTALS																
<b>OUT-OF-TOWN EXPENSES</b>												<b>EXPENSE REPORT SUMMARY</b>				
<b>TRIP PURPOSE:</b>												TOTAL IN-TOWN EXPENSES				[2]
												TOTAL OUT-OF-TOWN EXPENSES				[3]
												TOTAL BUSINESS MEETING EXPENSES				[4]
												TOTAL EXPENSES				[5]
												BALANCE DUE [ ] COMPANY (\$ AMTS.)				[6]
												EMPLOYEE'S CHECK CASH ATTACHED				
												UNPAID BALANCE DUE COMPANY				
												EMPLOYEE SIGNATURE				DATE
												APPROVALS-DATES				
												DEPT. HEAD				
												DIV. HEAD				
												USE BACK OF PAGE IF EXPLANATIONS REQUIRED				
												BUDGET COMPARISON				
												BUDGETED YEAR TO-DATE EXPENSES				
												ACTUAL YEAR-TO-DATE EXPENSES				
												SUMMARY				
												BUDGET CAMP				
												PRIOR APPROVAL				
												POLICY EXCEPTION				
												AUDITED BY/DATE :				

## EXPENSE REPORT

**ATTACH BILL OR ITEMIZED RECEIPT FOR ITEMS OF \$5 OR MORE**

[illegible]



[illegible]

## EXPENSE REPORT

**ATTACH BILL OR ITEMIZED RECEIPT FOR ITEMS OF \$5 OR MORE**

NAME	ADDRESS	LOCATION	ATTENDING TO BE CHARGED TO THIRTY CODE	REMARKS	DATE	TIME
------	---------	----------	---	---------	------	------

## TOWN EXPENSES

[illegible]**OUT-OF-TOWN EXPENSES****TRIP PURPOSE:**[illegible]

## ADVANCES AND AMOUNTS PAID BY COMPANY

DATE	DESCRIPTION	AMOUNT
	PREVIOUS BAL DUE COMPANY	
	AMOUNTS CHARGED FOR:	
	AIR TRAVEL	
	AUTO RENTAL	
	DEDUCT UNUSED AIR TRAVEL	
	NET ADVANCES	11

### EXPENSE REPORT SUMMARY

TOTAL IN-TOWN EXPENSES	2
TOTAL OUT-OF-TOWN EXPENSES	3
TOTAL BUSINESS MEETING EXPENSES	4
TOTAL EXPENSES	5
BALANCE DUE	6
(2) COMPANY (1 Month \$) (1) EMPLOYEE (5 Month \$)	
EMPLOYEE'S CHECK CASH ATTCHD	
UNPAID BALANCE DUE COMPANY	
EMPLOYEE SIGNATURE	DATE

[illegible]

DATE RECEIVED	FOR ACCOUNTING USE ONLY				BUDGET COMPARISON	
	<input type="checkbox"/> PROPER RECEIPTS <input type="checkbox"/> AUTO DISCOUNT <input type="checkbox"/> AUTO INSURANCE <input type="checkbox"/> UNUSED TICKETS	<input type="checkbox"/> EXTENSIONS <input type="checkbox"/> PRE V. BAL & ADV <input type="checkbox"/> USE OF AMER <input type="checkbox"/> TOTAL AMER	<input type="checkbox"/> SUMMARY <input type="checkbox"/> BUDGET COMP <input type="checkbox"/> PROPER APPROVAL <input type="checkbox"/> P.M.H.Y. EXCEPTION	BUDGETED YEAR-TO-DATE EXPENSES \$ 87		
				ACTUAL YEAR-TO-DATE EXPENSES		

USE BACK  
OF PAGE IF  
EXPLANATIONS  
REQUIRED

## DEPT HEATS

[illegible]

[illegible]



## EXPENSE REPORT

**ATTACH BILL OR ITEMIZED RECEIPT FOR ITEMS OF \$5 OR MORE**

[illegible]

[illegible]

[illegible]



[illegible]

[illegible]





[illegible]

3 9 4 5 7 8 9 9 6 6













[illegible]

[illegible]

[illegible]

AIR MAIL				POST OFFICE				POST OFFICE				POST OFFICE			
DATE	TIME	FROM	TO	CLASS	WEIGHT	POSTAGE	INSURANCE	DATE	TIME	FROM	TO	CLASS	WEIGHT	POSTAGE	INSURANCE
9/12	10:00	CHS	CHS	1	1.0	1.0		9/12	10:00	CHS	CHS	1	1.0	1.0	
9/13	10:00	CHS	CHS	1	1.0	1.0		9/13	10:00	CHS	CHS	1	1.0	1.0	
9/14	10:00	CHS	CHS	1	1.0	1.0		9/14	10:00	CHS	CHS	1	1.0	1.0	
9/15	10:00	CHS	CHS	1	1.0	1.0		9/15	10:00	CHS	CHS	1	1.0	1.0	
9/16	10:00	CHS	CHS	1	1.0	1.0		9/16	10:00	CHS	CHS	1	1.0	1.0	
9/17	10:00	CHS	CHS	1	1.0	1.0		9/17	10:00	CHS	CHS	1	1.0	1.0	
9/18	10:00	CHS	CHS	1	1.0	1.0		9/18	10:00	CHS	CHS	1	1.0	1.0	
9/19	10:00	CHS	CHS	1	1.0	1.0		9/19	10:00	CHS	CHS	1	1.0	1.0	
9/20	10:00	CHS	CHS	1	1.0	1.0		9/20	10:00	CHS	CHS	1	1.0	1.0	
9/21	10:00	CHS	CHS	1	1.0	1.0		9/21	10:00	CHS	CHS	1	1.0	1.0	
9/22	10:00	CHS	CHS	1	1.0	1.0		9/22	10:00	CHS	CHS	1	1.0	1.0	
9/23	10:00	CHS	CHS	1	1.0	1.0		9/23	10:00	CHS	CHS	1	1.0	1.0	
9/24	10:00	CHS	CHS	1	1.0	1.0		9/24	10:00	CHS	CHS	1	1.0	1.0	
9/25	10:00	CHS	CHS	1	1.0	1.0		9/25	10:00	CHS	CHS	1	1.0	1.0	
9/26	10:00	CHS	CHS	1	1.0	1.0		9/26	10:00	CHS	CHS	1	1.0	1.0	
9/27	10:00	CHS	CHS	1	1.0	1.0		9/27	10:00	CHS	CHS	1	1.0	1.0	
9/28	10:00	CHS	CHS	1	1.0	1.0		9/28	10:00	CHS	CHS	1	1.0	1.0	
9/29	10:00	CHS	CHS	1	1.0	1.0		9/29	10:00	CHS	CHS	1	1.0	1.0	
9/30	10:00	CHS	CHS	1	1.0	1.0		9/30	10:00	CHS	CHS	1	1.0	1.0	
10/1	10:00	CHS	CHS	1	1.0	1.0		10/1	10:00	CHS	CHS	1	1.0	1.0	
10/2	10:00	CHS	CHS	1	1.0	1.0		10/2	10:00	CHS	CHS	1	1.0	1.0	
10/3	10:00	CHS	CHS	1	1.0	1.0		10/3	10:00	CHS	CHS	1	1.0	1.0	
10/4	10:00	CHS	CHS	1	1.0	1.0		10/4	10:00	CHS	CHS	1	1.0	1.0	
10/5	10:00	CHS	CHS	1	1.0	1.0		10/5	10:00	CHS	CHS	1	1.0	1.0	
10/6	10:00	CHS	CHS	1	1.0	1.0		10/6	10:00	CHS	CHS	1	1.0	1.0	
10/7	10:00	CHS	CHS	1	1.0	1.0		10/7	10:00	CHS	CHS	1	1.0	1.0	
10/8	10:00	CHS	CHS	1	1.0	1.0		10/8	10:00	CHS	CHS	1	1.0	1.0	
10/9	10:00	CHS	CHS	1	1.0	1.0		10/9	10:00						

SUBSHEET										FLY INSTRUCTIONS									
DATE	TIME	TO	FROM	TYPE	CLASS	STATUS	REMARKS	REMARKS	REMARKS	DATE	TIME	TO	FROM	TYPE	CLASS	STATUS	REMARKS	REMARKS	REMARKS
10/12	21.1	TOR	NYC	11						10/12	21.1								
10/12	21.1	TOR	PAR							10/12	21.1								
10/12	21.1	PAR	MMI							10/12	21.1								
10/12	21.1	MMI	SLT							10/12	21.1								
10/12	21.1	SLT	DAG							10/12	21.1								
10/12	21.1	DAG	GFT							10/12	21.1								
10/12	21.1	GFT	JAN							10/12	21.1								
10/12	21.1	JAN	LIT							10/12	21.1								
10/12	21.1	LIT	SDL							10/12	21.1								
10/12	21.1	SDL	TUS							10/12	21.1								
10/12	21.1	TUS	BCL							10/12	21.1								
10/12	21.1	BCL	GEG							10/12	21.1								
10/12	21.1	GEG	BFI							10/12	21.1								
10/12	21.1	BFI	FOI							10/12	21.1								
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TOTALS THIS PAGE										TOTALS									
21.1										21.1									







[illegible]



















POINTS OF DEPARTURE & ARRIVAL				REMARKS, PROCEDURES, MANEUVERS				AIRCRAFT CATEGORY				CONDITIONS OF FLIGHT				TYPE OF FIGHTING TIME			
UNIT	DATE	TIME	TYPE	REMARKS	PROCEDURES	MANEUVERS	TIME	NO.	NO.	NO.	NO.	NO.	NO.	NO.	NO.	NO.	NO.	NO.	
1/6 F39	17M	NSSNB	SAC	Whistle stops	Arch Staps	in gear	1		6	6		6				6		6	
1/6 FTW	DAL			VFR			1		3	3		3				3		3	
1/6 DAL	TRK						1		7	7		7				7		7	
1/6 TRK	GGG						1		6	6	6					6		6	
1/6 GGG	ASL						1		3	3	3					3		3	
1/6 ASL	HOV						1		7	7	7	7	2			7		7	
1/6 HOV	BTZ						1		9	9	1	4				1		7	



POINTS OF DEPARTURE & ARRIVAL				REMARKS, PROCEDURES, MANEUVERS	
DATE	TIME	FROM	TO		
21	BACH	PTNSB	-M/	SRG	1/2 minute 5 steps
21				SRG	GNV
21				GNV	MCC
21				MCC	SAV
21				SAV	FLO
21				FLO	GSP
21				GSP	CGK

VERIFY THAT THE SUBSTANCES NAMED ON THE LIST ARE USED

DATE

*Detone*

830  
830

AIRCRAFT CATEGORY				CONDITIONS OF FLIGHT				TYPE OF FLIGHT TIME			
SRG	GNV	MCC	SAV	FLO	GSP	CGK		SRG	GNV	MCC	SAV
5	5	5						5			
7	7	7						7			
6	6	6						6			
10	10	10						10			
7	7	7						7			
7	7	7						7			
10	10	10						10			
52	52	29	23	7				52			
407	763	02293	2236	2158	3768	4428	131	436	159	625	9878
407	763	02299	4236	3221	2770	7428	171	436	159	625	9878





REMARKS, PROCEDURES, MANEUVERS	
7/1 BAC-111 URTAS	SPI SAV Whistle Stops
7/2	SAV CLT
3/7	CLT RDU
3/2	RDU CRF
3/8	CRF ATL
3/9	ATL CRF Super Tuesday, Defeat
9/13	CRF DAL Maintenance Ferry

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• 1920 The Pitmen

SFC		100		200		300		400		500		600		700		800		900		1000	
		10	10	10																	
		18	18	18																	
		7	7	7																	
		6	6			6															
		16	16	16			5														
		15	15	15			7														
		32	32	32																	
		104	104	98		612															
400	763	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253
400	767	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254

8 1 0 5 5 7 0 4 0 9 1

DATE		TIME		REMARKS & PROCEDURES MANEUVERS	
8/1	2011	11:00	11:15	201	going to Port after 1st
8/1	2011	11:15	11:30	201	Porting on 1st check
8/1	2011	11:30	11:45	201	1st
8/1	2011	11:45	12:00	201	2nd
8/1	2011	12:00	12:15	201	3rd
8/1	2011	12:15	12:30	201	4th
8/1	2011	12:30	12:45	201	5th
8/1	2011	12:45	13:00	201	6th
8/1	2011	13:00	13:15	201	7th
8/1	2011	13:15	13:30	201	8th
8/1	2011	13:30	13:45	201	9th
8/1	2011	13:45	14:00	201	10th
8/1	2011	14:00	14:15	201	11th
8/1	2011	14:15	14:30	201	12th
8/1	2011	14:30	14:45	201	13th
8/1	2011	14:45	15:00	201	14th
8/1	2011	15:00	15:15	201	15th
8/1	2011	15:15	15:30	201	16th
8/1	2011	15:30	15:45	201	17th
8/1	2011	15:45	16:00	201	18th
8/1	2011	16:00	16:15	201	19th
8/1	2011	16:15	16:30	201	20th
8/1	2011	16:30	16:45	201	21st
8/1	2011	16:45	17:00	201	22nd
8/1	2011	17:00	17:15	201	23rd
8/1	2011	17:15	17:30	201	24th
8/1	2011	17:30	17:45	201	25th
8/1	2011	17:45	18:00	201	26th
8/1	2011	18:00	18:15	201	27th
8/1	2011	18:15	18:30	201	28th
8/1	2011	18:30	18:45	201	29th
8/1	2011	18:45	19:00	201	30th

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Source: *Author's calculations*.

930

23.

[illegible]

David P. Walen  
P.O. Box 1140  
Coats, NC 27521  
(910) 897-2816

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
ADMINISTRATIVE

JUL 17 11 41 AM '94

July 14, 1994

Mr. Jose M. Rodriguez, Esq.  
Attorney  
Federal Election Commission  
Washington, DC 20463

mul 3485

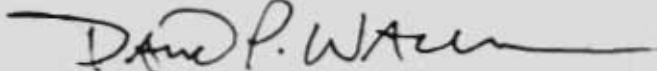
Dear Mr. Rodriguez:

Enclosed are my answers to your interrogatories of June and documents requested. I hope these are of some value to you in your investigation.

I have enclosed copies of the pages from my pilot logbook for the time that I was flying the BAC for Continental. These are my personal records that most pilots keep in order to track normal day to day flight operations. The other forms are the routine per diem accounting reports which I turned in after a trip to track the cash advance which I operated out of for day to day expenses (reimbursable). The handwritten list is just my own personal running total to help me keep track of the balance in my possession at any given time, and my health insurance card.

If I may be of further assistance please let me know.

Yours truly,



David P. Walen

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JUL 18 9 45 AM '94

9604375020



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

JULY 21, 1994

Mary Anne Jenkins, Esq.  
First Interstate Bank of Arizona  
Dept. 773  
100 West Washington  
Phoenix, AZ 85038

RE: MUR 3485  
Your # LX-0727

Dear Ms. Jenkins:

On July 7, 1994, the Federal Election Commission received a letter from Geri Russell, Assistant Vice President, Southwest Regional Manager, First Interstate Bank, indicating that 1986 financial records covered by the Commission's outstanding Subpoena issued in connection with a confidential enforcement investigation to the Chase Bank of Arizona have, in fact, been destroyed.

As asked in the Commission's letter to you dated June 20, 1994, please provide the name and address of the person(s) responsible for ordering the destruction of the records and the date the records were destroyed. Include the written policy of Chase Bank for the destruction of records. Further, please indicate the policy Chase Bank followed to mark or otherwise specify that financial records were covered by an outstanding subpoena.

If you have any questions, please call Holly Baker at (202) 219-3400.

Sincerely,

Jonathan Bernstein  
Assistant General Counsel

1 2 3 4 5 6 7 8 9 0



First Interstate Bank  
of Arizona, N.A.  
Law Department  
First Interstate Plaza  
P.O. Box 29751  
Phoenix, AZ 85038-9751  
602 229-4880

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
ADMINISTRATIVE

JUL 25 9 42 AM '94

July 13, 1994

Holly J. Baker, Esq.  
Federal Election Commission  
Washington, D.C. 20463

RE: Your File Number MUR 3485

Dear Ms. Baker

In response to your letter dated June 20, 1994, which was received by the Law Department of First Interstate Bank of Arizona, N.A. ("First Interstate") on July 12, 1994, I can provide you with the following information.

From the information you sent me, it appears that on or about April 12, 1993, your Department served a subpoena on Chase Bank of Arizona ("Chase Arizona") for documentation, including copies of checks, statements, and deposited items on certain deposit accounts. Due to the volume of documents requested, and the fact that those documents were maintained on microfiche, Ms. Sue Rosten of Chase Arizona arranged with you to do an initial response of monthly account statements only. You were to review those account statements and then contact Ms. Rosten and inform her of the specific deposit or debit items you needed. This arrangement was confirmed in your April 23, 1993, letter to Ms. Rosten. Ms. Rosten provided the information for the initial response on April 28, 1993.

It is my understanding that you made no contact with Chase Arizona to obtain any supplemental documents until June 3, 1994, over a year after Ms. Rosten provided the initial documentation to you. In the meantime, early 1994, Chase Arizona did a routine purge of files over six year old.

On April 30, 1994, First Interstate completed its purchase of Chase Arizona. Therefore, your June 3, 1994, letter requesting additional documentation was sent to Mr. Timothy Welch of First Interstate's Legal Operations Department. Mr. Welch ascertained that Chase Arizona, pursuant to its policies, had scheduled the microfiche for destruction, and so informed you.



Since that time, and in response to your inquiries, Mr. Welch has made a diligent search of Chase Arizona's files. In doing so, he has discovered 1986 microfiche that should have been destroyed in the routine purge of documents. Through some oversight the microfiche was not destroyed. However, all indexes to this particular microfiche were purged by Chase Arizona. Thus it is possible that the information you wish may be on that microfiche. However, First Interstate has no way of ascertaining this without conducting an item by item examination of the microfiche.

In your letter you ask that I provide you with Chase Arizona's written policy concerning the purging of records, as well as the name and address of the person who actually handled the destruction of the records, and the exact date on which the records were destroyed. I do not have this information. However, I can but assume that Chase Arizona purged its records in compliance with the mandates of federal law. 12 U.S.C. 1829b sets out the record retention requirements for federally insured banks. 12 U.S.C. 1829b(d) states that checks, drafts, other instruments and records of transactions may be maintained on microfiche. 12 U.S.C. 1829b(g) states that the records shall be maintained for such a period of time as the Secretary may prescribe, but any such period shall not exceed six years. Chase maintained the 1986 records for the period required by law.

When you and I spoke by telephone, you were quite upset that Chase Arizona had purged documents that were the subject of a subpoena. Please be advised that the documents that you subpoenaed were not segregated from other records maintained by Chase Arizona. Documents are microfilmed in the order in which they were processed each day. The items in which you are interested were interspersed with all other items processed by Chase Arizona in 1986. In order to preserve the items that you wanted, Chase Arizona could not have purged any of its records.

While Ms. Rosten is not employed by First Interstate, and I have not had an opportunity to speak with her, I am sure that she believed that your lengthy silence of over eight months at the time the records could legally be purged was indicative that you needed no supplemental documentation. I am sure, therefore, that Chase Arizona's actions in purging records covered by your subpoena was done neither in malice or in an effort to thwart your investigation.

Needless to say, an item by item examination of the recently discovered 1986 microfiche will be extremely expensive. Please let me know if your Department wishes to undertake the expense of such an examination.



Federal Election Commission  
Holly J. Baker, Esq.  
July 13, 1994  
Page 3

It is my understanding that Mr. Welch has supplied you with the requested documentation for 1987.

If you have any questions, you may reach me at my direct telephone line, (602) 229-4661.

Very truly yours,



Mary Ann Jenkins  
Assistant Vice President/Counsel

cc: Timothy Welch  
Richard Smith, Esq.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

JULY 28, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Terence J. Lynam, Esq.  
Akin, Gump, Strauss, Hauer & Feld, L.L.P.  
1333 New Hampshire Avenue, N.W.  
Suite 400  
Washington, D.C. 20036

RE: MUR 3485  
George F. Border

Dear Mr. Lynam:


On February 18, 1994, your client, George F. Border, was notified that the Federal Election Commission had revoted to find reason to believe he knowingly and willfully violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring your client to appear and give sworn testimony on August 12, 1994 which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40. Also, as agreed in our telephone conversations on July 26 and 27, 1994, the Commission shall pay your client's airfare to and from Washington, D.C. for the deposition. Subsequent to the deposition, your client will be sent a check for the witness fee.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

Enclosure  
Subpoena

96043755025

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA

TO: George F. Border  
c/o Terence J. Lynam, Esq.  
Akin, Gump, Strauss, Hauer & Feld, L.L.P.  
1333 New Hampshire Avenue, N.W.  
Suite 400  
Washington, D.C. 20036

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition. Notice is hereby given that the deposition is to be taken on Friday, August 12, 1994 in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 10:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Vice Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this day of *July 28*, 1994.

For the Commission,

*Danny L. McDonald*  
Danny L. McDonald  
Vice Chairman

ATTEST:

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

96043755026



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

JULY 28, 1994

VIA FEDERAL EXPRESS

Steve Davis  
1139 Fairway Drive  
Chesapeake, Virginia 23320

RE: MUR 3485

Dear Mr. Davis:

On February 18, 1994, you were notified that the Federal Election Commission had revoted to find reason to believe you knowingly and willfully violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring you appear and give sworn testimony on August 11, 1994, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40 plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney

Enclosure  
Subpoena

96048755027

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

MUR 3485

SUBPOENA

TO: Steve Davis  
1139 Fairway Drive  
Chesapeake, Virginia 23320

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition. Notice is hereby given that the deposition is to be taken on Thursday, August 11, 1994 in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 10:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Vice Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this day of *July 28*, 1994.

For the Commission,

*Denny L. McDonald*  
Denny L. McDonald  
Vice Chairman

ATTEST:

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

755023

Patricia L. McMahon  
765 West Little Creek Road  
Norfolk, Virginia 23505

FAX TRANSMISSION

July 31, 1994

Mr. Tony Buckley  
Federal Elections Commission  
Washington, D. C.

Dear Mr. Buckley:

This letter should answer the questions your asked in my deposition of April 22, 1994.

I worked for Coopers and Lybrand, Norfolk, Virginia from August 1985 thru June 1987.

To the best of my recollection I did not perform any work related to the National Perspective Institute.

Based on the information available (some copies of time reports from August 1985 through June 1987) I performed the following work with regard to the National Legal Foundation.

It is my understanding that the National Legal Foundation was formerly the Freedom Council Foundation and based on that assumption I completed the following work.

In October and November, I prepared the work papers and prepared the tax return Form 990 for the Fiscal Year End 3-31-85 for the Freedom Council Foundation.

In May 1986 I prepared the work papers and prepared the tax return Form 990 for the Fiscal Year End 03-31-86 for the Freedom Council Foundation.

In July 1986 I worked on some corrections to W-2's and the Final return of the Freedom Council Foundation. My notes indicate the final return was for 12-31-86.(perhaps a part year)

I am unable to remember when GB Computer Services, Inc. received a Subpoena from the United States Postal Service. I do remember speaking with George Border about the Subpoena I just cannot recall the date.

Further questions regarding this matter may be directed to me at the above address.

Respectfully,

Patricia L. McMahon

AUG 3 9 11 AM '94

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

August 9, 1994

MUR 3485

Mr. Jose M. Rodriguez  
Attorney  
Federal Election Commission  
Washington, D.C. 20463

RE: Response to request regarding "CBN Continental".

Dear Mr. Rodriguez,

Submitted with this letter are the answers to your questions. I will be unable to produce any documents as we discussed, and whatever documentation exists will have to be obtained from Calcutta Aircraft Leasing, Inc. I apologize for the delay.

Sincerely,



David C. Sterbonic



Answer to question 1:

I was hired by CBN Continental to fill the position of Captain on their BAC 1-11 aircraft.

The period that I was employed was from the fall of 1985 to the spring of 1986, approximately a 6 month period to the best of my recollection.

I have no employment contracts, nor was one ever executed.

Answer to question 2:

Prior to my accepting employment I was given verbal assurance by Don Miracle, the manager of the flight department, that the position was a permanent one. He indicated that the company was interested in establishing a permanent flight department to be located at the Norfolk International Airport to serve the company's needs for air transportation. In addition he indicated that the aircraft either was being, or would be used to provide transportation for the Pat Robertson Presidential Campaign.

Several months after my employment on a flight I overheard Pat Robertson ask Don Miracle if there would be any problems getting rid of the aircraft after the election was over. Don's answer was no. I then began looking for other employment, and within a few weeks left CBN and took another job.

Answer to question 3:

The only pilot's I have knowledge of that were employed by CBN were:

Don Miracle - address unknown

Jim Brown - address unknown

Dave Walen - address unknown

Answer to question 4:

Any existing documentation is in the possession of Calcutta Aircraft Leasing, Inc.

Answer to question 5:

I have no documentation with respect to the lawsuit. To the best of my knowledge there has been no activity concerning that suit. Calcutta's legal council in that matter should be contacted. You may contact Terry Smith at (312) 258-3338 for any information regarding legal matters between Don Miracle, Calcutta Aircraft Leasing, Inc., and myself.

I attest under the penalties of perjury that these statements are true to the best of my knowledge and belief.



David C. Sterbonic

David C. Sterbonic personally appeared before me on this day of August, 1994 and attested that the statements contained within are true and correct to the best of his knowledge and belief.

My Commission Expires:

May 14, 1998



Notary Public (Signature)

My County of Residence:

Quincy

TERRY L. ENGLISH

Notary Public (Printed Name)

96043755032



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

*hjt*  
April 5, 1994

**CERTIFIED MAIL -  
RETURN RECEIPT REQUESTED**

Steve Davis  
1139 Fairway Drive  
Chesapeake, Virginia 23320

RE: MUR 3485

Dear Mr. Davis:

The enclosed materials were mailed to you on July 29, 1994 and were returned to our offices earlier today. Please contact me as soon as possible to discuss your scheduled deposition. I can be reached at (202) 219-3690.

Sincerely,

*Tony Buckley*  
Tony Buckley  
Attorney

Enclosures  
Letter  
Subpoena

9504275503



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

AUGUST 11, 1994

Paul Trice  
6178 Egypt Valley Court  
Ada, MI 49301

RE: MUR 3485

Dear Mr. Trice:

By letter dated June 17, 1994, the Federal Election Commission requested certain information and documents in connection with an investigation being conducted in the above captioned matter. A response to these requests was due within thirty days of receipt. On June 23, 1994, you contacted this Office and agreed to provide any information in your possession responsive to the Commission's requests.

To date, we have received no response from you. Please now submit the requested information. Should you have any questions, please contact me at (800) 424-9530.

Sincerely,

Jose M. Rodriguez  
Attorney

9604375504



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

AUGUST 17, 1994

VIA FEDERAL EXPRESS

William Dooner  
8555 Laurens Lane  
San Antonio, TX 78218

RE: MUR 3485  
William Dooner

Dear Mr. Dooner:

You were previously informed that on June 7, 1994, the Federal Election Commission had found reason to believe that you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring you to appear and give sworn testimony at 2 p.m. on Thursday, September 1, 1994 at the United States Attorney's Office, 601 NW Loop 410, San Antonio, TX 78216 and to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Act.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40, plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3400.

Sincerely,

Holly J. Baker  
Attorney

Enclosure  
Subpoena

96043755035

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA

TO: William Dooner  
8555 Laurens Lane  
San Antonio, TX 78218

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on September 1, 1994 at the United States Attorney General's Office, 601 NW Loop 410, San Antonio, TX 78216 beginning at 2 p.m. and continuing each day thereafter as necessary.

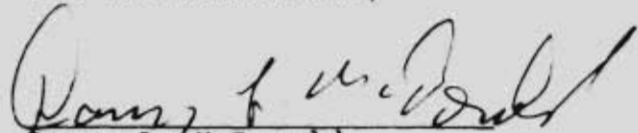
Further, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to produce the documents listed on the attachment to this subpoena. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals. Please bring these documents with you to the deposition.

26043755036

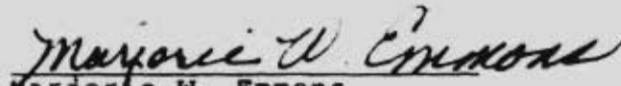
William Dooner  
Subpoena  
Page 2

WHEREFORE, the Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C., on  
this *Sixteenth* day of August, 1994.

For the Commission,

  
Danny L. McDonald  
Vice Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachment  
Document Request (1 page)

96043755037



William Dooner  
Subpoena Attachment

DOCUMENT REQUEST

1. Provide all documents, including but not limited to, agreements, terms, notes, memoranda, phone messages, electronic messages, bank statements, and payments, pertaining or relating in any way to the check you wrote for \$50,000 (fifty thousand dollars) to Victory Communications International, Inc., dated August 28, 1986.

96043755038



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA

TO: The Bud Smith Organization of  
North Carolina, Inc. and  
Henry J. Smith, as president

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on August 30, 1994 at the United States Attorney General's Office, 1100 Commerce St., Third Floor, Dallas, TX 75242, beginning at 10 a.m. and continuing each day thereafter as necessary.

Further, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to produce the documents listed on the attachment to this subpoena. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals. Please bring these documents with you to the deposition.

96043755040

The Bud Smith Organization of  
North Carolina, Inc. and Henry J. Smith, as president  
Page 2

WHEREFORE, the Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C., on  
this *Sixteenth* day of August, 1994.

For the Commission,

*Danny L. McDonald*  
Danny L. McDonald  
Vice Chairman

ATTEST:

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

Attachment  
Document Request (1 page)

96043755041

The Bud Smith Organization of  
North Carolina, Inc. and Henry J. Smith, as president  
Attachment to Subpoena

DOCUMENT REQUEST

1. Provide all documents, including but not limited to, agreements, terms, notes, memoranda, phone messages, electronic messages, bank statements, and payments, pertaining or relating in any way to the check you wrote for \$50,000 (fifty thousand dollars) to Victory Communications International, Inc., dated August 29, 1986.

96043755042



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

AUGUST 17, 1994

VIA FED EX

Lucien M. Warner  
217 Royal George Circle  
Treasure Island  
McQueeney, TX 78123

RE: MUR 3485  
Lucien M. Warner

Dear Mr. Warner:

Previously, you were notified that on June 7, 1994, the Federal Election Commission had found reason to believe you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring you to appear and give sworn testimony at 10 a.m. on Thursday, September 1, 1994 at the United States Attorney's Office, 601 NW Loop 410, San Antonio, TX 78216, and to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Act.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40, plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3400.

Sincerely,

Holly J. Baker  
Attorney

Enclosure  
Subpoena

96041755043

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA

TO: Lucien M. Warner  
217 Royal George Circle  
Treasure Island  
McQueeney, TX 78123

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on Thursday, September 1, 1994 at the United States Attorney General's Office, 601 NW Loop 410, San Antonio, TX 78216 beginning at 10 a.m. and continuing each day thereafter as necessary.

Further, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to produce the documents listed on the attachment to this subpoena. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals. Please bring these documents with you to the deposition.

96043755044



Lucien M. Warner  
Subpoena  
Page 2

WHEREFORE, the Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C., on  
this *Seventh* day of August, 1994.

For the Commission,

*Danny L. McDonald*  
Danny L. McDonald  
Vice Chairman

ATTEST:

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

Attachment  
Document Request (1 page)

96043755045

Lucien M. Warner  
Subpoena Attachment

**DOCUMENT REQUEST**

1. Provide all documents, including but not limited to, agreements, terms, notes, memoranda, phone messages, electronic messages, bank statements, and payments, pertaining or relating in any way to the check you wrote for \$100,000 (one hundred thousand dollars) to Victory Communications International, Inc., dated August 12, 1986.

96042765046



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 17, 1994

VIA FEDERAL EXPRESS

Theo Pinson, Esq.  
Pinson & Bussey  
Two Houston Center  
909 Fannin, Suite 1650  
Houston, TX 77010

RE: MUR 3485  
James D. Higgins

Dear Mr. Pinson:

As we discussed on August 11, 1994, the Federal Election Commission has issued the attached subpoena requiring your client, James D. Higgins, to appear and give sworn testimony. As we have agreed, this deposition will take place on August 31, 1994 in the United States Attorney's Office in Houston, Texas.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40 plus mileage. Subsequent to the deposition, Mr. Higgins will be sent a check for the witness fee and mileage.

I look forward to seeing you and Mr. Higgins on August 31. In the meantime, if you have any questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tony Buckley", is written over a horizontal line.

Tony Buckley  
Attorney

Enclosure  
Subpoena

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

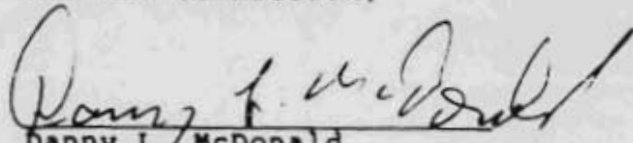
SUBPOENA

TO: James D. Higgins  
c/o Theo Pinson, Esq.  
Pinson & Bussey  
Two Houston Center  
909 Fannin, Suite 1650  
Houston, TX 77010

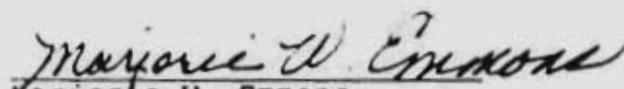
Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition. Notice is hereby given that the deposition is to be taken on Wednesday, August 31, 1994 in the United States Attorney's Office, 910 Travis, Suite 1500, Houston, Texas, beginning at 11:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Vice Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this *Sixteenth* day of August, 1994.

For the Commission,

  
Danny L. McDonald  
Vice Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

9604375048

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSELDICKSTEIN, SHAPIRO & MORIN, L.P.C. <sup>AUG 24 3 13 PM '94</sup>

2101 L STREET, N.W.

WASHINGTON, D.C. 20037-1526

202 785-9700

WRITER'S DIRECT DIAL

(202) 838-3211

FACSIMILE 202 887 0600

TELEX 882608 DSH WS

595 MADISON AVENUE  
NEW YORK, N.Y. 10022-1614  
212 638-4900

August 24, 1994

VIA TELECOPY

Holly Baker, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

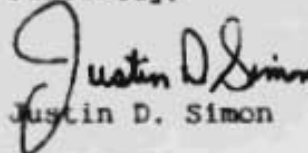
Re: MUR 3485  
The Bud Smith Organization of North Carolina, Inc.  
and Henry J. Smith, as president

Dear Ms. Baker:

This letter will acknowledge receipt of a letter from you dated August 17, 1994 enclosing a subpoena to my client, Henry J. Smith. As you were aware, the letter arrived while I was on vacation and I was unable to reach you prior to my return to Washington yesterday.

This letter will also confirm that the deposition of Mr. Smith has been adjourned to September 9, 1994 at 10:30 a.m. In requesting this adjournment, Mr. Smith has waived no rights with respect to these proceedings.

Sincerely,

  
Justin D. Simon

JDS:emd

cc: Henry J. Smith

## DICKSTEIN, SHAPIRO &amp; MORIN, L.L.P.

2101 L STREET N.W.  
WASHINGTON D.C. 20037-1526  
202 765-9700

WRITER'S DIRECT DIAL

(202) 638-2211

FAX: 202 767-0689  
TELEX: 983608 DSM WSH

590 MADISON AVENUE  
NEW YORK, N.Y. 10022-1614  
212 638-1800

August 26, 1994

VIA TELECOPY

Holly Baker, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
The Bud Smith Organization of North Carolina, Inc.  
and Henry J. Smith, as president

Dear Ms. Baker:

When I spoke to you on Tuesday, August 23, 1994, I informed you that my client was out of the country and would not be returning prior to the deposition scheduled for August 30. When I rescheduled that deposition for September 9, 1994, it was based on a discussion with my client who was calling me from overseas.

When I sent a copy of my letter to you to his office, I was informed of a scheduling conflict about which Mr. Smith was apparently unaware. After some considerable effort, I have now nailed down his schedule and have determined that he can be in Washington for a deposition on September 20, 1994. I apologize for the confusion, but I am sure you can understand the difficulty in trying to accommodate your investigation while Mr. Smith is out of the country.

Please let me know at your earliest opportunity if this date is agreeable.

Sincerely,

*Justin D. Simon*  
Justin D. Simon

JDS:emd

10/1/94 14:44:75



FEDERAL ELECTION COMMISSION

WASHINGTON DC 20463

AUGUST 31, 1994

Terry J. Smith, Esq.  
Schiff, Hardin & Waite  
7200 Sears Tower  
Chicago, Illinois 60606-6473

RE: MUR 3485  
Calcutta Aircraft  
Leasing, Inc.

Dear Mr. Smith:

As discussed earlier, Mr. Sterbonic in his separate response noted that certain documents requested of him were in your client's possession. These include all pleadings, depositions, and other related materials concerning Donald W. Miracle v. David Sterbonic and Calcutta Aircraft Leasing, Inc., No. 28C01-9101-CP-16 (Ind., Green Cir. Crt.). Please produce all such documents concerning the cited matter in your client's possession.

During our earlier conversation, you also informed me that Calcutta may be in possession of documents concerning the BAC 1-11's (No. 005) use prior to purchase. Please now produce all flight logs, manifests, passenger lists, billings, and invoices concerning the aircraft from January 1, 1985 to September 30, 1988 not previously produced.

Please produce the requested information within thirty days of receipt of this letter. Should you have any questions concerning these requests, please contact me at (202) 219-3690.

Sincerely,

Jose M. Rodriguez  
Attorney





First Interstate Bank  
of Arizona, N.A.  
Law Department  
First Interstate Plaza  
P.O. Box 29751  
Phoenix, AZ 85038-9751  
602 229-4880

SEP 2 11 01 AM '94

August 28, 1994

Jonathan Bernstein, Esq.  
Federal Elections Commission  
Washington, D.C. 20463

MUR 3485

SEP 2 12 20 PM '94

FEDERAL ELECTIONS  
COMMISSION  
OFFICE OF THE  
CLERK

RE: Your letter of July 21, 1994

Dear Mr. Bernstein

In response to your letter of July 21, 1994, I refer you to my July 13, 1994, letter to Ms. Baker of your office. As I have informed Ms. Baker, First Interstate Bank of Arizona, N.A. acquired Chase Bank of Arizona ("Chase Arizona") on April 30, 1994, subsequent to the service of the subpoenas issued by your Department to Chase Arizona and the destruction of the files which were the subject of the subpoenas. I am informed that it was Chase Arizona's policy to maintain files for seven years prior to destruction. This policy was a holdover from Chase Arizona's predecessor in interest, Continental Bank, and it was in excess of the amount of time required under both federal and state law. I have included for your information a copy of Chase Arizona's document retention schedule.

I am also informed that the primary set of microfiche records for Chase Arizona were maintained by a document service, M & I Data Services, Inc., and the routine destruction of the 1986 microfiche was done by that company. First Interstate has provided the records for the period beginning January 1987 to Ms. Baker.

In preparing my response to your letter, I reviewed both my correspondence to Ms. Baker and her correspondence to Chase Bank, First Interstate's Legal Operations Department and me. It appears from Ms. Baker's February 18, 1994, letter to Ms. Rostan of Chase Bank, that on October 22, 1993, the subpoena was rendered void as a result of the decision for the United States District Court for the District of Columbia in FEC v. NRA Political Victory Fund. The subpoena was re-issued on February 16, 1994, and the subpoena of that date was served by mail with Ms. Baker's February 18th letter to Ms. Rostan. Service of the February 16, 1994, subpoena was made after M & I Data Service, Inc. had routinely purged its records, and it would appear that the records were not subject to a subpoena at the time that the records were purged in January of 1994. Therefore, Chase Arizona's response to the February 16, 1994, subpoena would be that it had no records prior to January 1987 which were responsive to the subpoena.

However, as I told Ms. Baker in my earlier letter, First Interstate has searched through the records that it received from Chase Arizona, and it has found a box of microfiche records for the year in question which, through an oversight by Chase Arizona, were not sent for routine

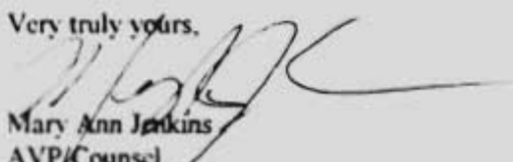
baker02.doc

Federal Elections Commission  
Jonathan Bernstein, Esq.  
August 28, 1994  
Page 2

destruction. Also as I informed Ms. Baker, the index for this box of microfiche was destroyed, and the only way to ascertain if the information which you have demanded is included in the box is an item by item examination of all of the microfiche. Please inform me if your department wishes to undertake that expense.

If you have any questions or need any additional information, you may reach me at the above address, or at my direct line telephone number 602/229-4661.

Very truly yours,

  
Mary Ann Jenkins  
AVP/Counsel  
First Interstate Bank of Arizona, N.A.

enc.  
cc: Timothy Welch

9604375503

## CHASE OF ARIZONA-RETENTION SCHEDULE By: Operations

C/A	FORM	#	M&I	FREQ	DISTRI- BUTION	RETENTION TIME ON SITE	@CHASE	COMMENTS.
*****	REPORT							
	\$1 00 & Under Correct.	n/a	y	d	Research	1 yr	n/a	
	A.O. Smith-Chase Switch	ACSTRNPR	n	d	Status Desk	25 mo	n/a	
	Accrual Adj. Rpt.	R1013	y	d	Research	7 yrs	n/a	
	ACCT Master Changes	R2030	y	d	Research	7 yrs	n/a	
	Accts Drawing on UAF	R2082	y	d	Research	7 yrs	n/a	
	ACH Corporate Payment Rpt	n/a	y	d	ACH desk	1 yr	6 yr	
	ACH EFT Balancing Sheets	n/a	n	d	ACH desk	6 mo	6.5 yrs	Accounting
	ACH Entries List	ACDDAENT01	y	d	ACH desk	1 yr	6 yr	
	ACH Origination Entries List	R5504	n	d	ACH desk	6 mo	6.5 yrs	
	ACH Origination Recon	R5534	n	d	ACH desk	6 mo	6.5 yrs	
	ACH Prenote Entries List	n/a	y	d	ACH desk	1 yr	6 yr	
	ACH Prenote Reject List	R6641	n	d	ACH desk	6 mo	6.5 yrs	
	ACH Receiving Entries List	R6555	n	d	ACH desk	6 mo	6.5 yrs	
	ACH Recvg Pending File Smy	R6551	n	d	ACH desk	6 mo	6.5 yrs	
	ACH Reporting-Bank Summary	ACDDAENT01	y	d	ACH desk	1 yr	6 yr	
	ACH Ret Item Transmtd Registr	n/a	y	d	ACH desk	1 yr	6 yr	
	ACH Return Items Report	ACDDAENT01	y	d	ACH desk	1 yr	6 yr	
	ACH Ret Item Processed Rpt	R7112	n	d	ACH desk	6 mo	6.5 yrs	
	Address Change	R2150	y	d	Research	7 yrs	n/a	
	Adjustments	n/a	y	d	Research	1 yr	n/a	
	ADP Autopay Mgt Rpt	n/a	n	d	ACH desk	6 mo	6.5 yrs	
	All Items	111	n	d	Research	7 yrs	n/a	
	All Items	n/a	y	d	Research	7 yrs	n/a	
	All Items \$1,000,000.00	n/a	y	d	Research	n/a	n/a	
	Analysis Item Fees	R2315	y	d	Research	7 yrs	n/a	
	Analysis Misc. Chrgs	R2310	y	d	Research	7 yrs	n/a	
	ARMS Cycle Master	R7062	n	d	ACH desk	6 mo	6.5 yrs	
	ARMS Return List	R7182	n	d	ACH desk	6 mo	6.5 yrs	
	ATM	17	n	d	Research	7 yrs	n/a	
	Auto Trsf Tran	R1230	y	d	Research	7 yrs	n/a	
	Avail. Time Depts	R4110	y	d	Research	7 yrs	n/a	
	Balance Fluctuation	R2080	y	d	Research	7 yrs	n/a	
	Batch Tapes	n/a	y	d	Research	2 mo	1yr 10mo	
	Batch Tran Jnl	R0255	y	d	Research	7 yrs	n/a	
	BMP Audit Trans Audit-ACH	R0290	y	d	Non post	1 wk	>>>>>	Fiche 7 yrs
	BMP Audit Trans Audit-CPOS	R0290	y	d	Non post	1 wk	>>>>>	Fiche 7 yrs
	BR 00 Rejected Items	215A	n	d	Status Desk	6 mo	n/a	
	Branch Film	n/a	n	d	Research	7 yrs	n/a	Br's no longer film
	Branch Film Log	n/a	n	d	Research	7 yrs	n/a	Br's no longer film
	Capture Clearings	Computer Rpt	n	d	Research	3 mo	1yr 9mo	
	Center Set Gen Jnl	n/a	n	d	Research	2 yrs	n/a	
	Chargeback copies	R4108	y	d	Return Desk	6 mo	n/a	
	Cks Ext Trsf. Created	R4160	y	d	Research	7 yrs	n/a	
	Cks Ext Trsf. Due	R4160	y	d	Research	7 yrs	n/a	
	Clearings Settles Stmt	n/a	n	d	Research	2 yrs	n/a	Kept w Batch Tapes
*****	Closed Accounts	R2220	y	d	Brk PG	3 mo	>>>>>	Fiche 7 yrs
	Closed Time Dep	R4220	y	d	Research	7 yrs	n/a	
	Collected Float	65	n	d	Research	7 yrs	n/a	

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

SEP 2 12 20 PM '94

CHASE BANK OF ARIZONA-RETENTION SCHEDULE By: AZ Bank

C.A	FORM	#	M&I	FREQ	DISTRI- BUTION	RETENTION TIME ON SITE	@CHASE	COMMENTS
*****	REPORT							
	Control TTL's	R1015	y	d	Research	7 yrs	n/a	
	Control TTL's Detail	R1016	y	d	Research	7 yrs	n/a	
	Control TTL's Detail	R1016	y	d	Research	7 yrs	n/a	
	Count Cards	n/a	n	d	Proof	6 mo	n/a	
	Daily Trial Bal.	R1001	y	d	Research	7 yrs	n/a	
	DDA Bank Summary	21EK	n	d	Status Desk	6 mo	n/a	
	DDA Cumulative	27	n	d	Research	7 yrs	n/a	
	DDA Daily	28	n	d	Research	7 yrs	n/a	
	DDA Stmt.	23	n	d	Research	7 yrs	n/a	
	DDA Stop Pay/Hold Suspect	21BB	n	d	Status Desk	6 mo	n/a	all branches
	DDA Stop/Hold Journal	21BA	n	d	Status Desk	6 mo	n/a	all branches
	DDA Trial Trans.	3	n	d	Research	7 yrs	n/a	
	DDA Unposted Items	21EA	n	d	Status Desk	6 mo	n/a	
	Deposit Correct.	n/a	y	d	Research	1 yr	n/a	
	Direct Serv. Chrg.	R2320	y	d	Research	7 yrs	n/a	
	Dormant Trial Bal.	R1002	y	d	Research	7 yrs	n/a	
	EOB Returned Items	R0293	y	d	CD Desk	1 week	>>>>	Fiche 7 yrs
*****	Elec CK Guar Rpt	n/a	y	d	CD Desk	6 mo	n/a	from ACHA
	Escheatment Susp.	R1003	y	d	Research	7 yrs	n/a	
*****	Exceptions by Acct	R2044	y	d	Research	3 mo	>>>>	Fiche 7 yrs
	Exceptions by Ctrl Seq	R2045	y	d	Research	7 yrs	n/a	
	Excessive Trans.	R2056	y	d	Research	7 yrs	n/a	
	FAX - Missing Fiche	n/a	y	d	Research	n/a	n/a	
	FAX-Activity DOR/INACT Acct	n/a	y	d	Non-Post	1 yr	n/a	
	FAX-NonPost Cr/Dr	n/a	y	d	Non-Post	1 yr	n/a	
	FAX-Return Foreign Item	n/a	y	d	Return Desk	6 mo	n/a	
	FAX-Return Item Info.	n/a	y	d	Return Desk	6 mo	n/a	
	FAX-Return Item Request	n/a	y	d	Return Desk	6 mo	n/a	
	FAX-Signature Verification	n/a	y	d	BKKPG	3 mo	n/a	
*****	FAX-Large \$ Hld Rqst	n/a	y	d	BKKPG	3 mo	n/a	
	FED Balancing Sheets	n/a	n	d	ACH desk	6 mo	6.5 yrs	Accounting
	FED Statements	n/a	n	d	ACH desk	25 mos	n/a	Accounting
	FED WTHLD Exempt Chg	R2031	y	d	Research	7 yrs	n/a	
	Foreign Accounts	R2410	y	m	Research	7 yrs	n/a	
	Funds Avail. Except.	R2086	y	d	Research	7 yrs	n/a	
	Funds Avail. Susp.	R2086	y	d	Research	7 yrs	n/a	
	High \$ OD's	R2043	y	d	Research	7 yrs	n/a	
	High Activity	R2088	y	d	Research	7 yrs	n/a	
	Hold Maintenance	R1050	y	d	CD Desk	6 mo	n/a	
	Hold Maintenance	R1050	y	d	Research	7 yrs	n/a	
	Hold Report	R1051	y	d	Research	7 yrs	n/a	
	Indearings	n/a	n	d	Research	3 mo	1yr 6mo	Kept w Batch Tapes
	Incoming Sol Hldg-Memo	n/a	y	d	Return Desk	6 mos	>>>>	after closing
	Interest Paid	R2750	y	d	Research	7 yrs	n/a	
	Items not processed	n/a	y	d	Research	6 mo	n/a	
	King Suspect RPT	R2080	y	d	Research	7 yrs	n/a	
	Large Balance Rpt	R2010	y	d	Research	7 yrs	n/a	
	Large Transaction	R2051	y	d	Research	7 yrs	n/a	

## CHASE BANK OF ARIZONA--RETENTION SCHEDULE By: AZ Bank Operations

C/A	FORM	#	M&I	FREQ	DISTRI- BUTION	RETENTION TIME ON SITE	@CHASE	COMMENTS
*****	REPORT							
	Lge Incng Ret Item Notify	OPR-041	y	o	Return Desk	1 yr	n/a	
	Lge Outg Ret Item Notify	OPR-041	y	o	OD Desk	1 yr	n/a	
	List of Reports	R1011	y	d	Research	7 yrs	n/a	
	List Tapes w/Wk.	n/a	n	d	Research	3 mo	1yr 9mo	
	Mail Code Accts.	R2420	y	m	Research	7 yrs	n/a	
	Mascom	Computer Rpt	n	d	Research	2 yrs	n/a	
	Master Tapes	n/a	y	d	Research	2 mo	1yr 10mo	
	Mature Time Deps.	R4100	y	d	Research	7 yrs	n/a	
	Maturity Forecast	R4105	y	d	Research	7 yrs	n/a	
	Memos/Faxes	n/a	y	o	ACH desk	6 mo	6.5 yrs	
	Microfilm Dups	n/a	y	d	Research	7 yrs	n/a	
	Microfilm Log	n/a	y	d	Research	7 yrs	n/a	
	Microfilm Orig.	n/a	n	d	Chase	7 yrs	n/a	
	MicrTran	n/a	y	d	Research	7 yrs	n/a	
	Misc. Serv. Chrgs.	R2300	y	d	Research	7 yrs	n/a	
	New & Deleted Stop Pay/Hold	21AL	n	d	Status Desk	6 mo	n/a	all branches
*****	New Accounts	R2020	y	d	Research	3 mo	>>>>>	Fiche 7 yrs
	New Inactive /Dormant	R2190	y	d	Research	7 yrs	n/a	
	New OD Account Detail	R1032	y	d	OD Desk	6 mo	n/a	
	New OD ACCT DTL	R1032	y	d	Research	7 yrs	n/a	
	New OD Accts	R1031	y	d	Research	7 yrs	n/a	
	New Time Deposit	R4020	y	d	Research	7 yrs	n/a	
	Non Posted Report	R1060	y	d	Non post	1 yr	n/a	
	NonPosted Trans.	R1060	y	d	Research	7 yrs	n/a	
*****	Notice of Hold	DDA-12	y	d	BBM	3 mo	n/a	
	OD Accts by OFFCR	R2042	y	d	Research	7 yrs	n/a	
	Old OD Accts	R2040	y	d	Research	7 yrs	n/a	
	Online \$ GL Inface	R0260	y	d	Research	7 yrs	n/a	
	Online \$ Tran. Jml	R0260	y	d	Research	7 yrs	n/a	
	Online & Tran. Jml	R0260	y	d	Non post	1 week	>>>>>	Fiche 7 yrs
	Online Reports	293	y	d	Research	7 yrs	n/a	
	Online Reports	294	y	d	Research	7 yrs	n/a	
	Online Reports	296	y	d	Research	7 yrs	n/a	
	Online Reports	298	y	d	Research	7 yrs	n/a	
	Online Reports	298	y	d	Research	7 yrs	n/a	
*****	Online Reversl Rpt	R0270	y	d	Research	2 mo	>>>>>	Fiche 7 yrs
	Outclearing	n/a	y	d	Research	2 yrs	n/a	
	Phone Requests	n/a	y	d	Research	1 yr	n/a	
	POD	100	n	d	Research	7 yrs	n/a	
	POD Float	R2360	y	d	Research	7 yrs	n/a	
	PPA	1010	y	d	Research	7 yrs	n/a	
	PPA	1020	y	d	Research	7 yrs	n/a	
	PPA	2000	y	d	Research	7 yrs	n/a	
	PPA	2005	y	d	Research	7 yrs	n/a	
	PPA	2000	y	d	Research	7 yrs	n/a	
	PPA	2000	y	d	Research	7 yrs	n/a	
	PPA	2000	y	d	Research	7 yrs	n/a	
	PPA	2000	y	d	Research	7 yrs	n/a	
	PPA	2000	y	d	Research	7 yrs	n/a	
	PPA	2000	y	d	Research	7 yrs	n/a	

CHASE BANK OF ARIZONA-RETENTION SCHEDULE By: [REDACTED] Operations

C/A	FORM	#	M&I	FREQ	DISTRI- BUTION	RETENTION TIME ON SITE	@CHASE	COMMENTS:
*****	REPORT							
	PRA	2990	y	d	Research	7 yrs	n/a	
	PRA/Loc Detail TTLs	R1018	y	d	Research	7 yrs	n/a	
	Premium Cust. Build	110	n	d	Research	7 yrs	n/a	
	Processg Error Rpt.	R4998	y	d	Research	7 yrs	n/a	
	Proof Info. Rpt.	n/a	n	d	Research	2 yrs	n/a	
	Proof Proces. Recap	n/a	n	d	Research	3 mo	1yr 9mo	
	Reconciling Recap	n/a	n	d	Research	3 mo	1yr 9mo	
	Reject Recap	Computer Rpt.	n	d	Research	3 mo	1yr 9mo	
	Release Report	Computer Rpt.	n	d	Research	3 mo	1yr 9mo	
	Research Req. Copies	n/a	y	d	Research	1 yr	n/a	
	Reserve Category TTLs	R4002	y	d	Research	7 yrs	n/a	
	Ret Item Draft copies - local	n/a	y	d	CD Desk	1 yr	n/a	
	Retirmt Dist Plan Susp	R2660	y	m	Research	7 yrs	n/a	
	Retirmt Dist. Calcul.	R2680	y	m	Research	7 yrs	n/a	
	Retirmt Dist. Jmli.	R2675	y	d	Research	7 yrs	n/a	
	Retirmt Over/Under Contr	R2665	y	d	Research	7 yrs	n/a	
	Retirmt. Accounts	R2655	y	d	Research	7 yrs	n/a	
	Retirmt Tral Bal.	R2650	y	d	Research	7 yrs	n/a	
	Return Item - FRBLA	T-186	y	d	Return Desk	1 yr	n/a	
	Return Item Drafts Cleared	n/a	y	d	Non post	25 mo	n/a	
*****	FRBLA-Ret Items C/L	n/a	y	d	Return Desk	25 mo	n/a	
	Return Item Fee Print	n/a	n	m	Return Desk	6 mo	n/a	
	Rev. CR/Loc Tran. Jmli.	R1009	y	d	Research	7 yrs	n/a	
	RID Outstanding Items	GLR261	y	n	Non post	>>>>	>>>>	Destroy if balanced
	RID Past Due	GLR262	y	d	Non post	>>>>	>>>>	Destroy if balanced
	RID Reconciliation (bal page)	GLR260	y	d	Non post	1 yr	n/a	
	RR&B	n/a	y	d	Research	7 yrs	n/a	
	SAV Bank Summary	3516	n	d	Status Desk	1 yr	n/a	
	SAV Hold Caution Journal	3528	n	d	Status Desk	1 yr	n/a	
	Sav Unposted Items	3512	n	d	Status Desk	6 mo	n/a	
	Sav's Stmt	29	n	d	Research	7 yrs	n/a	
	Sav's Tral/Trans. Jmli.	15	n	d	Research	7 yrs	n/a	
	Sen. B. Wk Sht	R4500	y	d	Research	7 yrs	n/a	
	Serv. Chrg. Analysis	R2600	y	d	Research	7 yrs	n/a	
	Serv. Chrg. Referrals	R2610	y	d	Research	7 yrs	n/a	
	SP 1199 and 1199A forms	n/a	y	d	ACH desk	7 yrs	n/a	
	Special Mail Instructions	R2160	y	d	Research	7 yrs	n/a	
	Special Trans. Fiche	R1070	y	d	Research	7 yrs	n/a	
	Special Trans. Paper	R1070	y	d	Non post	1 yr	>>>>	Fiche 7 yrs
*****	Statements	n/a	y	d	Research	2 mo	>>>>	Fiche 7 yrs
*****	Stop Payment Maint.	R1040	y	d	Research	2 mo	>>>>	Fiche 7 yrs
*****	Stop Payment Sus.	R1041	y	d	Research	2 mo	>>>>	Fiche 7 yrs
	Stop Payment Suspect	R1041	y	d	Non post	2 mo	>>>>	Fiche 7 yrs
	Stop Payments Listing	R0002	y	m	Non post	2 mo	>>>>	Fiche 7 yrs
	Super Mkt. Audit	105	n	d	Research	7 yrs	n/a	
	Sys/Cash Let.	n/a	y	d	Research	7 yrs	n/a	
	TD Dollar Trans.	R4010	y	d	Research	7 yrs	n/a	
	TD Maturity Sch.	R4010	y	d	Research	7 yrs	n/a	



CHASE BANK OF ARIZONA--RETENTION SCHEDULE By: *Bank Operations*

C/A FORM	#	M&I	FREQ	DISTRI- BUTION	RETENTION TIME ON SITE	@CHASE	COMMENTS.
***** REPORT							
TD TTLs-Orig Term	R4300	y	d	Research	7 yrs	n/a	
Time Dep. Dtl. Trial Bal.	R4001	y	d	Research	7 yrs	n/a	
Time Dep. Int. Add On	R4170	y	d	Research	7 yrs	n/a	
Time Dep. Int. Trsfr	R4180	y	d	Research	7 yrs	n/a	
Time Deps 100M +	R4130	y	d	Research	7 yrs	n/a	
Trans. Jml.	1010	y	d	Research	7 yrs	n/a	
Transaction Reversal	R1080	y	d	Non post	1 wk	>>>>	Fiche 7 yrs
Transfer Cards	n/a	y	d	Non post	6 mo	6 mo	Returned to Br of acct
Transit Ctrgs Recap	n/a	n	d	Research	3 mo	1yr 9mo	
Transmittals	n/a	y	d	Research	1 yr	n/a	
Uncollected Funds	R2080	y	d	Research	7 yrs	n/a	
Value Dated Trans.	R2058	y	d	Research	7 yrs	n/a	
Visa	97	n	d	Research	7 yrs	n/a	
VISA Listings	51BX	n	d	Status Desk	6 mo	n/a	Proof has Prmt lstrg
White Lists	n/a	n	d	CD Desk	1 yr	n/a	
Zero Balance Accts	R2210	y	d	Research	7 yrs	n/a	





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

SEPTEMBER 9, 1994

Justin Simon, Esq.  
Dickstein, Shapiro & Morin  
2101 L Street, N.W.  
Washington, D.C. 20037-1526

RE: MUR 3485  
The Bud Smith Organization of  
North Carolina, Inc. and  
Henry J. Smith, as president

Dear Mr. Simon:

This letter is to confirm our phone conversation of September 9, 1994 that the time for the Commission's deposition of your client has been changed and will occur on Wednesday, October 12, 1994, commencing at 10:00 a.m. at the Office of the General Counsel, 6th Floor, 999 E Street, N.W., Washington, D.C. 20463.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script that reads "Holly J. Baker".

Holly J. Baker  
Attorney

9604375509



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

SEPTEMBER 13, 1994

Mary Anne Jenkins, Esq.  
First Interstate Bank of Arizona  
Law Dept., First Interstate Plaza  
P.O. Box 29751  
Phoenix, AZ 85038-9751

RE: MUR 3485  
Your # LX-0727

Dear Ms. Jenkins:

This Office is in receipt of your letter dated August 28, 1994. Thank you for enclosing Chase Bank of Arizona's document retention schedule.

You indicate that you are in possession of a box of 1986 microfiche that was not destroyed in a routine manner by M & I Data Services. You further indicate that the box has no index, and you ask whether this Office wishes to undertake the expense of an item by item examination. In order that we are able to make an informed decision, please indicate how many sheets of microfiche exist, the number of transactions on each sheet, the beginning transaction date on each microfiche page, and the cost of handling each microfiche page. With this information in hand, we will be in a better position to narrow the search and to approximate our costs.

In previous correspondence, in addition to the information that you have already provided, this Office has also asked you to provide the date on which the 1986 documents were destroyed. Please also provide the address of M & I Data Services. Further, please provide the policy Chase Bank followed to mark or otherwise indicate that financial records were covered by an outstanding subpoena.

You indicate in your letter of August 28, 1994 that the Commission's subpoena of April 12, 1993 was rendered void on October 22, 1993 by the court's decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C.Cir. 1993), cert. granted, 62 U.S.L.W. 3842 (U.S. June 20, 1994) (No. 93-1151). The Commission maintains otherwise. Following the district court's decision in October 1993, the Commission reissued its outstanding subpoena solely out of an abundance of caution pending the outcome of its appeal to the Supreme Court. The

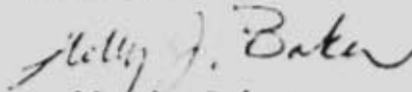
96043755000

Mary Anne Jenkins, Esq.  
Page 2

enclosed article regarding the Commission's response to the court's decision may help you to understand the Commission's position.

Your prompt attention to this matter is appreciated.  
If you have any questions, please call me at (202) 219-3400.

Sincerely,

  
Holly J. Baker  
Attorney

Enclosure  
Record, December 1993

46043755061



FEDERAL ELECTION COMMISSION  
WASHINGTON D.C. 20461

SEPTEMBER 15, 1994

VIA FED EX

Thomas F. Carretta, Esq.  
2675 Patton Road  
St. Paul, Minnesota 55113

RE: MUR 3485  
Robert B. Beale

Dear Mr. Carretta:

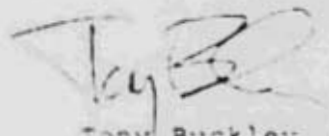
On February 18, 1994, your client, Robert B. Beale, was notified that the Federal Election Commission had revoted to find reason to believe he knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), provisions of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring your client to appear and give sworn testimony on October 7, 1994 in Indianapolis, Indiana, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40 plus mileage. Subsequent to the deposition, you will be sent a check for your client's witness fee and mileage.

Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

Enclosure  
Subpoena

93043755062

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA

TO: Robert B. Beale  
c/o Thomas F. Carretta, Esq.  
2675 Patton Road  
St. Paul, Minnesota 55113

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition. Notice is hereby given that the deposition is to be taken on Friday, October 7, 1994 in the offices of Associated Reporting, 251 East Ohio Street, Suite 940, Indianapolis, Indiana, beginning at 10:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Vice Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this *Fifteenth* day of *September*, 1994.

For the Commission,

*Danny L. McDonald*  
Danny L. McDonald  
Vice Chairman

ATTEST:

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

1604375003



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

SEPTEMBER 15, 1994

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

RE: MUR 3485  
Beurt R. SerVaas

Dear Ms. Kerman:

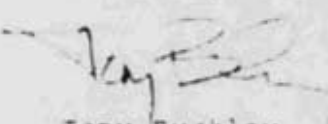
On February 18, 1994, your client, Beurt R. SerVaas, was notified that the Federal Election Commission had revoted to find reason to believe he knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3), provisions of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring your client to appear and give sworn testimony on October 6, 1994 which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40 plus mileage. Subsequent to the deposition, you will be sent a check for your client's witness fee and mileage.

Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

Enclosure  
Subpoena

96043755064

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA

TO: Beurt R. SerVaas  
c/o Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition. Notice is hereby given that the deposition is to be taken on Thursday, October 6, 1994 in the offices of Associated Reporting, 251 East Ohio Street, Suite 940, Indianapolis, Indiana, beginning at 1:00 p.m. and continuing each day thereafter as necessary.

WHEREFORE, the Vice Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this *Fifteenth* day of *September*, 1994.

For the Commission,

*Danny L. McDonald*  
Danny L. McDonald  
Vice Chairman

ATTEST:

*Marjorie W. Enmons*  
Marjorie W. Enmons  
Secretary to the Commission

00041755005





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

SEPTEMBER 16, 1994

Terence J. Lynam, Esq.  
Akin, Gump, Strauss, Hauer & Feld, L.L.P.  
1333 New Hampshire Avenue, N.W.  
Suite 400  
Washington, D.C. 20036

RE: MUR 3485  
George F. Border

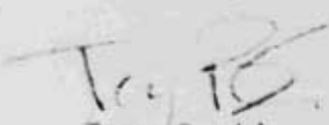
Dear Mr. Lynam:

The transcript of George Border's deposition is ready for your client to review and sign. In view of the fact that your client resides in Chesapeake, Virginia, we have made arrangements for him to review the transcript at Tayloe & Associates, 617 Signet Bank Building, Norfolk, Virginia, 23502. Mr. Border should call Tayloe & Associates at (804) 461-1984 and ask for Frank Tayloe, to arrange for a mutually convenient time for him to read and sign the transcript.

Also, enclosed please find a check for \$40, which represents the witness fee to which your client is entitled in connection with his deposition.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley



United States Treasury



Pay to  
the order of

09 06 94 27 PHILADELPHIA, PA  
780716 05 GEORGE F BORDER  
GEORGE F BORDER F E C WASH DC

Check No.

2034 26920777

95350001

\$\*\*\*\*\*40\*\*00

VOID AFTER ONE YEAR

PO NO 44V076 WITNESS FEE



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

SEPTEMBER 16, 1994

Frank Tayloe  
Tayloe & Associates  
617 Signet Bank Building  
Norfolk, VA 23502

RE: MUR 3485  
George F. Border

Dear Mr. Tayloe:

Enclosed is a copy of the confidential deposition transcript of George F. Border taken and transcribed by ACE-Federal Reporters, Inc. in Washington, D.C.

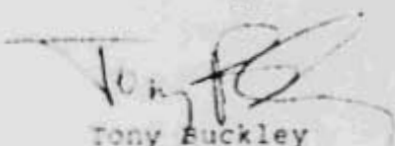
As we discussed in our phone conversation on September 15, 1994, in a confidential investigation, the Federal Election Commission allows deponents to read and sign their deposition transcripts in the office of the court reporter, but does not provide a copy or allow any copies to be made even for payment. Since the deposition was taken in Washington, D.C. and the deponent resides in Chesapeake, Virginia, we ask that your office serve as the court reporter's office for the purposes of reading and signing by Mr. Border.

Under the confidentiality provisions, no copies should be made of the enclosed deposition and the deponent should not take any notes.

Please return the corrected copy to our Office as soon as Mr. Border has read and signed his transcript or thirty days after receipt, whichever comes sooner.

Thank you for your assistance in this matter. If you have any questions, please call me at (800) 424-9530.

Sincerely,

  
Tony Buckley  
Attorney

Enclosure  
Deposition Transcript

94043755067

SEP 19 3 47 PM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Americans for Robertson, Inc.  
and Frederick H. Shafer,  
as treasurer, et al.

**SENSITIVE**

MUR 3485

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This report addresses Americans for Robertson, Inc.'s ("AFR's") use of corporate aircraft.<sup>1</sup> As noted in the First General Counsel's Report in this matter dated November 27, 1992, at 99 n.113, and in the General Counsel's Report dated March 4, 1994, at 1-3, one aspect of this matter is CBN Continental Broadcasting Network, Inc.'s -- now KXTX, Inc. -- ("CBN Continental's") possible purchase of the twin engine commercial airliner known as a BAC 1-11 for the campaign's use. As part of the investigation into this aspect of the case, this Office has contacted the two principal aircraft charter vendors used by CBN Continental prior to, during and after its ownership of the BAC 1-11, and the aircraft's numerous pilots to determine if the aircraft was in fact purchased primarily for use during the campaign.

Information gained from the inquiry into the campaign's use of the BAC 1-11 indicates that CBN Continental had no independent need or use for the aircraft and that the aircraft was purchased primarily for the campaign's use. Specifically, the response from one of the two primary charter vendors used by CBN

1. Chairman Potter is recused from this issue.

96043755008

Continental demonstrates that both prior to the purchase of the BAC 1-11 and after its sale, CBN Continental used much smaller aircraft for its corporate travel. Unlike the BAC 1-11 which seated 23 passengers, these aircraft seated at most 8 passengers.<sup>2</sup> There is no record of any change in the company's travel needs necessitating the purchase of the larger BAC 1-11 aircraft.

There are also direct statements from two of the BAC 1-11's pilots establishing that the aircraft was purchased primarily for campaign use. Mr. Donald Miracle, copilot and flight operations manager from the time of the aircraft's purchase to its sale, has stated in conversations with staff from this Office that at the time of purchase, Pat Robertson confided in him that the aircraft was necessary for the upcoming presidential campaign. Consistently, Mr. David Sterbonic, the BAC 1-11's pilot from the fall of 1985 to the spring of 1986, has stated in his response that upon being hired, he was informed by Mr. Miracle that "the aircraft was either being, or would be used to provide transportation for the Pat Robertson Presidential Campaign." Attachment 1, at 2 (Questions and Responses). Mr. Sterbonic has also stated in conversations with this Office that Pat Robertson personally told him the BAC 1-11 would be sold after the campaign, presumably because there would no longer be any need for such a large aircraft.

---

2. Although unable to locate any travel records for respondent, the charter vendor did recall the type of aircraft chartered during the period at issue.

Additional statements from a third pilot, although less direct, also suggest that the aircraft was for the campaign's use. David Phillip Walen was the BAC 1-11's pilot from December 1, 1986 to October 1, 1988 (a period of extensive campaign use of the aircraft). Although noting in his written response that he "regarded [the aircraft] as a typical business aircraft," Attachment 2, at 2 (Questions and Responses), in follow-up conversations with this Office Mr. Walen has confirmed that during the time he flew the BAC the campaign had almost exclusive use of the aircraft. In fact, Mr. Walen noted that many of the flights attributed to CBN Continental for the years 1987 and 1988 were only maintenance flights, where no individuals were transported.

This Office has also identified two additional pilots -- Paul Trice and Jim Brown. Mr. Trice was the aircraft's pilot from the time of purchase to October 1985. In response, Mr. Trice has stated only that he does not have any information regarding this matter. It is unclear what information Mr. Trice may in fact possess. Mr. Brown was identified through the above responses; this Office is presently locating this individual.

The above informal responses, especially the pilots' oral statements, indicate that the BAC 1-11 was purchased by CBN Continental for the campaign's use. In order to examine the full extent of the individual pilots' knowledge concerning this issue, this Office recommends that the Commission authorize deposition

26047550/0

subpoenas for David Sterbonic, David Phillip Walen, Paul Trice, and Jim Brown.<sup>3</sup> See Attachment 3 (sample Deposition Subpoena).

II. RECOMMENDATIONS

1. Approve the appropriate subpoenas for depositions for David Sterbonic, David Phillip Walen, Paul Trice and Jim Brown.
2. Approve the appropriate letters.

Date

9/19/94

*LM Noble (J/P)*  
Lawrence M. Noble  
General Counsel

Attachment

1. Questions to David Sterbonic and Response.
2. Questions to David Phillip Walen and Response (voluminous documentary response not attached).
3. Sample Subpoena - 1

Staff Assigned: Jose M. Rodriguez

3. The Commission has previously approved a deposition subpoena for Donald Miracle. Although this Office has not yet fully contacted Messrs. Trice and Brown, this Office is presently seeking deposition authority concerning these witnesses to expedite the investigation.



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Americans for Robertson, Inc. ) MUR 3485  
and Frederick H. Shafer, as )  
treasurer, et al. )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on September 23, 1994, the Commission decided by a vote of 4-0 to take the following actions in MUR 3485:

1. Approve the appropriate subpoenas for depositions for David Sterbonic, David Phillip Walen, Paul Trice and Jim Brown, as recommended in the General Counsel's Report dated September 19, 1994.
2. Approve the appropriate letters, as recommended in the General Counsel's Report dated September 19, 1994.

Commissioners Aikens, Elliott, McGarry, and Thomas voted affirmatively for the decision; Commissioner McDonald did not cast a vote. Commissioner Potter recused himself from this matter and did not cast a vote.

Attest:

9-23-94  
Date

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

Received in the Secretariat: Mon., Sept. 19, 1994 3:47 p.m.  
Circulated to the Commission: Tues., Sept. 20, 1994 11:00 a.m.  
Deadline for vote: Fri., Sept. 23, 1994 4:00 p.m.

bjr

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

SEPTEMBER 27, 1994

VIA FEDERAL EXPRESS

David Sterbonic  
5421 West Rainbow Crt.  
Bloomington, IN 47404

RE: MUR 3485

Dear Mr. Sterbonic:

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. As previously discussed, the Commission has issued the attached subpoena which requires you to appear and give sworn testimony on October 5, 1994 at Associated Reporting, 251 East Ohio Street, Suite 940, Indianapolis, Indiana 46204. 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 present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.


Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40, plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

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MUR 3485  
David Sterbonic  
Page 2

Within two days of your receipt of this notification,  
please confirm your scheduled appearance with me at (800)  
424-9530.

Sincerely,



Jose M. Rodriguez  
Attorney

Enclosure  
Subpoena

260437550/4

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA

TO: David Sterbonic  
5421 West Rainbow Crt.  
Bloomington, IN 47404

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to MUR 3485. Notice is hereby given that the deposition is to be taken on Wednesday, October 5, 1994, at Associated Reporting, 251 East Ohio Street, Suite 940, Indianapolis, Indiana 46204, beginning at 10:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Vice Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this *27th* day of *September*, 1994.

For the Commission,

*Danny L. McDonald*  
Danny L. McDonald  
Vice Chairman

ATTEST:

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

2004-755075

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

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**THOMAS F. CARRETTA**

ATTORNEY AT LAW

2675 PATTON ROAD  
ST. PAUL, MINNESOTA 55113  
(612) 631-7640  
FAX: (612) 631-7602

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
ADMINISTRATIVE

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September 19, 1994  
Mr. Tony Buckley  
FEDERAL ELECTION COMMISSION  
999 E Street NW  
Washington, D C 20463

VIA FACSIMILE  
ORIGINAL BY FEDERAL EXPRESS

Dear Mr Buckley

This letter is to confirm our telephone conversation this morning concerning the Subpoena regarding Matter Under Review 3485 issued by the Federal Election Commission (the "Commission") dated September 15, 1994 which was received in my offices on September 16, 1994 by Federal Express. About a year ago the Commission initiated Matter Under Review 3485 with respect to Mr Robert Beale. The circumstances which the Commission apparently believes serves as he basis for alleged violations took place in summer 1987, about seven years ago.

During our conversation, I indicated that the subpoena to appear in Indianapolis, Indiana was inconvenient for Mr Beale due to the excess cost associated with and general inconvenience in traveling to Indiana. Mr Beale has no connections to Indiana. I also indicated that Mr. Beale is readily available for deposition in Minnesota, his place of residence. I indicated that on the basis of time and inconvenience, that I would bring a motion to quash the subpoena. The basis would be the long standing law and procedure concerning depositions, jurisdiction, etc.

You indicated that you would leave the return date for the subpoena open and look to reschedule. I appreciate this modification and this letter is to confirm that I do not have to file the motion with the Commission under 2 U S C 437d(a)(3)(4) and 11 C F R 111.15 or with the local federal district court according to usual procedure on the basis of this understanding. If this is not correct, please advise immediately to avoid any prejudice and I will bring the appropriate motion. Assuming we are cooperatively seeking to enable the deposition in Minnesota, please advise as to preferred and alternate dates. At this time, I believe that my schedule, and that of Mr. Beale's are relatively open.

Thank you for your consideration in this regard to avoid needless litigation. I look forward to hearing from you as soon as convenient.

Very truly yours,



Thomas F. Carretta, Esq.

cc Robert B Beale

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

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COMMISSION  
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**SENSITIVE**

September 27, 1994

**MEMORANDUM**

**TO:** The Commission

**FROM:** Lawrence M. Noble  
General Counsel  
Designated Agency Ethics Official

Kim Bright-Coleman *KBC*  
Associate General Counsel  
Alternate Ethics Official

Gregory R. Baker *GRB by KBC*  
Special Assistant General Counsel

**SUBJECT:** MUR 3485 -- Motion to Recuse

On July 28, 1994, Chairman Potter filed a statement recusing himself from certain matters relevant to MUR 3485 (Robertson). See Attachment 1. As you may recall, Respondent R. Marc Nuttle filed a motion and affidavit requesting that Chairman Potter recuse himself from all matters pertaining to MUR 3485. The motion also requested that the Commission reconsider its votes with respect to MUR 3485.

On May 13, 1994, this Office sent a letter acknowledging receipt of the motion from Mr. Nuttle's attorney, Marion Edwyn Harrison. This office also sent Mr. Harrison a letter on May 31, 1994 requesting additional information in support of the motion. In a letter dated May 31, 1994, Mr. Harrison responded, stating that our request for additional information was "unacceptable."

On June 27, 1994, Chairman Potter requested this Office to provide him with a written opinion as to whether his recusal on MUR 3485 was warranted. Pursuant to this request, this Office circulated an informational memorandum on July 8, 1994, which stated that Mr. Nuttle's motion had been filed and we would provide Chairman Potter with a formal ethics opinion.

After a review of information set forth in the motion and discussions with Chairman Potter, this Office concluded that there were insufficient facts alleged to require Chairman Potter's recusal from MUR 3485. We also considered the rules of professional responsibility in making our recommendation to Chairman Potter. However, since Chairman Potter has sought

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outside counsel regarding these issues, we did not provide him with specific advice regarding these matters. Thus, we focused our analysis on Mr. Nuttle's failure to allege sufficient facts demonstrating that an attorney-client relationship existed. We also noted that although no distinct attorney-client relationship was shown by the facts alleged, we advised Chairman Potter that if he was aware of any facts that would lead him to believe that his participation in this matter would compromise a privileged communication, he should recuse himself in order to protect that privilege.

Moreover, we noted the Commission's actions in MURs 1605 and 2272, which also addressed respondents who sought the recusal of a Commissioner (Commissioners Harris and Elliott, respectively). In both instances, this Office found recusal to be unnecessary, because there was insufficient information to demonstrate that the Commissioners would act in an impartial manner.<sup>1</sup> Thus, after careful analysis, we concluded that Chairman Potter was not required to recuse himself from participating in MUR 3485 under the present circumstances. Nevertheless, we concur with Chairman Potter's decision to recuse himself.

Although Chairman Potter has now recused himself from a portion of MUR 3485, this Office does not find reconsideration of the Commission's previous votes in this matter necessary. With respect to the votes pertinent to Mr. Nuttle, Chairman Potter either did not vote, or there were at least four votes cast in addition to his. Thus, Chairman Potter's vote was not a deciding factor in any Commission action in this MUR.

It is important to note that Chairman Potter will only be recusing himself from certain matters in MUR 3485. Chairman Potter has not divulged specifically which aspects of MUR 3485 he will be recusing himself from, because to do so, would potentially violate the very privilege asserted by Mr. Nuttle. Therefore, the Commission should defer to Chairman Potter's discretion in this instance, and he should identify all votes in which he will not be participating as those votes arise in this matter.

In reaching our decision, we were mindful of the adverse precedent that could be set if the motion were allowed to stand. Filing a similar motion in the midst of investigations and subpoena enforcement could be used as a tactic to remove Commissioners who are voting in ongoing investigations. The use of such tactics could hamper the Commission's ability to garner four votes in some instances, effectively precluding Commission action.



**RECOMMENDATIONS**

The Office of General Counsel recommends that the Commission:

1. Decline to reconsider its votes in MUR 3485; and
2. Approve the appropriate letter to R. Marc Nuttle informing him of this decision.

**Attachment**

Recusal Statement, dated July 28, 1994.

960437550/9





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

MEMORANDUM

TO: LAWRENCE M. NOBLE  
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS  
COMMISSION SECRETARY

DATE: OCTOBER 3, 1994

SUBJECT: MUR 3485 - MOTION TO RECUSE. MEMORANDUM TO THE  
COMMISSION DATED SEPTEMBER 27, 1994.

The above-captioned document was circulated to the  
Commission on Wednesday, September 28, 1994 at 11:00 .

Objection(s) have been received from the  
Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	_____
Commissioner Elliott	_____
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Potter	_____
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda  
for Tuesday, October 18, 1994 .

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

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 3485  
R. Marc Nuttle - Motion to )  
Recuse )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on October 18, 1994, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions in MUR 3485:

1. Decline to reconsider its votes in MUR 3485.
2. Approve the appropriate letter to R. Marc Nuttle informing him of this decision as recommended in the General Counsel's memorandum dated September 27, 1994.

Commissioners Aikens, Elliott, McDonald and Thomas voted affirmatively for the decision; Commissioners McGarry and Potter were not present.

Attest:

10-20-94  
Date

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

96043755031



FEDERAL ELECTION COMMISSION  
WASHINGTON DC 20461

October 20, 1994

Marion Edwyn Harrison, Esquire  
Law Offices of Marion Edwyn Harrison  
107 Park Washington Court  
Falls Church, Virginia 22046

Re: MUR 3485  
Motion to Recuse

Dear Mr. Harrison:

On May 11, 1994, this Office received the Motion and Supporting Affidavit of your client, R. Marc Nuttle, to recuse Chairman Trevor Potter and to reconsider Commission votes in Matter Under Review ("MUR") 3485. On July 28, 1994, Chairman Potter filed a statement with this Office recusing himself from participating in certain matters regarding MUR 3485. Specifically, Chairman Potter recused himself from any "Commission discussions, vote or other action in MUR 3485 to the extent that a matter under consideration in that proceeding relates to, or could possibly involve the use of, information learned by me in the course of my representation of the National Republican Congressional Committee ("NRCC") during the period that R. Marc Nuttle was its executive director (March 1989-March 1991)."

Moreover, even though Chairman Potter recused himself from certain matters, the Office of General Counsel recommended that the Commission need not reconsider its votes with respect to MUR 3485. We based our recommendation upon the lack of specific information alleged in the Motion and the fact that Chairman Potter's participation in the previous votes had no significant impact on the Commission's determinations. On October 18, 1994, the Commission approved our recommendation. If you should have any questions regarding this matter please contact Gregory R. Baker at (800) 424-9530 or (202) 219-3400.

Sincerely,

*Kim Bright-Coleman*

Kim Bright-Coleman  
Associate General Counsel

9604375032

LAW OFFICE  
**Richard Mayberry**  
Seventh Floor  
888 16th Street, N.W.  
Washington, D.C. 20006

VOICE (202) 786-8677

FAX (202) 835-1912

FAX (202) 835-8136

**FAX COMMUNICATION**

TO:

(1) Lawrence Noble  
General Counsel  
Federal Election Commission

(2) Jose Rodriguez, Esquire  
OGC FEC

Copies To:

(1) Tom Atwood

(2)

FROM: Richard Mayberry

DATE: September 20, 1994 PAGES TO FOLLOW COVER PAGE: 2

Reply Requested: yes

MESSAGE:

Dear Mr. Noble,

I represent Mr. Atwood in MUR 3485. A Designation of Counsel follows. I shall initiate a call to Jose Rodriguez, the FEC attorney assigned to this matter, after you receipt of this Designation.

Thank you.

Richard Mayberry

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FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

2004375503

LAW OFFICE  
Richard Mayberry & AssociatesFifth Floor  
888 16th Street, N.W.  
Washington, D.C. 20006(202) 785-8677  
Fax (202) 835-1912

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RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSELIdentification: Tom Atwood  
Re: STATEMENT OF DESIGNATION OF COUNSEL  
Enforcement Action: MUR 3485

Richard Mayberry is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Federal Election Commission and to act on my behalf before the Commission.

Thomas C. Atwood

Tom Atwood

Telephone:

202/546/4400 (W)

703/818/2656 (H)

Address:

6510 Rock Crystal Drive  
Clifton, VA 22029

930437504



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

SEPTEMBER 28, 1994

Richard Mayberry, Esq.  
Seventh Floor  
888 16th Street, N.W.  
Washington, D.C. 20006

RE: MUR 3485  
Tom Atwood

Dear Mr. Mayberry:

This is in response to your request for an extension until October 29, 1994 to respond to the Commission's Subpoena and Order to your client. After considering the circumstances presented by you, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on October 29, 1994.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jose M. Rodriguez  
Attorney

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COMMISSION

ADMINISTRATIVE  
EPSTEIN BECKER & GREEN, P.C.

ATTORNEYS AT LAW  
SEP 30 2 17 PM '94  
1227 25TH STREET, N.W.

WASHINGTON, D.C. 20037-11561

(202) 661-0900

TELECOPIER (202) 296-2882

DIRECT LINE

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OFFICE OF GENERAL  
COUNSEL

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2 ENBARCADERO  
SAN FRANCISCO, CALIFORNIA 94111-5994  
(415) 398-3800

12750 MERIT DRIVE  
DALLAS, TEXAS 75251-12091  
(214) 490-3143

116 SOUTH MONROE STREET  
TALLAHASSEE, FLORIDA 32301-1530  
(904) 681-0886

2400 SOUTH DIXIE HIGHWAY, SUITE 100  
MIAMI, FLORIDA 33133  
(305) 856-1100

510 KING STREET, SUITE 301  
ALEXANDRIA, VIRGINIA 22314-31321  
(703) 684-1204

250 PARK AVENUE  
NEW YORK, NEW YORK 10177-00771  
(212) 351-4500

1875 CENTURY PARK EAST  
LOS ANGELES, CALIFORNIA 90067-2501  
(310) 556-8881

SIX LANDMARK SQUARE  
STAMFORD, CONNECTICUT 06901-27041  
(203) 348-3737

ONE RIVERFRONT PLAZA  
NEWARK, NEW JERSEY 07102-84011  
(201) 642-1900

75 STATE STREET  
BOSTON, MASSACHUSETTS 02109  
(617) 342-4000

September 30, 1994

\*P.C. NEW YORK, WASHINGTON, D.C., NEW JERSEY,  
CONNECTICUT, VIRGINIA AND TEXAS ONLY

**VIA FACSIMILE  
AND HAND-DELIVERED**

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, D.C. 20463

Re: M.U.R. 3485: RESPONDENT BEURT R. SERVAAS

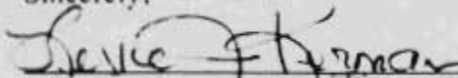
Dear Mr. Buckley:

We are writing in connection with the Subpoena issued by the Commission to Dr. SerVaas on September 15, 1994 in the above-captioned matter, which involves the 1988 Robertson presidential campaign. The Subpoena calls for Dr. SerVaas to be deposed at 1:00 p.m. on Thursday, October 6, 1994 in Indianapolis, Indiana.

As discussed, Dr. SerVaas needs to reschedule said deposition. In that regard, we are authorized to propose the following dates for the deposition: November 3, 1994 and November 9, 1994. As also discussed, Dr. SerVaas agrees to travel to Washington, D.C. for his deposition on either of the above-referenced dates, assuming this to be more convenient for your office.

We apologize for any inconvenience caused by the need to reschedule this deposition.

Sincerely,

  
Leslie J. Kerman



LUCIEN M. WARNER  
general partner

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

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September 28, 1994

Holly J. Baker, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

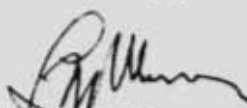
Re: MUR3485

Dear Ms. Baker:

You have asked that I search my calendars for any entries pertaining to Michael Clifford such as luncheon or dinner appointments, etc. I have researched both my 1986 and 1987 calendars and have attached copies of those entries which mention either Clifford's name or Pat Robertson. There were no such entries during the year 1987.

I have also looked up the \$5,000 check in connection with the 5/16/86 fundraising dinner. I have not been able to find any entry in my check registers; however, there is a possibility that I have lost a 1986 check register and that check could have been written. I just cannot find it in my records.

Very truly yours,

  
L. M. Warner

LMW:mvm

Enclosures

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
Beurt SerVaas, et al.

)  
)  
) MUR 3485  
)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On February 8, 1994, the Commission, in response to the D.C. Circuit's decision in Federal Election Commission v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), cert. granted, 114 S. Ct. 2703 (1994) ("NRA"), reviewed the possible violations arising from the audit referral of Americans for Robertson, Inc. and, upon revote, again found reason to believe that, inter alia, Beurt SerVaas knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). In addition, the Commission reauthorized and reissued, inter alia, a Subpoena to Produce Documents and Order to Submit Written Answers to Mr. SerVaas, as well as a Subpoena for deposition of Mr. SerVaas. On March 10, 1994, the Commission approved an additional Subpoena to Produce Documents and Order to Submit Written Answers to Mr. SerVaas. On March 24, 1994, Respondent Beurt SerVaas filed a motion entitled "Motion to Quash Subpoenas Issued to Beurt SerVaas on February 16, 1994 and March 14, 1994, or in the Alternative, to Modify the Subpoena Issued on March 14, 1994."

On April 12, 1994, the Commission denied Mr. SerVaas's motion, and authorized this Office to file a civil suit should

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Mr. SerVaas not comply with the Subpoena to Produce Documents and Order to Submit Written Answers. Respondent finally complied on May 18, 1994.

In late July 1994, discussions were commenced with counsel for Mr. SerVaas regarding a mutually convenient time to conduct Mr. SerVaas's deposition in Indianapolis, IN. September 13, 1994 was initially agreed upon. Subsequently, counsel contacted this Office on August 16, 1994, and informed us that Mr. SerVaas would be out of the country from September 6 until September 29. This Office agreed to delay the deposition until October 6, 1994 and later forwarded a Subpoena compelling his appearance on that date (Attachment 1). Other depositions were also scheduled around this time to maximize the efficiency of this trip.

Late in the afternoon of September 29, 1994, a month-and-a-half after the date had been set and just one week before the deposition was scheduled to occur, counsel called this Office and informed us that her client would not be able to attend. Counsel proffered her client's work load and his inability to consult with a previous counsel as reasons why he would not attend the deposition. Counsel offered four other dates, the closest being almost three weeks later, when her client would be willing to travel to Washington at his own expense for a deposition.<sup>1</sup> This Office requested that counsel submit a statement in writing stating whether, in fact, her client would

---

1. Counsel stated that these dates are October 25 and November 1, 3 and 4, 1994.

appear on Thursday, October 6, 1994, as required by the Commission's Subpoena.

On September 30, 1994, counsel submitted a letter (Attachment 2). Counsel's letter states only that her client "needs to reschedule", and neither shows any appreciation for the seriousness of this last minute request, nor provides any compelling reason for the proffered refusal to appear on the scheduled date. Additionally, the letter contains only two dates on which her client is now willing to appear, in Washington, D.C. if more convenient for this office; the earliest date is now a month later than the subpoena date.<sup>2</sup>

While judicial enforcement to compel Mr. SerVaas's appearance on October 6 is impracticable, this Office believes the Commission should not countenance his attempt to further delay compliance with the outstanding Subpoena for Deposition. Indeed, Mr. SerVaas has been particularly obstructive in his dealings with the Commission and, given this latest development, it is not entirely certain that he will appear even on the two November dates specified in counsel's letter of September 30th. This Office therefore recommends the Commission authorize the Office of the General Counsel to file a civil suit against Beurt SerVaas to ensure compliance with the Commission's Subpoena for Deposition, should he not appear for deposition at the offices of the General Counsel within three (3) weeks of the October 6 scheduled compliance date.

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2. Counsel now states that these dates are November 3 and 9, 1994.

**II. RECOMMENDATIONS**

1. Authorize the Office of the General Counsel to file a civil suit against Beurt SerVaas seeking enforcement of the Commission's Subpoena for Deposition should he not appear for deposition at the offices of the General Counsel within three weeks of October 6, 1994.

2. Approve the appropriate letter.

96043 / 55021  
Date

10-3-94

*Lawrence M. Noble* (742)  
Lawrence M. Noble  
General Counsel

**Attachments**

1. Subpoena for Deposition, dated September 15, 1994
2. September 30, 1994 Letter from Counsel

**Staff Assigned:** Tony Buckley  
Jonathan Bernstein

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Beurt SerVass, et al. ) MUR 3485

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on October 4, 1994, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 3485:

1. Authorize the Office of the General Counsel to file a civil suit against Beurt SerVass seeking enforcement of the Commission's Subpoena for Deposition should he not appear for deposition at the offices of the General Counsel within four weeks of October 6, 1994.
2. Approve an appropriate letter as recommended in the General Counsel's October 3, 1994 report.

Commissioners Aikens, McDonald, McGarry, Potter, and Thomas voted affirmatively for the decision; Commissioner Elliott was not present.

Attest:

10-5-94  
Date

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

9604375022



FEDERAL ELECTION COMMISSION  
WASHINGTON D.C. 20463

October 5, 1994

VIA HAND DELIVERY

Leslie J. Kerman, Esq.  
Epstein Becket & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

RE: MUR 3485  
Beurt R. SerVaas

Dear Ms. Kerman:

On October 4, 1994, the Commission considered the circumstances of its outstanding Subpoena for Deposition of your client, Beurt R. SerVaas, who, you indicate in your letter of September 30, 1994, would not appear as scheduled on October 6, 1994. The Commission authorized this Office to file civil suit for enforcement of its Subpoena if your client does not appear for deposition within four weeks of October 6, 1994 at the Office of the General Counsel, 999 E Street, N.W., Washington, D.C. 20463.

Please call me at (202) 219-3400 to set the date for the deposition.

Sincerely,

A handwritten signature in dark ink, reading "Jonathan Bernstein", is written over the typed name.

Jonathan A. Bernstein  
Assistant General Counsel

06042755093





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 11, 1994

Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

RE: MUR 3485  
Beurt R. SerVaas

Dear Ms. Kerman:

This is to confirm our agreement that the Federal Election Commission will not file suit against your client, Beurt R. SerVaas, to enforce compliance with its outstanding Subpoena for Deposition, provided your client appears for deposition at 10:00 a.m. on November 3, 1994 at the Office of the General Counsel, 999 E Street, N.W., Washington, D.C. 20463.

If you have any questions, please contact Tony Buckley at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, which appears to read "Jonathan Bernstein", is written over the typed name.

Jonathan A. Bernstein  
Assistant General Counsel

26043755094



First Interstate Bank  
of Arizona, N.A.  
Law Department  
First Interstate Plaza  
P.O. Box 29751  
Phoenix, AZ 85038-9751  
602 229-4880

MUR 3485

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October 11, 1994

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FEDERAL ELECTIONS  
COMMISSION  
OFFICE OF THE CLERK

Holly Baker, Esq  
Federal Elections Commission  
Washington, D.C. 20463

RE: Your letter of September 13, 1994

Dear Ms. Baker:

As I stated in my earlier letters to your agency, First Interstate Bank of Arizona, N.A. (the "Bank"), acquired Chase Bank of Arizona on April 30, 1994. In the merger of Chase Arizona into the Bank, a number of the administrative personnel of Chase Arizona were not retained. Consequently, the Bank has but a limited amount of information concerning the actions that Chase Arizona took as to a subpoena which was originally served over two years ago.

I am informed by the Bank's Legal Operations Department that the un-indexed box of microfiche that the Bank received through the Chase Arizona acquisition contains 469 rolls of microfiche, and that each roll contains approximately 30,000 individual deposit/debit items. The charge for compiling the information that you requested will be \$10.00 an hour for the clerical time involved. This hourly rate is substantially less than the Bank's standard search fee. It is estimated that it will take between 8,000 and 12,000 hours to review all of the microfiche rolls. This breaks down to an approximate cost of \$256 per roll for clerical time only.

The Bank will compile the information on the box of microfiche that you requested in your September 13th letter. Please confirm that your agency will authorize payment for the costs attendant to performing that work. As soon as I receive your written authorization, I will instruct the Bank's Legal Operations Department to begin compiling the information you have requested.

No one currently with the Bank can identify the specific day on which the 1986 microfiche records were destroyed.

It is my understanding that Chase Arizona had no separate procedure for marking checks and deposits for which a subpoena had been served when the subpoenaing entity did

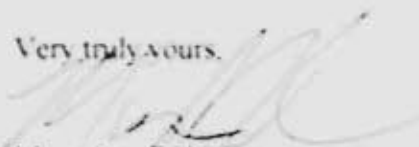
not demand a full response at the time of service. Indeed, this would not have been possible since Chase Bank, like practically all banks, did not compile microfiche records of checks and deposits by account number. Each day items presented on or deposited to all Chase Arizona accounts were copied in chronological order as they were processed. Hence, a single roll of microfiche would consist of copies of all items processed on all accounts in which there was activity. Depending on the amount of activity in a single day, each roll of film could contain a single day's activity, a portion of a single day's activity, or more than one day's activity. The only way in which the subpoenaed information could have been segregated would have been for Chase Arizona to pull and copy each transaction on the subpoenaed account at the time the subpoena was served. As you will recall, this is exactly the expense your agency wished to avoid when it requested that Chase Arizona limit its initial response to the first subpoena. To "segregate and preserve" the subpoenaed documents without copying the information from the microfiche would have meant that Chase Arizona could not have sent any account records, i.e. the microfiche, for routine destruction.

The address for M & I Data Services is

M & I Data Services, Inc.  
20131 West Camelback Road  
Phoenix, AZ 85015

If you have any questions or need any additional information, you may reach me at the above address, or at my direct line telephone number 602/229-4661.

Very truly yours,

  
Mary Ann Jenkins  
AVP Counsel  
First Interstate Bank of Arizona, N.A.

cc: Legal Operations (#870E)

**Isahin & Friedman**

ATTORNEYS AT LAW

888 16th Street, N.W.  
Washington, D.C. 20006  
(202) 296-4175 Fax (202) 296-8791

October 24, 1994

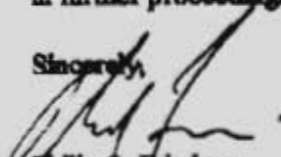
Ms. Holly Baker  
Office of the General Counsel  
Federal Election Commission  
Washington, D.C.

Re: MUR 3485

Dear Ms. Baker:

This letter will serve to notify you that Michael Clifford has requested that I withdraw as his counsel in the above referenced action. Mr. Clifford will be acting as his own counsel in further proceedings.

Sincerely,



Philip S. Friedman

cc: Mike Clifford

OCT 25 7 50 AM '94

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

7 5 0 5 0 7 7

# SCHIFF HARDIN & WAITE

A Partnership including Professional Corporations

7200 Sears Tower, Chicago, Illinois 60606-8473  
Telephone (312) 876-1000 Facsimile (312) 258-5600

Chicago  
Washington  
New York  
Peoria  
Merrillville

Terry J. Smith  
(312) 258-5558

October 25, 1994

## VIA FEDERAL EXPRESS

Mr. Jose M. Rodriguez  
Attorney  
Office of the General Counsel  
Federal Election Commission  
999 E. Street, N.W.  
Washington, D.C. 20463

Re: **MUR 3485**  
**Calcutta Aircraft Leasing, Inc.**

Dear Mr. Rodriguez:

In accordance with our discussion on October 19, 1994, enclosed please find copies of the pleadings in Donald W. Miracle v. David Sterbonic and Calcutta Aircraft Leasing, Inc., No. 28C01-9101-CP-16. There were no depositions taken in the case. The case was stayed by the Indiana state court on April 10, 1991, due to the pendency of the U.S. District Court action against Miracle, Moffatt and Peak Aviation.

As to documents concerning the BAC1-11, Serial No. 005, Calcutta does have documents in its possession relating to the time period prior to Calcutta's purchase of the aircraft. There are three (3) bankers boxes of such documents. We can either copy the documents for you at your expense or provide the documents for your inspection in Bloomington, Indiana.

Sincerely,



Terry J. Smith

TJS:uc  
Enclosures

Oct 26 9 07 AM '94

Oct 26 9 39 AM '94

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) SS:  
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Dec 25 9 47 AM '94

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- |     |  |          |
|-----|--|----------|
| 1.  | Summons and Complaint  | 09/27/90 |
| 2.  | Plaintiff's Demand for Trial By Jury   | 09/27/90 |
| 3.  | Appearance of Douglas B. King on behalf of Calcutta Aircraft Leasing, Inc., only.                      | 10/12/90 |
| 4.  | Appearance of William C. Lloyd on behalf of David Sterbonic  | 10/19/90 |
| 5.  | Motion for Extension of Time on behalf of Sterbonic filed by Lloyd asking for 30 days                  | 10/19/90 |
| 6.  | Calcutta Aircraft Leasing, Inc. filed by King  | 10/24/90 |
| 7.  | Granted Order Enlarging Calcutta's Time to Respond to Complaint, up to and including December 14, 1990 | 10/30/90 |
| 8.  | Calcutta's Motion to Dismiss and Memorandum in Support of its Motion To Dismiss                        | 12/14/90 |
| 9.  | Plaintiff's Motion For Extension of Time Within Which To Respond To Defendants Motions To Dismiss      | 12/18/90 |
| 10. | Calcutta's Motion for Automatic Change of Venue From the County  | 12/20/90 |
| 11. | Order Granting Motion for Change of Venue from the County  | 12/31/90 |
| 12. | Calcutta's Report of Striking filed by King  | 01/04/91 |
| 13. | Order Changing Venue From The County   | 01/09/91 |

STATE OF INDIANA )  
 ) SS:  
COUNTY OF MONROE )

IN THE MONROE COUNTY SUPERIOR COURT  
CAUSE NO. 53DO2 9009 CP 00976

DONALD W. MIRACLE,

Plaintiff,

v.

DAVID STERBONIC, and CALCUTTA  
AIRCRAFT LEASING, INC.

Defendants.

INDEX OF PLEADINGS - 2

14. Plaintiff's Response In Opposition To Defendants' Motions To Dismiss 01/11/91
15. Venue Order ordering all parties to advise the Court in writing of all motions or matters pending, etc. within 15 days. 01/21/91
16. Defendant's Motion for Enlargement of Time and Order granting same. 01/23/91
17. Defendant's Request For Production of Documents and Defendant's Interrogatories To Plaintiff 01/24/91
18. Order upon Motion for Enlargement of Time 02/15/91
19. Defendant's Reply Memorandum in Support Of It's Motion To Dismiss 02/15/91
20. Appearance for R. Todd Corn, local counsel for Bose McKinney & Evans on behalf of Plaintiff 03/01/91
21. Plaintiff's Motion for Enlargment of Time to Respond to Discovery 03/18/91
22. Notice of Order Granting Plaintiff enlargement of time until and including April 29, 1991 to respond to Defendant's Interrogatories to Plaintiff and Request for Production of Documents 03/21/91



STATE OF INDIANA )  
 ) SS:  
COUNTY OF GREENE )

IN THE GREENE CIRCUIT COURT  
CAUSE NO. 28C01-9101-CP-16

DONALD W. MIRACLE,  
Plaintiff,  
v.  
DAVID STERBONIC, and CALCUTTA  
AIRCRAFT LEASING, INC.  
Defendants.

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INDEX OF PLEADINGS - 3

23. Order granting Defendants' Motions to Dismiss re actual malice; granting Motion to Dismiss re failure to state a claim upon which relief can be granted; Motion to Dismiss re T.R. 12(B)(8) taken under Advisement; and amended complaint must be filed within 10 days 04/08/91

24. Order staying cause upon Plaintiff's Complaint due to pendency of cause of action in Federal Court. 04/10/91

25. Plaintiff's First Amended Complaint 04/18/91

26. Defendant Calcutta's Notice of Reason for Not Filing a Response to the Amended Complaint 05/08/91

27. Defendant Sterbonic's Notice of Reason for Not Filing a Response to the Amended Complaint 05/13/91

28. Order re 2/28/94 dismissal hearing date 01/27/94

29. Plaintiff's Motion On the Call of the Docket 02/01/94

30. Order keeping matter on docket pending outcome of Cause No. IP89-964C (~~Book-v-~~ Calcutta) set for 11/14/94 at 9:00 a.m.

31. Motion to Withdraw of Marya Mernitz 5/31/94

32. Order on Motion to Withdraw 6/8/94



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

VIA FEDEX

October 26, 1994

Michael K. Clifford  
Transglobal Telecom Alliance  
104 North U.S. Route One  
Melbourne, FL 32935

RE: MUR 3485  
Victory Communications International,  
Inc., and Michael K. Clifford, as  
president

Dear Mr. Clifford:

Previously, you were notified that the Federal Election Commission had found reason to believe that Victory Communications International, Inc. and you, as president, knowingly and willfully violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring you to appear and give sworn testimony which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

We have received a facsimile dated October 24, 1994 from Attorney Philip S. Friedman informing us that he has withdrawn his representation of you. Should you decided to be represented by counsel at the deposition, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40.00, plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

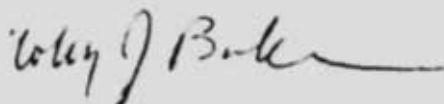
Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3400.

96013755102

Michael K. Clifford  
Page 2

If you have any questions, please contact me at (202)  
219-3400.

Sincerely,



Holly J. Baker  
Attorney

Enclosure  
Deposition Subpoena

96043755103

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)


SUBPOENA

TO: Michael K. Clifford  
Transglobal Telecom Alliance  
104 North U.S. Route One  
Melbourne, FL 32935

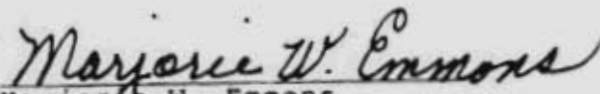
Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on Wednesday, November 9, 1994 in Room 201 at the Office of the United States Attorney, Federal Building, 80 N. Hughey Ave., Orlando, FL 32801 ((407) 648-6700) beginning at 10:30 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 25<sup>th</sup> day of October, 1994.

For the Commission,

  
Danny L. McDonald  
Vice Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

DICKSTEIN, SHAPIRO & MORIN, L.L.P.

2101 L STREET, N.W.  
WASHINGTON, D.C. 20037-1526  
202 785-9700

WRITER'S DIRECT DIAL

(202) 826-2211

FACSIMILE 202 887-0889  
TELEX 89260R DSM WSH

508 MADISON AVENUE  
NEW YORK, N.Y. 10022-1814  
212 632-9000

October 26, 1994

Holly Baker, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

**CONFIDENTIAL TREATMENT**  
**UNDER FOIA REQUESTED**

Re: MUR 3485

Dear Ms. Baker:

At the deposition of Henry J. Smith on October 12, 1994, you requested that Mr. Smith provide the Commission with additional information, including the original letter dated September 25, 1986 from Wallace L. Larson to Bud Smith and the rate of interest Mr. Smith charged on loans to individuals and start-up companies between 1985-1987. You also requested that Mr. Smith consult his records to see if there is a personal calendar that contains his appointment schedule during the months of May - August 1986.

In response, attached please find the original copy of the September 25, 1986 letter. Second, between 1985-1987, Mr. Smith loaned money to 22 individuals or start-up companies. The majority of these loans (13) contained a 10% interest rate. Two loans contained slightly lower interest rates; six loans contained slightly higher interest rates; and one loan specified the prime rate of interest. Finally, with regard to your request for a calendar during the summer of 1986, Mr. Smith reviewed all available records. There is no calendar that reflects his appointment schedule during this period.

In addition, we wish to reserve our right to object to the current proceedings. Prior to the deposition of Mr. Smith, you assured us that the record from the previous MUR 2262, "established" that Pat Robertson had been a candidate from "at least September 17, 1986" -- thus suggesting that the Robertson candidacy had begun earlier. We have now had time to review the record in that MUR, which had not previously been disclosed to us. While it is correct that the Commission had the opportunity

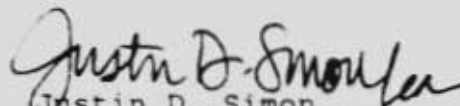
Holly Baker, Esq.  
October 24, 1994  
Page 2

CONFIDENTIAL TREATMENT REQUESTED

to explore the extent to which Pat Robertson's pre-candidate activities may have crossed the line into candidacy, it significant that the conciliation agreement in MUR 2262 determined (with the agreement of the Commission) the date of Robertson's candidacy as of September 17, 1986.

Frankly, in view of the enormity of the record in MUR 2262 regarding the September 17, 1986 event -- the same event on which our client was questioned -- we are at a loss to know why the FEC is pursuing a matter that it has already investigated and that has been closed for some time.

Very truly yours,

  
Justin D. Simon

Enclosure

cc: Henry J. Smith

06042755106

LAW OFFICES OF

**Struckmeyer and Wilson**

910 EAST OSBORN  
PHOENIX, ARIZONA 85014  
TELEPHONE (602) 246-9222  
FD #86-0253207

CALIFORNIA AFFILIATED OFFICES

KURLANDER & HIX  
1455 SAN MARINO AVENUE  
SAN MARINO, CALIFORNIA 91108  
(213) 881-4887

DONALD R. WILSON  
FRED C. STRUCKMEYER JR.  
MARK D. FULLERTON  
WALLACE L. LARSON  
ROBERT BRUCE STIRLING II  
EDWIN R. McLEAN JR.  
MARK F. BRINTON  
GARVEY M. BIGGERS  
JOLENE O. KONKOL

September 25, 1986

PERSONAL AND CONFIDENTIAL

Mr. Bud Smith  
BUD SMITH ORGANIZATION  
OF NORTH CAROLINA  
3811 Turtle Creek Boulevard  
Suite 1200  
Dallas, Texas 75219

Re: Loan to Victory Communications Interna-  
tional, Inc.

Dear Bud:

It was a pleasure meeting you and your wife in Washing-  
ton, D. C. last week. I thought the Event was well done and  
significant in our nation's history.

As you discussed with Michael personally, Victory was  
unable to meet the deadline of September 19, 1986, contained  
in the Note you negotiated directly with Michael. We did not  
know of the Note until after the fact and had we known about  
it, we would have advised Michael against signing same because  
of the lag in receipts that occur from an Event like this.

As Michael and we are uncomfortable by being in default  
on a Note with anyone, we attach hereto an original Note dated  
August 28, 1986, signed by Michael and Lindsey in their  
respective officer capacities in Victory Communications Inter-  
national, Inc. The Note provides a maturity date of October 31,  
1986.

Though attendance at the Events across the country  
were less than anticipated (for reasons Michael will share  
with you personally), we anticipate no problem in paying the  
full amount of your Note, plus interest, from the proceeds  
of the Event. We would anticipate payment to occur no later  
than October 31, 1986. Michael will keep you informed of the  
progress of cash receipts from the Event during that time  
period.



Mr. Bud Smith  
September 25, 1986  
Page Two

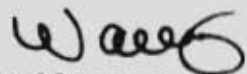
If you agree with the provisions of the attached Note, we would appreciate you forwarding to us the previous Note signed by Victory marked "Paid by Renewal" or some appropriate fashion, to protect your organization legally. If this is not agreeable, please feel free to contact us and we would be pleased to work with you in formulating some kind of extension agreeable to you.

Thank you for all courtesies extended and assisting Victory Communications International, Inc. at this time and we look forward to working with you in the future and meeting you again soon.

With best regards.

Very truly yours,

STRUCKMEYER AND WILSON

  
Wallace L. Larson

WLL:es  
Enclosure  
cc: Michael K. Clifford  
(with enclosure)

06043755108

7 90002

LAW OFFICE  
**Richard Mayberry**  
Seventh Floor  
888 16th Street, N.W.  
Washington, D.C. 20006

(202) 785-6677  
Fax (202) 835-1912 or 835-8136

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

OCT 26 4 36 PM '94

October 26, 1994

**CONFIDENTIAL ENFORCEMENT MATTER**

By HAND  
Lawrence Noble, Esquire  
General Counsel  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463

ID: Thomas Atwood  
Re: Matter Under Review 3485

Dear Mr. Noble:

I am counsel for the above identified Respondent(s) in the above captioned enforcement matter.

You will find enclosed the following:

- Designation of Counsel
- Answers to Interrogatories
- Document Production
- Legal and Factual Brief

Based upon the foregoing, we request that Mr. Atwood be dismissed as a target of this investigation and named Respondent forthwith.

Sincerely yours,

*Richard Mayberry*

Richard Mayberry  
Counsel to Respondent(s)

cc: (w/enclosures)  
(1) Respondent

06043755109

LAW OFFICE  
**Richard Mayberry & Associates**

Fifth Floor  
888 16th Street, N.W.  
Washington, D.C. 20006

(202) 785-6677  
Fax (202) 835-1912

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

OCT 26 4 39 PM '94

Identification: Tom Atwood  
Re: STATEMENT OF DESIGNATION OF COUNSEL  
Enforcement Action: MUR 3485

Richard Mayberry is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Federal Election Commission and to act on my behalf before the Commission.

Thomas C. Atwood  
Tom Atwood

Telephone:  
202/546/4400 (W)  
703/818/2656 (H)

Address:

6510 Rock Crystal Drive  
Clifton, VA 22024

26045755110

EXHIBIT /

I, Tom Atwood, respond to the April 12, 1993 subpoena as follows.

OCT 26 4 39 PM '94

### INTERROGATORIES

1. I held the position of Controller for Americans for Robertson (AFR) from October 8, 1986 to May 1, 1987. My duties as controller were the design and implementation of accounting systems. These duties included preparing hundreds of checks at my supervisors' direction. As to the checks relating to the BAC, I may have prepared a few checks at my supervisors' direction, but I have no recollection as to date, amount, or other information as to these checks.

2. I have no present recollection of the identity of any person at CBN Continental involved in the lease of any aircraft to AFR.

3. I issued checks at the direction of Marc Nuttle, Herb Ellingwood, and Ed Whelan on behalf of AFR including those that may be involved in the lease of an aircraft. I have no further knowledge of other persons involved in the lease of aircraft. I have no present recollection of other entities or individuals from whom AFR leased aircraft.

### PRODUCTION OF DOCUMENTS

See attached.

I verify the information contained herein is true to the best of my knowledge, information, and belief.

Thomas C. Atwood  
Thomas C. Atwood

October 26, 1994  
Date

Subscribed and sworn to before me this 26th day of October 1994 by Thomas C. Atwood.

Kathleen M. Bowan  
Notary Public - District of Columbia

My commission expires February 14, 1995.

CHART OF ACCOUNTS

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

INCOME STATEMENT

OCT 26 4 39 PM '94

Income Accounts:

Individual Contributions  
Political Party Contributions  
Other Political Committee Contributions  
Contributions from the Candidate  
Transfers from Other Authorized Committees  
Transfers from Other Affiliated Committees  
Rebates, Refunds and Other Offsets to Operating Expenditures  
Dividends  
Interest Earned  
Federal Matching Funds Received  
Other Receipts  
Charge-Backs

Expense Accounts:

Salaries - Gross  
Employer FICA  
Unemployment Taxes  
Exempt Legal/Accounting Payroll  
Accounting and Legal Payroll Offset  
Exempt Fund-Raising Payroll  
Fund-Raising Payroll Offset  
Consulting - Legal  
Consulting - Accounting  
Consulting - Other  
Free-Lance Writing  
Temporary Help  
Security  
Demographic Research--polling, demographic studies,  
research of voting patterns  
Public Relations  
Advertising - TV  
Advertising - Radio  
Advertising - Print  
Advertising - Other  
Advertising Production and Design  
Promotion  
Direct Mail--labor and materials used in the design,  
production and distribution of direct mail fund-  
raising packages  
Caging--the preparation of incoming mail for data entry;  
the depositing of donations received through incoming  
mail  
List Management--data entry and management of donor  
information  
Event Production--labor, materials and provisions used  
in the production of events (e.g., hand-out materials,  
meals, hall rental, etc.)  
VIP Expenses--expenses incurred in acquiring the assistance  
of celebrities in promoting AFR purposes

EXHIBIT 3

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- Postage - Direct Mail
- Postage - Events--e.g., invitations
- Postage - Other--including air express, UPS, etc., in addition to the US Postal Service
- Phone - Telemarketing
- Phone - Other
- Furniture & Equipment
- Insurance - Corporate
- Insurance - Group--major medical, dental, life
- Office Rent--including security deposits
- Utilities
- Office Supplies
- Stationery
- Printing/Publications
- Subscriptions/Library--subscriptions; memberships; books and periodicals purchased for library
- Training--the purchase of training services; conferences and seminars attended
- Transportation - Corporate--all types of transportation fares; use of personal vehicles; car rental; parking
- Transportation - BAC 111--the use of CBN Continental's jet
- Meals/Lodging
- Entertainment
- Moving Expenses
- Interest
- Bank Service Charges
- Depreciation
- Miscellaneous
- Taxes

#### BALANCE SHEET

##### Current Assets:

- Operating Accounts (e.g., headquarters, divisional)
- Payroll Account
- Short-Term Investments
- Escrow Accounts
- Receivables
- Interoffice/Committee Accounts
- Other Assets

##### Current Liabilities:

- Bank Overdraft
- Short-Term Loans
- Accounts Payable
- Taxes Withheld
- Accrued Expenses
- Interoffice/Committee Accounts
- Fund Balance

##### Capital:

- Capital

DIVISIONS

Staff:

Administration - Chesapeake  
Administration - D.C.  
Advance/Scheduling  
Communications/Public Relations  
Events  
Fund-Raising  
Legal  
Media  
Outreach  
Political  
Research

Line (Field):

Iowa  
Michigan  
New Hampshire  
Etc. (All 50 states eventually)  
Special Events

76043 / 55114



TO: Marc Little  
FROM: Tom Atwood  
SUBJECT: Monthly Fixed Costs  
DATE: October 17, 1986

#### MONTHLY FIXED COSTS

DESCRIPTION	DC	Chesapeake	Total
Salaries	49500	29875	79375
FICA	3539	2136	5675
Contract Labor	6600	10000 (MEM)	16600
Insurance	3000 (if 100%)	1700 (if 100%)	4700
Office Rent	3050	6000	9050
Office Supplies	250	250	500
Furniture & Equipment	450	---	450
Phone	2500	2500	5000
Freight/Postage	900	500	1400
Parking	400	---	400
Travel/Entertainment	17000	15000	32000
Subscriptions/Library	250	---	250
Miscellaneous	1000	1000	2000
<u>TOTAL</u>	<u>88439</u>	<u>68961</u>	<u>157400</u>

#### NOTES:

1. Salaries (DC) include the addition of one typist at \$21,000 and Keith Miracle at \$23,000, and an approximation of Marc's salary.
2. Salaries do not include Herb Ellingwood.
3. These fixed costs do not include rental of any additional typewriters, FAX machines, or replacement copier. Furniture and Equipment includes primarily rental of bookcases and lease/purchase of mobile dictaphones.
4. They do not include start-up costs, for which Beth has a memo.
5. They do not include use of Pat's plane.

#### RECOMMENDATIONS:

1. Marc compares these estimates to his own and we come to a conclusion as to what the actual, present fixed costs are.
2. Tom consults Marc and Clifford in order to forecast income through the end of the year.
3. Compare income forecasts to present fixed costs in order to determine whether any additional hiring, purchasing, or leasing is possible at this time, or in the

near future.

4. If such expansion is possible, Tom consults senior staff and reports to Marc their recommendations for expansion. Either that, or Marc holds a staff meeting to discuss direction of expansion.
5. Budgets for, at least, the remainder of 1986 be drawn up for each division and for AFR as a whole.

*Ratwood*  
10/17/86

96043755116

## DRAFT

INCOME STATEMENT - 10/31/86INCOME (more detailed breakdown to follow after meeting with CPS):

Income through 10/27/86	4,675,578.52
Income 10/28-31/86 (est.)	75,000.00
Less: Charge-backs	(17,052.00)
<b>TOTAL INCOME</b>	<b>4,733,526.52</b>

EXPENSES:

## Paid

## Owed

Salaries - Gross	48,087.71	-
PICA	-	3,438.27
Unemployment Taxes	-	1,202.19
Contract Labor *	85,281.27	47,061.60
Legal Fees *	6,258.40	4,000.00
Security *	-	3,600.00
Demographic Research	84,000.00	-
Public Relations *	1,157.00	-
Advertising *	-	-
Promotion *	-	-
Video/Photo Communications *	-	-
Direct Mail *	2,340.00	-
Caging *	-	-
List Management *	-	-
Events Production *	7,199.95	-
VIP Expenses *	-	-
Postage - Direct Mail *	660.00	-
Postage - Events *	-	-
Postage - Other	198.00	700.00
Phone - Telemarketing *	-	-
Phone - Other	9,517.40	-
Furniture & Equip. **	5,233.09	-
Insurance - Corporate	-	800.00
Insurance - Events *	-	-
Insurance - Group	5,776.10	-
Office Rent	17,995.95	-
Office Supplies	3,528.79	200.00
Stationery	-	2,000.00
Printing/Publications	312.00	-
Subscriptions/Library	265.48	-
Training *	-	-
Transportation - Corporate *	5,427.99	6,000.00
Transportation - BAC 111	12,671.00	-
Meals/Lodging *	3,437.26	2,500.00
Entertainment *	60.00	175.00
Moving Expenses *	1,620.00	-
Interest	-	-
Bank Service Charges	731.82	(603.08) - over-
Depreciation **	-	charged
Miscellaneous	615.00	1,000.00

\* Victory figures not included in line item figures yet; rather, lumped together at end of Expenses.

\*\* These purchases may be treatable as expenses, rather than assets; need to check PEC regulations.

96043755117

EXPENSES (continued):

Paid

Owed

Unexplained deductions from account (awaiting 10/31/86 bank statement for explana- tion)	<u>7,692.55</u>	<u>-</u>
TOTAL EXPENSES WITHOUT VICTORY	310,066.76	71,073.98
Victory (invoiced figures unproven as yet)	<u>4,126,000.00</u>	<u>514,319.16</u>
TOTAL EXPENSES	<u>4,436,066.76</u>	<u>585,393.14</u>
TOTAL EXPENSES (PAID + OWED)		5,021,459.90
NET INCOME	297,459.76	
NET INCOME (LOSS) IF ALL BILLS WERE PAID TODAY (287,933.38)		

OTHER INFORMATION:

Bank Balance - 11/3/86 = 417,324.93 (not all checks written  
and included in the Paid column have arrived at our bank yet)

Present Rate of Income = approx. 150,000 - 200,000 per week

Present Monthly Fixed Costs = approx. 200,000 (including some  
use of BAC 111; not including expenses for new fund-raising  
events or projects)

*Plakwood* 11/3/86

96043755118

Monthly Costs as of 11/11/86

-- includes very rough estimates  
of minimal expenses for 9  
field offices plus DC and  
Chesapeake.

Employer FICA	6,400
Unemployment Taxes	1,200
Legal Fees	3,000
Free-Lance Writing	2,000
Temporary Help	600
Caging	3,500 *
List Management	6,000 *
Postage/Freight (not including direct mail)	1,800
Phone	10,000
Furniture & Equipment	5,000
Insurance - Corporate	3,000
Insurance - Group (assuming 100% coverage of premiums)	6,000
Office rent	18,000
Office Supplies	2,000
Subscription/Library	500
Transportation - Corporate	24,000
Transportation - BAC III	24,000
Meals/Lodging	12,000
Entertainment	1,000
Miscellaneous	2,000
Total	132,000

\* presently included in Victory's invoicing

Does not include:

- Direct Mail
- Events
- Advertising
- Polling/Demographic Research
- Security
- Printing/Publications
- Start-up costs, such as security deposits, installation charges, first-time office supply orders, and purchases of start-up office furniture and equipment

*Edward* 11/11/86

*Salaries plus contract labor are up to about \$115,000/mth*

95043755119

UNITED STATES OF AMERICAN  
BEFORE THE FEDERAL ELECTION COMMISSION

26 4 39 PM '94

.....  
: In re :  
: Thomas Atwood : Matter Under Review 3485  
: .....

SUBMISSION OF ANSWERS TO INTERROGATORIES AND DOCUMENT  
PRODUCTION AND MEMORANDUM OF EXPLANATION OF RESPONDENT'S  
PARTICIPATION IN THE ROBERTSON EXPLORATORY COMMITTEE

Respondent, Thomas Atwood, by and through counsel, submits answers to interrogatories and produces documents pursuant to subpoena, and clarifies the context in which Respondent acted within this matter. In addition Respondent moves the Federal Election Commission "FEC" or "Commission" to find there is not probable cause to believe that he violated 2 USC § 441b (a), a provision of the Federal Election Campaign Act of 1971 (the "Campaign Act" or "Act") that prohibits corporate contributions and expenditures. The basis for dismissal of this action is set forth below.

BACKGROUND

In 1993 the Commission found reason to believe that Respondent violated the Section 441b corporate prohibition on campaign contributions. Respondent was an employee of Americans For Robertson ("AFR"), the Pat Robertson presidential exploratory committee. The focus of MUR 3485 appears to be the alleged underpayment by the campaign for use of a corporate aircraft.

Since Respondent prepared some checks that were used to pay a corporation for Robertson's use of the aircraft, the Commission concludes "Mr. Atwood appears to be a Committee individual who actually conducted the transactions constituting the violations at issue. As such, he is a person who knowingly accepted and received corporate contributions on behalf of the Committee." FEC Factual and Legal Analysis at 5 ("OGC RTS Brief").



NO BASIS FOR PROBABLE CAUSE EXISTS---  
RESPONDENT SHOULD BE DISMISSED AS A RESPONDENT FORTHWITH

Respondent answers under oath that he served as controller for the Robertson exploratory committee. See Answer #1 to FEC Interrogatories. The controller was not the chief financial officer, nor the Treasurer of the Robertson exploratory committee. In his capacity as controller, in addition to helping to design accounting systems for the satellite offices Respondent prepared checks at the direction of Marc Nuttle, Herb Ellingwood, and Ed Whelan. Apparently among these checks were some involving the aircraft reimbursement. Respondent testifies in interrogatory answer #1 that "(a)s to the checks relating to the (aircraft), (he) has no recollection as to date, amount, or other information as to these checks."

In order to prove a 441b violation, the evidence would have to show that Respondent did more than prepare checks at another persons' direction. The Commission would have to be able to show that Respondent either knowingly devised an accounting system for reimbursement of aircraft expenses which was flawed and led to underpayment or that he had knowledge that others were underpaying for aircraft usage and knowingly participated in the underpayment. Neither is the case.

No evidence, direct or circumstantial, exists for the assertion that Respondent knowingly accepted and received corporate contributions, and a minimum showing necessary for a civil 441b civil violation is noticeably absent.<sup>1</sup> Compare U.S. v. Chestnut, 533 F.2d 40, 49 (2d Cir. 1976) ("elaborately indirect plan", "active role in planning it" and "no cogent explanation as to why contributions were made in this manner" sufficient for inference of 'willfulness' in 441b criminal prosecution).

Not only did Respondent not have knowledge of the alleged underpayment, he did not even know the basis that others had devised for computing the amounts to be paid the corporation for the usage of the aircraft. Respondent acted in a purely ministerial capacity in preparing the checks relating to the

---

<sup>1</sup>Instead all the evidence suggests that the Commission named Atwood as a Respondent not because of any personal wrongdoing, but to facilitate the discovery process by naming him as a Respondent. The Commission apparent policy of naming anyone whose name appears in an investigation as a Respondent violates Atwood's civil rights to be free from unwarranted government investigation, and is a policy that is ill advised and should be reconsidered. In any event, Atwood should be dismissed as a Respondent and not be subject to further investigation.



aircraft, as he prepared hundreds of other checks, in amounts provided by other persons. Respondent did not take part in any discussions, nor did he have the authority to make any decisions involving use of the aircraft, payment for use of the aircraft, or anything else in the Robertson exploratory committee. As such there is not factual basis for a 441b violations.

Nor is Respondent charged under the Campaign Act with a responsibility for the acts of others in connection with the financing of the Robertson exploratory committee. See 2 USC § 432(a) and 11 CFR § 102.7(c) ("No expenditure shall be made for or on behalf of political committee without the authorization of its treasurer...").

Respondent was employed with the Robertson exploratory committee from October 8, 1986 to May 1, 1987. Although the aircraft apparently was used between January 1986 to March 9, 1988, the evidence in the Commission's possession suggests extensive use of the aircraft by Robertson "during the latter part of 1987." OGC RTB Brief at 2-3. Respondent was not involved with AFR during the time when the aircraft was actively flown for Robertson's benefit which would appear to account for almost all of the alleged underpayment.

#### CONCLUSION

For these reasons, the Respondent respectfully requests that the Commission find there is no probable cause to believe that Respondent violated the Campaign Act, and dismiss him as a named party to this enforcement action. Should the Office of General Counsel decide to recommend probable cause, we reserve the right to submit additional argument after receipt of the General Counsel's probable cause brief.

Respectfully submitted,

Date:

*October 26, 1994*

*Richard Mayberry*  
Richard Mayberry, Esquire  
Counsel For Respondent

Suite 700  
888 Sixteenth Street, NW  
Washington, DC 20006  
Telephone: 202-785-6677  
Fax: 202-835-1912/8136

VERIFICATION

I verify that the facts contained herein are true, complete  
and accurate to the best of my knowledge, information and belief.

Thomas Atwood  
Thomas Atwood

October 26, 1994  
Date

96043755123

**STATEMENT OF DESIGNATION OF COUNSEL**

**MUR:** 3485

**NAME OF COUNSEL:** Stephen E. Plopper

**ADDRESS:** Klineman, Rose, Wolf & Wallack  
135 North Pennsylvania Street  
Indianapolis, IN 46204-2456

**TELEPHONE:** (317) 264-5000

The above-named individual is hereby designated by me as co-counsel in the above-referenced matter, and is authorized to receive any notification and other communications from the Commission and to act on my behalf before the Commission.

November 2, 1994  
Date

Beurt R. SerVaas  
Signature: Beurt R. SerVaas

**RESPONDENT'S NAME:** Dr. Beurt R. SerVaas

**ADDRESS:** 1000 Waterway Boulevard  
Indianapolis, IN 46202

**HOME PHONE:** -----

**BUSINESS PHONE:** (317) 633-2069

NOV 3 9 52 AM '94

FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

2 6 0 9 2 7 5 5 1 2 4

**STATEMENT OF DESIGNATION OF COUNSEL**

**MUR:** 3485

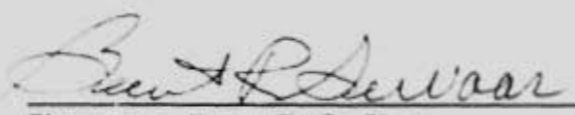
**NAME OF COUNSEL:** Stuart M. Gerson

**ADDRESS:** Epstein Becker & Green, P.C.  
1227 25th Street, N.W.  
Suite 700  
Washington, DC 20037

**TELEPHONE:** (202) 861-4180

The above-named individual is hereby designated by me as co-counsel in the above-referenced matter, and is authorized to receive any notification and other communications from the Commission and to act on my behalf before the Commission.

November 2, 1994  
**Date**

  
**Signature: Beurt R. SerVaas**

**RESPONDENT'S NAME:** Dr. Beurt R. SerVaas

**ADDRESS:** 1000 Waterway Boulevard  
Indianapolis, IN 46202

**HOME PHONE:** -----

**BUSINESS PHONE:** (317) 633-2069

NOV 3 9 52 AM '94

FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

26043755125



FEDERAL ELECTION COMMISSION  
WASHINGTON D.C. 20461

November 3, 1994

VIA FAX AND FIRST CLASS MAIL

Michael K. Clifford  
Transglobal Telecom Alliance  
104 North U.S. Route One  
Melbourne, FL 32935

RE: MUR 3485  
Victory Communications International,  
Inc., and Michael K. Clifford, as  
president

Dear Mr. Clifford:

This Office understands that you intend to bring a video camera to your deposition scheduled for November 9, 1994 at the United States Attorney General's Office in Orlando, FL and that you had been advised that your videotaping the deposition was permitted by the Federal Rules of Civil Procedure.

Let me clarify that you have been subpoenaed by the Federal Election Commission to appear at the time and place so designated for a deposition in one of the Commission's ongoing investigations. The deposition is an investigatory deposition conducted by an administrative agency and as such, is not conducted under the Federal Rules of Civil Procedure. Consequently, you will not be permitted to bring any audio or video recording devices into the deposition room.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lawrence M. Noble", is written over the typed name.

Lawrence M. Noble  
General Counsel

96043755126



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 15, 1994

Justin Simon, Esq.  
Dickstein, Shapiro & Morin  
2101 L Street, N.W.  
Washington, D.C. 20037-1526

RE: MUR 3485  
The Bud Smith Organization of  
North Carolina, Inc. and  
Henry J. Smith, as president

Dear Mr. Simon:

We are in receipt of your response following up on matters raised during the course of the deposition of Mr. Smith.

You indicate that Mr. Smith loaned money to "22 individuals or start-up companies" during the period of 1985-87 and that the interest rates varied. Could you please clarify by specifying exactly the interest rates and the number of start-up companies to which Mr. Smith loaned money at each of those rates during the relevant period?

Mr. Smith's deposition transcript is now ready for him to review and sign. Please let me know whether he intends to review the transcript, and I will make the necessary arrangements with a court reporter's office in Dallas. If he prefers, he may review the transcript here in Washington, D.C. Enclosed are instructions and an errata sheet. Also enclosed is a check for \$40.00 covering the witness fee for your client.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

*Holly J. Baker*  
Holly J. Baker  
Attorney

Enclosure  
witness fee check # 2038 00146298  
deposition review instructions, errata sheet

96043755127

**ACE-FEDERAL  
REPORTERS, INC.**

1120 G Street, N.W.  
Washington, D.C. 20005  
(202) 347-1700  
(800) 336-6646

STENOTYPE REPORTERS

FAX 202 737-3638

Oct 28 12 15 PM '94

27 October 1994

Henry J. "Bud" Smith

C/o Ms. Holly J. Baker  
FEDERAL ELECTION COMMISSION  
Office of the General Counsel  
999 E Street, Northwest  
Washington, DC 20463

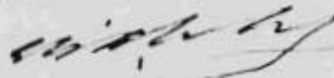
Re: Deposition of HENRY J. "BUD" SMITH,  
Washington DC, 12 October 1994.

Dear Mr. Smith:

As you review your deposition, if you feel that the court reporter has taken down your response to any question incorrectly, you may change it by drawing one line through the word or words (do not obliterate) and printing the correction above the error. Also, place your initials in the right margin opposite the change. Please list your changes (if any) on the enclosed sheet. Any changes in form or substance shall be entered upon this sheet with a statement of the reasons for making them.

You must sign the transcript before a notary public or an official authorized to administer the Oath. Space is provided on Page 107.

Sincerely,



Edwin G. Crowley  
Deposition Supervisor

96043755128



9 5 0 4 3 7 5 5 1 2 9

United States Treasury

12-01  
000 P 215,694,094



11 03 94 57 PHILADELPHIA, PA -  
883602 05 HENRY J SMITH  
HENRY J SMITH F E C WASH DC

Check No.

2038 00146298

95350001

Pay to  
the order of

\$\*\*\*\*\*40\*00

VOID AFTER ONE YEAR

PO NO SAW008 WITNESS FEE



20383

0000005180001462989011194



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 17, 1994

VIA HAND DELIVERY

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Mr. Lynk:

You were previously notified that the Federal Election Commission had found reason to believe your clients, Arthur L. Williams, Jr. and Management Financial Services, Inc. violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act").

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring Mr. Williams to appear and provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Act.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40.00, plus mileage. Subsequent to the deposition, on behalf of Mr. Williams, you will be sent a check for the witness fee and mileage.

Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3400.

Sincerely,

*Holly J. Baker*  
Holly J. Baker  
Attorney

Enclosure  
Subpoena

needs  
date/time  
stamp on copy  
when delivered

06040755130

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

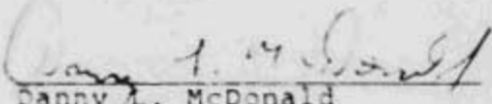
SUBPOENA

TO: Arthur L. Williams, Jr.  
c/o Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

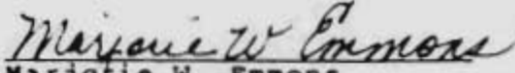
Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on Monday, December 12, 1994 in Room 1800 at the United States Attorney's Office, Richard B. Russell Federal Building and United States Courthouse, 75 Spring Street, SW, Atlanta, GA 30303, beginning at 10:30 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Vice Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 17th day of November, 1994.

For the Commission,

  
Danny L. McDonald  
Vice Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20004-4404  
TELEPHONE 202 642-1000 FACSIMILE 202 642-1093

NOV 18 12 35 PM '94

FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

MYLES V. LYNK  
202 642-1047

November 17, 1994

Holly J. Baker, Esq.  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr., and  
Management Financial Services, Inc.

Dear Ms. Baker:

This afternoon I received your letter, also dated November 17, 1994, enclosing a subpoena from the Commission to take the deposition of Arthur L. Williams, Jr., on Monday, December 12, 1994, in Atlanta, Georgia.

You requested that I respond to you by telephone call to your office within two days of my receipt of your letter to confirm the date of the deposition. That would be on Saturday, November 19. I will not be in my office on Saturday, November 19, and will therefore endeavor to reach you on Monday, November 21. Please also note that I will endeavor to contact Mr. Williams as soon as possible, but cannot ensure that I will have a response from him within forty-eight hours, or by Monday, November 21. Therefore, I will let you know on Monday, November 21, whether or not I have received a response from Mr. Williams, and if not, when I think such a response will be available. Please be assured that we will respond to your request to confirm the deposition schedule or suggest an alternative date, as soon as possible. I am,

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

MVL:ao



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20061

November 18, 1994

Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

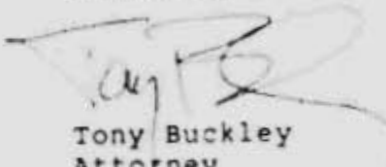
RE: MUR 3485  
Beurt R. SerVaas

Dear Ms. Kerman:

This is to confirm the information Dr. SerVaas, you, and your co-counsel for Dr. SerVaas, agreed to provide at the close of Dr. SerVaas' November 3, 1994 deposition. You have agreed to provide the following information: 1) the period of employment at CBN University (now Regent University) of Dr. SerVaas' brother-in-law, Rod Williams; 2) a clarification as to information on Dr. SerVaas' curriculum vitae regarding the period of his membership in the Council for National Policy; 3) a representation from Counsel Stephen Plopper regarding information which was redacted from four documents which were produced in response to the Commission's Subpoena and Order; 4) the amount, if any, that Dr. SerVaas received from the sale of the computer; 5) you will review Dr. SerVaas' computerized phone listing record for mentions of Marc Nuttle, Gordon Robertson, James Higgins and Richard Brown; and 6) Stephen Plopper will attempt to identify the date on which the investment in the computer was first mentioned to Dr. SerVaas and the date on which Computer Futures, Limited specifically was mentioned to Dr. SerVaas. In addition, you have agreed to take under advisement our request to provide evidence of loans by Dr. SerVaas which are similar to the loan to Computer Futures, Limited.

I would appreciate that the information be provided within two weeks of the date of this letter. If you are unable to comply with this schedule, please inform me at your earliest convenience. For our part, once we review the deposition transcript with respect to those areas of questioning where Dr. SerVaas refused to answer, we will inform you as soon as possible as to what steps we intend to take.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

November 25, 1994

Leslie J. Kerman, Esq.  
Epstein, Becker & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037-1156

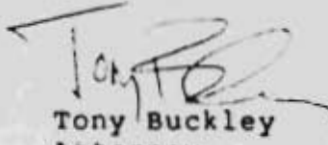
RE: MUR 3485  
Beurt R. SerVaas

Dear Ms. Kerman:

The transcript of Beurt R. SerVaas' deposition is ready for your client to review and sign. In view of the fact that your client resides in Indianapolis, Indiana, we have made arrangements for him to review the transcript at Associated Reporting, Inc., 251 E. Ohio, Suite 940, Indianapolis, Indiana, 46204. Dr. SerVaas should call Associated Reporting at (317) 631-0940 and ask for Erica Harriman, to arrange for a mutually convenient time for him to read and sign the transcript.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

26043755134



DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-6605  
TELEPHONE 202 662-1000 FACSIMILE 202 662-1093

MYLES V. LYNK  
202 662-1047

November 30, 1994

DEC 1 12 23 PM '94  
FEDERAL ELECTION COMMISSION  
OFFICE OF THE CLERK

Holly J. Baker, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr., and  
Management Financial Services, Inc.

Dear Ms. Baker:

I am writing in further response to your letter of November 17.

Today I was advised that Mr. Williams requests that his deposition be rescheduled from Atlanta, Georgia, to Jacksonville, Florida. He does not now reside in or near Atlanta, Georgia, and it now appears that it would be somewhat difficult for him to come to Atlanta on December 12 for the deposition. Mr. Williams does reside near Jacksonville, Florida, and has requested that the deposition take place in Jacksonville, Florida, on our previously scheduled date. Since you and your colleagues would be traveling from Washington, D.C., to Atlanta, Georgia, in any event, it is our hope that it would not present a burden for you to travel to Jacksonville instead of Atlanta for the deposition.

Mr. Williams appreciates your consideration of his request.

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

MVL:ao





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

December 5, 1994

VIA FACSIMILE AND FIRST CLASS MAIL

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Mr. Lynk:

Pursuant to your request, the deposition of Mr. Williams will be held in Jacksonville, FL instead of Atlanta, GA, on Monday, December 12, 1994. The deposition will be held at the Office of the United States Attorney, Suite 700, 200 West Forsyth St., Jacksonville, FL 32202, (904) 232-2682. As I told Mike Gero of your office on December 5, 1994, we request that the deposition start at 9:30 a.m. instead of 10:30 a.m.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

*Holly J. Baker*  
Holly J. Baker  
Attorney

96043755136

DICKSTEIN, SHAPIRO & MORIN, L.L.P.

2101 L STREET, N.W.  
WASHINGTON, D.C. 20037-1524  
202 785-9700

Dec 2 8 55 AM '94

WRITERS DIRECT DIAL

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TELEX 892608 DSM WSH

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NEW YORK, NY 10022-6144  
212 415-9000

RECEIVED  
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COMMISSION  
OFFICE OF THE  
CLERK  
WASHINGTON, D.C.  
NOV 29 1994

November 29, 1994

VIA FACSIMILE & U.S. MAIL

Holly Baker, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

CONFIDENTIAL TREATMENT  
UNDER FOIA REQUESTED

Re: MUR 3485 -- Henry J. Smith

Dear Ms. Baker:

Pursuant to your request for additional information, attached please find a list of loans that Mr. Henry J. Smith made to individuals and other entities such as start-up businesses between 1985-1987. The interest rate and type of recipient of each loan is identified.

It should be clearly understood that we are supplying this information without prejudice to our position that it is irrelevant to your inquiry and that your request exceeds the jurisdiction of the FEC to inquire. We trust that this will be that last hoop through which we will be asked to jump before the Commission decides to terminate this MUR as it pertains to our client.

Furthermore, in accordance with my conversation with you on November 28, 1994, we will make arrangements for Mr. Smith to review his deposition transcript when he is next in Washington, D.C.

Very truly yours,

*Justin D. Simon*  
Justin D. Simon

JDS/ea

enclosure

cc: Henry J. Smith

ATTACHMENT A

YEAR	TYPE OF ENTITY	INTEREST RATE
1985	Individual	13%
	Individual	13%
1986	Individual	10%
	Individual	10%
	Entity	10%
	Entity	10%
	Entity	10%
	Entity	8%
1987	Individual	10%
	Individual	10%
	Individual	10.25%
	Individual	9.75%
	Individual	PRIME
	Entity	10%
	Entity	10%
	Entity	10%
	Entity	10%
	Entity	10%
	Entity	10%
	Entity	10.25%
	Entity	10.25%
	Entity	10.25%

00040755138



FEDERAL ELECTION COMMISSION  
WASHINGTON D.C. 20461

December 5, 1994

**CERTIFIED MAIL -  
RETURN RECEIPT REQUESTED**

Marion Edwyn Harrison, Esq.  
107 Park Washington Court  
Falls Church, Virginia 22046

RE: MUR 3485  
R. Marc Nuttle

Dear Mr. Harrison:

On February 18, 1994, your client, R. Marc Nuttle, was notified that the Federal Election Commission had revoted to find reason to believe he knowingly and willfully violated 2 U.S.C. §§ 441a(f) and 441b(a), and violated 2 U.S.C. § 441b(a), provisions of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring your client to appear and give sworn testimony on January 11, 1995 in Washington, D.C., which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code.

Within two days of your receipt of this notification, please confirm the scheduled appearance with me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tony Buckley", is written over a light-colored background.

Tony Buckley  
Attorney

Enclosure  
Subpoena

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

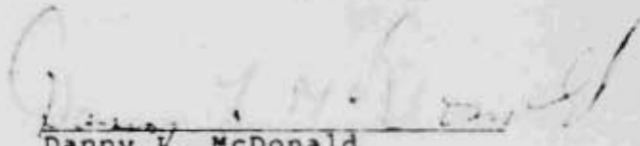
SUBPOENA

TO: R. Marc Nuttle  
c/o Marion Edwyn Harrison, Esq.  
107 Park Washington Court  
Falls Church, Virginia 22046

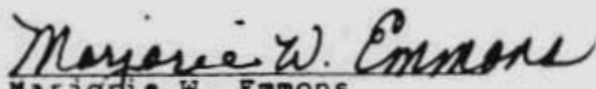
Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition. Notice is hereby given that the deposition is to be taken on Wednesday, January 11, 1995, at the Federal Election Commission, Office of the General Counsel, 999 E Street, N.W., Washington, D.C., 20463, beginning at 10:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Vice Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this *Fifth* day of *December*, 1994.

For the Commission,

  
\_\_\_\_\_  
Danny V. McDonald  
Vice Chairman

ATTEST:

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

96043755140



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

December 6, 1994

Michael K. Clifford  
Transglobal Telecom Alliance  
104 North U.S. Route One  
Melbourne, FL 32935

RE: MUR 3485  
Victory Communications International,  
Inc., and Michael K. Clifford, as  
president

Dear Mr. Clifford:

During your deposition on November 9, 1994, you indicated that you could provide the Federal Election Commission with a list of Council for National Policy (CNP) members. I would appreciate your sending that list within 10 days of your receipt of this letter.

Your deposition transcript is now ready for you to review and sign at the court reporter's office:

Associated Federal Court Reporters, Inc.  
1010 Bradford Dr.  
Winter Park, FL 32792-6102  
(407) 657-1718

You may make no copies and take no notes of the deposition transcript.

Enclosed is a check covering your mileage and witness fee for the November deposition.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

Handwritten signature of Holly J. Baker in cursive script.  
Holly J. Baker  
Attorney

Enclosure  
check # 3069-00013243

96043755141



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 6, 1994

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Mr. Lynk:

Pursuant to my phone conversations with Mike Gero of your office, the deposition of Mr. Williams is now scheduled for Monday, December 12, 1994, at the Office of the United States Attorney, Suite 700, 200 West Forsyth St., Jacksonville, FL 32202, (904) 232-2682, commencing at 10:30 a.m. and continuing until the Commission concludes the deposition.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, reading "Holly J. Baker", is written over the typed name.

Holly J. Baker  
Attorney

96043755142





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

**FAXED**

December 9, 1994

VIA FAX

Hyles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Mr. Lynk:

At your request, Mr. Williams' deposition has been rescheduled from Jacksonville, FL to Atlanta, GA. The deposition is to be taken as originally planned on Monday, December 12, 1994 at the United States Attorney's Office, Richard B. Russell Federal Building and United States Courthouse, 75 Spring Street, SW, Atlanta, GA 30303, beginning at 10:30 a.m. and continuing each day thereafter as necessary. We have reserved a conference room on the fourth floor instead of the eighteenth floor as indicated in the Commission's Subpoena.

If you have any questions, please call me at (202) 219-3400.

Sincerely,

Holly J. Baker  
Attorney

9604375143



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

December 16, 1994

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

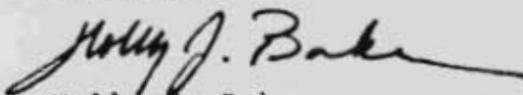
Dear Mr. Lynk:

The purpose of this letter is to clarify your representation of the above-named respondents in MUR 3485. The two representation forms, dated April 26, 1993, on file with the Commission separately list you and Stephen A. Klein as attorneys for Arthur L. Williams, Jr. and also as attorneys for Management Financial Services, Inc.

We understand that Management Financial Services, Inc. was sold in the early 1990s. Are you counsel to the successor corporation?

If you have any questions, please call me at (202) 219-3400.

Sincerely,

  
Holly J. Baker  
Attorney

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Mr. Walling Raker, Attorney  
Federal Election Commission  
Washington, DC.

12/14/84

Re MUR 3485  
William Brock

During the past few months, I  
have searched all records such as  
bank documents and additional files.

The bank number for my personal  
account was at Co S Bank [REDACTED]  
My accountants are BRADSHAW & SCHIMMER,  
6400 POWERS ROAD, KENNESAW, GA 30144.  
See BRADSHAW WAS PREPARED MY TAX WORK FOR  
1984 & 1985. \$13 TRIP HOURS & \$5 404-955-1005.

I have looked throughout his  
storage space for 1986 bank records and  
can find nothing.

There is no question in my mind  
that I received the \$50,000 advance within  
about 10 days. It was an advance such  
has other advances I made to the committee  
and to the campaign. There were frequent  
shortfalls for payroll, etc.

I was not a candidate during  
the time I made the contribution in any way.

In the meantime I found some  
phone numbers in an old telephone directory  
and I know these names were business  
men, not party.

I would be happy to cooperate with any  
attempt to find Co S Bank records related  
to this issue.

Sincerely,  
William Brock



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 22, 1994

Stephen E. Plopper, Esq.  
Klineman, Rose and Wolf  
First Indiana Plaza, Suite 2000  
135 North Pennsylvania Street  
Indianapolis, IN 46204-2456

RE: MUR 3485  
Beurt R. SerVaas

Dear Mr. Plopper:

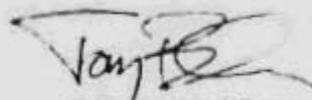
We have received your letter of December 15, 1994, which addressed certain questions which arose during the course of the deposition of Beurt R. SerVaas on November 3, 1994. I am writing because there has apparently been a misunderstanding with regard to certain information you had agreed to supply.

Specifically, you had agreed to supply information regarding the substance of the redacted portions of certain letters produced in response to the Federal Election Commission's Subpoena and Order to Dr. SerVaas. Instead, your response merely states the date, author, and addressee of each letter, information which is apparent on the face of the produced documents. Nowhere in your response is there any mention of the redacted portions, let alone any representation of their substance. As you are aware, claims of privilege have been expressly denied with regard to these redacted portions.

Since the letters were produced in response to the Commission's Subpoena and Order, any failure to advise us of the content of the redacted portions may be viewed as a failure to comply in full with that Subpoena and Order. Such a failure could result in the filing of a civil suit against Dr. SerVaas to compel production. At this time, we are not asking for the full content, merely the subject matter.

Since Dr. SerVaas' deposition occurred almost two months ago, please respond within a week of your receipt of this letter. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

LAW OFFICES  
**MARION EDWYN HARRISON**

WASHINGTON  
FALLS CHURCH  
ZURICH

MARION EDWYN HARRISON (DC, VA)  
JOHN S. BAKER, JR. (DC, LA)  
DANIEL M. REDMOND (DC)

TELEPHONE (202) 965-0800  
TELEPHONE (703) 532-0303  
FACSIMILE (703) 532-0086

CORRESPONDENCE TO:  
107 PARK WASHINGTON COURT  
FALLS CHURCH, VIRGINIA 22046

December 29, 1994

Kim Bright-Coleman, Esquire  
Associate General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: **MUR 3485**

Dear Mrs. Bright-Coleman:

We acknowledge receipt of your letter of October 20, 1994 advising that on July 28, 1994, three months before your letter and two months after our filing of our Motion to Recuse, Chairman Trevor Potter partially recused himself.

1. We request a copy of Mr. Potter's statement to which you refer and from which you excerpted a quotation. The excerpt contains no predicate and obviously is not the full substance of the statement.

We perceive no reason why the statement would be privileged and no reason why Mr. Potter would wish to withhold it if it were.

2. Although we cannot be certain because we have not seen Mr. Potter's full statement, the Potter recusal appears to be incomplete and subjective, to depend for its efficacy upon his undisclosed state of mind from time to time. In that event, we would find his purported recusal to be wholly unacceptable. However, we defer judgment until we see the statement.

Kim Bright-Coleman, Esquire

December 29, 1994

Page 2

As Counsel for Respondent R. Marc Nuttle, Mr. Potter discussed, was informed about, and was privy to, a variety of sensitive and confidential information relating to, inter alia, the very matters about which he now acts in a prosecutorial and adjudicatory fashion - including, but not limited to, activities in the Robertson presidential campaign and the use of mailing lists.

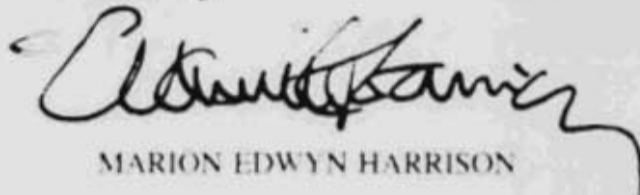
We would like to settle this matter once and for all by a complete and unrestricted recusal by Mr. Potter - a recusal which is a matter of law and ethics should have been forthcoming sua sponte without our client's having requested it.

If we cannot get this matter resolved by Mr. Potter within the Federal Election Commission, we shall be compelled to pursue our remedy before the bars of which Mr. Potter is a member and/or in court.

Until we see the Potter statement, we defer a reaction to the Commission's October 18, 1994 approval of the General Counsel's recommendation that the Commission not reconsider votes in which Mr. Potter participated.

Because other Commissioners apparently did not receive a copy of your October 20, 1994 letter, we send herewith to each a copy of that letter and of this letter.

Sincerely,



MARION EDWYN HARRISON

cc: Hon. Trevor Potter  
R. Marc Nuttle, Esquire

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LAW OFFICES  
**MARION EDWYN HARRISON**

WASHINGTON  
FALLS CHURCH  
ZURICH

MARION EDWYN HARRISON (DC, VA)  
JOHN S. BAKER, JR. (DC, LA)  
DANIEL M. REDMOND (DC)

TELEPHONE (202) 965-0800  
TELEPHONE (703) 532-0303  
FACSIMILE (703) 532-0086

CORRESPONDENCE TO:  
107 PARK WASHINGTON COURT  
FALLS CHURCH, VIRGINIA 22046

December 30, 1994

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: **FEC MUR 3485**

Dear Tony:

This confirms my conversation during your absence with your colleague Jonathan Bernstein, Esquire.

Our client R. Marc Nuttle, Esquire will submit to your questioning on Wednesday, January 11, 1995. We must begin at 1:30 PM (or later, if you prefer) because Mr. Nuttle has a business commitment in Florida the previous day and evening and cannot get here until sometime Wednesday morning. He and I need a short time to attempt to review the increasingly ancient history at issue. If absolutely essential, Mr. Nuttle can remain through Thursday, although there would appear to be virtually nothing of substance about which he could testify which is not covered already in the extensive statements we have submitted. In that connection (and beyond my Jonathan Bernstein conversations), I do want to mention that Q&A can be shortened considerably if we tie in to the material already submitted, with which you undoubtedly are conversant. In other words, to express it undiplomatically, we don't expect to hang around for an undue period answering questions already answered.

You and I orally have agreed that Mr. Nuttle does not request any kind of advance as to statutory fee, per diem or airfare but that he appears with the understanding that FEC will

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LAW OFFICES

MARION EDWYN HARRISON

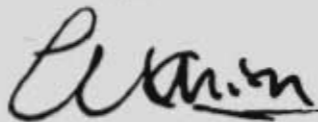
Anthony T. Buckley, Esquire

December 30, 1994

Page 2

pay/reimburse within a reasonable time after his deposition is concluded.

Sincerely,



MARION EDWYN HARRISON

cc: R. Marc Nuttle, Esquire

96043755150



FEDERAL ELECTION COMMISSION  
WASHINGTON D.C. 20463

January 5, 1995

Marion Edwyn Harrison, Esquire  
Law Offices of Marion Edwyn Harrison  
107 Park Washington Court  
Falls Church, Virginia 22046

Re: MUR 3485  
Motion to Recuse

Dear Mr. Harrison:

On January 3, 1995, we received your letter requesting that this Office provide you with a copy of Commissioner Potter's Recusal Statement dated July 28, 1994. Pursuant to your request, please find enclosed a signed and dated copy of Commissioner Potter's Recusal Statement in MUR 3485.

If you should have any further questions regarding this matter, please contact me at (800)424-9530 or (202) 219-3400.

Sincerely,

*Kim Bright-Coleman*

Kim Bright-Coleman  
Associate General Counsel

Enclosure

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This recusal is consistent with the provisions of the Recusal Statement I executed in 1991 in connection with my confirmation by the United States Senate as a Commissioner. I am also advised in an Opinion of Counsel that it is in accord with the DC Bar Rules and the applicable Rules of Ethics.

Sam Polk

July 28, 1974  
Date

DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20004-4605  
TELEPHONE 202 642-1000 FACSIMILE 202 642-1093

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JAN 10 3 34 PM '95

WYLES V. LYNE  
202 642-1047

January 9, 1995

Holly J. Baker, Esq.  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr.

Dear Ms. Baker:

I am writing in follow-up to our conversation this morning regarding your letter of December 16, 1994, and in response to your request on December 12, 1994, for the following information.

You have asked what are the names of the companies which purchased the principal assets of Management Financial Services, Inc., in the late 1980s or early 1990s, and whether I serve as counsel in this Matter Under Review to those entities.

A.L. Williams Administrative Services, Inc., and A. L. Williams & Associates, Inc., were closely held corporations owned by Arthur L. Williams, Jr., and his wife. In December 1988 A.L. Williams Administrative Services, Inc., was merged into A.L. Williams & Associates, Inc.

On November 1, 1989, A. L. Williams & Associates Inc. changed its name to Management Financial Services, Inc., and sold some of the assets of the company -- primarily the contracts with the sales agents -- which constituted the business of operating the life insurance general agency, and including the name, "A.L. Williams," to a subsidiary of Primerica Corporation, now The Travelers, Inc.

Also on November 1, 1989, the A.L. Williams Corporation, a publicly held company engaged in coinsuring insurance risk for which Arthur L. Williams, Jr., served as Chairman of the Board, was merged into Primerica Corporation, now The Travelers, Inc.

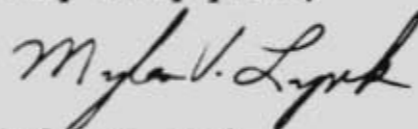
I do not serve as counsel to The Travelers, Inc. in this Matter Under Review.

Holly J. Baker, Esq.  
January 9, 1995  
Page 2

I believe this letter provides you the information you requested. Please let me know if I can provide you with any other information with regard to this matter.

With best wishes, I am,

Very truly yours,

A handwritten signature in cursive script, reading "Myles V. Lynk". The signature is written in dark ink and is positioned above the typed name.

Myles V. Lynk

96043755154

BEFORE THE FEDERAL ELECTION COMMISSION

JAN 4 3 55 PM '95

In the Matter of )  
 )  
Americans for Robertson, Inc. )  
and Frederick H. Shafer, )  
as treasurer, et al. )  
 )

MUR 3485

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. ISSUE

Testimony in depositions taken pursuant to Commission subpoenas this fall has revealed that another person, Barry Hon, not previously named as a respondent in MUR 3485, may have made excessive contributions to the 1988 Pat Robertson presidential campaign in the form of a \$100,000 loan to Victory Communications International, Inc. ("VCI") and its then-president, Michael K. Clifford. This report recommends that the Commission find reason to believe that Barry Hon violated 2 U.S.C. §§ 441a(a)(1) and 441a(a)(3) and authorize the attached subpoena for deposition and documents.

II. FACTUAL AND LEGAL ANALYSIS

Under the Federal Election Campaign Act of 1971, as amended ("the Act"), a contribution includes any gift, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office. 2 U.S.C. § 431(8)(A).

The Act limits how much a person may contribute to candidates and political committees: not in excess of \$1,000 per candidate per election, and not in excess of \$5,000 per political committee. See 2 U.S.C. § 441a(a)(1). Further, under the Act, an

96043755155

individual's total contributions must not exceed \$25,000 per year.  
2 U.S.C. § 441a(a)(3).

On November 9, 1994, attorneys of this Office deposed Michael K. Clifford, President of Victory Communications International, Inc. ("VCI"), the televideographer responsible for producing two fundraising dinners for Pat Robertson in August 1986 and the large videoconferencing event held at Constitution Hall in Washington, D.C. on September 17, 1986. During the course of the deposition, Mr. Clifford identified Barry Hon as not only the host of the fundraiser in Anaheim, California on August 2, 1986, but also as one of the Robertson supporters, (similar to Lucien Warner, Henry J. Smith, William Dooner, and James Higgins), who loaned him money to produce the Constitution Hall event. General Counsel's Report dated May 25, 1994; Deposition Transcript of Michael K. Clifford, dated November 9, 1994, at 60 (on file in the Office of the General Counsel). The amount of the loan may be \$100,000.<sup>1</sup> Mr. Clifford has also stated in sworn testimony that the August fundraiser dinners were designed to provide money to produce the Constitution Hall event. Deposition Transcript of Michael K. Clifford at 26. Mr. Higgins has also testified that

1. FEC Contributor indices indicate that Barry Hon made two contributions each of \$5,000 to Pat Robertson's leadership PAC, Committee for Freedom, on November 14, 1985 and May 16, 1986. On May 16, 1986, in Washington, D.C., the PAC and other Robertson organizations sponsored a fundraiser dinner featuring Mr. Robertson. The May 16, 1986 contribution may thus indicate Mr. Hon's participation in that fundraiser. FEC indices indicate that Mr. Hon made no contributions to federal candidates, committees, or political parties prior to his contributions to Committee for Freedom. FEC indices further indicate that Mr. Hon contributed \$1,000 to Americans for Robertson on September 12, 1986.



Barry Hon had "put[] up . . . or arrang[ed] a lot of the money that we had needed to arrange" for the August 2, 1986 fundraiser. Deposition Transcript of James D. Higgins, dated August 31, 1994, at 67-68 (on file in the Office of the General Counsel).

Deposition testimony of Mr. Clifford regarding Barry Hon confirms the deposition testimony of others who loaned money to VCI in connection with the September 17, 1986 event. Lucien Warner testified under oath that Barry Hon was among those individuals solicited for loans. Deposition Transcript of Lucien Warner, dated September 1, 1994, at 30 (on file in the Office of the General Counsel). James Higgins has testified that he contacted Barry Hon (whom Mr. Higgins called a "hitter" within the Pat Robertson organization) on behalf of Michael Clifford so that Mr. Clifford could use Mr. Hon as a reference in his efforts to obtain funds for the Constitution Hall event. Deposition Transcript of James D. Higgins at 92-93. Although he claimed to have no knowledge of those solicited for or who made loans, William Dooner, a past and current regent, has testified that Barry Hon was a regent of CBN or Regent University, the university founded by Pat Robertson, and, thus, had close ties with Pat Robertson. Deposition Transcript of William Dooner, dated September 1, 1994, at 43 (on file in the Office of the General Counsel).

Although records from VCI's account at Chase Bank in Arizona indicate that Warner, Higgins, Dooner, and Smith made loans to VCI in propinquity with the September 17, 1986 Constitution Hall event, no such Chase Bank documents evidence a loan from Barry

Hon. However, Michael Clifford explicitly identified Barry Hon as a person who loaned money to produce the Constitution Hall event. This information is sufficient to support a reason to believe finding and to investigate Mr. Hon's financial involvement with the September 17, 1986 event.

This Office believes that Mr. Hon has information that will help the Commission in ascertaining the nature of the financing of the Robertson events, especially since depositions of the previously named individuals reveal conflicting versions and characterizations of the transactions.


This Office recommends that the Commission find reason to believe that Barry Hon violated 2 U.S.C. §§ 441a(a)(1) and 441a(a)(3) by making loans to the Robertson campaign through VCI and authorize the attached subpoena for deposition and documents. In the event that Mr. Hon is unable to provide bank documents responsive to the Commission's document subpoena, this Office also recommends that the Commission authorize in advance the appropriate bank subpoena(s), in accordance with the Right to Financial Privacy Act, for documents evidencing checks written on and deposits made to the account(s) of Barry Hon for the period June 1 through December 31, 1986.

### III. RECOMMENDATIONS

1. Find reason to believe that Barry Hon violated 2 U.S.C. §§ 441a(a)(1) and 441a(a)(3).
2. Authorize the attached document and deposition subpoena to Barry Hon.
3. Approve the attached Factual and Legal Analysis and the appropriate letter.

4. Authorize the appropriate bank subpoena(s) for Barry Hon's account(s) for the period June 1, 1986 through December 31, 1986.

4/4/95  
Date

  
Lawrence M. Noble  
General Counsel

Attachments

1. Subpoena
2. Factual and Legal Analysis

Attorney Assigned: Holly Baker

06043755159

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Americans for Robertson, Inc. and  
Frederick H. Shafer, as treasurer,  
et al.

)  
) MUR 3485  
)  
)  
)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 10, 1995, the Commission decided by a vote of 5-0 to take the following actions in MUR 3485:

1. Find reason to believe that Barry Hon violated 2 U.S.C. §§ 441a(a)(1) and 441a(a)(3).
2. Authorize the document and deposition subpoena to Barry Hon.
3. Approve the Factual and Legal Analysis and the appropriate letter, as recommended in the General Counsel's Report dated January 4, 1995.
4. Authorize the appropriate bank subpoena(s) for Barry Hon's account(s) for the period June 1, 1986 through December 31, 1986.

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

Attest:

1-11-95  
Date

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

Received in the Secretariat: Wed., Jan. 04, 1995 3:55 p.m.  
Circulated to the Commission: Thurs., Jan. 05, 1995 11:00 a.m.  
Deadline for vote: Tues., Jan. 10, 1995 4:00 p.m.

bjr



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

January 12, 1995

VIA FEDEX

Barry Hon  
Hon Development Corp.  
25200 La Paz Rd., #210  
Laguna Hills, CA 92653

RE: MUR 3485

Dear Mr. Hon:

On January 10, 1995, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. §§ 441a(a)(1) and 441a(a)(3), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents must be submitted within 30 days of your receipt of this subpoena. Any additional materials or statements you wish to submit should accompany the response to the subpoena. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena. If you intend to be represented by counsel, 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 or other communications from the Commission.

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

Barry Hon

Page 2

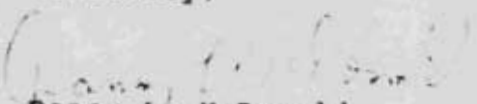
entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

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

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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Holly J. Baker, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

  
Danny L. McDonald  
Chairman

Enclosures  
Subpoena  
Factual and Legal Analysis  
Procedures  
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA

TO: Barry Hon  
Hon Development Corp.  
25200 La Paz Rd., #210  
Laguna Hills, CA 92653

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on Wednesday, March 1, 1995 at the Office of the United States Attorney, United States Courthouse, 312 North Spring St., Los Angeles, CA 90012, beginning at 1:30 p.m. and continuing each day thereafter as necessary.

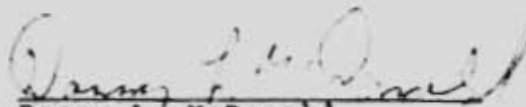
Further, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to produce the documents listed on the attachment to this subpoena. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals. The documents must be submitted to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, by February 15, 1995.

96043 / 55163

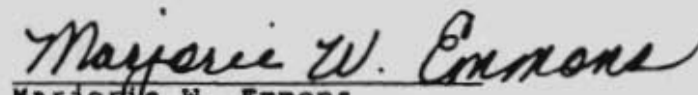


Barry Hon  
Subpoena  
Page 2

WHEREFORE, the Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C., on  
this *12<sup>th</sup>* day of *January*, 1995.  
For the Commission,

  
\_\_\_\_\_  
Danny L. McDonald  
Chairman

ATTEST:

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

Attachment  
Document Requests (1 page)

95043755164

Barry Hon

**DOCUMENT REQUESTS**

1. Provide all documents, including but not limited to, agreements, terms, notes, memoranda, phone messages, electronic messages, check register, copies of checks, deposit slips and items, bank statements, and payments, pertaining or relating in any way to any money you lent to Victory Communications International, Inc. in 1986.
2. Provide all documents, including but not limited to, agreements, terms, notes, memoranda, phone messages, electronic messages, bank statements, check register, copies of checks, deposit slips and items, and payments, pertaining or relating in any way to the fundraising event you hosted in Anaheim, California on August 2, 1986.

96041755165

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Barry Hon

MUR: 3485

This matter was generated from information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

Under the Federal Election Campaign Act of 1971, as amended ("the Act"), a contribution includes any gift, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office. 2 U.S.C. § 431(8)(A).

The Act limits how much a person may contribute to candidates and political committees: not in excess of \$1,000 per candidate per election, and not in excess of \$5,000 per political committee. See 2 U.S.C. § 441a(a)(1). Further, under the Act, an individual's total contributions must not exceed \$25,000 per year. 2 U.S.C. § 441a(a)(3).

Information in possession of the Commission indicates that Mr. Hon may have made a loan of \$100,000 through Victory Communications International, Inc. to provide advance money needed for the video broadcast held on September 17, 1986 at Constitution Hall in Washington, D.C. to benefit Pat Robertson's presidential campaign. Therefore, there is reason to believe that Barry Hon violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3).

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EPSTEIN BECKER & GREEN, P.C.

ATTORNEYS AT LAW

1227 25TH STREET, N.W.

WASHINGTON, D.C. 20037-1156

(202) 661-0900

TELECOPIER (202) 296-2882

DIRECT LINE

250 PARK AVENUE  
NEW YORK, NEW YORK 10177-0077  
(212) 351-4500

1875 CENTURY PARK EAST  
LOS ANGELES, CALIFORNIA 90067-2501  
(310) 556-8861

SIX LANDMARK SQUARE  
STAMFORD, CONNECTICUT 06901-2704  
(203) 348-3737

ONE RIVERFRONT PLAZA  
NEWARK, NEW JERSEY 07102-6401  
(201) 842-1900

75 STATE STREET  
BOSTON, MASSACHUSETTS 02109  
(617) 342-4000

2 EMBARCADERO  
SAN FRANCISCO, CALIFORNIA 94111-5994  
(415) 398-3800

12750 MERIT DRIVE  
DALLAS, TEXAS 75251-1209  
(214) 480-3143

115 SOUTH MONROE STREET  
TALLAHASSEE, FLORIDA 32301-1530  
(904) 681-0898

2400 SOUTH DIXIE HIGHWAY, SUITE 100  
MIAMI, FLORIDA 33133  
(305) 856-1100

510 KING STREET, SUITE 301  
ALEXANDRIA, VIRGINIA 22314-3132  
(703) 684-1204

January 16, 1995

P.C. NEW YORK, WASHINGTON, D.C., NEW JERSEY,  
CONNECTICUT, VIRGINIA AND TEXAS ONLY

**HAND-DELIVERED**

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, DC 20463

**RE: M.U.R. 3485: RESPONDENT BEURT R. SERVAAS**

Dear Mr. Buckley:

This is to respond to your letter dated December 22, 1994 to Stephen E. Plopper in connection with the above-referenced matter. Mr. Plopper currently is out of the country on business, and thus requested that I respond to you on his behalf.

In your December 22, 1994 correspondence, you requested additional information with respect to the redacted portions of four documents which were produced pursuant to the Commission's Subpoena and Order to Dr. SerVaas: (1) a letter from Stephen Plopper to Gordon Robertson dated July 24, 1990; (2) a letter from Gordon Robertson to Stephen Plopper dated August 10, 1990; (3) a letter from Stephen Plopper to Gordon Robertson dated August 14, 1990; and (4) a letter from Stephen Plopper to Dr. SerVaas dated August 14, 1990.

Please be advised that the redacted portions of these four documents all involve Mr. Plopper's representation of SerVaas Management, Inc. in a matter involving one of Mr. Robertson's clients. Neither Computer Futures, Limited nor Americans for Robertson (Pat Robertson's 1988 presidential campaign committee) are parties to this matter. Moreover, this

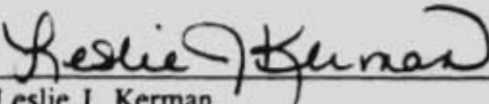
JAN 17 1 12 PM '95

Anthony T. Buckley, Esquire  
January 16, 1995  
Page Two

matter is not related to the Commission's reason-to-believe finding against Dr. SerVaas in the instant enforcement action.

I trust this satisfactorily responds to your inquiry. Please contact me at (202) 861-1877 if you have further questions.

Sincerely,

  
\_\_\_\_\_  
Leslie J. Kerman

cc: Stephen E. Plopper, Esquire

96043755168

LAW OFFICES  
**MARION EDWYN HARRISON**

WASHINGTON  
FALLS CHURCH  
ZURICH

MARION EDWYN HARRISON (DC, VA)  
JOHN S. BAKER, JR. (DC, LA)  
DANIEL M. REDMOND (DC)

TELEPHONE (202) 965-0800  
TELEPHONE (703) 532-0303  
FACSIMILE (703) 532-0086

CORRESPONDENCE TO:  
107 PARK WASHINGTON COURT  
FALLS CHURCH, VIRGINIA 22046

January 16, 1995

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E. Street, N.W.  
Washington, D.C. 20463

Re: **FEC MUR 3485**

Dear Tony:

There seems to be considerable trouble in Nuttle deposition date availability since we had to continue the agreed January 11 date on account of my flu.

You evidently have suggested some urgency. But you waited more than eight months after the last written interrogatory response to schedule anything. That suggests absence of a rush.

We gave you various January and February dates, unacceptable to you. Tuesday and Wednesday, February 7 and 8 are acceptable, we could be there.

JAN 17 10 33 AM '95  
FEDERAL ELECTION COMMISSION  
OFFICE OF THE GENERAL COUNSEL

LAW OFFICES  
**MARION EDWYN HARRISON**

Anthony T. Buckley, Esquire  
January 16, 1995  
Page 2

I'm asking a colleague to sign this letter for me inasmuch as I still am home, from which I wrote this, with the flu.

Sincerely,

*Daniel M. Robertson*

*for*  
MARION EDWYN HARRISON

cc: Mr. R. Marc Nuttle

96045755100



LAW OFFICE

## MARION EDWYN HARRISON

WASHINGTON  
FALLS CHURCH  
CHURCHMARION EDWYN HARRISON (DC, VA)  
JOHN S. BAKER, JR. (DC, LA)  
DANIEL M. BRIDMOND (DC)TELEPHONE (202) 943-0000  
TELEPHONE (703) 332-0000  
FACSIMILE (703) 332-0000CORRESPONDENCE TO:  
107 PARK WASHINGTON COURT  
FALLS CHURCH, VIRGINIA 22046

January 17, 1995

Facsimile 202 219-3923

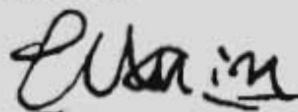
Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: FEC MUR 3485

Dear Tony:

We have been attempting, as you know, to open additional Nuttle deposition dates. We now find we could appear on Thursday and Friday, February 2 and 3, 1995, provided we concluded midday on Friday. We much prefer February 7 and 8 but if you absolutely cannot accommodate February 7 and 8 and would let us know as quickly as possible we could make February 2 and 3.

Sincerely,



MARION EDWYN HARRISON

cc: Mr. R. Marc Nuttle

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Americans for Robertson, Inc. )  
and Frederick H. Shafer, )  
as treasurer, et al. )

RECEIVED  
FEDERAL ELECTION COMMISSION  
JAN 21 12 47 PM '86  
**SENSITIVE**  
MUR 3485

GENERAL COUNSEL'S REPORT

I. ISSUE

96043755122

This Report concerns the corporate contributions of A.L. Williams to the Robertson campaign in connection with the September 17, 1986 event at Constitution Hall in Washington, D.C. Pursuant to the Commission's Subpoena, this Office deposed Mr. Williams on December 12, 1994. Information received as a result of the deposition indicates that Management Financial Services, Inc. ("MFS;" formerly A.L. Williams & Associates and A.L. Williams Administrative Services) sold its principal assets to Primerica Financial Services ("Primerica") which now has control over videotapes and information relevant to the activities that are the subject of MUR 3485, and that Barbara King, an MFS executive in 1986, has operational knowledge of the interactions between the A.L. Williams corporations and the Robertson campaign. This Report recommends that the Commission authorize a subpoena for documents, an order to submit written answers, and for deposition to Primerica Financial Services. It also recommends that the Commission authorize a deposition and document subpoena to Barbara King.

## II. DISCUSSION

During his deposition, Mr. Williams repeatedly identified Barbara King as the person knowledgeable of the details of the relationship between the Robertson campaign and the A.L. Williams corporations. In 1986, Barbara King was a vice president, according to Mr. Williams, "in charge of all our publications, our TV network, I'm going to say government relations . . . ." (Deposition of Arthur L. Williams at p. 52, on file in the Office of the General Counsel.) Mr. Williams indicated that Barbara King not only attended, but also handled the arrangements for Mr. Williams' speech and appearance at the September 17, 1986 Constitution Hall event. She was the contact person for Marc Nuttle, campaign manager, and for Michael Clifford of Victory Communications International, Inc., which produced the Constitution Hall event and other fundraisers for the Robertson campaign. She also handled aspects of the Robertson campaign's use of the A.L. Williams insurance agent mailing list including an endorsement by Mr. Williams in connection with the Constitution Hall event. Michael Clifford, in his deposition of November 9, 1994, also identified Barbara King as a contact person in the A.L. Williams organization. (Copy of transcript on file in the Office of the General Counsel.)

Further, Barbara King appears on segments of programs of ALW-TV, a satellite system that A.L. Williams operated in 1986 with downlinks in offices of agents who subscribed. In

one program prior to the September 17, 1986 event, Barbara King assures the insurance agents that A.L. Williams protects its mailing list of agents and will be handling the Robertson Constitution Hall event mailings in-house so as to assure that no one obtains a copy. (Copy of video on file in the Office of the General Counsel.) Barbara King also appears on a segment following the September 17, 1986 event in which Mr. Williams talks about the Constitution Hall event, indicates that A.L. Williams has produced a videocassette of Mr. Williams' speech, and urges agents to show the video to prospective agents, prospective clients, and in various training sessions; the excerpted tape is then shown.<sup>1</sup> See Attachment 1, A.L. Williams Deposition pages 106-124. A transcription of a portion of the A.L. Williams produced tape appears on deposition pages 120-124, and an explanation of those to whom the tape of excerpts was shown appears on pages 134-135 reproduced in Attachment 1. (Copy of video on file in the Office of the General Counsel.) Thus, it appears that Barbara King may have information useful to the Commission in its investigation of corporate contributions of the A.L.

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1. The tape is essentially a promotional vehicle for the A.L. Williams corporations. It shows Mr. Williams getting into his private jet and flying to Washington, D.C. The narrator indicates that Mr. Williams stayed at the Willard Hotel as have many other illustrious people in the past. Pictures of the outside of the hotel appear. Switching to Constitution Hall, the tape shows excerpts of the National Anthem played by a trumpeter. The tape then skips directly to the speech by Art Williams where inter alia he enumerates the reasons "I support Pat Robertson for president . . . ." Then follow an introduction of Pat Robertson and his speech.

Williams organization to the Robertson campaign. This Office, therefore, recommends that the Commission authorize the attached subpoena to Barbara King as a nonrespondent witness to appear for deposition and to produce relevant documents if any.

The copy of ALW-TV broadcasts noted above was produced in connection with MUR 2668 (Friends of Mattingly) not with MUR 3485. As a result, the focus of the tape was A.L. Williams' involvement with the Mattingly campaign. Consequently, the tape in the Commission's possession does not contain a complete record of all instances in which the Constitution Hall event and/or the Robertson campaign were promoted on ALW-TV. Moreover, during his deposition, Mr. Williams testified that he did promote the Constitution Hall event on ALW-TV on more than the two occasions referenced above. He has indicated that copies of the tapes and all information regarding the cost and extent of the transmissions would be in the possession of the corporation to which MFS sold those assets. It appears that the corporation that bought the satellite transmission facilities of MFS would be The Travelers, Inc. doing business as Primerica Financial Services ("Primerica") at the former corporate address of MFS in Duluth, GA.

This Office recommends that Primerica be regarded as a

960437551/6

nonrespondent witness<sup>2</sup> in this MUR, and that the Commission authorize a subpoena for documents and an order to submit written answers and a representative deposition subpoena. The attached document subpoena requests Primerica to produce copies of all ALW-TV transmissions where the Constitution Hall event and/or Pat Robertson is mentioned and for records related to the costs of producing those transmissions, the number of downlinks to which the programs were transmitted, the costs of producing the tape of Mr. Williams' Constitution Hall speech, and the costs associated with transmitting that tape to agents' offices to which a wide range of people had viewing access. This Office also recommends that the Commission authorize the attached subpoena to Primerica to make available for deposition those employees with knowledge of the costs and production of the ALW-TV transmissions.

### III. RECOMMENDATIONS

1. Authorize a subpoena for documents and an order to submit written answers to Primerica Financial Services, Inc. and to make available for deposition persons with knowledge of the matter.

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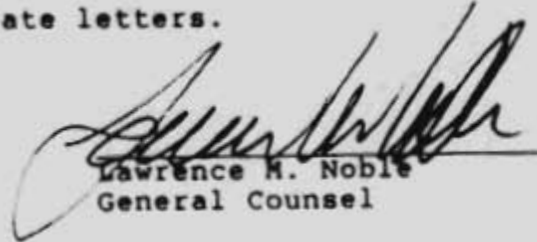
2. Although Primerica might be adjudged as having legal liability for the violations at issue in this MUR, it is unclear whether Georgia law would in fact attach successor liability to Primerica as a result of its purchase of MFS's assets. See Corporation Practice Guide, Prentice Hall, vol. 3, State Statutes, Georgia, 1993, pp. 102-106, 116. Moreover, since MFS was a Georgia corporation and Primerica is a Delaware corporation 100% of whose stock is owned by Associated Madison Companies, Inc. of New York according to Dun & Bradstreet, it is unclear which state's law would control, or even whether federal law may be applicable. Regarding Primerica as a nonrespondent witness does not alter the liability of MFS and Arthur L. Williams, Jr., as president, for any FEC violations and payment of FEC civil penalties.



2. Authorize a subpoena for deposition and documents to Barbara King.
3. Approve the appropriate letters.

Date

1/23/45



Lawrence H. Noble  
General Counsel

Attachments

1. Excerpts from A.L. Williams deposition
2. Subpoena to Barbara King
3. Subpoenas and Order to Primerica

Attorney Assigned: Holly Baker

44043755177



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Americans for Robertson, Inc.  
and Frederick H. Shafer,  
as treasurer, et al.

)  
)  
)  
)  
)

MUR 3485

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 27, 1995, the Commission decided by a vote of 5-0 to take the following actions in MUR 3485:

1. Authorize a subpoena for documents and an order to submit written answers to Primerica Financial Services, Inc. and to make available for deposition persons with knowledge of the matter.

(continued)

960437551/8

2. Authorize a subpoena for deposition and documents to Barbara King.
3. Approve the appropriate letters, as recommended in the General Counsel's Report dated January 23, 1995.

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

Attest:

1-27-95  
Date

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

Received in the Secretariat:	Tues., Jan. 24, 1995	12:53 p.m.
Circulated to the Commission:	Tues., Jan. 24, 1995	4:00 p.m.
Deadline for vote:	Fri., Jan. 27, 1995	4:00 p.m.

bjr

96043755179



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

VIA FEDEX

January 31, 1995

Barbara King  
1819 Kanawha Trail  
Stone Mountain  
Atlanta, GA 30087

RE: MUR 3485

Dear Ms. King:

9604 / 65100

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached subpoena which requires you to appear and give sworn testimony on Thursday, February 23, 1995 at the United States Attorney's Office, 4th Floor, Richard B. Russell Building, 75 Spring St., S.W., Atlanta, GA 30303, beginning at 1:00 p.m., and document request 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 the document request. Please submit documents by Friday, February 17, 1995.

You may also consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40, plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

Barbara King  
Page 2

Within two days of your receipt of this notification,  
please confirm your scheduled appearance with me at (800)  
424-9530.

Sincerely,

  
Holly J. Baker  
Attorney

Enclosure  
Designation of counsel  
Subpoena and Document Request

9 6 0 4 2 7 5 5 1 3 1

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA

TO: Barbara King  
1819 Kanawha Trail  
Stone Mountain  
Atlanta, GA 30087

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter under review ("MUR"). Notice is hereby given that the deposition is to be taken on Thursday, February 23, 1995 at the United States Attorney's Office, 4th Floor, Richard B. Russell Building, 75 Spring St., S.W., Atlanta, GA 30303, beginning at 1:00 p.m. and continuing each day thereafter as necessary.


Further, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to produce the documents listed on the attachment to this subpoena. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals. The documents must be submitted to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, by Friday, February 17, 1995.

90043755102

Barbara King  
Subpoena  
Page 2

WHEREFORE, the Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C., on  
this *31st* day of January, 1995.

For the Commission,

  
\_\_\_\_\_  
Danny L. McDonald  
Chairman

ATTEST:

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

Attachments  
Instructions  
Document Request (1 page)

26042755103

Barbara King

### INSTRUCTIONS

In answering this 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.

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.

The following request for production of documents is 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 this document request, including the instructions thereto, the term listed below is defined as follows:

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.



Barbara King

DOCUMENT REQUEST

1. Regarding the Pat Robertson event held on September 17, 1986 at Constitution Hall in Washington, D.C. ("Constitution Hall event"), please produce all documents, including but not limited to, appointment books, calendars, phone memoranda, notes, itineraries, in your personal possession.
2. Regarding the use of the A.L. Williams' mailing list by Victory Communications International, Inc. and/or its agents, please produce all documents in your personal possession.
3. Regarding any communications transmitted on ALW-TV from June 1986 through March 1988 about the Constitution Hall event or Pat Robertson, please produce all documents in your personal possession.
4. Regarding any communications with Michael K. Clifford from January 1986 through March 1988, please produce all documents in your personal possession.

96043755105



FEDERAL ELECTION COMMISSION

January 31, 1995

VIA FEDEX

Primerica Financial Services, Inc.  
c/o Corporate Counsel  
3100 Breckinridge Blvd., Bldg. 5  
Duluth, GA 30136

RE: MUR 3485

Dear Madam/Sir:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached Subpoena and Order which requires Primerica to provide certain information in connection with an investigation it is conducting. The Commission does not consider Primerica 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.

Primerica is required to submit the information within 30 days of receipt of this Subpoena and Order. All answers to questions must be submitted under oath.

Enclosed is a designation of counsel form. Please return it along with Primerica's response.

If you have any questions, please contact me at (800) 444-1800.

Sincerely,

Molly Q. Baker

Holly J. Baker  
Attorney

Enclosures  
Designation of counsel  
Subpoena and Order

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Primerica Financial Services, Inc.  
c/o Corporate Counsel  
3100 Breckinridge Blvd., Bldg. 5  
Duluth, GA 30136


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 30 days of receipt of this Order and Subpoena.

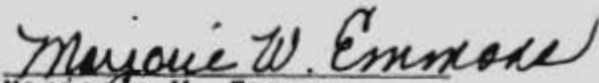
26043755167

WHEREFORE, the Chairman of the Federal Election  
Commission has hereunto set his hand in Washington, D.C. on  
this *31st*, day of January, 1995.

For the Commission,

  
\_\_\_\_\_  
Danny L. McDonald  
Chairman

ATTEST:

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

Attachments  
Instructions  
Document Request (1 page)  
Questions (1 page)

9 6 0 4 0 7 5 5 1 0 8

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 June 1986 through March 1988.

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 listed below are defined as follows:

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

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

Primerica Financial Services, Inc.

DOCUMENT REQUEST

1. Please provide video cassettes, transcripts, and program logs of all portions of all programs transmitted on ALW-TV from June 1986 through March 1988 in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall, Washington, D.C., on September 17, 1986 are mentioned.

2. Please provide a copy of the videotape containing A.L. Williams' speech at the September 17, 1986 Constitution Hall event that was produced by ALW-TV in 1986.

3. Please provide all documents, including but not limited to, inter-office memoranda, contracts, correspondence, phone memoranda, agreements, purchase orders, invoices, and copies of checks that involve:

a. the production of the videotape of Document Request #2;

b. the sale, rental, distribution, and transmission of the videotape of Document Request #2;

4. For all costs itemized in Interrogatory #3, please provide all documents, including but not limited to, receipts, invoices, contracts, purchase orders, memoranda, agreements, and copies of checks evidencing those costs.

00043755191



Primerica Financial Services, Inc.

INTERROGATORIES

1. Please provide a list of dates of all instances when ALW-TV transmitted programs in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall on September 17, 1986 were mentioned.
2. For each date given in Interrogatory #1, indicate the number of downlinks receiving each program, the length of each segment, and the cost per minute of transmitting each program.
3. For the videotape of A.L. Williams' speech at Constitution Hall in September 1986 in Document Request #2, provide an itemization of all costs incurred to produce and to transmit that videotape on ALW-TV.
4. Indicate the number of videotapes containing A.L. Williams' speech at Constitution Hall in September 1986 that were sold and the price charged for each copy.

96043755192

LAW OFFICES  
**MARION EDWYN HARRISON**

1825 K STREET, N.W., SUITE 901  
WASHINGTON, D.C. 20006

107 PARK WASHINGTON COURT  
FALLS CHURCH, VIRGINIA 22046

FALKENSTRASSE 14  
8008 ZURICH, SWITZERLAND

MARION EDWYN HARRISON (DC, VA)  
JOHN S. BAKER, JR. (DC, LA)  
DANIEL M. REDMOND (DC)

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

FEB 9 9 34 AM '95

TELEPHONE (202) 965-0800  
TELEPHONE (703) 532-0303  
FACSIMILE (703) 532-0086

February 3, 1995

Facsimile 202 219-3923

Lawrence M. Noble, Esquire  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: **FEC MUR 3485**

Dear Mr. Noble:

We memorialize the facts, and register our vigorous complaint, with respect to the deposition fiasco of February 2, 1995 involving our client Mr. R. Marc Nuttle, one of a number of Respondents in MUR 3485.

1. On May 28 1993, Respondent Nuttle received a letter finding reason to believe, with no prior notification or opportunity to defend, that Respondent Nuttle violated 2 USC §441(b)(g) and also knowingly and willfully violated 2 USC §§441(a)(f) and 441(b)(a), and attaching so-called Factual and Legal Analyses. The latter also attached an order to submit written interrogatories and a subpoena to produce documents.

The events of which FEC complained, to the extent they occurred at all, at that time had occurred more than five years previously, some as much as eight years previously.

Respondent Nuttle timely responded, arguing, inter alia, that the doctrine of laches, the

Lawrence M. Noble, Esquire  
February 3, 1995  
Page 2

imputed statute of limitations and basic fairness all negated such an out-of-time action by FEC. Respondent Nuttle also pointed out that there is no record retention requirement for an individual - and, of course, for even a political committee, the requirement had expired.

Nevertheless, Respondent Nuttle not only answered both discovery actions but filed a 10-page Answer by Counsel and a 20-page Affidavit. These documents offered FEC considerably more information than mere compliance with the discovery would have provided.

Respondent Nuttle also pointed out that, on or about March 20, 1990, subsequent to his *volunteering* to do so, he had met informally, and at his own expense, with FEC personnel in Washington, answering approximately six hours worth of questions and freely handing over a number of documents.

2. The following year, after an inexplicable hiatus of nearly one year, FEC again undertook certain discovery.

Respondent Nuttle answered on April 25, 1994.

Under date of May 3, 1994 Anthony T. Buckley, Esquire wrote to Counsel for Respondents, expressing his dissatisfaction with the substantive content of some answers, to which Counsel for Mr. Nuttle replied under date of May 9, 1994. Notwithstanding the inadequate phraseology of some of the questions, Respondent Nuttle and Counsel made every effort substantively to answer.

3. A further protracted and inexplicable hiatus ensued.

Then, under date of December 5, 1994, Mr. Buckley wrote, attaching another FEC administrative subpoena, of even date, this time for oral discovery.

Lawrence M. Noble, Esquire  
February 3, 1995  
Page 3

The usual courtesy among Counsel in scheduling an oral deposition, and particularly one for an out-of-town deponent, was not accorded. The subpoena was returnable January 11, 1995.

No reference was made to statutory witness fee, per diem or airfare, compelling Counsel to initiate discussion on these subjects with Mr. Buckley.

These matters were resolved. Respondent Nuttle and Counsel agreed to appear on January 11, 1995.

For reasons of illness, the oral deposition was rescheduled for February 2, 1995. In this regard, Respondent Nuttle and Counsel for Respondent Nuttle offered a number of other dates, and ultimately Mr. Nuttle changed his schedule to accommodate Mr. Buckley, who insisted, while stating no reason, that any date later than February 3 would be unacceptable.

Be the foregoing relaxation of some of the usual courtesies among counsel as they may, Mr. Nuttle flew to Washington on February 1; Counsel and Mr. Nuttle met at and after dinner on February 1; and the two of them appeared as scheduled on February 2. Counsel brought with him two briefcases, one containing prior pleadings and discovery, the other a recorder.

Counsel was advised that he could not record his own client's deposition. Jonathan A. Bernstein, Esquire appeared or was summoned. He insisted that the deposition would go forward; that there would be no recordation; that Mr. Nuttle would be permitted to "read and sign" the deposition in due course (although not obtain a copy); and that the whole matter was "confidential" and not to be discussed.

This attempt at secrecy is inconsistent with the practice as to the written interrogatories and production requests - as to none of which was there an attempt to restrict Mr. Nuttle's rights.

Lawrence M. Noble, Esquire  
February 3, 1995  
Page 4

Counsel pointed out that there is no statute, rule or adjudicated case prohibiting a citizen respondent from recording, or otherwise having access to, his own FEC deposition; that these proceedings are not criminal or grand jury; and that they are not covered by an injunction or other court order. Counsel declined to proceed in derogation of his client's rights.

Mr. Bernstein then accused Counsel of deliberately contriving an excuse to delay the deposition. Such an accusation is unseemly and obviously contrary to the demonstrated effort made to present Mr. Nuttle for deposition.

4. In the meantime, Respondent Nuttle had demanded the recusal of Commissioner Trevor Potter, on the grounds Mr. Potter represented the National Republican Congressional Committee and advised that entity and Mr. Nuttle during the period Mr. Nuttle was its Executive Director about matters now the subject of MUR 3485. After a protracted effort to avoid recusal, Mr. Potter on July 28, 1994 filed a transparent partial recusal, which permits him to recuse himself, without notification to Mr. Nuttle, whenever in his own mind he subjectively determines there might be a conflict of interest. That matter is now subject to proceedings in another forum.

This Respondent insists upon his rights and will not be a party to their violation.

We invite this matter to your attention, and by a copy hereof to the Commissioners, to obviate the possibility that you or they are not informed of these developments.

In the future, as in the past, this Respondent will cooperate in all discovery, reserving his due process defenses to any proceedings against him, but not upon the basis of unlawful administrative fiat. In fact, there are several material facts of which FEC counsel appear to be uninformed or to misunderstand. It would be in Mr. Nuttle's interest to make these facts available. However, he will do so in writing or in a deposition conducted under required due process.

Lawrence M. Noble, Esquire

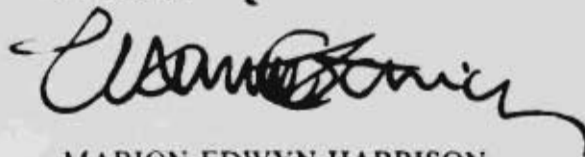
February 3, 1995

Page 5

If the Commissioners believe that Mr. Potter's purported recusal is adequate or that FEC attorneys are entitled orally to depose Mr. Nuttle without according him either oral or written recordation of his sworn deposition and vote to litigate either issue, as we believe would be contrary to reasoned legal advice, we, of course, would welcome the opportunity to litigate these matters in an open forum and under the usual judicial procedural protections.

We reserve all rights in the premises including, but not limited to, the right to initiate injunctive proceedings should the law and facts warrant.

Sincerely,



MARION EDWYN HARRISON

cc: Anthony T. Buckley, Esquire  
Jonathan A. Bernstein, Esquire  
R. Marc Nuttle, Esquire



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 7, 1995

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Mr. Lynk:

As discussed, I am enclosing a copy of the transcription of Pat Robertson's speech of September 17, 1986 at Constitution Hall in Washington, D.C.

If you have any questions, I can be contacted at (202) 219-3400.

Sincerely,

Holly J. Baker  
Attorney

Enclosure  
Robertson speech

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

R. Marc Nuttle, et al.

)  
)  
) MUR 3485  
)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On February 8, 1994, the Commission, in response to the D.C. Circuit's decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), cert. dismissed for want of jurisdiction, 63 U.S.L.W. 4027 (U.S. Dec. 6, 1994) (No. 93-1151), reviewed the possible violations arising from the audit referral of Americans for Robertson, Inc. ("the Committee" or "AFR") and, upon revote, again found reason to believe that, inter alia, R. Marc Nuttle knowingly and willfully violated 2 U.S.C. §§ 441a(f) and 441b(a), and violated 2 U.S.C. § 441b(a). In addition, the Commission, inter alia, reauthorized a subpoena to compel Mr. Nuttle to appear for deposition.

The subpoena for deposition was issued to Mr. Nuttle on December 5, 1994, see Attachment 1 at 2, and set the date and time for deposition at January 11, 1995 at 10:00 a.m., more than one month away, in the Commission's offices. The letter transmitting the subpoena requested Mr. Nuttle's counsel to contact this Office within two days of his receipt of the subpoena so as to confirm the scheduled appearance. Id. at 1. The return receipt that was

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sent with the letter indicated that the subpoena was received by counsel no later than December 8, 1994. Attachment 2.

On December 20, 1994, not having heard from counsel at all in the intervening days, staff of this Office attempted to contact counsel to confirm the date and place of the deposition, and the fact that his client would appear.<sup>1</sup> Two days later, on December 22, 1994, Mr. Nuttle's counsel, Marion Harrison, returned staff's call.<sup>2</sup>

---

1. The question of whether Mr. Nuttle would actually appear for deposition was of significant concern to this Office, given his potential liability and previous actions. Mr. Nuttle had not submitted any documents in response to two previous subpoenas to produce documents and had not, in the opinion of this Office, provided full answers to two previous orders to submit written answers, issued by the Commission. In addition, on May 11, 1994, Mr. Nuttle filed a motion to recuse Commissioner Potter from this matter and to have the Commission reconsider all of its votes against him. This motion followed a letter from this Office to counsel for Mr. Nuttle which questioned whether he had made a good faith effort to comply with the Commission's subpoenas and orders. Commissioner Potter executed a recusal statement regarding Mr. Nuttle, but the Commission rejected Mr. Nuttle's motion to reconsider its votes regarding him. This Office informed Mr. Nuttle and his counsel of these facts in a letter dated October 20, 1994.

2. Mr. Harrison served as President, and a member of the Board of Directors, of Americans for Robertson, Inc.

Six days later, on December 28, 1994, Mr. Harrison contacted this Office. He informed this Office that he had been unable to contact his client. He was still unsure as to whether his client would comply.

The next day, on December 29, 1994, counsel contacted this Office and informed us that Mr. Nuttle would appear on the required date. Counsel requested, however, that the deposition commence at 1:30 p.m., so that his client could fly into Washington, D.C. that morning. Mr. Harrison was contacted a few days later and informed that we would accommodate their request for a later starting time, but that they should expect the deposition to run two days. Counsel agreed and all arrangements were set.

That same day, Mr. Harrison sent a letter to this Office requesting a copy of Commissioner Potter's recusal statement and taking issue with the Commission's rejection of their motion to reconsider the votes. The submission of this letter two months

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after these facts were made known to Messrs. Harrison and Nuttle suggests that it was prompted by this Office's efforts to depose Mr. Nuttle.

On January 10, 1995, the day before the scheduled deposition, Counsel contacted this Office and informed us that he was suffering from the flu, and that, with no other counsel available, neither he nor his client would be able to appear the next day.

The next several days were spent trying to arrive at a mutually convenient time to reschedule the deposition. While counsel suggested certain dates almost immediately, they either conflicted with previously-scheduled activity by the staff who were to conduct the deposition, or they were too far in the future. On January 17, 1995, this Office and Mr. Harrison agreed that the deposition would be re-scheduled for February 2 and 3, 1995.

On the scheduled date, Messrs. Nuttle and Harrison arrived at the appointed time. Before the deposition commenced, Mr. Harrison pulled an audio tape recorder out of his briefcase and prepared to set it up. When he was informed by staff of this Office that, due to the confidential nature of the Commission's investigation and that deposition, he would not be allowed to record the deposition, he stated that, if that were the case, there would be no deposition. Further discussion ensued, whereupon Mr. Harrison instructed his client to leave. Staff of this Office went on the record and stated for the record what had occurred. Attachment 3.

It is fundamental that the Commission's investigations are confidential. In view of that fact, Commission depositions are

not conducted like other civil depositions. No third parties are allowed to be present. Transcript copies are not automatically provided to the deponent; rather this issue is addressed on a case-by-case basis. And no recording devices other than those belonging to the court reporter are allowed in the deposition.

Each of these considerations serves to protect the confidentiality of the investigation with respect to individuals not present at the deposition, as well as with respect to the deponent. Moreover, coordination of evidence and testimony is made more difficult. These concerns are especially noteworthy in this matter, where one respondent has previously testified that Mr. Nuttle has attempted to contact him regarding this matter, see Deposition Transcript of James D. Higgins (available in the General Counsel's Office), and several deposed respondents have stated that they hired their counsel upon the recommendation of counsel for Pat Robertson. As noted above, counsel for Mr. Nuttle, as well as Mr. Nuttle himself, previously held positions within the Robertson campaign.

Mr. Nuttle is a central actor in most of the activity which is the subject of this matter. He has previously acted in such a manner to obstruct and delay the Commission's investigation, and the actions by counsel on February 2, 1995 appear to be more of the same. Counsel indicated on February 2, 1995 that he would not appear without recording devices unless ordered to do so by a court. Accordingly, this Office recommends that the Commission authorize the Office of the General Counsel to file a civil suit

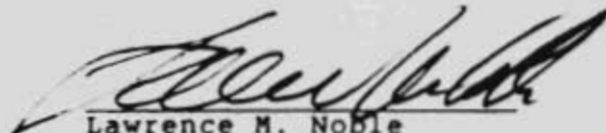
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against R. Marc Nuttle to compel him to appear without recording devices for deposition.<sup>4</sup>

**II. RECOMMENDATIONS**

1. Authorize the Office of the General Counsel to file a civil suit against R. Marc Nuttle to compel him to appear for deposition.
2. Approve the appropriate letter.

2/3/95  
Date

  
Lawrence M. Noble  
General Counsel

**Attachments**

1. December 5, 1994 Letter and Subpoena
2. Certified Mail Receipt
3. February 2, 1995 Transcript of Proceedings

Staff Assigned: Tony Buckley

4. In addition, as noted in footnote 1, supra, this Office believes that Mr. Nuttle has not complied with the Commission's Subpoenas to Produce Documents and Orders to Submit Written Answers. Most of Mr. Nuttle's answers are not responsive, and some appear to be untruthful. For example, to a question asking him to describe all funds issued to him by James Higgins and/or JDH Enterprises, Inc. in connection with the purchase of a mailing list, Mr. Nuttle has stated that no funds were issued to him. However, James Higgins has produced copies of three checks totalling \$115,000 which were issued by him on a JDH Enterprises account to Mr. Nuttle within a two-and-a-half month period in the Fall of 1988. Each check is endorsed on the back with a stamp bearing Mr. Nuttle's name, address, bank and bank account number. As is our normal course, this Office had planned to question Mr. Nuttle about his responses to the Commission's subpoenas and orders during his deposition. Thus, the importance of compelling Mr. Nuttle's presence is doubly significant.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of                    )  
                                      )     MUR 3485  
R. Marc Nuttle, et al.            )

CERTIFICATION

I, Delores Hardy, recording secretary for the Federal Election Commission executive session on February 7, 1995, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions on MUR 3485:

1. Authorize the Office of the General Counsel to file a civil suit against R. Marc Nuttle to compel him to appear for deposition.
2. Approve the appropriate letter, as recommended in the General Counsel's Report dated February 3, 1995.

Commissioners Aikens, Elliott, McGarry, and Thomas voted affirmatively for the decision; Commissioner McDonald was not present and Commissioner Potter recused himself from this matter.

Attest:

February 8, 1995  
Date

Delores Hardy  
Delores Hardy  
Administrative Assistant

96043755205





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

February 9, 1995

**CERTIFIED MAIL -  
RETURN RECEIPT REQUESTED**

Marion Edwyn Harrison, Esq.  
107 Park Washington Court  
Falls Church, Virginia 22046

RE: MUR 3485  
R. Marc Nuttle

Dear Mr. Harrison:

On December 5, 1994, the Federal Election Commission issued a Subpoena directing that your client, R. Marc Nuttle, appear for deposition on January 11, 1995. The date of deposition was subsequently changed to February 2, 1995, by mutual agreement of the parties. Because your client refused to proceed with the deposition under the appropriate conditions, the Commission, on February 7, 1995, authorized the Office of the General Counsel to petition the United States District Court to enforce the Subpoena.

Should your client wish to comply with the Subpoena prior to suit, please contact Tonda Phalen, the attorney assigned to this matter, at (202) 219-3400, within five days of your receipt of this letter.

Sincerely,

A handwritten signature in cursive script, likely of Lawrence M. Noble, is written over a horizontal line.

Lawrence M. Noble  
General Counsel

25044155206

DANA W. REED  
CARY DAVIDSON

OF COUNSEL  
BARRY L. WOLD  
BRADLEY W. HERTZ

## REED &amp; DAVIDSON

ATTORNEYS AT LAW

111 SOUTH FIGUEROA STREET

SUITE 3700

LOS ANGELES, CALIFORNIA 9007

TELEPHONE (213) 624-6200

FACSIMILE (213) 623-1092

ORANGE COUNTY OFFICE  
3151 AIRWAY AVENUE, SUITE 401  
COSTA MESA, CALIFORNIA 92626  
TELEPHONE (714) 841-1888  
FACSIMILE (714) 841-1003

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FEDERAL ELECTRONIC  
COMMUNICATIONS  
OFFICE

## I M P O R T A N T F A C S I M I L E T R A N S M I S S I O N

DATE: 2/9/95 TIME: 10:18 AM  
TO: Holly Baker FAX #: (202) 219-3923  
FROM: Cary Davidson FAX #: (213) 623-1092  
CLIENT: Non

NUMBER OF PAGES INCLUDING THIS PAGE 2

COMMENTS:

per our conversation

THIS COMMUNICATION IS INTENDED FOR THE USE OF THE PERSON TO WHOM IT IS ADDRESSED. IT MAY CONTAIN INFORMATION THAT IS PRIVILEGED OR CONFIDENTIAL. ANY UNAUTHORIZED DISCLOSURE, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED.

IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY THE SENDER IMMEDIATELY BY TELEPHONE AND RETURN THE ORIGINAL TO THE SENDER AT THE ABOVE ADDRESS BY MAIL. YOUR ASSISTANCE IN MAINTAINING THE INTEGRITY OF FAX TRANSMISSION SERVICE IS APPRECIATED.

Please notify us immediately if this material was not received properly by calling: (213) 624-6200.

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**COMMISSION ON DESIGNATION OF COUNSEL**

**NO.** 3485  
**NAME OF COUNSEL:** Dana W. Reed & Cary Davidson  
**ADDRESS:** Reed & Davidson  
777 South Figueroa Street, Suite 3400  
Los Angeles, CA 90017  
**TELEPHONE:** (213) 624-6200

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.

FEB 9, 1995  
**DATE**

Barry G. Hon  
**SIGNATURE**

**RESPONDENT'S NAME:** Barry G. Hon  
**ADDRESS:** 25200 La Paz Road, Suite 210  
Laguna Hills, CA 92653  
**HOME PHONE:** \_\_\_\_\_  
**BUSINESS PHONE:** (714) 586-4400

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 13, 1995

Michael K. Clifford  
Transglobal Telecom Alliance  
104 North U.S. Route One  
Melbourne, FL 32935

RE: MUR 3485  
Victory Communications International,  
Inc., and Michael K. Clifford, as  
president

Dear Mr. Clifford:

Thank you for forwarding the CNP Directory for 1995.  
As you requested, I am returning the original to you.

If you wish to contact me, I can be reached at (202)  
219-3400.

Sincerely,

A handwritten signature in cursive script that reads "Holly J. Baker".

Holly J. Baker  
Attorney

Enclosure  
CNP Directory

26042755209



**Telephone Directory 1995**



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 13, 1995

Kevin King, Esq.  
King & Carragher  
34 Old Ivy Road, Suite 206  
Atlanta, GA 30342

RE: MUR 3485

Dear Mr. King:

This letter is to confirm that the deposition of Barbara King will take place on Friday, February 24, 1995, beginning at 1:30 p.m., at the United States Attorney's Office, 4th floor, of the Richard B. Russell Building, 75 Spring St., S.W., Atlanta, GA 30303.

If you have any questions, I can be contacted at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, reading "Holly J. Baker", is written over the typed name.

Holly J. Baker  
Attorney

03043755211

KEVIN S. KING  
JOSEPH R. CARRAGHER

KING & CARRAGHER  
ATTORNEYS AT LAW  
34 OLD IVY ROAD, N.E.  
ATLANTA, GEORGIA 30342

TELEPHONE  
404-240-2020  
FACSIMILE  
404-240-2022

February 13, 1995

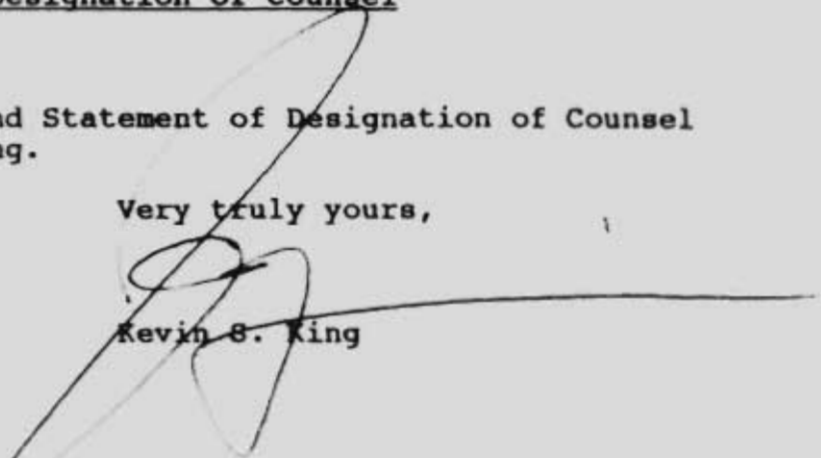
Holly J. Baker, Esq.  
Federal Election Commission  
999 E Street, N. W.  
Washington, D. C. 20463

Re: MUR 3485  
Statement of Designation of Counsel

Dear Holly:

Enclosed please find Statement of Designation of Counsel  
signed by Barbara T. King.

Very truly yours,

  
Kevin S. King

KSK:dw  
Enclosure  
cc: Myles V. Link, Esq.

5212



**STATEMENT OF DESIGNATION OF COUNSEL**

FEB 10 11 59 AM '95

NOA 3485

NAME OF COUNSEL:

Kevin S. King, Esq. -and-Myles V. Link, Esq.King & CarragherDewey Ballantine

ADDRESS:

42 Old Ivy Road, N. E.  
Atlanta, Georgia 303421775 Pennsylvania Ave, NW  
Washington, D.C. 20006-4605

TELEPHONE:

404-240-2020202-862-1000

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.

2-9-95  
DateBarbara J. King  
Signature

RESPONDENT'S NAME:

ADDRESS:

HOME PHONE:

BUSINESS PHONE:



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 21, 1995

Cary Davidson, Esq.  
Reed & Davidson  
777 S. Figueroa St.  
Suite 3400  
Los Angeles, CA 90017

RE: MUR 3485  
Barry Hon

Dear Mr. Davidson:

This letter is to confirm that the deposition of Barry Hon will be held on Wednesday, March 1, 1995, beginning at 10:00 a.m. At your request, it will be held in Laguna Hills at the United States Parole & Probation Office, Suite 101, 25257 Paseo De Alicia, Laguna Hills, CA 922653, (714) 454-9109.

If you have any questions, I can be contacted at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, reading "Holly J. Baker", is written over the typed name.

Holly J. Baker  
Attorney

93040755214

REED & DAVIDSON

ATTORNEYS AT LAW

777 SOUTH FIGUEROA STREET

SUITE 1700

LOS ANGELES, CALIFORNIA 90017

TELEPHONE (213) 624-6200

FACSIMILE (213) 623-1692

DANA W. REED  
CARY DAVIDSON

OF COUNSEL:  
DARRYL R. WOOD  
BRADLEY W. HERTZ

ORANGE COUNTY OFFICE  
315 AIRWAY AVENUE, SUITE 400  
COSTA MESA, CALIFORNIA 92626  
TELEPHONE (714) 841-8888  
FACSIMILE (714) 840-1003

February 21, 1995

Holly Baker, Esq.  
Federal Election Commission  
Office of General Counsel  
999 E. St. N.W., Washington, DC 20463

FEB 22 12 21 PM '95

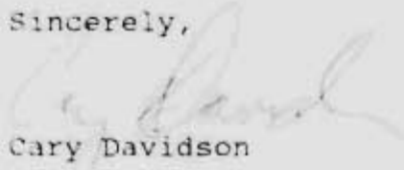
RE: MUR 3485 (Documents Requested of Mr. Barry Hon)

Dear Ms. Baker:

Pursuant to our telephone conversation of February 15, 1995, and your letter to Mr. Barry Hon dated January 12, 1995, our client hereby responds to the Subpoena to Produce Documents by providing the enclosed materials. The documents produced pertain or in some way relate to money Mr. Hon lent to Victory Communications in 1986, and/or pertain or in some way relate to the fundraising event which occurred in Anaheim, California on August 2, 1986.

In the near future, we will submit additional factual and legal materials relevant to the Commission's consideration of this matter. If you have any questions or further requests, please feel free to contact Dana Reed or me at our Los Angeles office. Otherwise, we will see you at 10 a.m. on March 1 for Mr. Hon's deposition in Laguna Hills.

Sincerely,

  
Cary Davidson

cc: Mr. Barry Hon

DAVIDSON

9 4 9 4 : 7 5 5 2 1 6

Feb 21 12 22 PM '95

Mr. Michael Rafton  
Chairman  
Central Banking System  
Post Office Box 8050  
Walnut Creek, California 94596

Dear Michael:

I am dictating this letter by telephone.

Enclosed please find my 1985 year-end financial statement to support our loan request for \$100,000. I will send you a signed copy of this statement as soon as I return home next week.

Best regards,

Barry G. Hen

BGR/jb

enclosure

BGH

BARRY G. HON

August 27, 1986

Mr. Leonard Blanchard  
Executive Vice President  
Central Bank  
1450 Treat Boulevard  
Walnut Creek, California 94596

Dear Mr. Blanchard:

I have now received the original promissory note from Victory Communications, as well as the Resolution of the Corporation and Assignment of First Proceeds for repayment of the loan.

Please wire transfer the \$100,000 we are borrowing from Central Bank to loan to Victory Communications to:

The Continental Bank  
6770 East Camelback Road  
Scottsdale, Arizona 85252

Account Number 024218440.

I would appreciate it if you would send me copies of the loan documents I returned to you while I was in Pebble Beach. I did not have access to a copy machine and need them for our records.

Best regards,

*Barry G. Hon*  
Barry G. Hon

BGH/jb

BARRY G. HON

November 11, 1986

Mr. Leonard Blanchard  
Executive Vice President  
Central Bank  
1450 Treat Boulevard  
Walnut Creek, California 94596

Dear Mr. Blanchard:

Enclosed please find our check in the amount of \$100,000  
which pays the principal in full on the note dated August  
22, 1986.

I would appreciate your billing me for the interest due.

Best regards,

*Barry G. Hon*

Barry G. Hon

BGH:sp

Enclosure

Copy: Mr. Michael Rafton

To: Barry Hon 51,972.60 10/21/86  
 For: Partial payment of Promissory Note dated August 11, 1986.

Principal	50,000.00
Interest	<u>1,972.60</u>
	51,972.60

Interest figured at 10% per annum, simple interest. 72 days from date of Promissory note. \$100,000.00 for the 72 days. Balance due on note is \$50,000.00.

**VICTORY**  
 COMMUNICATIONS INTERNATIONAL

VICTORY COMMUNICATIONS  
 INTERNATIONAL, INC.

6617 NORTH SCOTTSDALE ROAD SUITE 203 (602) 951-8444  
 SCOTTSDALE, ARIZONA 85253

CONTINENTAL BANK  
 Scottsdale Office  
 6770 East Camelback  
 Scottsdale, Arizona 85251

CHECK NO.

8326

91-119/1221  
 14162P 30T

DATE

10/21/86

AMOUNT

\$ \* \* \* 51,972.60 \* \* \*

PAY  
 Fifty one thousand nine hundred seventy two dollars and 60 cents \* \* \* \*

TO THE  
 ORDER OF

Barry Hon  
 Hon Development  
 25200 La Paz Rd., Suite 210  
 Laguna Hills, CA 92653

\*008326\* 000000000000 0204264400\*

ENTERED NOV 21 1986

±1000

DE-100300

CE: 40100

Comm. Phone Note



To: Barry Hon

50,136.99

10/31/86

Pay: Final payment on promissory note dated August 11, 1986.

Principal	50,000.00
Interest	<u>136.99</u>
Total	50,136.99

Interest figured at 10% per annum, simple interest. 10 days from last interest payment. Note paid in full.

**VICTORY**  
COMMUNICATIONS INTERNATIONAL

VICTORY COMMUNICATIONS  
INTERNATIONAL, INC.

6617 NORTH SCOTTSDALE ROAD SUITE 203 (602) 951-8444  
SCOTTSDALE, ARIZONA 85253

CONTINENTAL BANK  
Scottsdale Office  
6770 East Camelback  
Scottsdale, Arizona 85251

CHECK NO.

8541

91-119-1221  
14162P 307

DATE

10/31/86

AMOUNT

RAY  
\$ \* \* \* Fifth thousand one hundred thirty six dollars and 99 cents \* \* \* \* \* \$50,136.99 \* \*

TO THE  
ORDER OF Barry Hon



⑈00854⑈

⑈102210119⑈

02⑈4216440⑈

ENTERED NOV 2 1 38

⑈1000

⑈100300

⑈100000

flow into

TO: BARRY G. HON  
FROM: JEANNE BEAUCHAMP  
DATE: AUGUST 15, 1986  
RE: LOG OF INCOMING TELEPHONE CALLS

---

The following calls were received in this office today:

1. Wally Larson

Home

602 [REDACTED]  
602 [REDACTED]

Corporate Counsel for Victory Communications  
"Very anxious to receive your check. Please  
call."

[REDACTED]

2694-755221

[REDACTED]

[REDACTED]

[REDACTED]

10. Michael Clifford

602 951-8444

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

105222

TO: HARRY T. HON  
FROM: JEANNE BEAUCHAMP  
DATE: AUGUST 20, 1986  
RE: LOG OF INCOMING TELEPHONE MESSAGES

---

The following telephone messages were left in this office today:

1.\*\* Michael Clifford

Hotel 202 638-2626  
room 714

Willard is beautiful! Is desperately seeking  
your help - spoke to Pat who said get on your  
knees and beg...has no where else to turn...is  
\$47,000 overdrawn and bank will begin returning  
checks on Thursday. Please help.

2.\*\* Michael Haffon

"This is an urgent matter."

415 948-4900

1671 / 55224

AUGUST 22, 1986

• [REDACTED] [REDACTED]  
• [REDACTED] [REDACTED]  
• [REDACTED] [REDACTED]  
• [REDACTED] [REDACTED]  
• [REDACTED] [REDACTED]  
• [REDACTED] [REDACTED]  
• [REDACTED] [REDACTED]  
• [REDACTED] [REDACTED]

AUGUST 25, 1986

1. • Mike Federick - Victory

602 861-6444

• [REDACTED] [REDACTED]  
• [REDACTED] [REDACTED]  
• [REDACTED] [REDACTED]  
• [REDACTED] [REDACTED]

4 5 2 5

100

**RESEARCH DESIGN**

**100**

622 246-9222

**SECRET**

**SECRET**

602 552-8444

**THE**

~~\_\_\_\_\_~~

**SECRET**

TO: BARRY S. NOD  
FROM: DEANNE DEAMERANE  
DATE: AUGUST 20, 1986  
RE: LOG OF INCOMING TELEPHONE MESSAGES

---

The following telephone messages were left in this office August 20:

• [REDACTED] • [REDACTED]

1. \*\* Michael Clifford Hotel 202 638-2626  
URGENT!! room 714

• [REDACTED] • [REDACTED]

• [REDACTED] • [REDACTED]

• [REDACTED] • [REDACTED]

• [REDACTED] • [REDACTED]  
• [REDACTED] • [REDACTED]

2. \*\* Michael Patton 415 846-4900  
"This is an urgent matter."

AUGUST 21, 1986

• [REDACTED] • [REDACTED]

• [REDACTED] • [REDACTED]

7 6 0 4 7 5 5 2 2 6



TO: BARRY G. HON  
FROM: JEANNE BEAUCHAMP  
DATE: AUGUST 27, 1986  
RE: LOG OF INCOMING TELEPHONE CALLS

9 6 0 4 3 7 5 5 2 2 7

11. Leonard Blanchard  
Received all instructions and wire transfer  
has been completed.

12. Michael Clifford  
THANK YOU, THANK YOU, THANK YOU!!!

804 461-5954

TO: SACNY W. 100  
FROM: SEANTY HEADSTAMP  
DATE: AUGUST 22, 1942  
RE: ACTIVITIES DURING THE WEEK OF AUGUST 10, 1942

---

Action was taken on the following report:

[REDACTED]

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

TO: BARRY G. HON  
FROM: JEANNE BEAUCHAMP  
DATE: AUGUST 29, 1986  
RE: ACTIVITIES DURING THE WEEK OF AUGUST 25, 1986

---

- 96041755229
2. Returned by Federal Express various documents to Michael Clifford at Victory Communications to his temporary address in Indianapolis.

3. Telecopied and mailed a letter to Central Bank (Leonard Blanchard) re arrangements for loan to Victory Communications.

● [REDACTED]

● [REDACTED]

12. Letter sent to Michael Clifford re photographs of Dr. Dobson taken on August 2.

● [REDACTED]

9 5 0 4 7 5 5 2 0



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

In the Matter of

AMERICANS FOR ROBERTSON et al  
(R. MARC NUTTLE)

MUR 3485

**MOTION OF TO DISMISS  
RESPONDENT R. MARC NUTTLE**

R. Marc Nuttle, Esquire, a Respondent in these proceedings, moves to dismiss Respondent Nuttle upon the ground the Federal Election Commission ("FEC") is precluded from litigating any penalty action against him were FEC to find a violation and seek to do so.

Whatever events occurred took place more than five years previous to the date of this Motion, and, consequently, more than five years previous to the earliest date FEC could file any penalty action in the United States District Court. 28 USC §2462; *FEC v National Senatorial Senate Committee*, Civil Action # 93-1612 (DC, February 24, 1995).

The events, if any, which allegedly give rise to the proceedings in MUR 3485 to the extent they relate to Respondent Nuttle occurred during the period 1986 to March 8, 1988 and, therefore, already, without further FEC proceedings, are precluded by §2462, which is not tolled during FEC administrative proceedings. *Ibid.*, at 8.

Although not required to do so, Respondent has repeatedly invoked the statute of limitations.

1. Affidavit (July 23, 1993), ¶24, at 19 of 20.
2. Answer to Interrogatories (July 23, 1993), ## 4, 5, 6, 7, 8, 9, 10, 11, 12.
3. Answer to Request for Production (July 23, 1993), ## 4, 5, 6, 7.
4. Answer [by Counsel] (July 23, 1993), §IV, at 8 - 9.
5. Answer to Interrogatories (April 25, 1994), ## 4, 5, 6, 7, 8, 9, 10.
6. Answer to Request for Production (April 25, 1994), ## 1, 2, 3, 4, 5, 6.

FEC has not acted.

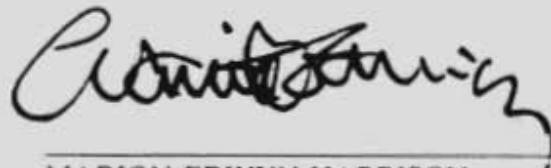
As the Court pertinently states in *National Senatorial Senate Committee*, FEC "is precluded from recovering penalties ... by the five year statute of limitation contained in 28 USC §2462.



In a country, where not even treason can be prosecuted, [sic] after a lapse of three years, it could scarcely be supposed, [sic] that an individual would remain forever liable to a pecuniary forfeiture."

*Ibid.*, at 12, quoting *3M v Browner*, 17 F 3d, 1457 (DC Cir, 1994), citing *Adams v Woods*, 6 US (2 Cranch) 336, 341 (1805).

Premises considered, FEC is required to dismiss Respondent Nuttle because, regardless of the outcome of the FEC Nuttle investigation, FEC can bring no enforcement action against Respondent Nuttle and FEC has no power to self-enforce.



MARION EDWYN HARRISON  
LAW OFFICES MARION EDWYN HARRISON  
107 Park Washington Court  
Falls Church, Virginia 22046  
703 532-0303

March 31, 1995



Mar 6 10 00 AM '95

Edwin L. Hoffman  
Associate General Counsel

3120 Breckinridge Boulevard  
Duluth, Georgia 30199-0001  
(404) 381-1000  
(404) 564-6114 Direct  
(404) 564-6129 Fax

March 2, 1995

Holly J. Baker, Esq.  
Federal Election Commission  
Washington, D.C. 20463

Re: MUR 3485  
Response of Primerica Financial Services, Inc. to  
Subpoena to Produce Documents and Order to Submit  
Written Answers

Dear Ms. Baker:

In connection with the above-referenced matter, enclosed  
is the response of Primerica Financial Services, Inc. to the  
Subpoena to Produce Documents and Order to Submit Written  
Answers.

Very truly yours,

A handwritten signature of Edwin L. Hoffman in dark ink.  
Edwin L. Hoffman

ELH/tc

Enclosure

*Because It's Your Future*

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
)

MUR 3485

**RESPONSE OF PRIMERICA FINANCIAL SERVICES, INC.**  
**TO SUBPOENA TO PRODUCE DOCUMENTS AND**  
**ORDER TO SUBMIT WRITTEN ANSWERS**

NOW COMES Primerica Financial Services, Inc. ("PFS"), and responds to the Federal Election Commission's Subpoena to Produce Documents and Order to Submit Written Answers by submitting the following responses of Alexis Ginn, Vice President and Deputy General Counsel, who, first being duly sworn, deposes and says the following:

PREAMBLE

Before responding to the individual document requests and interrogatories, PFS points out that it did not come into existence until February 20, 1991, whereas these discovery requests specifically refer to the time period from June, 1986, through March, 1988.

Furthermore, PFS has never had any direct corporate relationship to the entity referred to in these discovery requests as "ALW-TV." In fact, the Federal Communications Commission originally issued broadcast license authorization to A.L. Williams Administrative Services, Inc., which subsequently transferred that license in approximately October, 1988 to ALW Media Management, Inc. In turn, ALW Media Management, Inc. transferred that license in approximately December, 1994 to Primerica Life Insurance Company, an affiliate of PFS.

Nevertheless, in an effort to cooperate as fully as possible with these discovery requests, PFS has made diligent inquiry and provides the following specific responses:

#### DOCUMENT REQUESTS

1. Please provide video cassettes, transcripts, and program logs of all portions of all programs transmitted on ALW-TV from June 1986 through March 1988 in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall, Washington, D.C., on September 17, 1986 are mentioned.

Response: PFS has been able to identify no documents responsive to this request; however, the attached TV Studio calendar from September, 1986, reflects that one segment of the broadcast on September 15, 1986, involved a topic noted as: "700 Club - Old Pat Robertson Interview." PFS does not have a videocassette, transcript, or any other documentation related to that broadcast.

2. Please provide a copy of the videotape containing A.L. Williams' speech at the September 17, 1986 Constitution Hall event that was produced by ALW-TV in 1986.

Response: PFS has no such videotape.

3. Please provide all documents, including but not limited to, interoffice memoranda, contracts, correspondence, phone memoranda, agreements, purchase orders, invoices, and copies of checks that involve: (a) the production of the videotape of

Document Request #2; (b) the sale, rental, distribution, and transmission of the videotape of Document Request #2.

Response: PFS has no such documents.

4. For all costs itemized in Interrogatory #3, please provide all documents, including but not limited to, receipts, invoices, contracts, purchase orders, memoranda, agreements, and copies of checks evidencing those costs.

Response: PFS has no such documents.

#### INTERROGATORIES

1. Please provide a list of dates of all instances when ALW-TV transmitted programs in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall on September 17, 1986, were mentioned.

Response: PFS is unable to identify the dates of any such instances; however, there is a reference dated September 15, 1987, on the calendar produced in response to Request for Production No. 1 which refers to: "700 Club - Old Pat Robertson Interview."

2. For each date given in Interrogatory #1, indicate the number of downlinks receiving each program, the length of each segment, and the cost per minute of transmitting each program.

Response: PFS is unable to identify any such instances, and PFS has no information regarding the remainder of this interrogatory.

3. For the videotape of A.L. Williams' speech at Constitution Hall in September 1986 in Document Request #2, provide an itemization of all costs incurred to produce and to transmit that videotape on ALW-TV.

Response: PFS has no information responsive to this interrogatory.

4. Indicate the number of videotapes containing A.L. Williams' speech at Constitution Hall in September 1986 that were sold and the price charged for each copy.

Response: PFS has no records indicating that such videotapes were ever sold.

Respectfully submitted,

Primerica Financial Services, Inc.

By:

Alexis Ginn  
Alexis Ginn  
Vice President and  
Deputy General Counsel

Sworn to and subscribed  
before me this 2nd day  
of March, 1995.

Danda Hall  
Notary Public

My commission expires:

Notary Public, State of Georgia  
My Commission Expires October 25, 1999

BEFORE THE FEDERAL ELECTION COMMISSION

APR 5 3 10 PM '95

In the Matter of )  
 )  
Americans for Robertson, Inc. )  
and Frederick H. Shafer, )  
as treasurer, et al. )  
 )

MUR 3485

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. ISSUE

This Report concerns A.L. Williams' advertising of the September 17, 1986 event at Constitution Hall in support of Pat Robertson's presidential campaign. It asks the Commission to authorize a document subpoena and interrogatories to A.L. Williams for videotapes, along with related documents, of the transmissions that A.L. Williams made to his agents over his private satellite communications system about the Constitution Hall event.

II. BACKGROUND

Previously, this Office deposed Mr. Williams, president, and Barbara King, former vice president, at Management Financial Services, Inc. (a/k/a "A.L. Williams"; formerly A.L. Williams & Associates and A.L. Williams Administrative Services). The Commission also issued a Subpoena and Order to Primerica Financial Services ("Primerica"), the purchaser of certain of A.L. Williams' corporate assets, to produce, inter alia, tapes and documents of any transmissions made over the satellite system, then called ALW-TV, in which Pat Robertson and/or the Constitution Hall event were mentioned. See General Counsel's Report dated January 23, 1995. Mr. Williams, in his deposition of



December 12, 1994, had stated that Primerica, to which he had sold his company, would likely have the tapes in a "warehouse somewhere." Attachment 1, Deposition of Arthur L. Williams, Jr. at 104. He also identified Barbara King as the person most knowledgeable about the transmissions. Barbara King served as a vice president for A.L. Williams and continues in a similar capacity at Primerica. Mrs. King consistently suggested in her February 24, 1995 deposition that if any documents or tapes still existed, Primerica would have them. Attachment 2, Deposition of Barbara King at 52-56.

Primerica indicated in its response to the Commission's Subpoena and Order that it had no responsive tapes or documents. Attachment 3. In an April 3 follow-up conversation, Primerica's in-house counsel stated that Mrs. King had told in-house counsel that Primerica does not have the requested documents or tapes in its archives because they had been given in the late 1980's to Myles Lynk, counsel for Mr. Williams and Barbara King, in connection with Mr. Lynk's representation of Mr. Williams and his corporations.

The attached Subpoena and Order to A.L. Williams asks for the same information as the previous Subpoena and Order asked of Primerica. At present, this Office has in its possession tapes produced in response to the Commission's Subpoena in MUR 2668 (Friends of Mattingly); consequently, the references to Pat Robertson are only incidental rather than complete. All the tapes in which A.L. Williams promoted

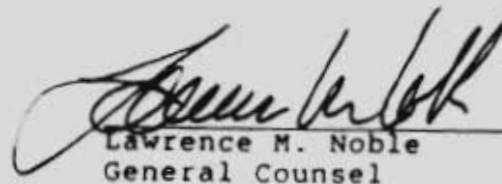
Pat Robertson's campaign are needed in order to determine how extensive the general advertising was and how much A.L. Williams contributed to Pat Robertson's campaign.

III. RECOMMENDATION

1. Authorize the attached Subpoena to Produce Documents and Order to Submit Written Answers to Management Financial Services, Inc. and Arthur L. Williams, as president.

Date

4/5/95

  
Lawrence M. Noble  
General Counsel

Attachments

1. A.L. Williams deposition excerpt
2. Barbara King deposition excerpt
3. Primerica's Response to Subpoena and Order
4. Subpoena and Order to A.L. Williams

Attorney Assigned: Holly Baker

9604375522

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Americans for Robertson, Inc.  
and Frederick H. Shafer, as  
treasurer, et al.

)  
)  
) MUR 3485  
)  
)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on April 7, 1995, the Commission decided by a vote of 6-0 to authorize the Subpoena to Produce Documents and Order to Submit Written Answers to Management Financial Services, Inc. and Arthur L. Williams, as president, as recommended in the General Counsel's Report dated April 5, 1995.

Commissioners Aikens, Elliott, McDonald, McGarry, Potter, and Thomas voted affirmatively for the decision.

Attest:

4-9-95  
Date

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

Received in the Secretariat: Wed., April 05, 1995 3:08 p.m.  
Circulated to the Commission: Thurs., April 06, 1995 11:00 a.m.  
Deadline for vote: Fri., April 07, 1995 4:00 p.m.

bjr

26040755243



FEDERAL ELECTION COMMISSION  
WASHINGTON D.C. 20463

April 11, 1995

VIA HAND DELIVERY

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Mr. Lynk:

Pursuant to its investigation in the above-referenced matter, the Commission has issued the attached Subpoena and Order requiring your clients to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

Primerica has informed the Commission that the requested information, tapes, and documents were in the past turned over to you as part of your continuing representation of Mr. Williams and Management Financial Services, Inc.

Written answers and requested documents must be forwarded within 15 days of your receipt of the Commission's Subpoena and Order.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, reading "Holly J. Baker", is written over a horizontal line.

Holly J. Baker  
Attorney

Enclosure  
Subpoena and Order

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Management Financial Services, Inc.  
and Arthur L. Williams, Jr.  
c/o Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

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.

Management Financial Services, Inc.,  
and Arthur L. Williams, Jr.  
Page 2

WHEREFORE, the Vice Chairman of the Federal Election  
Commission has hereunto set her hand in Washington, D.C. on  
this *11<sup>th</sup>*, day of *April* 1995.

For the Commission,

*Lee Ann Elliott*  
\_\_\_\_\_  
Lee Ann Elliott  
Vice Chairman

ATTEST:

*Marjorie W. Emmons*  
\_\_\_\_\_  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions and Definitions (2 pages)  
Document Requests (1 page)  
Questions (1 page)

96043755246

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 June 1986 through March 1988.

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 listed below are defined as follows:

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

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known 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.

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

DOCUMENT REQUEST

1. Please provide video cassettes, transcripts, and program logs of all portions of all programs transmitted on ALW-TV from June 1986 through March 1988 in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall, Washington, D.C., on September 17, 1986 are mentioned.
2. Please provide a copy of the videotape containing A.L. Williams' speech at the September 17, 1986 Constitution Hall event that was produced by ALW-TV in 1986.
3. Please provide all documents, including but not limited to, inter-office memoranda, contracts, correspondence, phone memoranda, agreements, purchase orders, invoices, and copies of checks that involve:
  - a. the production of the videotape of Document Request #2;
  - b. the sale, rental, distribution, and transmission of the videotape of Document Request #2;
4. For all costs itemized in Interrogatory #3, please provide all documents, including but not limited to, receipts, invoices, contracts, purchase orders, memoranda, agreements, and copies of checks evidencing those costs.

INTERROGATORIES

1. Please provide a list of dates of all instances when ALW-TV transmitted programs in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall on September 17, 1986 were mentioned.

2. For each date given in Interrogatory #1, indicate the number of downlinks receiving each program, the length of each segment, and the cost per minute of transmitting each program.

3. For the videotape of A.L. Williams' speech at Constitution Hall in September 1986 in Document Request #2, provide an itemization of all costs incurred to produce and to transmit that videotape on ALW-TV.

4. Indicate the number of videotapes containing A.L. Williams' speech at Constitution Hall in September 1986 that were sold and the price charged for each copy.

5. For tapes and documents in Document Requests #1 and #3, if the tapes and/or documents are no longer in your possession, indicate:

- a. when the tapes/documents were in your possession;
- b. who else had possession and the dates;
- c. if destroyed, who destroyed them, when, where, and under what circumstances.



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

April 13, 1995

VIA HAND DELIVERY

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

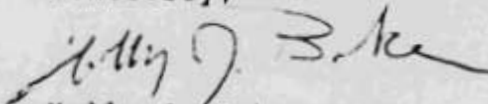
Dear Mr. Lynk:

The enclosed copies of the Commission's Subpoena and Order along with my cover letter dated April 11, 1995 were inadvertently sent to you by first class mail rather than delivered by hand on April 11, 1995. If you have not yet received the originals, you should do so soon.

Because you did not receive the Commission's Subpoena and Order on April 11, 1995, the response is not due until 15 days from today.

If you have any questions, I can be contacted at (202) 219-3400.

Sincerely,

  
Holly J. Baker  
Attorney

Enclosures

Copies of cover letter and  
Subpoena and Order dated  
April 11, 1995

APR 11 10 07 AM '95

WILEY, REIN & FIELDING

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

JAN WITOLD BARAN  
(202) 429-7330

April 12, 1995

FACSIMILE  
(202) 429-7049  
TELEX 248349 WYRN UR

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attn: Tony Buckley, Esq.

Re: MUR 3485 (The Christian Broadcasting Network,  
Inc., KXTX, Inc., and Airplanes, Inc.)

Dear Mr. Noble:

It has been more than one year since The Christian Broadcasting Network, Inc., KXTX, Inc., and Airplanes, Inc. (collectively "Respondents") have had any correspondence from the Federal Election Commission with respect to Matter Under Review 3485.

Respondents wish to bring the following points to your attention. The Commission's initial reason to believe findings against Respondents were made either on January 12, 1993 or March 23, 1993.<sup>1</sup> Each Respondent was notified of the Commission's actions by letter dated April 12, 1993, which enclosed subpoenas. Subsequent to the issuance of these subpoenas Respondents met with Commission staff on several occasions. During these meetings Respondents suggested settlement of this matter. However, Respondents were told that the General Counsel's Office would not recommend conciliation at that time. After negotiating with the Commission regarding the scope of the subpoenas, Respondents produced voluminous documentation to the Commission between June 17 and June 30, 1993.

Respondents are unsure exactly what date the findings were made because this information was not divulged by the Commission.

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Lawrence M. Noble, Esq.  
April 12, 1995  
Page 2

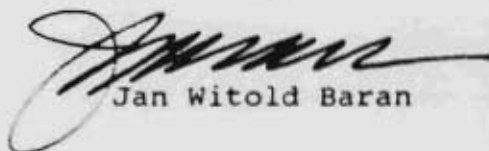
On January 25, 1994, Respondents objected to all past and future activity in MUR 3485 attributable to the actions of the unconstitutional agency based on the United States Court of Appeals for the District of Columbia Circuit decision in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993). Our objection included, but was not limited to any "ratification" of actions tainted by deliberations influenced by the presence of non-executive branch personnel.

On February 18, 1994, the Commission notified Respondents that the Commission "revoted" to find reason to believe that Respondents violated the Act and reissued subpoenas. This new reason to believe vote came nearly six years after any activity alleged to constitute a violation. On March 25, 1994, Respondents reiterated their objection to the Commission proceedings and without waiving any objections, responded to the Commission's new subpoenas.

Respondents have heard nothing from the Commission since that time. However, it is our understanding that the Commission is still in the process of discovery and is still unprepared to enter into pre-probable cause conciliation with any party.

This proceeding by the Commission is inconsistent with the Statute of Limitations found at 28 U.S.C. § 2462. That provision provides that the Commission is precluded from suing for any civil penalties after five years from the date of any alleged violation. FEC v. National Republican Senatorial Committee, No. 93-1612 (JHP) (D.D.C. Feb. 24, 1995). See also 3M Co. v. Browner, 17 F.3d 1453 (D.C. Cir. 1994). The activity in question here occurred in 1987 and 1988, more than five years before the commencement of this proceeding and more than seven years before today. Under these circumstances, I suggest that this would be an appropriate time for the Commission to dismiss this matter.

Sincerely,



Jan Witold Baran



DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20004-6605  
TELEPHONE 202 642-3000 FACSIMILE 202 642-1091

MYLES V. LYNE  
202 642-1047

April 26, 1995

HAND DELIVERED

Holly J. Baker, Esq.  
Staff Attorney  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Ms. Baker:

Thank you for your letters dated April 11, 1995 and April 13, 1995, which I received together with the subpoena and Order from the Federal Election Commission to the above-named respondents, directing them to produce documents and to submit written answers to interrogatories.

You indicate in your letters that the respondents have 15 days from April 13, 1995 within which to respond to the subpoena and Order. I am writing now on their behalf to request an extension of time, to May 15, 1995, within which to respond to the subpoena and the Order, for the reason that the respondents have not been able to locate the information requested within the time allowed by your letter of April 13.

Also, in your letter of April 11, 1995 you state that Primerica has informed the Commission that the requested information, tapes and documents were in the past turned over to me. I am not quite sure what this statement means, and therefore request that you forward to me a copy of Primerica's statement, so that I may determine what it is that they claim to have turned over to me. To my knowledge, I do not have in my possession any of the information, tapes and documents requested by the Commission's subpoena. The Primerica response may be referring to the material which has already been produced to the Commission in response to earlier subpoenas and Orders directed to



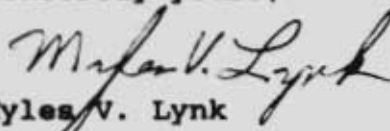
Holly J. Baker, Esq.  
April 26, 1995  
Page 2

Management Financial Services, Inc., or its officers or employees.

Finally, it would be helpful if Mr. Arthur L. Williams, Jr., and Ms. Barbara King could review and sign their deposition transcripts. To date, I have not received those transcripts from you for their review and signature. I would appreciate it if you would send them to me at your earliest convenience.

With appreciation for your consideration of our requests, I am,

Sincerely yours,

  
Myles V. Lynk

MVL:ao

96043755255



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 28, 1995

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Donald W. Miracle  
2030 E. Redfield Rd.  
Tempe, AZ 85283

RE: MUR 3485

Dear Mr. Miracle:

On April 12, 1993, and February 18, 1994, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441a(a)(1)(A) and 2 U.S.C. § 441b(a), provisions of the Federal Election Campaign Act of 1971, as amended.

As discussed in our conversation of April 26, 1995, pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring you to appear and give sworn testimony on May 16, 1995 which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code.

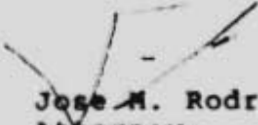
You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$40, plus mileage. Subsequent to the deposition, you will be sent a check for the witness fee and mileage.

MUR 3485  
Donald W. Miracle  
Page 2

Should you have any questions, please contact me at (202)  
219-3690.

Sincerely,



Jose M. Rodriguez  
Attorney

Enclosure  
Subpoena

155201

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 3485  
)

SUBPOENA

TO: Donald W. Miracle  
2030 E. Redfield Rd.  
Tempe, AZ 85283

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to MUR 3485. Notice is hereby given that the deposition is to be taken on Tuesday, May 16, 1995, in Room 657 at the Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, beginning at 9:30 a.m. and continuing each day thereafter as necessary.


WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 28th day of April, 1995.

For the Commission,



Danny L. McDonald  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 8, 1995

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Mr. Lynk:

In accordance with your request, the deadline has been extended until May 15, 1995 for your clients to comply fully with the Commission's Subpoena and Order dated April 11, 1995.

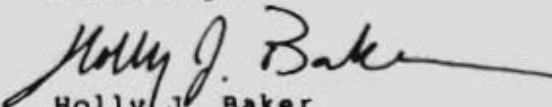
If you are not now in possession of documents and/or tapes responsive to the Commission's Subpoena and Order, please so indicate in the response.

Regarding your request that you be provided copies of the deposition transcripts of Mr. Williams and Ms. King for your clients to review and sign, as indicated in my letters to you dated January 10, 1995 and March 28, 1995 (copies enclosed), the Commission has made provisions for Mr. Williams and Ms. King to review and sign their transcripts at the office of the court reporter in Atlanta. This location should obviate the concern you expressed in your letter of March 30, 1995 to the General Counsel about witnesses' travel to a court reporter's office working a hardship on them, as you requested Mr. Williams' deposition be conducted in Atlanta, it is near where Mr. Williams owns property and spends part of each month, and it is near Ms. King's place of employment and residence. However, if a court reporter's office in another city would be more convenient for your clients, please let me know.

Myles Lynk, Esq.  
Page 2

If you have any questions, you may contact me at (202)  
219-3400.

Sincerely,

  
Holly J. Baker  
Attorney

Enclosures

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**DEWEY BALLANTINE**

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-6606  
TELEPHONE 202 662-1000 FACSIMILE 202 662-1093

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL

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May 10, 1995

MYLES V. LYNE  
202 662-1047

**HAND DELIVERED**

Holly J. Baker, Esq.  
Staff Attorney  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Ms. Baker:

Today I received your letter dated May 8, 1995.

I note that you did not respond to my request, made in my letter to you of April 26, 1995, that you furnish me with a copy of your correspondence with Primerica Financial Services, Inc. ("PFS") which clarifies what material PFS states it has provided to me that may be responsive to the Commission's Subpoena and Order. I therefore reiterate my request that you furnish me with this information or indicate to me that you will not furnish me with this information. While we have located some material that I believe may be responsive to the subpoena in part, I am concerned that, in the absence of the information we requested, we may not be able to provide a complete response to the Commission's Subpoena and Order.

You will, of course, not be surprised to know that in our view, the Commission's Subpoena and Order is extremely burdensome to the respondents, seeks some information which we believe is not a proper subject of this investigation, and seeks other information which we understand may have previously been provided to the Commission. We may therefore object to some or all of the demands in the Subpoena and Order for documents, other materials and information. In any event, I cannot be sure at this time that we will be able to respond to the Subpoena and Order by Monday, May 15.

Finally, I must also renew our request that we be provided with the deposition transcripts for Mr. Williams and Ms. Barbara King, for them to review and sign. The provision of deposition transcripts to witnesses who have been deposed at depositions



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MVL:ao

Very truly yours,

Myles V. Lynk



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**FAXED**

May 12, 1995

VIA FACSIMILE

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Mr. Lynk:

This letter is in response to your letter dated May 10, 1995.

Regarding your concern that you might not be able to provide a complete response to the Commission's Subpoena and Order of April 11, 1995 absent "a copy of [the FEC's] correspondence with Primerica Financial Services, Inc. ("PFS") which clarifies what material PFS stated it has provided" to you, this Office notes that compliance with the Commission's Subpoena in no way depends on Primerica's representations to the Commission. If there is any ambiguity in the Subpoena that I could help clarify, please let me know.

If you are unable to comply completely with the Commission's Subpoena and Order by May 15, 1995, please make a partial submission on that date and indicate what materials are still outstanding and the date by which you will produce those materials.

As for your policy proposal to the General Counsel regarding how to make it easier for witnesses and respondents to review the transcripts of their depositions, the General Counsel has asked me to inform you that he has taken your proposal under advisement. With regard to your specific request in this matter, please be advised this Office intends to forward the request to the Commission for its consideration.

Myles V. Lynk, Esq.  
MUR 3485  
Page 2

Last, in view of the heated discussion you initiated, at the conclusion of Barbara King's deposition, on the very subject of transcript availability, I am at a complete loss to understand your representation that "In fact, at these depositions you did not indicate that you would not be sending the witnesses copies of their deposition transcripts . . . ."

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Holly J. Baker  
Holly J. Baker  
Attorney

9604375524

## DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20004-6045  
TELEPHONE 202 692-2000 FACSIMILE 202 692-2070

May 13, 1995

MYLES V. LYNK  
202 692-2047

SENT VIA TELEFAX

Holly J. Baker, Esq.  
Attorney  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D. C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services Inc.

Dear Ms. Baker:

Thank you for your letter dated May 12, 1995, in response to mine of May 10. I am writing now to respond to your statements in paragraph five of your letter.

In my May 10 letter to you I erred in my reference to "these depositions" when I mentioned that you did not indicate that you would not be sending the witnesses copies of their deposition transcripts. I was, of course, referring only to Mr. Williams' deposition. The sentence in which the phrase, "these depositions," appears should have read, "In fact, at Mr. Williams' deposition you did not indicate that you would not be sending the witnesses copies of their deposition transcripts." I apologize for this error. By the time of Mrs. Barbara King's deposition, some two months after Mr. Williams' deposition, we were aware of your position that you would not send the witnesses copies of their deposition transcripts for their review and signature.

Please also be advised that I will be away from my office for most of the day on Monday, May 15, to attend an arbitration proceeding in White Plains, New York. We will nonetheless attempt to respond to the Commission's April 11 Subpoena and Order on May 15. It is, however, possible that our response will be delayed until Tuesday, May 16. If you need to reach me on May 15, I can be reached at the American Arbitration Association office in White Plains, New York, at (914) 946-1119.

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

NEW YORK WASHINGTON LOS ANGELES LONDON HONG KONG BUDAPEST PRAGUE WARSAW

TOTAL P.02

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DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-4605  
TELEPHONE 202 862-1000 FACSIMILE 202 862-1093

May 16, 1995

VIA FACSIMILE

Holly Baker, Esq.  
Attorney  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, D.C. 20463

Re: MUR 3485  
Management Financial Services, Inc.  
and Arthur L. Williams, Jr.

Dear Ms. Baker:

I am writing to bring you up-to-date on the above referenced Respondents' efforts to respond to the Commission's April 11, 1995 Subpoena and Order in MUR 3485.

We had earlier requested an extension of time until Monday, May 15, within which to respond to the Subpoena and Order. The original fifteen day response period was simply not adequate for the Respondents to determine whether any of the material requested, most of which had been prepared nine years ago, was presently in their possession. It has now become apparent, as I indicated might be the case in my letter to you of May 13, that an additional fifteen days has not been sufficient for the Respondents to determine conclusively what information, responsive to the request for documents and the interrogatories, is available to them for production to the Commission; Respondents do not interpret the Commission's Subpoena and Order as requiring them to create documents which do not otherwise exist. Also, we had asked you to send us the information you alluded to in your letter of April 11, which might have helped us locate this material more quickly. By your letter of May 12, 1995, you indicated that you would not furnish this information to us.

In my letter of May 13 I indicated that the Respondents would endeavor to complete their production by Monday, May 15, but might need until Tuesday, May 16, to do so. Yesterday you spoke with my associate, Michael Geroe, Esq., who indicated to you that the Respondents would not be able to complete their production by May 15. You graciously agreed on behalf of the Commission to an extension of time until Tuesday, May 16, for the Respondents to respond to the Subpoena and Order. Now, I am writing to you on behalf of the Respondents to advise you that

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Holly Baker, Esq.  
May 16, 1995  
Page 2

they will not be able to submit today a response to the Subpoena and Order for the reasons indicated above, and to request a further extension of time until Friday, May 19, within which to submit a response.

In this regard, may I also request from the Commission a definition of the term, "program logs," as used in document request number one. There is some ambiguity as to the meaning of that term as used in this request, and it would be helpful if we could resolve it.

Also, as I indicated in my letter to you of May 10, the Respondents do have various objections to the Subpoena and Order. Please permit me to identify them for you now, in the event that your response to these comments could help to resolve them.

First, the April 11 Subpoena and Order are overbroad. For example, the request for videotapes of all programs transmitted on ALW-TV between June 1986 and March 1988 that mention the Rev. Marion "Pat" Robertson is overbroad; no reason has been offered as to why the period of time covered by the request should extend to March 1988, and the subject matter of the request should properly be limited to videotapes that mention Pat Robertson in the context of the 1988 Presidential campaign only. Other references to Rev. Robertson, if any, would appear to be beyond the scope of the Commission's investigation.

Second, the Subpoena and Order are duplicative; they seek information which has already been submitted by these Respondents to the Commission and is a matter of public record. Respondents do not interpret the Subpoena and Order as requiring them to locate documents and other materials nine years after these materials were produced, and two years after this investigation was begun, if these materials have already been furnished to the Commission.

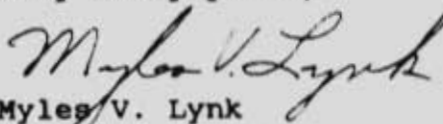
These objections are made in light of the Commission's refusal to grant these Respondents' motion to quash or modify an earlier Subpoena and Order directed to them in this MUR, and Respondents view that it would be ineffectual to again file such a motion with the Commission. These objections are also made in light of the Respondents' view that this investigation, into activities that took place before the Rev. Robertson was a declared candidate for President of the United States, is beyond the scope of the Commission's statutory authority and seeks information protected under the First Amendment to the Constitution of the United States.

Holly Baker, Esq.  
May 16, 1995  
Page 3

Finally, we appreciate your statement in your letter of May 12 that you have forwarded our request for Respondent Arthur L. Williams, Jr., to review the transcript of his December 12, 1994 deposition with his counsel, at a place of his choosing, to the Commission for its consideration. As you know, for the past five months, you have been able to examine his deposition transcript, while neither Mr. Williams nor his counsel have seen it. This does not comport with traditional notions of fairness and due process in federal administrative proceedings.

Nonetheless, in an effort to facilitate the resolution of this investigation as quickly as possible, Respondents are continuing their efforts to respond to the Commission's Subpoena and Order of April 11, 1995. They request a further extension of time, until Friday, May 19, 1995, within which to do so. With appreciation for your consideration of this request, I am

Very truly yours,

  
Myles V. Lynk

cc: Kevin S. King, Esq.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 3485  
R. Marc Nuttle; )  
Christian Broadcasting Network, )  
Inc.; )  
KXTX, Inc. (formerly CBN )  
Continental Broadcasting, Inc.; )  
Airplanes, Inc. )

CERTIFICATION

96040755209  
I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on May 16, 1995, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 3485:

1. Deny the "Motion of to [sic] Dismiss Respondent R. Marc Nuttle."
2. Deny the motion of the Christian Broadcasting Network, Inc., KXTX, Inc. (formerly CBN Continental Broadcasting, Inc.), and Airplanes, Inc. to close MUR 3485.
3. Approve the appropriate letter.
4. Continue to pursue this matter.

Commissioners Aikens, Elliott, McDonald, McGarry, and Thomas voted affirmatively for the decision; Commissioner Potter recused himself from this matter and was not present during its consideration.

Attest:

5-19-95  
Date

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



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20461

May 22, 1995

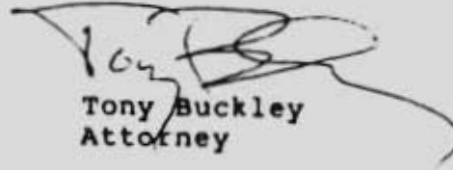
Marion Edwyn Harrison, Esq.  
107 Park Washington Court  
Falls Church, Virginia 22046

RE: MUR 3485  
R. Marc Nuttle

Dear Mr. Harrison:

On May 16, 1995, the Federal Election Commission considered your motion to have your client, R. Marc Nuttle, dismissed as a respondent in MUR 3485. The Commission denied your motion and determined specifically to continue to pursue this matter. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

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FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20461

May 22, 1995

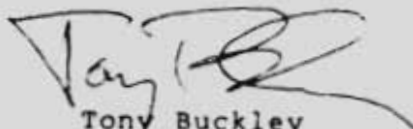
Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

RE: MUR 3485  
Christian Broadcasting Network, Inc.;  
KXTX, Inc.; and Airplanes, Inc.

Dear Mr. Baran:

On May 16, 1995, the Federal Election Commission considered the suggestion made in your April 12, 1995 letter to this Office that it dismiss this matter. The Commission declined your suggestion and instead determined specifically to continue to pursue this matter. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

2604075521

LAW OFFICES  
**MARION EDWYN HARRISON**

WASHINGTON  
FALLS CHURCH  
ZURICH

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

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MARION EDWYN HARRISON (DC, VA)  
JOHN S. BAKER, JR. (DC, LA)  
DANIEL M. REDMOND (DC)

TELEPHONE (202) 965-0800  
TELEPHONE (703) 532-0303  
FACSIMILE (703) 532-0086

CORRESPONDENCE TO:  
107 PARK WASHINGTON COURT  
FALLS CHURCH, VIRGINIA 22046

May 18, 1995

Facsimile 202 219-3923

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: **FEC MUR 3485**

Dear Tony:

We received yesterday by facsimile from our client's secretary the attached letter from Bruce K. Remy, M.D.

We defer decision as to whether to move for a stay of, and/or to file an appeal from the District Court Order entered May 11, 1995. Obviously our thinking will be influenced by our client's condition which, while evidently originating three weeks or so ago, only was invited to our attention last week. At this juncture, a stay would be superfluous and an appeal arguably

As you know, your telephone call on May 15 was the first word of the issuance of the Order. We had been waiting a telephone call from the Judge's Chambers to discuss an oral argument date or, alternatively, an order setting oral argument. I telephoned Chambers and was faxed a copy of the Order. The Judge's secretary pointed out that the Clerk's Office (which distributes orders) presumably had not mailed me a copy because FEC only had indicated that FEC and our client were to be mailed copies. This is a local rule violation and a discourtesy which you might want to invite to the attention of your litigators.

Anthony T. Buckley, Esquire

May 18, 1995

Page 2

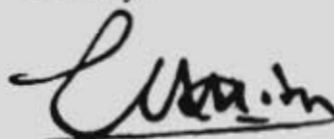
premature.

As I read the letter, last paragraph on the second [unnumbered] page, as the matter now stands, which presumably means absent an intervening unanticipated and significant change, our client's condition is to be evaluated further sometime in "four to six weeks" and then we might know more.

If we have not heard further by on or about June 21, we will enquire. If the medical condition is not sufficiently affirmative, we will obtain a further medical letter.

Hard copy follows.

Sincerely,



MARION EDWYN HARRISON

cc Mr. R. Marc Nuttle

DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-6696  
TELEPHONE 202 862-1000 FACSIMILE 202 862-1093

MYLES V. LYNK  
202 862-1047

May 19, 1995

SENT VIA FACSIMILE - ORIGINAL HAND DELIVERED

Holly J. Baker, Esq.  
Staff Attorney  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Ms. Baker:

I am writing in further follow-up to my letter to you of May 16, 1995, regarding the aforementioned Respondents' response to the Commission's April 11, 1995 Subpoena for Production of Documents and Order to Answer Interrogatories.

Please find enclosed a copy of the Respondents' response to the Subpoena and the Order. This response includes a facsimile of an affidavit from Kevin King, Esq., on behalf of the Respondents. An original of this affidavit will be filed with the Commission as soon as it is received in our office. Also included with this response is a videocassette. Of course, this could not be telefaxed to you on Friday, May 19. It will be hand-delivered to your office on Monday, May 22.

In addition, because of the uncertainties surrounding the document request and interrogatories, as I discussed with you in my letter of May 16, 1995, Respondents have decided to also file a Motion to Quash or in the Alternative to Modify the Subpoena and the Order, and a Motion for Leave to File Out of Time the Motion to Quash or in the Alternative to Modify the Subpoena and the Order. Please find enclosed these motions.

Please do not hesitate to contact me if you have any questions regarding the enclosed material.

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

MVL:ao  
Enclosures

NEW YORK WASHINGTON LOS ANGELES LONDON HONG KONG BUDAPEST PRAGUE WARSAW

BEFORE THE FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C.

FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

APR 23 10 46 AM '95

APR 23 12 22 PM '95

In Re: MUR 3485

RESPONSE OF ARTHUR L. WILLIAMS, JR., AND  
MANAGEMENT FINANCIAL SERVICES, INC.,  
TO THE FEDERAL ELECTION COMMISSION'S  
APRIL 11, 1995  
SUBPOENA FOR PRODUCTION OF DOCUMENTS  
AND  
ORDER TO SUBMIT WRITTEN ANSWERS

On behalf of Arthur L. Williams, Jr., and Management  
Financial Services, Inc., I, Kevin S. King, hereby respond to the  
Order to Submit Written Answers and the Subpoena for Production  
of Documents dated April 11, 1995, as follows:

DOCUMENT REQUEST

"1. Please provide video cassettes, transcripts, and program  
logs of all portions of all programs transmitted on ALW-TV  
from June 1986 through March 1988 in which Pat Robertson  
and/or the Pat Robertson event held at Constitution Hall,  
Washington, D.C., on September 17, 1986 are mentioned."

Ans: Respondents objects to this document request on the  
grounds that the request is overbroad, compliance is burdensome  
and oppressive, and the request seeks information which is either  
irrelevant to this investigation or has previously been submitted  
to the Commission.

Further, Respondents do not have in their possession what  
they understand to be program logs responsive to this request.  
Respondents do not have in their possession transcripts  
responsive to this request.



960437552/6

Respondents have in their possession videocassettes of programs transmitted on ALW-TV on September 15, 1986 and September 22, 1986, which contain references to Pat Robertson's considerations of a presidential campaign in 1986, and to the Pat Robertson event held at Constitution Hall, Washington, D.C., on September 17, 1986. Enclosed with this response is a copy of the videocassette of the program transmitted on ALW-TV on September 15, 1986. Respondents understand that the Commission already has a copy of a videocassette of the program transmitted on ALW-TV on September 23, 1986.

"2. Please provide a copy of the videotape containing A.L. Williams' speech at the September 17, 1986 Constitution Hall event that was produced by ALW-TV in 1986."

Ans: See response to document request number 1. In addition, the Commission already has a copy of this videotape. Respondents understand that Commission staff attorneys played this videotape during their deposition of Barbara King on February 12, 1995, and asked Ms. King questions concerning this videotape.

"3. Please provide all documents, including but not limited to, inter-office memoranda, contracts, correspondence, phone memoranda, agreements, purchase orders, invoices, and copies of checks that involve:

- a. the production of the videotape of Document Request #2;
- b. the sale, rental, distribution, and transmission of the videotape of Document Request #2;"

Ans: Respondents have no documents responsive to this request other than documents previously submitted to the Commission that may be responsive to this request. Respondent objects to this document request on the grounds that the request is overbroad and

seeks information that is either irrelevant to this investigation or has previously been submitted to the Commission.

"4. For all costs itemized in Interrogatory #3, please provide all documents, including but not limited to, receipts, invoices, contracts, purchase orders, memoranda, agreements, and copies of checks evidencing these costs."

Ans: Respondent has no documents responsive to this request other than documents which have previously been submitted to the Commission. Respondent objects to this document request on the grounds that the request is overbroad and seeks information that is either irrelevant to this investigation or has previously been submitted to the Commission.

#### INTERROGATORIES

"1. Please provide a list of dates of all instances when ALW-TV transmitted programs in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall on September 17, 1986 were mentioned."

Ans: Respondent has no list responsive to this request.

"2. For each date given in Interrogatory #1, indicate the number of downlinks receiving each program, the length of each segment, and the cost per minute of transmitting each program."

Ans: See response to interrogatory number 1.

"3. For the videotape of A.L. Williams' speech at Constitution Hall in September 1986 in Document Request #2, provide an itemization of all costs incurred to produce and transmit that videotape on ALW-TV."

Ans: Respondent has no information responsive to this interrogatory other than material previously submitted to the Commission which may be responsive to this request.

155217

"4. Indicate the number of videotapes containing A.L. Williams' speech at Constitution Hall in September 1986 that were sold and the price charged for each copy."

Ans: Respondent has no information responsive to this interrogatory. Respondent requests that the Commission provide Respondent with any information in the Commission's possession which would assist the Respondent in further answering this question.

"5. For tapes and documents in Document Requests #1 and #3, if the tapes and/or documents are no longer in your possession, indicate:

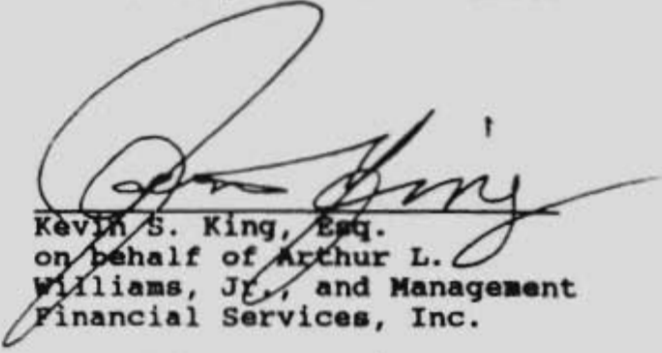
- a. when the tapes/documents were in your possession;
- b. who else had possession and the dates;
- c. if destroyed, who destroyed them, when, where, and under what circumstances."

Ans: Respondent objects to this question on the grounds that the question is overbroad, compliance is burdensome and oppressive, and the question seeks information which is irrelevant to this investigation or has previously been submitted to the Commission.

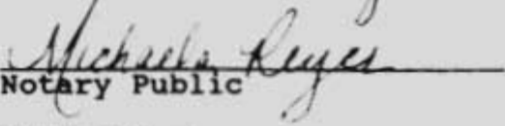
To the extent that tapes and documents responsive to document requests #1 and #3 exist or ever existed, and were but are no longer in Respondents' possession, they were and may still be in the possession of Primerica Financial Services, Inc.

To the extent there exist tapes and documents responsive to document requests #1 and #3 which are not in Respondents' possession, Respondents do not know whether they have been destroyed, or, if destroyed, who destroyed them, when, where, and under what circumstances.

I affirm that the foregoing responses are complete and accurate  
to the best of my knowledge.

  
Kevin S. King, Esq.  
on behalf of Arthur L.  
Williams, Jr., and Management  
Financial Services, Inc.

Sworn to and subscribed before me this 17<sup>th</sup> day of May 1995.

  
Notary Public

My commission expires: \_\_\_\_\_

Notary Public, Cobb County, Georgia  
My Commission Expires January 31, 1997

BEFORE THE  
FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C.

In Re: MUR 3485

On Behalf of Respondents:

MANAGEMENT FINANCIAL SERVICES, INC.  
and ARTHUR L. WILLIAMS, JR.

**MOTION TO FILE OUT OF TIME A  
MOTION TO QUASH, OR IN THE ALTERNATIVE, TO MODIFY  
THE COMMISSION'S SUBPOENA TO PRODUCE DOCUMENTS AND  
ORDER TO PRODUCE WRITTEN ANSWERS**

Respondents Management Financial Services, Inc. and Arthur L. Williams, Jr. ("Respondents"), move the Federal Election Commission (the "Commission") to grant leave to file the enclosed Motion To Quash, or in the Alternative, To Modify the Commission's Subpoena To Produce Documents and Order To Produce Written Answers ("Subpoena and Order") out of time. The Subpoena and Order seek all programs that mention the Rev. Marion Gordon ("Pat") Robertson and/or an event for Mr. Robertson held on September 17, 1986, that were transmitted over a certain cable network, from June 1986 through March 1988, as well as supporting documents and other, related information.

Respondents were initially afforded fifteen calendar days (twelve business days) to identify, locate and examine material dating back nearly a decade, and some of which covered a period of nearly two years. In light of the difficulty of completing such a search within the time allowed, Respondents requested an extension of time until Monday, May 15, 1995, within which to respond to the Subpoena and Order. The Commission granted this

request by letter dated May 8, 1995, from the staff attorney assigned to this matter. A further one day extension of time, until Tuesday, May 16, 1995, was subsequently granted by the Commission attorney assigned to this matter.

Subsequently, Respondents began to more fully appreciate the overbroad scope of the document requests and interrogatories as they further attempted to comply with these requests. Therefore, by letter from their counsel dated May 16, 1995, Respondents advised the Commission attorney responsible for this matter that they would not be able to respond by Tuesday, May 16, 1995, and requested a further extension of time within which to respond, until Friday, May 19, 1995. This request was granted by the Commission staff attorney assigned to the matter in a telephone conversation with one of Respondents' counsel on Wednesday, May 17, 1995.

In the May 16 letter Respondents' counsel also advised the Commission's staff attorney that Respondents had considered filing a Motion to Quash or Modify the Subpoena and Order, because it was overbroad and attempts to comply with it were unduly burdensome, but had concluded that the filing of such a Motion would be futile, in light of the Commission's denial of their similar Motion, filed in this MUR on April 30, 1993.

Also, in the telephone conversation on May 17, 1995, with the Commission staff attorney assigned to this matter, one of Respondents' counsel was informed that an attorney would be replying in writing to the objections and questions raised by



counsel in their May 16 letter. Respondents had expected that such a response would have aided them in their response to the Commission's Subpoena and Order, and had expected to receive it on or before May 19, 1995. Unfortunately, as of this filing, Respondents have received no written response to their counsel's May 16 letter.

Therefore, in light of the all of the factors set forth above, Respondents have concluded that they should file the attached Motion to put their objections formally before the Commission for its consideration and response.

Respondents therefore request the Commission grant them leave to file the enclosed Motion to Quash or Modify the Subpoena and Order out of time.

Respectfully submitted,

*Myles V. Lynk*  
Myles V. Lynk, Esq.  
Michael R. Gerbe, Esq.

DEWEY BALLANTINE  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006

Of Counsel:

Kevin S. King, Esq.  
King & Carragher  
34 Old Ivy Road, N.E.  
Suite 206  
Atlanta, GA 20242

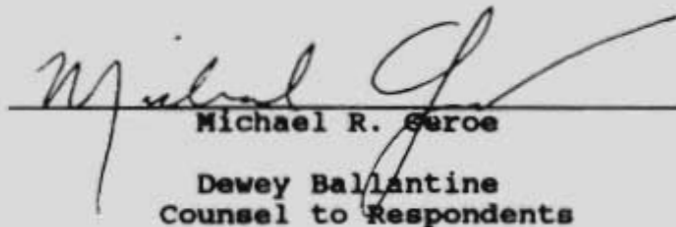
Dated: May 19, 1995



CERTIFICATE OF SERVICE

I, MICHAEL R. GEROE, hereby certify that the foregoing submission was served on this 19th day of May, 1995, via facsimile, on the following:

Holly Baker, Esq.  
Staff Attorney  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

  
\_\_\_\_\_  
Michael R. Geroe  
Dewey Ballantine  
Counsel to Respondents

96041755203

BEFORE THE  
FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C.

In Re: MUR 3485

On Behalf of Respondents:

MANAGEMENT FINANCIAL SERVICES, INC.  
and ARTHUR L. WILLIAMS, JR.

**MOTION TO QUASH, OR IN THE ALTERNATIVE, TO MODIFY  
THE COMMISSION'S SUBPOENA TO PRODUCE DOCUMENTS AND  
ORDER TO PRODUCE WRITTEN ANSWERS**

Respondents Management Financial Services, Inc. and Arthur L. Williams, Jr. ("Respondents"), move the Federal Election Commission (the "Commission"), pursuant to 11 C.F.R. § 111.15(a), to quash the Subpoena to Produce Documents and Order to Producer Written Answers ("Subpoena and Order"), dated April 11, 1995, that were served on these Respondents in this MUR, or, in the alternative, to modify the Subpoena and Order, for the reasons set forth below.

Respondents received the Subpoena and Order on April 13, 1995.<sup>1/</sup> The Subpoena seeks production of all videotapes or cassettes of all programs aired on ALW-TV over a twenty-one month period, plus related documents and other information, which mention Marion Gordon ("Pat") Robertson and/or an event he held

<sup>1/</sup> By cover letter dated April 13, 1995, a staff attorney indicated that the Subpoena and Order had been inadvertently mailed, rather, than hand-delivered, on April 11. Respondent's received via hand-delivery the Subpoena and Order on April 13.

at Constitution Hall, Washington, D.C., on September 17, 1986  
(the "Constitution Hall event").

I.

**THE SUBPOENA AND ORDER SHOULD BE QUASHED BECAUSE THIS  
INVESTIGATION IS UNCONSTITUTIONAL**

As a threshold matter, Respondents move to quash this Subpoena and Order on the ground that this investigation into conduct that took place before Rev. Robertson was a declared federal election candidate exceeds the Commission's statutory authority and infringes on Respondent Williams' constitutionally rights of free speech and free association, which are protected under the First Amendment of the Constitution of the United States. Respondent first raised this objection in their Motion, dated April 30, 1993, to Quash or Modify an earlier Subpoena and Order served on them by the Commission in this MUR.

In a Conciliation Agreement entered into between the Commission and Mr. Robertson on December 12, 1988, the Commission agreed that:

"Respondent Mr. Robertson was a candidate during the period September 17, 1986--May 13, 1988 within the meaning of 2 U.S.C. § 341(2)."

MUR 2262 Conciliation Agreement at IV.1. (Dec. 12, 1988). The scope of the investigation in this MUR as set out in the Commission's Factual and Legal Analysis concerns two mailings which occurred prior to the Constitution Hall event and prior to the date on which even the Commission considers Rev. Robertson to

have been a candidate, for purposes of the Federal Election Campaign Act of 1971, as amended (the "Act").

Respondents assert that the Commission has no jurisdiction to investigate the conduct of United States citizens in support of a citizen who is considering whether to run for President of the United States, which took place before that person became a candidate for federal office. If the purported candidate was not a candidate, then those who supported him cannot have violated the Act. In meetings and conferences with Commission staff attorneys, Respondents' counsel have asked to be refereed to any authority that would support a different conclusion. They have been referred to none.

The Commission suggests in its Factual and Legal Analysis at 2-3 that the allegations it raises against Respondents in this MUR has been addressed in two prior and applicable Advisory Opinions, Advisory Opinion ("AO") 1979-36 and AO 1991-18. This is incorrect. In fact, both AO 1979-36 and AO 1991-18 concern proposed agreements between a federal election campaign committee and a vendor company. By contrast, in this MUR there is no agreement between these Respondents, neither of which is a federal election campaign committee, and a candidate or an entity which is a federal election campaign committee, nor even any allegation of the existence of such an agreement. Instead, the Commission is trying in this MUR to find a violation of the Act where third parties contract with a corporation whose principal is closely associated with an individual who subsequently becomes a candidate for federal elective office. AO 1979-36 and AO 1991-

18 are not dispositive of the constitutional issues raised by this investigation.

Therefore, Respondents request that the subpoena and order be quashed because the Commission has no statutory authority to attempt, through this MUR, to assert jurisdiction to investigate, and find a violation of the Act by, a third party or parties as a result of their contract with a corporation which is owned and operated by an individual who is not a candidate for political office. These parties did not enter into any agreement with a candidate or candidate's political committee. These parties were not candidates or candidate committees. The individual who subsequently became a candidate was not a candidate at the time of the contracts between these other parties.

The prohibitions of the Act have never been held to apply under these circumstances. The Act is itself a limitation on the exercise of First Amendment rights which has been upheld as constitutional only under the limited circumstances to which it applies.<sup>2/</sup> It does not provide a general warrant for the Commission to investigate and sanction any and all activity related to federal election campaigns. Should the Commission seek to expand the reach of the Act, it should propose to the Congress legislation to do so.<sup>3/</sup>

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2/ Buckley v. Valeo, 424 U.S. 1 (1976).

3/ See, e.g., FEC v. Phillips Publishing, Inc., 517 F. Supp. 1308, 1314 (D.D.C. 1981) (courts "need not permit further investigation by the FEC if additional factual information is not needed to determine whether the FEC has jurisdiction").

II.

**THE SUBPOENA AND ORDER SHOULD BE  
QUASHED OR MODIFIED BECAUSE THEY ARE OVERBROAD**

Alternatively, Respondents move to quash this Subpoena and Order on the grounds that even if the Commission affirms its jurisdiction to investigate the two mailings which are the focus of the Factual and Legal Analysis in this MUR, the Subpoena and Order seek documents and information that are irrelevant to that investigation.

In defining the boundaries of this investigation, the Commission's Factual and Legal Analysis, sent to MR. Williams in April 1993, asserts that Respondents (or their successors in interest) "conducted two mailings on behalf of the [Americans for Robertson, Inc.] Committee in connection with" the Constitution Hall event. Factual and Legal Analysis at 4. Further, the Factual and Legal Analysis outlines seven factors which "indicate that the services rendered . . . may not have been 'at arm's length' or in the ordinary course of business." *Id.* at 7. Each of these factors concern the mailings referenced earlier at page 4 of the Factual and Legal Analysis (e.g., the cost of postage was allegedly advanced prior to the mailing date and invoices were allegedly not paid in a timely fashion).

There is no indication in the Factual and Legal Analysis that the production, showing or distribution of a cablecast transmission of the Constitution Hall event, or transmissions in general over ALW-TV, would constitute part of this investigation.



Indeed, the only arguably significant reference the Factual and Legal Analysis makes to televised communications is the statement that the Constitution Hall event was "broadcast simultaneously via closed circuit video at numerous sites around the country." Factual and Legal Analysis at 4.<sup>4/</sup> An even more abbreviated reference is made regarding Mr. Robertson<sup>5/</sup> and Mr. Williams "on a September 15, 1986 telecast." These passing comments are the only references in an eight page document which defines the scope of the Commission's investigation that even mention the broadcast (cablecast) of any programs. They do not put Respondents on notice of the Commission's intent to expand the scope of this investigation beyond what is set forth in the Legal and Factual Analysis. They do not provide any basis for the Commission to subsequently seek copies of:

"video cassettes, transcripts, and program logs of all portions of all programs transmitted on ALW-TV from June 1986 through March 1988 in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall, Washington D.C., on September 17, 1986 are mentioned." (Emphasis added.)

as it does in document request number 1 of the April 11, 1995 Subpoena, as well as program logs, production costs of the

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4/ If this statement is intended to suggest or imply that the Constitution Hall event was "broadcast simultaneously via closed circuit video at numerous sites around the country" via ALW-TV, it is factually incorrect. No such broadcasts (cablecasts) were made by or via ALW-TV. Interestingly, the Commission has not sought any information from Respondents to verify this statement.

5/ Respondents note that the Factual and Legal Analysis does not refer to Mr. Robertson by name, by inaccurately refers to him as "the candidate." Id.



videotapes, and other information utterly unrelated to the mailings described in the Legal and Factual Analysis.

Respondents are aware of no grounds for requesting material that includes any mention of Pat Robertson which is not related to the event held at Constitution Hall on September 17, 1986. Similarly, Respondents are aware of no basis for requesting such material "from June 1986 through March 1988," a twenty-one month period that is unrelated to any aspect of the mailings which are the subject of this investigation. Rather, this document request represents an impermissible fishing expedition into matters wholly unrelated to the subject of this investigation.<sup>6/</sup>

Therefore, Respondents request that this Subpoena and Order be quashed, or in the alternative, modified, to remove any requirement that Respondents produce any video cassettes, transcripts, program logs and other documents related to programs which were transmitted over ALW-TV, on the ground that such material is not related to the two mailings described in the Commission's Legal and Factual Analysis of April 1993 and which are the subject of the investigation of these Respondents in this MUR.

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6/ Respondents contend that the the Commission's inquiry into the Respondents' activities before the Rev. Pat Robertson was a declared candidate for federal elective office is not within the authority of the Commission; that the request for documents and the interrogatories are so broad as to be, for all practical purposes, indefinite; and that the information sought is not reasonably related to the subject matter of the Commission's own Factual and Legal Analysis, which was the agreement between ALW Administrative Services, Inc., and Victory Communications (VCI). See Factual and Legal Analysis at 7. United States v. Morton Salt Company, 338 U.S. 632 (1950).

### III.

**THE SUBPOENA AND ORDER SHOULD BE QUASHED OR MODIFIED  
BECAUSE COMPLIANCE WITH THESE REQUESTS IS UNDULY BURDENSOME**

Alternatively, if the Commission concludes that it may use this Subpoena and Order to expand the scope of its investigation without prior notice to Respondents, Respondents request that the Subpoena and Order be modified on the grounds that compliance with them as currently worded is unduly burdensome and oppressive.

Compliance with this Subpoena and Order would require Respondents to review records dating back nearly a decade, and covering a period of nearly two years. The Subpoena's document request number 1 states:

"Please provide video cassettes, transcripts, and program logs of all portions of all programs transmitted on ALW-TV from June 1986 through March 1988 in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall, Washington, D.C., on September 17, 1986 are mentioned."

Literally hundreds of programs were transmitted over ALW-TV during this time period. For example, one program was transmitted over ALW-TV every Monday morning. At least one other program, sometimes two or three other programs, were transmitted over this channel each week. There are at least two hundred and perhaps as many as four hundred programs that were transmitted over ALW-TV during this twenty-one month period. It would be unreasonable to require Respondents to review each and every one of these programs to determine whether they contain any reference at all to the Rev. Pat Robertson, even if such references were the subject of this investigation. It is particularly

unreasonable in light of the fact that such references are not the subject of this investigation.

By letter dated May 16, 1995, Respondents explained to the staff attorney assigned to this matter why the Respondents concluded that the Subpoena and Order are overbroad. As of this filing, Respondents have received no written response to this letter.<sup>1/</sup>

Consequently, with respect to document request number 1, Respondents request first, that the phrase, "through March 1988," be removed and substituted with the phrase, "on or before September 17, 1986." Second, Respondents request that the phrase, "Pat Robertson and/or," be removed.

Similarly, with respect to interrogatory number 1, Respondents request that it be deleted; if no such list exists, or if such a list was prepared in 1986-88 but is not in the possession of Respondents, it is unreasonable to expect them to create or recreate such a list now. At a minimum, Respondents request that the phrase, "Pat Robertson and/or," be removed from this interrogatory.

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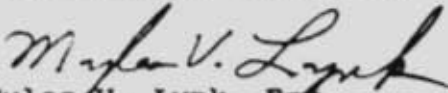
<sup>1/</sup> By a telephone call on May 17, 1995, Respondents were informed that a written response was forthcoming with respect to the issues raised in Respondents' letter.

IV.

RELIEF REQUESTED

Wherefore, Respondents respectfully request that the Commission quash the Subpoena and Order, or, in the alternative, modify the Subpoena and Order as requested above.

Respectfully submitted,

  
Myles V. Lynk, Esq.  
Michael R. Geros, Esq.

DEWEY BALLANTINE  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006

Of Counsel:

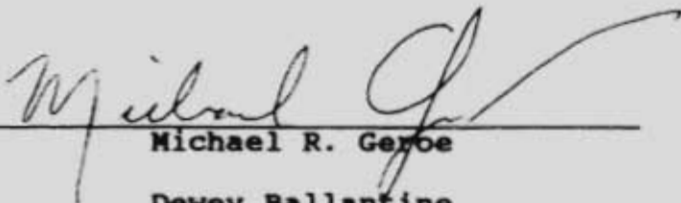
Kevin S. King, Esq.  
King & Carragher  
34 Old Ivy Road, N.E.  
Suite 206  
Atlanta, GA 20242

Dated: May 19, 1995

CERTIFICATE OF SERVICE

I, MICHAEL R. GEROE, hereby certify that the foregoing submission was served on this 19th day of May, 1995, via facsimile, on the following:

Holly Baker, Esq.  
Staff Attorney  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

  
\_\_\_\_\_  
Michael R. Geroe  
Dewey Ballantine  
Counsel to Respondents

9604875524



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

**FAXED**

May 26, 1995

VIA FACSIMILE

Marion Edwyn Harrison, Esq.  
107 Park Washington Court  
Falls Church, Virginia 22046

RE: MUR 3485  
R. Marc Nuttle

Dear Mr. Harrison:

This Office is in receipt of your May 25, 1995 letter. We understand from your letter that your client will not appear for deposition next Thursday and Friday, June 1 and 2, 1995, in Norman, Oklahoma. Accordingly, this Office has canceled its plans to conduct the deposition next week. We further understand from footnote 3 on page 2 of your letter that your client prefers to proceed in Washington, D.C.

Please note that the June 1 and 2 date set by this Office for the Norman, Oklahoma deposition was approximately five weeks after the onset of Mr. Nuttle's condition as described in your May 18, 1995 letter, and within the period of time outlined in the letter by Mr. Nuttle's own physician for when Mr. Nuttle might be recovering and thus capable of sitting for his deposition. Our current understanding of your client's condition is unclear: we do not know whether his condition precludes him from traveling, or sitting for his deposition, whether it precludes neither or both. While we are sensitive to Mr. Nuttle's apparent we do need to set a date certain for Mr. Nuttle's deposition.

My letter of May 25, 1995 sought to obtain the information necessary to evaluate these considerations, and the request for information from a specialist followed up on statements in Dr. Bruce Remy's May 10, 1995 letter that Mr. Nuttle would need to consult an otolaryngologist to obtain a proper diagnosis of his condition. Because this Office still needs a current diagnosis of Mr. Nuttle's condition in order to evaluate what a reasonable course of action would be, I ask you to provide answers to the following questions:

1) What is the earliest date Mr. Nuttle can appear for deposition in Washington, D.C.?

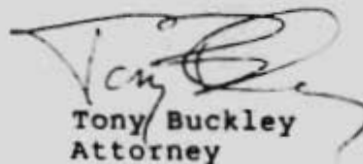
2) What is the earliest date Mr. Nuttle can appear for deposition in Norman, Oklahoma?

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- 3) Has Mr. Nuttle been examined by an otolaryngologist?
- 4) If Mr. Nuttle has consulted an otolaryngologist, will you provide a copy of that doctor's report?
- 5) If Mr. Nuttle has not consulted an otolaryngologist, is he planning to?

In consideration of the time constraints imposed by the holiday weekend, the Commission expects direct responses to these questions no later than 3 p.m. on Friday, June 2, 1995.

Sincerely,

  
Tony Buckley  
Attorney

96043 / 55206



DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-4405  
TELEPHONE 202 642-1000 FACSIMILE 202 642-1093

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

MAY 30 9 00 AM '95

May 26, 1995

Holly Baker, Esq.  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, D.C. 20463

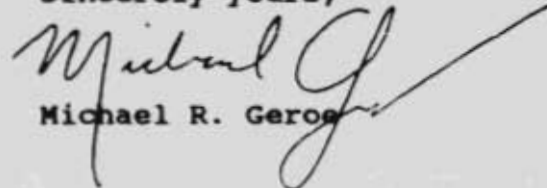
Re: MUR 3485  
Management Financial Services, Inc. and  
Arthur L. Williams, Jr.

Dear Ms. Baker:

I am writing to follow-up on your telephone call to me of May 17, in response to Mr. Lynk's letter to you dated May 16 regarding the above-captioned matter.

In our telephone conversation, you indicated that you would respond by letter to the issues raised by Mr. Lynk with respect to the Federal Election Commission's Subpoena and Order of April 11, 1995 in this MUR. While we have not yet received your correspondence, we look forward to doing so at your earliest convenience.

Sincerely yours,

  
Michael R. Geroe

REED & DAVIDSON

ATTORNEYS AT LAW

777 SOUTH FIGUEROA STREET

SUITE 3700

LOS ANGELES, CALIFORNIA 90017

TELEPHONE (213) 624-8200

FACSIMILE (213) 623-692

DANA W. REED  
BARRY DAVIDSON

OF COUNSEL  
DANIEL R. WOLF  
BRADLEY W. HENTZ

ORANGE COUNTY OFFICE  
3151 AIRWAY AVENUE, SUITE 401  
COSTA MESA, CALIFORNIA 92626  
TELEPHONE (714) 841-1888  
FACSIMILE (714) 846-1003

May 22, 1995

Holly J. Baker, Esq.  
Federal Election Commission  
Office of General Counsel  
999 E. St. N.W.,  
Washington, DC 20463

RE: MUR 3485 (Documents Requested of Mr. Barry Hon)

Dear Ms. Baker:

Enclosed are the documents and information you requested of Mr. Hon in your letter of March 27, 1995:

Information Request Number One: "Dates of the meetings of the Board of Regents in 1986":

Mr. Hon's calendar shows that the only 1986 board meetings that he attended took place April 25-26, and October 23-25, 1986.

Information Request Number Two: "Name of the attorney in Washington D.C. to whom Barbara Johnson referred him in connection with this matter":

Mr. Hon was unable to recall the name, but Ms. Johnson stated to us that the attorney's name is Jan W. Baran.

Information Request Number Three: "Bank statement/check register of the Hon Investment account demonstrating Mr. Hon's repayment of the \$100,000 loan to the bank":

The bank statement is enclosed.

Information Request Number Four: "Calendar pages from 1986 referencing the September, 19, 1986 event at Constitution Hall in Washington, D.C.; Council for National Policy meetings."

Enclosed is the September, 1986 calendar page which contains entries for September 15-18. No other 1986 calendar entries

Ms. Holly J. Baker, Esq.  
May 3, 1995  
Page Two

reflect either the September 19 event or any other Council for National Policy meetings.

Per your request, we have reviewed the unredacted versions of the documents provided in response to the Commission subpoena of January 12, 1995 and determined that none of the redacted portions are responsive to the Commission's inquiry.

We trust that the enclosed documents and information sufficiently respond to your requests.

Sincerely,



Cary Davidson

cc: Mr. Barry Hon

(b)(7)(D)

105279

LAW OFFICES  
**MARION EDWYN HARRISON**

WASHINGTON  
FALLS CHURCH  
ZURICH

MARION EDWYN HARRISON (DC, VA)  
JOHN S. BAKER, JR. (DC, LA)  
DANIEL M. REDMOND (DC)

TELEPHONE (202) 965-0800  
TELEPHONE (703) 532-0303  
FACSIMILE (703) 532-0086

CORRESPONDENCE TO:  
107 PARK WASHINGTON COURT  
FALLS CHURCH, VIRGINIA 22046

June 2, 1995

Facsimile 202 219-3923

Anthony T. Buckley, Esquire  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

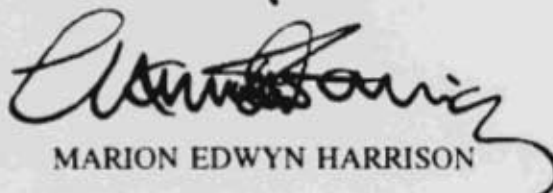
Re: **FEC MUR 3485**

Dear Mr. Buckley:

Our client will fly to Washington, recuperate a day or two, and be available for the taking of his oral deposition at the Federal Election Commission at 9:30 AM on Thursday, June 8, and, if need be, again at 9:30 AM on Friday, June 9, copy of letter of even date from Bruce K. Remy, M.D., received in this office this afternoon, attached. We have no hard copy of the letter. When we receive it, we will forward it.

Hard of this letter, without attachment, follows.

Sincerely,



MARION EDWYN HARRISON

cc: Mr. R. Marc Nuttle

DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20004-6606  
TELEPHONE 202 642-1000 FACSIMILE 202 642-1093

MYLES V. LYNK  
202 642-1047

June 6, 1995

Holly Baker, Esq.  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, D.C. 20463

Re: MUR 3485  
Management Financial Services, Inc. and  
Arthur L. Williams, Jr.

Dear Ms. Baker:

On May 17, 1993, and March 28, 1994, the above-referenced Respondents responded to the Commission's Subpoena and Order of April 12, 1993 (the "Subpoena and Order") in this MUR. Now, in further response to this Subpoena and Order, please find enclosed recently reviewed documents which may be responsive to Document Request number 3 of that Subpoena and Order.

We are unable to determine whether this material has already been produced to the Commission. Therefore, we are producing it as part of our continuing commitment to supplement our earlier responses whenever we identify additional information that is or may be responsive to the Subpoena and Order. I am,

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

Enclosures

cc: Kevin S. King, Esq.



December 1, 1986

Dear Mrs. King,

Enclosed you will find a commemorative gift from me to you!

Victory Communications International was honored to produce this nationwide videoconference on behalf of Americans For Robertson. Whether you agree with Pat's position or not, I think you can see how pleased we are to announce that this historic Constitution Day event was a smashing success.

The goal was to bring Pat Robertson personally before his closest supporters with a tremendous challenge:

"When three million Americans sign a petition urging me to run for the Republican nomination for the Presidency of the United States, I will declare my candidacy!"

To insure the success of this history-making event, Victory pulled together its unique group of specialists in the widely divergent areas of direct mail, public relations, and television -- these are the three things we do best!

Our goal for your project is to guarantee the most cost-effective means for you to reach the largest possible target group. We believe a scientific business approach combined with just enough sizzle can make the difference between success and failure.

Of course, I would love to talk with you about your own needs in these areas. It doesn't have to cost a lot -- let us run a test for you and see what your possibilities are!

If you want to increase your bottom line profits...if you want to grow...you need a well orchestrated fundraising campaign, pulling together these three key areas of direct mail, public relations, and television.

In the past several years we have become one of America's premier fundraising groups, and it would be a real honor for us to help you in any way we can.

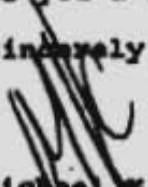
We stress integrity, excellence, and innovation in every project we produce -- because we realize that every decision you make about your own fundraising operation will impact your organization, either positively or negatively, for years to come.

So please remember: the next time you approve a direct mail program, a press release, or any use of television, Victory Communications International can help you gain the most return on your investment cost-effectively.

When things are done right, they make an impact forever.

If you'd like to talk, call me at 1-800-821-1989, ext. 326.

Sincerely,

  
Michael M. Clifford  
President

MMK/jh  
Enclosures

P.S. I know you don't need help with fundraising...thought you might enjoy this..thanks for all your help...may God bless you!

Mrs. Barbara T. King  
A. L. Williams  
3120 Breckinridge  
Duluth, GA 30199

PPS - YOU'RE THE BEST!





July 29, 1987

Mr. Arthur L. Williams Jr.  
3120 Breckinridge Blvd  
Duluth, GA 30199

Dear Art:

Pat Boone, Rosey Grier, and Gavin MacLeod join me in inviting you and your spouse to attend a very important and confidential briefing concerning my candidacy for the Presidency of the United States. The meetings will be held in Chicago on August 10, Atlanta on August 11, and Washington D.C. on August 24.

As you know, I have considered for many months the option to seek this high government position because of my great concern for the future of America and the world. Frankly, I never expected such an avalanche of positive response from hundreds and even thousands of people in every state who want to work in behalf of my campaign. All of them are saying to me "Go For It" because they share this new vision for America which would return our great nation to the heritage of its founding fathers.

You can play an important role with us as a prominent member on the Robertson Leadership Cabinet. We hope that you will be able to join us at one of our briefings and hear the plans to win the nomination of the presidency presented by me and our campaign strategists. We are convinced that we can be successful in winning all the key primaries. As you know, the media has reported that I already have a higher delegate count in South Carolina and Michigan than any other candidate and have won more straw poll votes than the other candidates in Iowa. We have more momentum and organization than all the other candidates. We are on the winning side!

Please attend one of these meetings. The comment from every person who attended our first briefing in Dallas last month was that they now really understand how we can win the election. Please respond today with the enclosed card and indicate which meeting you will attend. I need your help and I want you on the team. God bless you.

Sincerely,

  
Pat Robertson

*declined to  
Hurb 8/5/87*

*814-424-1188*

96043755304

Dear Pat:

I will be pleased to attend the briefing on behalf of the candidacy of Pat Robertson for President of the United States at the following location:

Please Check One:

- ☐ Chicago, IL, August 16th, O'Hare Airport Hilton
- ☐ Atlanta, GA, August 17th, Crowne Plaza Hotel
- ☐ Washington, D.C., August 24, Shoreline Capital Hill
- ☐ I regret that I will not be able to attend the briefing. Please keep me informed of any developments in my city and state.

Name \_\_\_\_\_ Phone (\_\_\_\_) \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

My Spouse \_\_\_\_\_ (Will/Will Not) accompany me at this briefing.

I recommend the following individuals be invited to the briefing:

Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 City \_\_\_\_\_  
 Zip \_\_\_\_\_  
 Ph (\_\_\_\_) \_\_\_\_\_

Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 City \_\_\_\_\_  
 Zip \_\_\_\_\_  
 Ph (\_\_\_\_) \_\_\_\_\_

5 3 5 6 7 4 0 9 6

Barbara



P. O. Box 1988  
Chesapeake, VA 23320  
(804) 523-1988

October 28, 1987

Mr. A.L. Williams  
3120 Breckenridge Boulevard  
Duluth, GA 30199

Dear Art:

The momentum of the campaign is wonderful!

I have just returned from a three-day swing in New Hampshire. On Saturday, twenty key, secular, conservative leaders (most of whom were previously favoring Jack Kemp or else were uncommitted) agreed unanimously to support my candidacy. This is my first major New Hampshire breakthrough into the secular political community. Now that Jean Kirkpatrick is not running, I am expecting that former Governor Meldrim Thomson, a key conservative leader in New Hampshire, will follow through on his previous promise and make a public endorsement of my candidacy. His impact in New Hampshire--especially in the conservative North Country--will be very important.

The Washington Post seems at times almost hysterical in its attempt to hurt me. I think that the proper role of the press is to report the progress of campaigns and the ultimate winners and losers. I think it is wrong when the press themselves become advocates and lose all attempt at credibility.

The Post thought they had administered a severe blow to me in their vicious story a couple of weeks ago. From everything I can gather across the country, they may have won me the election! How did they do it? After their story, people now view me as human--someone who has suffered just like they have--and someone who has solutions to the problems that they currently face.

The Bible says, "The wrath of man shall praise thee, the remainder of wrath thou shalt restrain".

I have seen in the last two or three weeks record crowds everywhere I have gone. This includes California, Washington, Oregon, Arizona, Florida, Mississippi, New York, Pennsylvania, Iowa and New Hampshire. There is no other campaign of either party that has the enthusiasm and the tremendous grassroots support.

What I have told you previously is unfolding before our eyes. George Bush does not seem to be sparking any enthusiasm. Bob Dole is not organizing well except in a few Mid-Western States. Bill Brock may help him with organization, but I think it is too late for him to catch us in the South. From everything I can read, Jack Kemp is starting to slip very badly. His Campaign Manager Ed Rollins admitted as much in the press last week.

This means there are now only three significant Republican campaigns...Bush, Dole and me. When the victory we have already won is clearly reported this January from Michigan; when there is a significant victory in the Iowa caucuses; when there is a substantial showing and, hopefully, victory in New Hampshire; when there are victories in the states immediately following New Hampshire; and then when there is a major victory in South Carolina, the rest of the South should follow suit. We believe this will happen, and we are working hard toward that end.

A key southern poll shows me moving up dramatically. In North Carolina, a Raleigh television poll showed the current standings as Bush 36%, Dole 18%, Robertson 12% and Kemp 3%. Being a strong third and moving into substantial double-digits is the ideal place to be at this stage of things.

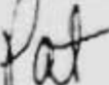
Around the country, people are changing from saying "I would like for someone like Pat Robertson to be President but he can't possibly win," to "Pat Robertson can win the Presidency. Let's get out and help him do it!"

Thank you again for all you have done to encourage me. The stakes are very, very high. We need all the resources possible to be mobilized during the next four and one-half months. Iowa is February 8, the New Hampshire primary will be February 16, the South Carolina primary is March 5, and the big "Super Tuesday" southern primary is March 8. In my view, the winner of the Republican nomination will be known on the morning of March 9.

I am enormously encouraged. I see nothing but victory ahead!

God bless you. With warm personal regards, I am

Cordially,



Pat Robertson

PR:gy

9604375307

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

JUN 6 9 09 AM '95

In the Matter of )  
 )  
Americans for Robertson, Inc., ) MUR 3485  
et al. )

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This report concerns the request for copies of deposition transcripts of Barbara King and Arthur L. Williams, Jr. ("Respondents"). Since release of copies at this time could compromise the integrity of the investigation, this Office recommends that the Commission deny Respondents' request until a later time in the enforcement process.

This Office, under subpoena, deposed Arthur L. Williams, Jr., President of Management Financial Services, Inc. ("MFS") on December 12, 1994, and Barbara King, former vice president of MFS, on February 24, 1995, in Atlanta. In accordance with the Commission's policy regarding deposition transcripts, this Office made arrangements for the witnesses to review and sign their transcripts at the court reporter's office in Atlanta. Atlanta is the city nearest Ms. King's residence and place of employment. It is also the location where Mr. Williams requested his deposition be taken, where one of his lawyers has his office, and is near one of Mr. Williams' homes that he frequents part of each month. When the transcripts were ready for the witnesses to review,



this Office sent letters to counsel so to inform them.  
Attachment 1.

On April 26, 1995, counsel for Mr. Williams and Ms. King requested copies of their transcripts.  
Attachment 2. This Office replied on May 8, 1995 that counsel's hardship concerns for out-of-town witnesses having to travel to a court reporter's office for review that he had expressed in a separate and general policy letter to the General Counsel had already been addressed in this instance by making the transcripts available in Atlanta.<sup>1</sup> This Office's letter further stated that if a court reporter's office in another location would be more convenient, this Office would seek to accommodate the witness. Attachment 3. Counsel repeated his request for copies of the transcripts on May 10, 1995, Attachment 4, and by letter dated May 15, 1995, this Office informed counsel that his request would be put before the Commission. Attachment 5. Responding on May 16, 1995, counsel renewed, but focused, his request for a copy of deposition transcripts on only that of Mr. Williams.  
Attachment 6.

1. By letter dated March 30, 1995 to the General Counsel, Myles Lynk, Esq. proposed a change in Commission policy regarding copies of deposition transcripts. Attachment 7. The General Counsel has taken Mr. Lynk's general policy proposal under advisement, is reviewing the Commission's policy and practice as to this issue, and will later report to the Commission.

## II. DISCUSSION

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The FEC is not required by law to provide a copy of an investigative deposition transcript to a deponent when releasing a copy would harm its confidential investigation. Under the Administrative Procedures Act ("APA"), in a nonpublic investigative proceeding, a witness compelled by the FEC to submit data or evidence may for "good cause" be "limited to inspection of the official transcript of his testimony." 5 U.S.C. § 555(c); see SEC v. Sprecher, 594 F.2d 317, 319 (2d Cir. 1979). Congress enacted the referenced provision of the APA out of recognition that it is "obviously detrimental to the due execution of the laws to permit copies [of testimony] to be circulated." Sen. Rep. No. 572, 79th Cong., 1st sess., at 19 (1945); H.R. Rep. No. 1980, 79th Cong., 2d sess., at 33 (1945).

This Office has specifically not allowed Mr. Williams and Ms. King to have copies of their deposition transcripts at this time in order to protect the integrity of its investigation. Various respondents and non-respondent witnesses are in contact with one another and have openly indicated to staff of this Office that they are in contact with one another, including but not limited to, Mr. Williams, Barbara King, Primerica (purchaser of MFS and other A.L. Williams' assets), Michael Clifford, Barry Hon, Marc Nuttle, and Pat Robertson. Release of key transcripts, such as Mr. Williams' and his former Vice President's, while the investigation is still in progress could compromise its integrity. Preserving the integrity of the ongoing investigation constitutes good cause to deny Respondents copies of the deposition



transcripts at this time.<sup>2</sup> In accordance with the "good cause" provision of the APA, this Office, as noted above, has made the transcripts available to Mr. Williams and Ms. King at the court reporter's office in Atlanta. Attachment 1. Mr. Williams and Ms. King have not availed themselves of the opportunities provided by the Commission. Counsel's complaint in his letter of May 16, 1995 that "for the past five months" the FEC has been able to examine Mr. Williams' deposition transcript, "while neither Mr. Williams nor his counsel have seen it" (Attachment 6), is, thus, a situation of Mr. Williams' own making.

In addition to the APA, the courts have held that investigative files are privileged as a matter of law and that the privilege rests with the agency not the deponent. The law enforcement investigative privilege, a common law privilege, is designed to "preserve the integrity of law enforcement techniques and confidential sources, to protect witnesses and law enforcement personnel, to safeguard the privacy of individuals under investigation and to prevent interference with the investigation."

2. Counsel indicates that in the past respondents received transcripts of their depositions. In prior years when depositions were not a major part of this Office's investigations, transcripts were provided to deponents if there was no reason not to provide them. However, for several years now, with the increased importance of depositions in such matters as MUR 2984 (National Assoc. of Real Estate Appraisers), see Memo to the Commission dated July 24, 1990, this Office has followed the policy of not routinely providing copies of deposition transcripts to deponents and of forwarding individual requests for copies to the Commission for consideration.

and the deposition litigation of MUR 3485 involving Marc Nuttle: FEC v. R. Marc Nuttle, No. 95-81 (GK), D.D.C., Supporting Memorandum, FEC's Petition for Order to Show Cause, and to Enforce Subpoena, March 16, 1995.

Under 2 U.S.C. § 437g(a)(2), a reason to believe finding is a prerequisite to a Commission investigation of an "alleged violation," not a finding that a violation has in fact occurred. Commensurate with the reason to believe stage, Respondents have been afforded all procedural protections of the law. See 2 U.S.C. § 437g(a)(2). At this point in the investigation, Mr. Williams and Ms. King will suffer no prejudice if now denied copies of the investigative deposition transcripts whereas releasing copies at this time could hinder the Commission's investigation.

In the most recent MUR in which this issue was before the Commission, see MUR 3181 (Collins for Congress) General Counsel's Report dated September 24, 1994, the Commission denied respondent's request for a copy of his deposition "at this time." See Certification in MUR 3181 dated October 4, 1994. The

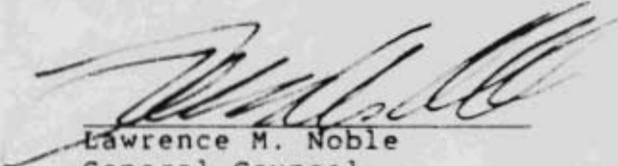
Commission directed this Office to explain in the notification letter to respondent's counsel that the Commission had found good cause not to provide a copy of the deposition transcript at this stage in the investigation and had determined not to waive its privilege at this time. This Office recommends that the Commission approve a similar letter to counsel of Mr. Williams and Ms. King.

In summary, because of the "good cause" exception under the APA, the law enforcement investigative privilege, and the function of investigative findings within the Commission's enforcement procedure, this Office recommends that at this time, the Commission not release copies of the investigative deposition transcripts of Barbara King and Arthur L. Williams, Jr.

III. RECOMMENDATIONS

1. Deny at this time the request for copies of the deposition transcripts of Barbara King and Arthur L. Williams, Jr.
2. Approve the appropriate letter.

6/6/95  
Date

  
Lawrence M. Noble  
General Counsel

Attachments:

1. FEC letters Re: transcripts ready
2. First request for transcripts
3. Reply letter to M. Lynk
4. Letter from M. Lynk
5. FEC response to M. Lynk
6. Letter from M. Lynk dated 5-16-95
7. Letter from M. Lynk to General Counsel


Attorney Assigned: Holly J. Baker



FEDERAL ELECTION COMMISSION  
WASHINGTON DC 20461

MEMORANDUM

TO: LAWRENCE M. NOBLE  
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS   
COMMISSION SECRETARY

DATE: JUNE 8, 1995

SUBJECT: MUR 3485 - GENERAL COUNSEL'S REPORT  
DATED JUNE 6, 1995.

The above-captioned document was circulated to the  
Commission on Tuesday, June 6, 1995 at 11:00.

Objection(s) have been received from the  
Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	_____
Commissioner Elliott	_____
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Potter	<u>XXX</u>
Commissioner Thomas	_____

This matter will be placed on the meeting agenda  
for Tuesday, June 13, 1995.

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

96043755314

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 3485  
Americans for Robertson, Inc., )  
et al. )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on June 13, 1995, do hereby certify that the Commission took the following actions in MUR 3485:

1. Failed in a vote of 3-3 to pass a motion to -
  - a) Reject the recommendations in the General Counsel's June 6, 1995 report.
  - b) Direct the Office of General Counsel to draft and return to the Commission for consideration a confidentiality agreement which the General Counsel's Office could propose we enter into with the respondents in this motion and the respondents' attorneys.

Commissioners Aikens, Elliott, and Potter voted affirmatively for the motion; Commissioners McDonald, McGarry, and Thomas dissented.

(continued)

96043755315

2. Decided by a vote of 5-1 to

- a) Deny at this time the request for copies of the deposition transcripts of Barbara King and Arthur L. Williams, Jr.
- b) Approve the appropriate letter as recommended in the General Counsel's June 6, 1995 report.

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

Attest:

6-15-95

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission

96042755316



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

June 16, 1995

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.;  
Barbara King

Dear Mr. Lynk:

On June 13, 1995, the Commission considered your request for a copy of the deposition transcripts of Barbara King and Arthur L. Williams, Jr., and decided to deny your request at this time.

As you may be aware, the Commission's investigative materials, including investigatory depositions, are protected by the law enforcement investigative privilege and the "good cause" exception of the Administrative Procedures Act. The Commission has found good cause not to provide a copy of the deposition transcripts at this stage in the investigation and has determined not to waive its privilege at this time.

As noted in my previous correspondence with you, Mr. Williams and Ms. King may review their deposition transcripts in the offices of the court reporter in Atlanta. Please let me know whether they intend to do so.

You may contact me at (202) 219-3400.

Sincerely,

Holly J. Baker  
Attorney



DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-4605  
TELEPHONE 202 662-1000 FACSIMILE 202 662-1093

July 7, 1995

MYLES V. LYNK  
202 662-1047

Holly J. Baker, Esq.  
Staff Attorney  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Ms. Baker:

Thank you for your letter of June 16, to which I am now responding. In your letter you indicated that the Federal Election Commission ("the Commission") decided at a meeting held in June 1995 not to provide Mr. Arthur L. Williams, Jr., and Ms. Barbara King copies of the transcripts of their depositions taken in this MUR. We appreciate this opportunity to respond to this decision, as follows.

This process began with a simple request: these witnesses asked for copies of their own deposition transcripts. The past practice of the Commission had been to allow witnesses to receive copies of their own deposition transcripts. You denied these requests. Your June 16 letter indicates that the Commission has now upheld your earlier decisions. Although not explicit on this point, your letter appears to indicate that the Commission based its decision on two provisions of the Administrative Procedure Act ("APA") -- 5 U.S.C. § 552(b)(7), which provides six separate exemptions to the public disclosure by federal agencies of investigatory records compiled for law enforcement purposes, "but only to the extent that the production of such records" would come within one or more of the exemptions; and 5 U.S.C. § 555(c), which provides in relevant part that "in a nonpublic investigatory proceeding the witness may for good cause be limited to inspection of the official transcript of his testimony" -- and the Commission's regulation set forth at 11 C.F.R. § 4.5(a)(7). If we are incorrect, and the Commission did not rely on this authority, please let me know what other authority the Commission relied on as the basis for its decision.

We would have appreciated an opportunity to have been heard by the Commission on the applicability of these APA provisions to these witnesses' deposition transcripts before it rendered its

decision. Set forth below are our comments on what we understand to have been the Commission's decision.

First, with regard to the Commission's reliance on 5 U.S.C. § 552(b)(7), providing these witnesses with copies of their deposition transcripts would not appear to come within any of the six grounds for non-disclosure set forth in that subsection of the APA.<sup>1/</sup> We have not, for example, been informed how disclosure to these witnesses of their own deposition transcripts would "interfere with [this] enforcement proceeding[]," 5 U.S.C. § 552(b)(7)(A), or "[c]ould reasonably be expected to interfere with enforcement proceedings;" 11 C.F.R. § 4.5(a)(7)(i). We have not been informed why such disclosure would come within any of the other exceptions set forth at 5 U.S.C. § 552(b)(7) or 11 C.F.R. § 4.5(a)(7). Federal agencies must ordinarily indicate which of the statutory exemptions to disclosure set forth at section 552(b)(7) apply to the documents they seek to withhold, and why. E.g., Campbell v. Dept. of Health and Human Services, 682 F.2d 256, 259 (D.C. Cir. 1982). Your June 16 letter did not include such a showing. Please send us this information if it is available. It would help us better understand the Commission's decision.

Second, with regard to the Commission's reliance on 5 U.S.C. § 555(c), we note that when enacted, the purpose of this section "was to facilitate access by a witness to his own testimony." LaMorte v. Mansfield, 438 F.2d 448, 451 (2d Cir. 1971). Also, here, unlike in LaMorte, the witnesses are willing to enter into a written non-disclosure, confidentiality agreement with the Commission to not disclose their transcripts to other witnesses or respondents, and "enforcement actions under 2 USC 437g are confidential by statute. . . ." 11 C.F.R. § 4.5(a)(4)(vi). It would therefore be helpful to know what was the "good cause" the Commission relied upon under this statute to limit these witnesses to inspection of their transcripts. Please send us this information if it is available.

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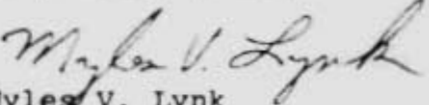
<sup>1/</sup> Investigatory records compiled for law enforcement purposes need not be disclosed under 5 U.S.C. § 552(a) to the extent that the production of such records would "(A) interfere with enforcement proceedings, (B) deprive a person of a right to a fair trial or an impartial adjudication, (C) constitute an unwarranted invasion of personal privacy, (D) disclose the identity of a confidential source and . . . confidential information furnished only by the confidential source, (E) disclose investigative techniques and procedures, or (F) endanger the life or physical safety of law enforcement personnel." 5 U.S.C. § 552(b)(7). See also, 11 C.F.R. § 4.5.(a)(7).

We understood that Mr. Williams and Ms. King were not being given copies of their deposition transcripts because of a general concern that witnesses in this or other MURs might disclose their transcripts to other witnesses or other MUR respondents. In response to this concern, Mr. Williams and Ms. King agreed to sign confidentiality agreements by which they would be bound by the Commission to not disclose their deposition transcripts to any other witness or respondent. We drafted a proposed confidentiality agreement for them to sign. We sent it to the Office of the General Counsel for review. We understood that you might respond with your own draft. We were not wedded to a particular form of agreement and did not anticipate any difficulty in agreeing with you as to the form and substance of a confidentiality agreement. Once an agreement acceptable to the Office of the General Counsel had been drafted, we understood that Mr. Williams and Ms. King would each sign one and be entitled to receive their deposition transcripts. We now understand that the Commission has decided not to proceed with this process. This is unfortunate, because, as you know from your conversation with Mr. Williams, these witnesses have no interest in sharing their transcripts with any other witnesses or respondents in this MUR.

Requiring witnesses to review and sign their transcripts in the court reporter's office may not afford them the opportunity to make sure that their transcript is accurate. Such a procedure should be used only if absolutely necessary. We have not been informed by the Commission why this procedure is necessary for these witnesses in this MUR and therefore request, pursuant to 11 C.F.R. § 4.6, that the Commission permit these witnesses to examine their transcripts at a place of their own choosing, and retain a copy of their transcripts.

Mr. Williams does not live or work in Atlanta, Georgia, and cannot easily attempt to view his deposition transcript in the office of the court reporter in Atlanta who transcribed the deposition. Please be advised that neither Mr. Williams nor Ms. King waive their right to read, correct and sign the transcripts of their deposition testimony.

Very truly yours,

  
Myles V. Lynk



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 24, 1995

Myles V. Lynk, Esq.  
Dewey Ballantine  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006-4605

RE: MUR 3485  
Arthur L. Williams, Jr., Barbara  
King, and Management Financial  
Services, Inc.

Dear Mr. Lynk:

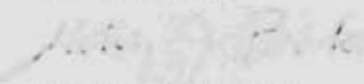
We have received your letter of July 7, 1995, in which you ask, inter alia, for specific reasons, if available, for the Commission's denial at this time of your clients' request for copies of their deposition transcripts. The Commission did not approve a formal statement of reasons beyond the explanatory letter you received. Please note that 5 U.S.C. § 555(e) does not apply to this type of Commission decision.

As for your offer to enter into confidentiality agreements with deponents, the Commission has determined not to enter into such agreements at this time.

Since you have indicated that Atlanta is not a convenient location for Mr. Williams to review his deposition transcript, please indicate where would be convenient, and this Office will make arrangements for Mr. Williams to review his transcript in a court reporter's office in the specified city.

If you have questions, I can be contacted at (202) 219-3400.

Sincerely,

  
Holly J. Baker  
Attorney

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )

Americans for Robertson, Inc. and )  
Frederick H. Shafer, as treasurer, )  
et al. )

MUR 3485

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Before the Commission is a motion to quash or modify its Subpoena and Order of April 11, 1995, requiring Management Financial Services, Inc. and Arthur L. Williams, its officer, ("Respondents") to produce documents and to submit written answers. That subpoena and order was sought by this Office in an effort to obtain additional relevant information in the winding-down stage of the investigation in this matter. For the reasons stated below, this Office recommends that the Commission deny Respondents' motion.<sup>1</sup>

Although this Office does not expect that a denial of Respondents' motion will assure full compliance with the Commission's outstanding Subpoena and Order, this Office does not anticipate that we will seek the Commission's authorization to file civil suit for subpoena compliance.

1. The Subpoena and Order were received by these Respondents on April 13, 1995. Attachment 1. On May 22, 1995, Respondents filed a motion to quash or modify the Subpoena and Order, accompanied by a motion for leave to file out of time. Attachment 2.



Indeed, this Office intends to move on to the next stage of the process and issue briefs, so that more definitive findings of violations can be made. Nevertheless, the outstanding motion by Respondents needs to be addressed.

## II. FACTUAL AND LEGAL ANALYSIS

Pursuant to 11 C.F.R. § 111.15(a), a motion to quash or to modify a subpoena must be made prior to the time specified therein for compliance, but in no event more than 5 days after the date of receipt of such subpoena. If such a motion is timely filed, the Commission may deny the motion, or quash or modify the subpoena. 11 C.F.R. § 111.15(b).

### A. Timeliness of Motion

Respondents received the Commission's Subpoena and Order on April 13, 1995. On April 26, 1995, two days before the response was due but 13 days after receipt, Respondents requested an extension until May 15, 1995. Attachment 1. This Office granted the request. Attachment 3. On May 10, 1995, Respondents indicated that they might not be able to respond fully by May 15. They also for the first time indicated that they "may . . . object to some or all of the demands in the Subpoena and Order for documents, other materials and information," but they did not, in fact, do so at that time. Attachment 4. This Office responded by letter faxed on May 12, 1995 stating "[i]f you are unable to

Indeed, this Office intends to move on to the next stage of the process and issue briefs, so that more definitive findings of violations can be made. Nevertheless, the outstanding motion by Respondents needs to be addressed.

## II. FACTUAL AND LEGAL ANALYSIS

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### A. Timeliness of Motion

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comply completely with the Commission's Subpoena and Order by May 15, 1995, please make a partial submission on that date and indicate what materials are still outstanding and the date by which you will produce those materials." Attachment 5. That letter also clarified that Respondents' compliance did not depend on what the successor corporation, Primerica, had represented to the Commission. Id. By fax received on May 15, 1995, though dated May 13, counsel for Respondents noted that the response "may be delayed until Tuesday, May 16, 1995." Attachment 6. Later in the day of May 15, one of Respondents' counsel called this Office to say that the written affidavit from another counsel in Atlanta had not yet been received, but that Respondents would submit all materials on Tuesday, May 16. Staff of this Office reiterated that Respondents should make at least a partial submission. By letter dated May 16, 1995 and received by fax in this Office on May 17, counsel asked for an additional extension of three days, asked specifically for a definition of the term "program logs" as used in the Subpoena and Order, and raised objections to the Subpoena and Order which are essentially those of overbreadth and unconstitutionality. Attachment 7 at 2. In addition, Respondents state "[t]hese objections are made in light of the Commission's refusal to grant these Respondents' motion to quash or modify an earlier Subpoena and Order . . . , and Respondents [sic] view that it would be ineffectual to again file such a motion with the Commission." Id. Immediately upon receipt, staff of this Office phoned counsel to grant a further extension and to clarify the

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term "program log." Staff further stated that the broader issues raised in the letter dated May 16 required more of a response than could be given in a quick phone call; the purpose of the call was to respond to Respondents' specific questions with the thought of assisting full compliance. Two days later, on May 19, 1995, after three extensions and several phone conversations and letters among and between counsel and staff of this Office, Respondents filed the instant motions to quash or to modify. Attachment 2.

In filing their motions, which were received by this Office on May 22, 1995, Respondents acknowledge that their submission is untimely. In fact, one of the motions is specifically a motion for leave to file out of time their motion to quash or modify.

This Office believes that the untimely filing of Respondents' motion is, in and of itself, reason enough to deny it. Moreover, Respondents have not adequately explained their delay in filing this motion. Respondents could have timely filed a motion to quash or modify and submitted a full statement as to the reasons for this motion. However, Respondents failed to preserve this right. Instead, they indicate that they did not appreciate the need for a motion to quash or modify until after this Office had already granted three extensions amounting to a total of 19 additional days. They erroneously characterize this Office's immediate phone calls to counsel as some kind of unresponsiveness on the part of this Office that prevented Respondents' timely compliance with the Commission's Subpoena and Order. Finally, they state that they felt it would be "futile" to file a motion to

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quash or modify in light of the fact that the Commission had previously denied a similar motion, also untimely filed, in regard to another Commission Subpoena and Order. See General Counsel's Report dated May 7, 1993, and Certification dated May 11, 1993.

Accordingly, this Office recommends that the Commission deny both of Respondents' motions.

B. Substance of Motion to Quash or to Modify

Respondents' motion to quash or modify fails in several substantive areas. Because Respondents repeat the same arguments that they raised in their 1993 motion to quash or modify, which the Commission denied, this Office refers the Commission to the General Counsel's Report dated May 7, 1993 for a complete discussion and analysis of those arguments centering on the Commission's alleged lack of authority over activity prior to the declared candidacy of Pat Robertson and therefore the unconstitutionality of its investigation. In addition to Respondents' repeated arguments, Respondents also argue in the alternative that the Subpoena and Order are "overbroad" and "burdensome."

In support of their overbreadth argument, Respondents claim that the Commission's request for documents and information relating to the production and transmission of programs mentioning Pat Robertson over ALW-TV (the private satellite transmission facility owned and operated by Arthur L. Williams), because not

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explicitly addressed in the Factual and Legal Analysis of April 1993, is not within the scope of the Commission's investigation. Information about the broadcasts arose subsequent to the reason to believe finding and in particular, during the deposition of Mr. Williams on December 12, 1994. See General Counsel's Report dated January 23, 1995. Respondents contend that a request for transmission materials is "an impermissible fishing expedition into matters wholly unrelated to the subject of this investigation." Attachment 2 at 18. Respondents' characterization is erroneous and without merit. Respondents' assertions notwithstanding, the Commission is authorized to investigate the full extent of the possible corporate contributions of the A.L. Williams companies to the Robertson presidential campaign. The Commission's Subpoena and Order of April 11, 1995 were designed to obtain information about the electioneering activities on the part of the corporation and its officers and to allow the Commission to complete its investigation of this part of the case.

Respondents also argue that compliance with the Commission's Subpoena and Order is "unduly burdensome." To relieve Respondents' burden, counsel suggests that they be excused from producing videotapes, transcripts, and program logs of transmissions that mention Pat Robertson and/or the Pat Robertson event held at Constitution Hall on September 17, 1986 during the period of June 1986 through March 1988. In contrast to previous

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representations that Respondents have few tapes, see page 5, counsel here claims that there were between 200 and 400 programs transmitted during that period. This is the first time Respondents have given any information about the extent of the ALW-TV broadcasts, and yet they still have not indicated how many tapes exist and who has possession of them.

The Commission should not accede to Respondents' requests. Respondents ask to be relieved from producing the very information that the Commission's Subpoena and Order were crafted to obtain, i.e., the broadcasts supporting the candidacy of Pat Robertson along with records documenting the costs related thereto. Respondents specifically want to limit discovery to the period prior to September 17, 1986. This request is unacceptable as it is based on Respondents' legal conclusion as to the period of Pat Robertson's candidacy and the legitimate scope of the Commission's investigation. Respondents also want to be excused from producing a list of dates of Robertson-connected transmissions. If Respondents provide copies of the relevant tapes, no list would be required if it does not otherwise exist.

### III. STATUS OF DISCOVERY

In response to the Commission's Subpoena and Order, Respondents have produced one videocassette and a written response in the form of an affidavit. See Attachment 2. These materials were received in this Office on May 22, 1995. Respondents are

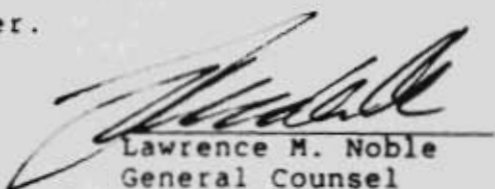
required by the Subpoena and Order to provide copies of all transmissions, and thus, tapes and financial documents remain outstanding.

IV. RECOMMENDATIONS

1. Deny the Motion to File out of Time and the Motion to Quash or to Modify the Subpoena to Produce Documents and Order to Produce Written Answers of Management Financial Services, Inc. and Arthur L. Williams.
2. Approve the appropriate letter.

Date

7/27/95

  
Lawrence M. Noble  
General Counsel

Attachments:

1. Letter dated April 26, 1995
2. Motions
3. Letter from FEC dated May 8, 1995
4. Letter dated May 10, 1995
5. Letter from FEC dated May 12, 1995
6. Letter dated May 13, 1995
7. Letter dated May 16, 1995

Attorney assigned: Holly Baker

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

MEMORANDUM

TO: LAWRENCE M. NOBLE  
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS   
COMMISSION SECRETARY

DATE: AUGUST 2, 1995

SUBJECT: MUR 3485 - GENERAL COUNSEL'S REPORT  
DATED JULY 27, 1995.

The above-captioned document was circulated to the  
Commission on Friday, July 28, 1995 at 12:00.

Objection(s) have been received from the  
Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	_____
Commissioner Elliott	<u>XXX</u>
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Potter	_____
Commissioner Thomas	_____

This matter will be placed on the meeting agenda  
for Tuesday, August 8, 1995.

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

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 3485  
Americans for Robertson, Inc. )  
and Frederick H. Shafer, as )  
treasurer, et al. )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of August 8, 1995, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 3485:

1. Deny the Motion to File out of Time and the Motion to Quash or to Modify the Subpoena to Produce Documents and Order to Produce Written Answers of Management Financial Services, Inc. and Arthur L. Williams.
2. Approve the appropriate letter as recommended in the General Counsel's July 27, 1995 report.

Commissioners Aikens, Elliott, McDonald, McGarry, Potter, and Thomas voted affirmatively for the decision.

Attest:

8-8-95  
Date

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



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

August 9, 1995

Myles V. Lynk, Esq.  
Dewey, Ballantine, Busby, Palmer & Wood  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006

RE: MUR 3485  
Management Financial Services,  
Inc. and Arthur L. Williams

Dear Mr. Lynk:

On August 8, 1995, the Federal Election Commission considered your submissions on behalf of Management Financial Services, Inc. and Arthur L. Williams. On that date, the Commission denied your motion to file out of time and your motion to modify or to quash the Commission's Subpoena and Order of April 11, 1995.

Consequently, please submit all responsive materials and information by the close of business Friday, August 18, 1995.

If you have any questions, please call me or Tony Buckley at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, reading "Holly Baker", is written over a horizontal line.

Holly Baker  
Attorney

DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20004-4665  
TELEPHONE 202 642-1000 FACSIMILE 202 642-1093

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MYLES V. LYNK

202 662-1047

August 10, 1995

Holly J. Baker, Esq.  
Staff Attorney  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Ms. Baker:

Thank you for your letter of July 24, 1995, in response mine of July 7, regarding the Commission's decision not to provide Mr. Williams with a copy of his deposition transcript.

In your earlier letter of June 16, 1995, you wrote: "the Commission's investigative materials, including investigatory depositions, are protected by the law enforcement investigative privilege and the 'good cause' exception of the Administrative Procedure Act," and, "the Commission has found good cause not to provide a copy of the deposition transcripts at this stage of the investigation" to the parties I represent in this matter.

Your June 16 letter did not, however, refer to any specific provision of the Administrative Procedure Act ("APA") upon which the Commission relied for its decision. Therefore, in my letter to you of July 7, I discussed two sections of the APA that I thought might be applicable to the Commission's decision in this matter. In your July 24 letter you did not indicate whether or not these were the sections upon which the Commission relied in making its decision. Instead, you noted that another provision of the APA, 5 U.S.C. § 555(e), "does not apply to this type of Commission decision." This subsection calls for notice and "a brief statement of the grounds" for denial of an interested party's request made in connection with an agency proceeding.

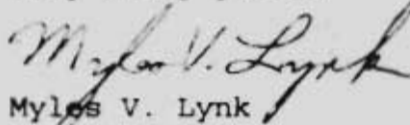
In light of the above, please confirm for me whether the Commission did rely on 5 U.S.C. § 555(c) for its decision that there was "good cause" not to provide Mr. Williams with a copy of his deposition transcript at this stage of the investigation. If

Holly J. Baker, Esq.  
August 10, 1995  
Page 2

the Commission relied on another provision of the APA, please refer me to that provision. Please also refer me to the authority for your statement that 5 U.S.C. § 555(e) does not apply to this type of Commission decision.

With appreciation for your assistance, I am,

Very truly yours,

  
Myles V. Lynk

MVL:ao

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DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20004-4405  
TELEPHONE 202 862-1000 FACSIMILE 202 862-1003

MYLES V. LYNK  
202 862-1047

August 15, 1995

Holly J. Baker, Esq.  
Staff Attorney  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Ms. Baker:

Thank you for your letter of August 9, 1995, in which you write that on August 8, 1995 the Commission denied respondent's motion to file out of time, and respondent's motion to modify or to quash the Commission's subpoena and order of April 11, 1995.

I am writing to ask you to clarify this statement in your letter. Because the motion to quash or modify the subpoena was filed more than five days after the subpoena was received by respondents, 11 C.F.R. § 111.15(a), respondents filed a motion for leave to file their motion to quash or modify the subpoena out of time. If the Commission denied respondent's motion to file out of time, then it would not have reached the merits of their motion to quash or modify the Commission's subpoena. Conversely, if the Commission denied, on the merits, the motion to quash or modify the subpoena, presumably it did so after having first granted the motion to file out of time. Therefore, please clarify the statement in your letter of August 9, 1995.

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

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FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL

DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20004-4405  
TELEPHONE 202 642-1000 FACSIMILE 202 642-1003

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COUNSEL

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MYLES V. LYNK

202 642-1047

August 17, 1995

SENT VIA TELEFAX  
ORIGINAL SENT VIA FIRST CLASS MAIL

Holly J. Baker, Esq.  
Staff Attorney  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Ms. Baker:

I am writing in further reply to your letter of August 9. I called your office today to speak with you but was told that you were not available.

Please be advised that I have been informed by the respondents that they do not believe they have in their possession any materials that are responsive to the Commission's April 11, 1995 subpoena, which have not already been disclosed to the Commission. However, I am also instructed to inform you that the respondents are nonetheless reviewing their files, specifically, copies of videotapes in their possession of cablecasts of programs broadcast on ALW-TV from June 1986 through March 1988, to conclusively determine whether any of these videotapes contain any material not previously disclosed to the Commission which is responsive to the Commission's subpoena. Unfortunately, this review cannot be completed by Friday, August 18. Therefore, they request an extension of time until Thursday, August 31, 1995, to complete their review and respond to your August 9, 1995 request for materials and information.

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

MVL:ao



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20061

August 17, 1995

VIA FACSIMILE AND FIRST CLASS MAIL

Michael Geroe, Esq.  
Dewey, Ballantine, Busby, Palmer & Wood  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006

RE: MUR 3485  
Management Financial Services, Inc. and  
Arthur L. Williams (Compliance with  
Outstanding Subpoena)

Dear Mr. Geroe:

In Ms. Baker's absence, this is to respond to Myles Lynk's letters dated August 15 and 17 in the above-captioned matter. First, in response to his August 15th letter, the Commission denied your clients' motion to file out of time and also concluded that even if the motion to quash had been timely filed it lacked merit. Therefore, the Commission denied both motions. I wanted also to address expeditiously Mr. Lynk's request by letter received via facsimile this afternoon for an additional extension of time to achieve full compliance with the outstanding subpoena. On your express representation by telephone this evening that your clients intend to fully comply with the subpoena and that (as discussed in Mr. Lynk's letter) the purpose of the requested extension is to do so, I have granted the requested extension. Therefore, please submit all responsive materials by the close of business of Thursday, August 31.

If you have any questions, please feel free to call.

Sincerely,

Jonathan A. Bernstein  
Assistant General Counsel



DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-6605  
TELEPHONE 202 642-3000 FACSIMILE 202 642-1093

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OFFICE OF THE GENERAL  
COUNSEL  
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MYLES V. LYNK  
202 662-1047

August 18, 1995

Holly J. Baker, Esq.  
Staff Attorney  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Ms. Baker:

I understand that on August 17, 1995, Jonathan A. Bernstein of your office called Michael Geroe of this office regarding my letter to you of the same date. I am surprised that Mr. Bernstein called Mr. Geroe to discuss my letter. I was in my office on August 17 and would have been delighted to speak with him. In any event, please be assured that the only representations we have made in response to your letter to me of August 9 are the written representations set forth in my August 17 letter to you.

Very truly yours,

*Myles V. Lynk*

Myles V. Lynk

MVL:ao



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 21, 1995

VIA FACSIMILE


Myles Lynk, Esq.  
Dewey, Ballantine, Busby, Palmer & Wood  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006

RE: MUR 3485  
Management Financial Services, Inc. and  
Arthur L. Williams (Compliance with  
Outstanding Subpoena)

Dear Mr. Lynk:

In reviewing your August 18 letter to Ms. Baker received this morning, I wanted to correct any apparent misunderstanding. I phoned for you at approximately 6 p.m. on Thursday, August 17th, having just seen your facsimile letter to Ms. Baker of that date, and was informed that you were unavailable. I then asked for Mr. Geroe, resulting in a discussion and his representations reflected in my August 17 letter to him. We view you as the lead attorney and Mr. Geroe as also representing your clients in this matter, and Ms. Baker has dealt with Mr. Geroe on numerous occasions when you are unavailable. Please let us know if you prefer any change in this practice.

Sincerely,

  
Jonathan A. Bernstein  
Assistant General Counsel

DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-4603  
TELEPHONE 202 662-1000 FACSIMILE 202 662-1093

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MYLES V. LYNK  
202 662-1047

August 24, 1995

Jonathan A. Bernstein, Esq.  
Assistant General Counsel  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

RECEIVED  
FEDERAL ELECTION  
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OFFICE OF GENERAL  
COUNSEL

AUG 25 9 59 AM '95

Re: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Mr. Bernstein:

Thank you for your letter of August 21. There is no record of your having called me on August 17, since you left no message for me on my voice mail or with our receptionist or with Mr. Geroe. Nonetheless, I accept your statement that you did. In any event, you and I did not speak on August 17. As I indicated in my August 18 letter to Holly Baker, Esq., of your office, and notwithstanding any conversation you may have with Mr. Geroe, the only representations that we have made in response to Ms. Baker's letter to me of August 9 are the written representations set forth in my letter to her of August 17, 1995.

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

MVL:ao



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1995

Myles V. Lynk, Esq.  
Dewey, Ballantine, Busby, Palmer & Wood  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006

RE: MUR 3485  
Management Financial Services,  
Inc. and Arthur L. Williams

Dear Mr. Lynk:

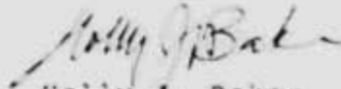
This letter confirms our August 28, 1995 conference call with Kevin King, Esq., in which you asked for a further extension, until September 12, 1995, to respond to the Commission's Subpoena and Order of April 11, 1995. You indicated that you had located 157 videotapes and that three paralegals were in the process of reviewing them for responsive materials.

As I indicated, the additional extension is predicated upon an assurance that your clients will be in full compliance with the outstanding Subpoena and Order on September 12, 1995.

Accordingly, your clients' response is due by the close of business on Tuesday, September 12, 1995.

If you have any questions, I can be contacted at (202) 219-3400.

Sincerely,

  
Holly J. Baker  
Attorney

DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-6605  
TELEPHONE 202 642-1000 FACSIMILE 202 642-1093

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MYLES V. LYNK  
202 662-1047

August 31, 1995

Holly J. Baker, Esq.  
Staff Attorney  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485  
Arthur L. Williams, Jr. and  
Management Financial Services, Inc.

Dear Ms. Baker:

As we agreed, I am writing to memorialize our telephone conversation of this afternoon. I had called you in response to your letter to me of August 29, 1995, which referenced our August 28, 1995 conference call with Kevin King, Esq.

In our conversation this afternoon you and I agreed that, notwithstanding your letter of August 29, we cannot assure you that we will be able to submit a further response to the Commission's April 11, 1995, Subpoena and Order by September 12, 1995, although we will make every effort to do so, and you cannot assure us that you will deem our response, when submitted, to be in full compliance with that Subpoena and Order. As you know, it is our position that compliance with the Commission's Subpoena and Order of April 11, 1995, is extremely burdensome, and it was not possible for our clients to submit a further response within the time allowed by your earlier letter of August 9, 1995. In addition, we also agreed today that if you deem our further response not to be in full compliance with the April 11 Subpoena and Order, this will not be construed as being in any way inconsistent with any of the representations made by you to us, or by us to you, in our conference call of August 28, 1995.

Thank you for your cooperation in this matter.

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

MVL:ac

Copy to: Kevin S. King, Esq.

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COUNSEL  
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FEDERAL BUREAU OF  
INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE  
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RESPONSE OF ARTHUR L. WILLIAMS, JR., AND  
MANAGEMENT FINANCIAL SERVICES, INC.,  
TO THE FEDERAL ELECTION COMMISSION'S  
APRIL 11, 1995  
SUBPOENA FOR PRODUCTION OF DOCUMENTS  
AND  
ORDER TO SUBMIT WRITTEN ANSWERS

0 5 0 4 3 7 5 5 3 4 3

"1. Please provide videocassettes, transcripts, and program logs of all portions of all programs transmitted on ALW-TV from June 1986 through March 1988 in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall, Washington, D.C., on September 17, 1986, are mentioned."

Ans: In Respondents' earlier response, dated May 19, 1995, to this request, the following sentence -- "Respondents understand that the Commission already has a copy of a videocassette of the program transmitted on ALW-TV on September 23, 1986" -- should read as follows: "Respondents understand that the Commission already has a copy of a videocassette of the program transmitted on ALW-TV on September 22, 1986."



Also, enclosed with this present response are videocassette copies of those portions of programs transmitted on ALW-TV on October 6, 1986, January 5, 1987, March 9, 1987 and April 27, 1987, in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall, Washington, D.C., on September 17, 1986, are mentioned.

Also transmitted on January 5, 1987, was a 44 second portion of an appearance by Arthur L. Williams, Jr., on "The 700 Club." That portion is not included in this production because Pat Robertson does not appear in it; Pat Robertson is not mentioned in it; and the Pat Robertson event held at Constitution Hall, Washington, D.C., on September 17, 1986, is not mentioned in that portion.

Respondents do not have in their possession what they understand to be program logs or transcripts responsive to this request.

#### INTERROGATORIES

- "1. Please provide a list of dates of all instances when ALW-TV transmitted programs in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall on September 17, 1986 were mentioned."

Ans: Respondents have no list responsive to this request. See also, Respondents' response of May 19, 1995, and September 12, 1995, to Document Request number 1.

- "2. For each date given in interrogatory number 1, indicate the number of downlinks receiving each program, the length of each segment, and the cost per minute of transmitting each program."

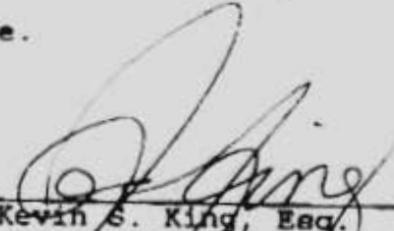
Ans: Respondents have no list responsive to this request. Respondents do not have in their possession the information sought by this request.




"4. Indicate the number of videotapes containing A.L. Williams' speech at Constitution Hall in September 1986 that were sold and the price charged for each copy."

Ans: To the best of their recollection, Respondents did not sell any videotapes containing A.L. Williams' speech at Constitution Hall in September 1986. To the best of Respondents' knowledge, no one else sold any such videotapes.

I affirm that the foregoing responses are complete and accurate to the best of my knowledge.

  
Kevin S. King, Esq.  
on behalf of Arthur L.  
Williams, Jr., and Management  
Financial Services, Inc.

Sworn to and subscribed before me this 12<sup>th</sup> day of September 1995.

  
Notary Public

My commission expires: \_\_\_\_\_

Notary Public, Cobb County, Georgia  
My Commission Expires January 31, 1997

9604-755345



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 3, 1995

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Donald W. Miracle  
2030 E. Redfield Rd.  
Tempe, AZ 85283

RE: MUR 3485

Dear Mr. Miracle:

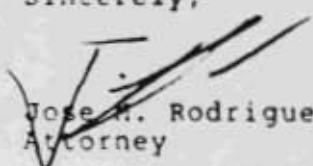
As follow-up to your deposition of May 16, 1995, we request that you provide additional information concerning the document enclosed with this letter.

Enclosed is an unsigned letter from Mr. Pat Robertson to you, dated December 4, 1984, concerning CBN Continental's purchase of the BAC 1-11. During your deposition, you testified that you did in fact receive this letter sometime in December 1984. Please now clarify if the letter you received was signed by Mr. Pat Robertson. If available, please also provide the signed letter.

This matter remains confidential in accordance with 2 U.S.C. § 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

We request that you provide this information within fifteen days of receipt. Should you have any questions, please contact Mr. Anthony Buckley of our office, at (202) 219-3690.

Sincerely,

  
Jose M. Rodriguez  
Attorney

Enclosure

December 4, 1984

Don Miracle  
3912 Country Club Road  
Arlington, TX 76013

Dear Don:

I received an offer from Philip Stacey at \$1,250,000 for the BAC 1-11. I've also gotten information on Jet Star 731's with the best deal at \$1.5 million.

Along with the information, came verified operating expenses for both of these planes which would entail expenses annually somewhere between \$600,000 and \$1,000,000 when everything is considered. With both of them, there is no such thing as economy of use. Every time they move, the cost would be \$1,700 to \$2,000 an hour. If they don't move, there would be fixed costs including interest, etc. that would be at least \$350,000.

I believe that I am going to have a very heavy travel load by mid 1986. For 1984 we used approximately 150 hours, although we also had a large amount of airline travel for guests and other employees. I doubt that 1985 would call for me and other key executives to use more than 180 hours for the year, if that. Things will change rather rapidly by June or July of 1986, and I could see then the 30 or 40 hours that would make owning a plane more worthwhile.

The question is, do we go for a transport plane or do we get a Saber 65, Hawker 700, or some similar aircraft which gets by on 200 or so gallons per hour versus the 500-800 of the larger planes.

I am very touched by your personal desire to leave what you are doing to come fly for us and the Lord.

It is my considered opinion that unless something unusual opens up and God will give me a green light to buy a plane in the next few months, that we should put things on hold. We should give some consideration to your retirement schedule, considering the tremendous financial sacrifice you will make to leave a job paying in excess of \$100,000 to come here.

Your name is Miracle, and a miracle may happen in relation to the BAC or some such plane. If that takes place I will consider it an evidence from the Lord that it is time to go ahead. Unless that happens, I feel it would be financially unwise to proceed right away.

Don Miracle  
December 4, 1984  
Page Two

God bless you for your help in exploring this with us. Please pray  
that the Lord will show His perfect will in this matter.

With warmest personal regards, I am

Yours in Christ,

Pat Robertson  
President

PR:bj

96043755348



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

October 3, 1995

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
OCT 13 12 07 PM '95

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Donald W. Miracle  
2030 E. Redfield Rd.  
Tempe, AZ 85283

RE: MUR 3485

Dear Mr. Miracle:

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This matter remains confidential in accordance with 2 U.S.C. § 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

We request that you provide this information within fifteen days of receipt. Should you have any questions, please contact Mr. Anthony Buckley of our office, at (202) 219-3690.

Sincerely,

*Copy of ORIGINAL*  
  
Jose M. Rodriguez  
Attorney

Enclosure

*IF IT WAS PUBLIC WOULD  
IT HELP YOU PEOPLE??*

*Miracle*

**The  
Christian  
Broadcasting  
Network  
Inc.**



**Pat Robertson  
PRESIDENT**

December 4, 1984

Don Miracle  
3912 Country Club Road  
Arlington, TX 76013

Dear Don:

I received an offer from Philip Stacey at \$1,250,000 for the BAC 1-11. I've also gotten information on Jet Star 731's with the best deal at \$1.5 million.

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The question is, do we go for a transport plane or do we get a Sabre 65, Hawker 700, or some similar aircraft which gets by on 200 or so gallons per hour versus the 500-800 of the larger planes.

I am very touched by your personal desire to leave what you are doing to come fly for us and the Lord.

It is my considered opinion that unless something unusual opens up and God will give me a green light to buy a plane in the next few months, that we should put things on hold. We should give some consideration to your retirement schedule, considering the tremendous financial sacrifice you will make to leave a job paying in excess of \$100,000 to come here.

Your name is Miracle, and a miracle may happen in relation to the BAC or some such plane. If that takes place I will consider it an evidence from the Lord that it is time to go ahead. Unless that happens, I feel it would be financially unwise to proceed right away.

Don Miracle  
December 4, 1984  
Page Two

God bless you for your help in exploring this with us. Please pray  
that the Lord will show His perfect will in this matter.

With warmest personal regards, I am

Yours in Christ,

Pat Robertson  
President

PR:bj

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 19, 1995

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Anthony Mandekic  
Secretary/Treasurer  
Tracinda Corporation  
4835 Koval Lane  
Las Vegas, Nevada 89109

RE: MUR 3485

Dear Mr. Mandekic:

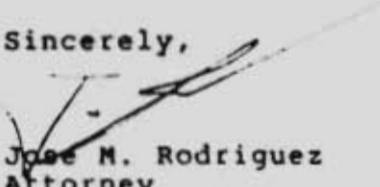
On April 21, 1993, you provided information on behalf of Tracinda Corporation in response to an investigation being conducted by the Federal Election Commission. The subsequent discovery of documents in this matter requires that we now ask for additional information from Tracinda.

Specifically, enclosed is a copy of an unsigned letter from Mr. Pat Robertson of CBN to Mr. Phillip Stacy of your company, dated December 4, 1984. Please provide the signed copy of the enclosed letter. If not available, please inform this office if you, anyone involved in the sale of the BAC 1-11 (serial number 005) or anyone else in the company recalls receiving a signed copy of the letter. If so, please identify this individual or these individuals by name and position in the company. So that we may contact these individuals if necessary, please also provide their address and telephone number.

Please note that this investigation remains confidential pursuant to 2 U.S.C. § 437g(a)(12)(A). 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.

We request that you provide this information within fifteen days of receipt of this letter. Should you have any questions, please contact Mr. Anthony Buckley of our office, at (800) 424-9530.

Sincerely,



Jose M. Rodriguez  
Attorney

Enclosure

9404375533

December 4, 1984

Mr. Philip Stacey  
Tracinda Corporation  
MGM-UA International  
20202 Washington, Rm 312  
Thalberg  
Culver City, CA 90230

Dear Phil:

Thank you for your good letter of November 30th. I frankly think you have made as fair an offer on the BAC 1-11 aircraft as I can imagine.

Here is my dilemma. I want very much to have a BAC, yet I know the sizeable cost penalties required to operate a plane of this size on short lengths and with limited loads. Frankly, in order to justify in my mind and to others in our company the operating expense, I needed an acquisition price that was so cheap that it would be impossible to turn down. This need explains the offers expressed in my letter to you.

Because of this, I reluctantly will have to pass on the excellent offer which you made.

Thank you for your kind consideration, and the courtesy that you showed to Don Miracle.

With all good wishes, I am

Cordially yours,

Pat Robertson  
President

PR:bj

# TRACINDA Corporation

4835 KOVAL LANE • LAS VEGAS, NEVADA 89109 • TELEPHONE (702) 737-8060 • FACSIMILE (702) 737-1177

October 26, 1995

Mr. Jose M. Rodriguez  
Federal Election Commission  
999 F Street, N.W.  
Washington, D.C. 20463

Re: MUR 3485

Dear Mr. Rodriguez:

I today received your letter dated October 19, 1995. We have reviewed our files and have been unable to find the original or any copies of the letter dated December 4, 1984. Phillip Stacy, to whom the letter in question was addressed, believes he did receive a letter like this.

Phil is still employed by Tracinda Corporation in the capacity of Vice President of Aviation and can be reached at the above number.

Very truly yours,



Anthony Mandekic  
Secretary-Treasurer

AM:jw

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OFFICE OF GENERAL  
COUNSEL  
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DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20004-4665  
TELEPHONE 202 642-1000 FACSIMILE 202 642-1093

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COUNSEL

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MYLES V. LYNK  
202 642-1047

December 14, 1995

VIA HAND DELIVERY

Holly Baker, Esq.  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, D.C. 20463

Re: MUR 3485  
Management Financial Services, Inc. and  
Arthur L. Williams, Jr.

Dear Ms. Baker:

Pursuant to the above Respondents' commitment to supplement earlier responses to the Commission's subpoenas and orders with additional information when such information becomes available, please find enclosed a copy of a videocassette which Respondents found on December 1, 1995 and immediately sent to us. We received it on December 4, 1995.

After viewing this videocassette, we have concluded that it may be responsive to Document Request No. 1 of the Commission's Subpoena and Order, dated April 11, 1995, in this MUR, if it was "transmitted on ALW-TV." We have not yet been able to determine whether the material on this videocassette was actually transmitted (cablecast) on ALW-TV. Nonetheless, in light of the Respondents' desire to cooperate with the Commission in this matter, we are forwarding this videocassette to the Commission with this letter.

Very truly yours,

*Myles V. Lynk*  
Myles V. Lynk

Enclosure

**William J. Dooner**

8555 Laurens Lane  
San Antonio, Texas 78218  
(210) 820-3181

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January 31, 1996

Holly Baker  
Federal Election Commission  
F.E.C.  
Washington, D.C. 20463

REGARDING: VICTORY COMMUNICATIONS MUR#3485

Dear Holly,

The enclosed copies of the check and deposit record will confirm my previous testimony and hopefully be of some help to your investigation.

It occurred to me that I misunderstood your question about other checks relating to either Victory Communication or five other groups. Sorry for my slow response. I will look into the additional 10 months of 1986 and let you know.

Sincerely,

Bill Dooner

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COUNSEL

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MUR 3485 - GENERAL COUNSEL'S REPORT

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06043755360

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )

Americans for Robertson, Inc. and )  
Frederick H. Shafer, as treasurer, )  
et al. )

MUR 3485

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

A. Commission Actions

This matter was generated by an audit of Americans for Robertson, Inc. ("the Committee", "AFR" or "Americans for Robertson"), pursuant to 26 U.S.C. § 9038(a), to determine whether there had been compliance with the provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and of the Presidential Primary Matching Payment Account Act ("the Matching Payment Act"). See also 2 U.S.C. § 9039(b) and 11 C.F.R. § 9038.1(a)(2). Americans for Robertson was the presidential primary campaign committee of Marion G. "Pat" Robertson, for the 1988 Republican presidential nomination. On March 3 and 11, 1992, the Commission approved the referral of this matter to the Office of the General Counsel for enforcement. On January 12, 1993, the Commission found reason to believe that Americans for Robertson and others committed violations of the Act, the Matching Payment Act, and Commission regulations, and commenced an investigation.<sup>1</sup>

1. The Commission has closed the file in this matter with respect to a few persons. The following persons remain as respondents in this matter: Marion G. "Pat" Robertson; Americans for Robertson, Inc. and Frederick H. Shafer, as treasurer; Christian Broadcasting Network, Inc.; KXTX (formerly CBN Continental Broadcasting Network, Inc.); Airplanes, Inc.; CMS Enterprises and Russ Kaemmerling, its president; GB Computer Services, Inc. and George Border; JDH Enterprises, Inc.; Management Financial Services, Inc. and A.L. Williams; Response Media Direct and William Moore, its

Subsequently, on February 8, 1994, in response to the decision of the Court of Appeals for the District of Columbia Circuit in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), cert. dismissed for lack of jurisdiction, 45 S.Ct. 537 (1994), the Commission reviewed the possible violations arising from the audit of the Committee and, upon revote, again found reason to believe that violations had occurred. The Commission's investigation was then reactivated and Respondents were notified of the Commission's revote by letters dated February 18, 1994.

9604302  
This matter has encompassed more than 15 General Counsel's Reports and five separate Memoranda to the Commission. The Commission has issued over 40 subpoenas for answers to questions and orders to produce documents, as well as separate orders to produce documents. This Office has conducted 16 depositions. The Commission has had to authorize civil suit to compel compliance with its subpoenas and orders four times, and has had to file suit to enforce one subpoena for deposition. The most recent deposition was conducted on June 8-11, 1995, and the last

(Footnote 1 continued from previous page)  
president; Richard Quinn & Associates; Spoleto Construction and Supply, Inc.; Victory Communications International, Inc. and Michael Clifford, as president; Arthur Albrecht; Tom Atwood; Wayne Bailey; Robert Beale; Jerry Ralph Curry; Steve Davis; Clarence Decker; William Dooner; Herb Ellingwood; Marlene Elwell; James D. Higgins; Barry Hon; David Jackman; Barbara King; Ray King; Christine Lammers; William LeBaron; Donald Miracle; R. Marc Nuttle; Robert Partlow; B. James Reid; Carolyn Ridley; Gordon Robertson; Beurt R. SerVaas; Robert B. Skolrood; Robert Slosser; Henry J. "Bud" Smith; Kevin B. Steacy; Allen Sutherlin; Dr. Herbert R. Titus; Ben Waldman; Dr. Gene R. Ward; and Lucien Warner.

information provided pursuant to Commission subpoena and order was produced in December 1995.

#### **B. Status of Matter**

This report summarizes the facts learned as a result of the investigation, and then recommends that the Commission take no further action against the remaining respondents and close the file. While this Office does not wish to understate the importance of the violations in this matter, various facts compel us to recommend this course of action.<sup>3</sup>

First, this matter dates from the 1988 election cycle and, consequently, is stale. In many instances, the case's age has hampered this Office's efforts to gain all relevant information from respondents and witnesses. Further, the age of the violations also means that any attempt to collect a civil penalty in court would result in a challenge on statute of limitations grounds which might be successful. Finally, the enormity of the violations has already required the expenditure of a large amount of this Office's resources; at any one time, four enforcement attorneys have been involved in various aspects of the case. To

3. Because of the large number and length of the documents cited in this report, this Office is not attaching them. Instead, this Office has created an appendix to be made available to the Commissioners should they wish to review any of the cited material.

spend further valuable Commission time on this matter would divert attention from more current and pressing matters.

### C. Summary

This Report discusses the four major areas of alleged violations in this matter. Primary focus is on the campaign committee the candidate, and others involved in the campaign. In an earlier, complaint-generated matter, the Commission determined that Pat Robertson became a candidate, and Americans for Robertson a political committee, under the Act no later than September 17, 1986. (MUR 2262). The more wide-spread investigation in this matter, conducted subsequent to the mandatory audit, has produced evidence that Mr. Robertson may have become a candidate earlier and, at the very least, engaged in an extended period of testing-the-waters. None of this activity was reported to the Commission as required by 11 C.F.R. §§ 100.7(b)(1), 100.8(b)(1), 101.3.

The first area discussed is the September 17, 1986 Constitution Hall event and the planning and other activity leading up to that event. The activities included certain fundraisers for The Freedom Council and the Committee for Freedom, two organizations, described below, which financed activity in early primary states such as Michigan, where their focus was to persuade Robertson supporters to run for precinct delegates in that state's August 5, 1986 primary. These organizations also paid the costs of Robertson's travel to Michigan and to Iowa, another early primary state. The Robertson effort is noteworthy for the sheer amount of third-party credit and money expended. In



addition to these efforts in the early primary states, planning for the September 17 event, which unveiled to a national audience Mr. Robertson's official campaign organization, began as early as May 1986, some four months before the event. The planning was for an active campaign organization, and took into account the activities of Robertson-headed organizations such as The Freedom Council and the Committee for Freedom.

Of critical importance to the Constitution Hall event was the involvement of Victory Communications International, Inc. ("VCI") and A.L. Williams, Jr. VCI, an agent of the Committee, produced the Constitution Hall event. In order to finance this event, VCI, with the help of Pat and Gordon Robertson, solicited \$50,000 and \$100,000 loans from Pat Robertson's supporters. These loans constitute excessive contributions that the Committee accepted in violation of the Act. In addition, VCI made other advances of funds and services at a time when the Committee had no funds to finance the event. The Committee also accepted funds and services from A.L. Williams. Mr. Williams was a featured speaker at the Constitution Hall event, did a mass mailing in conjunction with the event, and promoted Pat Robertson's candidacy over ALW-TV, a corporate satellite network. These services constitute corporate contributions which the Committee accepted.

The second area discussed is CBN Continental Broadcasting Network, Inc.'s<sup>4</sup> provision of a BAC 1-11 aircraft for Pat

4. On April 16, 1990, CBN Continental Broadcasting Network, Inc. changed its name to KXTX, Inc. Because the activity at issue took place prior to the name change, throughout this Report this entity is referred to by its former name -- CBN Continental Broadcasting Network, Inc.



Robertson's campaign, and CBN Continental's subsidization of the maintenance and operating costs of the aircraft. This airplane was used to ferry Robertson, first on trips for The Freedom Council and the Committee for Freedom, and then on trips for his official campaign organization. None of Robertson's corporate activities prior to, or since the 1988 election cycle, have required his use of an airplane of this size. Evidence, including contemporaneous statements by Mr. Robertson at the time of the aircraft's purchase, as well as an analysis of the use of the airplane, demonstrates that the airplane was purchased for Pat Robertson's presidential effort. Thus, the Committee received a corporate contribution in excess of \$1.6 million, the costs associated with the aircraft.

The third area discussed involves transactions surrounding the Committee's acquisition and subsequent sale/leaseback of a computer system. At the same time Mr. Robertson was using his other non-profit organizations for campaign purposes he also was making efforts to protect the Christian Broadcasting Network -- Robertson's tax-exempt corporation -- from any adverse legal consequences that might arise from its efforts on behalf of his nascent presidential campaign. To this end, he planned to sever CBN's financial and other connections from the same tax-exempt organizations supporting his grass-roots presidential effort. As a result, at the request of Pat Robertson, George Border formed a computer corporation specializing in direct mail efforts. Its principal clients were the Pat Robertson organizations newly severed from CBN. When these organizations failed to finance

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themselves through direct-mail efforts, GBCSI also failed. As a consequence, it sold its entire operation to the Committee for far less than its actual value. Later, the Committee sold the equipment to a company formed by the campaign manger, R. Marc Nuttle, and immediately leased it back, gaining over \$300,000 in the process, which came in \$50,000, \$100,000 and \$150,000 loans from wealthy supporters who invested in Nuttle's company. The transactions that allowed these individuals to be paid back involved questionable sales of mailing lists, and additional transactions involving the computer equipment which was sold to Partners for America, a political committee formed by Gordon Robertson. The Committee's and Nuttle's efforts to pay back these loans resulted in even more apparent violations of the Act.

The final area discussed is that of the Committee's violation of the overall expenditure limitations. The final amount has been revised from that discussed in the First General Counsel's Report in this matter, based on the new understanding of the amount of violations, as gained through the investigation.<sup>5</sup>

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5. The activities discussed in this Report encompass what this Office considers the most egregious violations committed by the Committee, but by no means the only ones identified during the audit and confirmed by the investigation. This Report does not discuss the receipt by the Committee of corporate funds for the performance of computer services (See MUR 3485, First General Counsel's Report dated November 27, 1992 at 32-35), the acceptance of excessive and corporate contributions in the way of advances from certain vendors (*Id.* at 76-87), the acceptance of advances from Committee personnel and non-incorporated persons (*Id.* at 119-138), and the failure to properly maintain records and the improper billing of the media. (*Id.* at 107-114).

**D. Organizations and Individuals Involved in MUR 3485**

A number of individuals and organizations had roles in the violations in this matter. The most important of these are described below.

**1. Marion G. "Pat" Robertson**

Marion G. Robertson is the founder of the Christian Broadcasting Network, Inc. ("CBN"), and served as President and then Chairman of the Board and Chief Executive Officer of CBN from November 6, 1986 until shortly after he had declared his candidacy for the presidency of the United States on October 1, 1987.

**2. Americans for Robertson, Inc.**

Americans for Robertson was the official campaign committee of Pat Robertson's presidential effort. It was incorporated on July 21, 1986, and registered with the Commission on October 15, 1987.

**3. Committee for Freedom**

The Committee for Freedom was a multi-candidate political committee formed by Pat Robertson, which registered with the Commission on June 26, 1985.

**4. Christian Broadcasting Network, Inc. ("CBN")**

CBN was incorporated on January 11, 1960. Its principal business is as a religious/charitable ministry organization, and it has been granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. Under this provision, CBN is prohibited from participating in political activities relating to candidates. CBN has developed a number of subsidiary corporations

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and affiliated organizations over the years which are important to this matter. They include the following:

**a. The Freedom Council**

The Freedom Council was incorporated by Pat Robertson in 1981 to "increase participation by Christians in the political process."

The Freedom Council was primarily funded by, and initially had its administrative services and logistical support provided by, CBN.

**b. Freedom Council Foundation**

The Freedom Council Foundation was formed in 1982 by Pat Robertson, and incorporated in 1982 as a project of The Freedom Council, for the purposes of engaging in legal actions to secure religious liberties. On April 10, 1986, it changed its name to the National Legal Foundation.

The Freedom Council Foundation was primarily funded by, and initially had its administrative services and logistical support provided by, CBN.

**c. National Perspectives Institute**

The National Perspectives Institute was incorporated in March of 1985 to perform scholarly research on public policy issues.

The National Perspectives Institute was primarily funded by, and initially had its administrative services and logistical support provided by, CBN.

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**d. GB Computer Services, Inc.**

GB Computer Services, Inc. ("GBCSI") was incorporated on July 1, 1985. Its president, secretary and treasurer was George F. Border, who had worked for CBN from the Fall of 1978 to the Summer of 1980.

Although GBCSI was not technically a subsidiary of CBN, it was created specifically to provide services to The Freedom Council, the Freedom Council Foundation and the National Perspectives Institute.

**e. CBN Continental Broadcasting Network, Inc.**

CBN Continental Broadcasting Network, Inc. was incorporated on December 22, 1978 as a for-profit subsidiary of CBN. Its principal business was to own and operate radio and television broadcast properties.

**5. R. Marc Nuttle**

Marc Nuttle is an attorney and political consultant who performed work for The Freedom Council and the Committee for Freedom prior to becoming campaign manager for Americans for Robertson.

**6. Victory Communications International, Inc.**

Victory Communications International, Inc. ("VCI") was a public relations and video conferencing firm owned and operated by Michael K. Clifford and his wife. VCI was headquartered in Phoenix, Arizona and catered to conservative Christian clients. VCI's corporate status was revoked by the state of Arizona on October 10, 1991.

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**E. Applicable Law<sup>6</sup>**

**1. Individual Contributions**

Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committee(s) with respect to any election for Federal office which, in the aggregate, exceed, \$1,000. The term person includes an individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons. 2 U.S.C. § 431(11). Pursuant to 2 U.S.C. § 441a(a)(3), no individual shall make contributions aggregating more than \$25,000 in any calendar year. Pursuant to 2 U.S.C. § 441a(f), no candidate or political committee shall knowingly accept any contribution in violation of the provisions of Section 441a; nor shall any officer or employee of a political committee knowingly accept a contribution in violation of the provisions of Section 441a. The Act defines "contribution" to include "any gift, subscription, loan, advance, or deposit of money or anything of value." 2 U.S.C. § 431(8)(A)(i).

**2. Corporate Contributions**

**a. generally**

Pursuant to 2 U.S.C. § 441b(a), corporations may not make, and officers of corporations may not approve, contributions in connection with federal elections and a political committee,

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6. The law and regulations discussed and applied in this matter is that which was in effect existed at the time of the activity in question.



candidate or other person may not accept or receive such prohibited contributions.<sup>7</sup>

The Act and regulations permit a corporation to make partisan communications to its stockholders and executive or administrative personnel and their families. 2 U.S.C. § 441b(b)(2), 11 C.F.R. § 114.3(a)(1). No corporation, however, may make contributions or expenditures for partisan communications to the general public in connection with a federal election. 11 C.F.R. § 114.3(a)(1).

The Commission's regulations provide that a corporation may extend credit to a candidate, political committee, or other person in connection with a Federal election provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extensions of credit to nonpolitical debtors which are of a similar risk and size of obligation. 11 C.F.R. § 114.10(a)(1980).

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7. Commission regulations set forth limited exemptions from the definition of "contribution" and "expenditure" which permit an individual to finance a variety of activities in the course of making a decision as to whether to become a candidate for public office. 11 C.F.R. §§ 100.7(b)(1), 100.8(b)(1). An individual who undertakes such "testing the waters" activities must keep records of all funds received and payments made in connection with those activities. 11 C.F.R. §§ 100.7(b)(1), 100.8(b)(1), 101.3. While funds received and payments made solely for such activities need not be reported at the time they are received or made, in the event an individual subsequently becomes a candidate, however, the funds received and payments made for the earlier "testing the waters" activities are considered "contributions" and "expenditures" and must be reported in the first report filed by the candidate's principal campaign committee. *Id.* Most important, Commission regulations require that "[o]nly funds permissible under the Act may be used for such activities." 11 C.F.R. §§ 100.7(b)(1), 100.8(b)(1).



**b. use of corporate aircraft**

A political committee, a candidate, candidate's agent, or person traveling on behalf of a candidate who uses an airplane which is owned or leased by a corporation (other than a commercial airline corporation) must, in advance, reimburse the corporation the first class air fare for travel to a city served by regularly scheduled commercial service or the usual charter rate for travel to a city not served by regularly scheduled commercial service. 11 C.F.R. § 114.9(e)(1)(i) and (ii). Where the aircraft is purchased by a corporation expressly for a campaign's use, Section 114.9(e) does not apply. Instead, the Commission's general rules governing the provision of corporate assets or services to a political committee apply. See 11 C.F.R. § 100.7(a)(1)(iii)(A).

Former Section 100.7(a)(1)(iii)(A), in effect at the time of the events in question, provided that a contribution resulted when a corporation provided any goods or services without charge or at a charge which was less than the usual and normal charge for such services. 11 C.F.R. § 100.7(a)(1)(iii)(A). For purposes of this provision, the usual and normal charge for services meant the commercially reasonable rate prevailing at the time the services were rendered. 11 C.F.R. § 100.7(a)(1)(iii)(B).

**c. debts to corporations**

Section 114.10(c) provided that a corporation could settle or forgive a debt if the creditor had treated the outstanding debt in a commercially reasonable manner. A settlement would be considered commercially reasonable if the initial extension of credit had been made in accordance with regulations issued

pursuant to 2 U.S.C. § 451 or the extension of credit had been in the corporation's ordinary course of business and the terms were substantially similar to extensions of credit to nonpolitical debtors which were of similar risk and size of obligation; the candidate or political committee had undertaken all commercially reasonable efforts to satisfy the debt; and the corporate creditor had pursued its remedies in a manner similar in intensity to that employed by the corporation in pursuit of a non-political debtor. 11 C.F.R. § 114.10(c)(1)-(3).

### 3. Overall Expenditure Limitation

Candidates seeking nomination for the Office of the President of the United States who are eligible to receive matching fund payments may not make overall expenditures aggregating in excess of \$10,000,000.00 as adjusted by changes in the Consumer Price Index. 2 U.S.C. § 441a(b)(1)(A). Section 9035 of Title 26 of the United States Code prohibits candidates from knowingly incurring qualified campaign expenses in excess of the overall expenditure limitation in 2 U.S.C. § 441a(b)(1)(A). Under Commission regulations, expenditures for services solely to ensure compliance with the Act made by a candidate certified to receive Primary Matching Funds under 11 C.F.R. § 9034 do not count against such candidate's expenditure limitations under 11 C.F.R. § 9035 or 11 C.F.R. § 110.8.

In-kind contributions to a political committee are generally treated as expenditures by the committee. Under 2 U.S.C. § 431(9), the term "expenditure" includes, inter alia, any purchase, payment, distribution, loan, advance, deposit, or gift

of money or anything of value, made by any person for the purpose of influencing any election for Federal office. See also 11 C.F.R. § 100.8(a)(1). For the purpose of defining "expenditure," the term "anything of value" includes all in-kind contributions. 11 C.F.R. § 100.8(a)(1)(iv)(A). Unless otherwise exempted under 11 C.F.R. § 100.8(b), the provision of any goods or services without charge or at a charge that is less than the usual and normal charge for the goods or services is an expenditure. "Usual and normal charge" for goods means the price of those goods in the market from which they ordinarily would have been purchased at the time of the expenditure. 11 C.F.R. § 100.8(a)(1)(iv)(B). Characterizing in-kind contributions as committee expenditures is appropriate because the end result is the same: receiving something of value from another to influence the federal election has the same effect as would have occurred if the Committee had spent funds directly.<sup>8</sup>

8. While this is the general rule applicable to all political committees, nothing in the Act or Commission regulations suggests that in-kind contributions to presidential candidates are treated differently. Commission regulations allocate expenditures incurred by authorized committees, affiliated committees, and delegate committees that are on behalf of a presidential committee, to the presidential committee's overall expenditure limitation. See 11 C.F.R. § 110.8(g)(1); 11 C.F.R. § 110.3(a); and 11 C.F.R. § 110.14(f)(2)(i)(C). Similarly, 11 C.F.R. § 9032.9 provides that expenditures made by persons acting as agents of the candidate or the candidate's authorized committee, or by persons authorized by the candidate or the candidate's authorized committee, are expenditures made on behalf of the candidate. The Commission also has applied this principle to allocate in-kind contributions made by separate entities to a presidential committee's overall spending limitation. See Dole for President Committee, Statement of Reasons Supporting The Final Repayment Determination at 23 (February 6, 1992); see also Advisory Opinion 1985-40 at 8.

## II. EVIDENCE OF VIOLATIONS

### A. Violations in Connection with the Start of the Campaign

#### 1. Circumstances Leading to Violations

##### a. start up of the campaign in early 1986

By January of 1986, Pat Robertson had begun to make explicit among his inner circle his intention to seek the Republican nomination for President, and began to hold planning sessions with potential supporters and consultants. At this time, Mr. Robertson's political efforts were conducted through several previously formed organizations, including The Freedom Council and the Committee for Freedom.

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An article co-written by Cory SerVaas which appeared in The Saturday Evening Post in March 1985 was instrumental in garnering support and generating interest in Mr. Robertson's presidential prospects among potential supporters. (Deposition of Michael K. Clifford dated November 23, 1994 at 70; see also Cory SerVaas and Maynard Good Stoddard, "CBN's Pat Robertson: White House Next?", The Saturday Evening Post, March 1985 at 50). Mrs. SerVaas, owner and publisher of The Saturday Evening Post, interviewed Robertson and proposed him as the next president of the United States. Pat Robertson's picture appeared on the cover of that issue of the magazine. (Id.). Mrs. SerVaas, who also had a health issues program on Mr. Robertson's nationally televised program, "The 700 Club", was the wife of Beurt SerVaas, whose own efforts in support of Pat Robertson are described infra at 70-80.

Michael K. Clifford was among those individuals Pat Robertson consulted in early 1986. Mr. Clifford has testified that Pat

Robertson contacted him in January 1986, at which time they met and Robertson told him, "'I'm going to run for President of the United States . . . .'" (Clifford Deposition at 14).<sup>9</sup> At the time of the meeting, VCI had recently finished a major world-wide televideo event for Campus Crusade for Christ. Although Clifford did not then have a personal relationship with Pat Robertson, VCI had produced a small event for Robertson's Christian Broadcasting Network. Pat Robertson told Clifford that he wanted VCI to produce a video conference for him, and that Clifford should contact General Jerry Curry, then-head of The Freedom Council, to begin arrangements. (Clifford Deposition at 15).<sup>10</sup>

Clifford prepared various fundraising proposals for the Robertson organizations in the spring of 1986. The four most salient were: a fundraising dinner sponsored by the Committee for Freedom and The Freedom Council held on May 16, 1986 in Washington, D.C.; two fundraising dinners for Pat Robertson, one held on August 1, 1986 in Dallas at the home of Bunker Hunt, and the other on August 2, 1986 in Anaheim hosted by Barry Hon; and the most significant, a video conference event held at Constitution Hall in Washington, D.C. on September 17, 1986 and transmitted to multiple sites around the country.

9. James Higgins, another of Mr. Robertson's confidants, has stated that as early as 1984, Pat Robertson told him "he was considering running for President and would like me [James Higgins] to be involved." (Deposition of James D. Higgins dated August 31, 1994 at 12). At the end of 1985, over dinner at Mr. Robertson's house, Mr. Robertson again made similar statements to Mr. Higgins. (Id. at 13; 21-24 for clarification of dates).

10. R. Marc Nuttle subsequently succeeded Curry in managing Robertson's political affairs. (Clifford Deposition at 31-32).



Each of the four events was related to the campaign of Pat Robertson. Crucial to the start up of these campaign-related events and to the start of the campaign generally was a meeting convened by Pat Robertson in Nashville, Tennessee on March 1, 1986. That meeting was followed by the fundraising dinner in Washington, D.C. on May 16, 1986. Later, on or about May 22, 1986, Mr. Robertson, Clifford, Nuttle and others met in Hot Springs, Virginia to discuss mass mailings and associated fundraising activities. In addition to these meetings, Michael Clifford, Marc Nuttle, and Pat Robertson were in frequent telephone contact with one another about campaign plans and events. (Clifford Deposition at 88-90, 107). The meetings and event are discussed below, in chronological order.

**b. Nashville meeting, 1986**

On March 1, 1986 in Nashville, Tennessee, Pat Robertson convened a meeting of potential supporters to discuss his presidential prospects. Described by James D. Higgins as the "inner circle" of Pat Robertson friends and supporters (Higgins Deposition at 85), a group of about 20 people heard Marc Nuttle detail what specifically was needed for Pat Robertson to be a viable candidate, discussed with Pat Robertson what they could do to advance his bid for the presidency, and were asked to give their financial backing to his candidacy. (Clifford Deposition at 39; Higgins Deposition at 25, 85-87; Deposition of Lucien M. Warner dated September 1, 1994 at 51-52). This "inner circle" included Beurt SerVaas, James Higgins, Bill Dooner, and Lu Warner.

Michael Clifford, at the behest of Jerry Curry, also attended the Nashville meeting (which he recalls as the one where he may have met Marc Nuttle for the first time), and they discussed, among other things, the televideo event that eventually occurred on September 17, 1986. (Clifford Deposition at 38-39).<sup>11</sup>

c. May 16, 1986 dinner in Washington, D.C.

Following the meeting in Nashville, Clifford began preparation for a fundraising dinner held on May 16, 1986 in Washington, D.C., jointly sponsored by The Freedom Council and the Committee for Freedom. Using the list of those who had been invited to Nashville, (id. at 46), Clifford solicited them for contributions to host tables at the May 16, 1986 dinner. The list included SerVaas, Dooner, Higgins, and Warner. (Id., Exh. 2 at 1).

Clifford also solicited from the membership of the Council on National Policy, an organization of which he, Pat Robertson, and a number of Pat Robertson supporters were members, and obtained referrals from others. (Id., Exh. 4 (Memo from Clifford to General Curry dated 3-20-86); see also id., Exh. 5). Clifford's solicitations sought contributions of as much as \$25,000, which was to be divided between The Freedom Council and the Committee for Freedom. (Id., Exh. 3 at 1).

11. Marc Nuttle himself denies that he gave any formal presentations regarding Pat Robertson's presidential prospects prior to Pat Robertson's expressed exploratory activities in the summer of 1986. (Deposition of R. Marc Nuttle dated June 8-11, 1995 at, e.g., 90-91).



In a memo dated March 26, 1986, Clifford wrote to Nuttle asking for clarification of the title Clifford was to use in his fundraising efforts for the May 16 dinner:

Pursuant to our discussions regarding a title for the work I am doing, I would like to propose the following:

Over the last 30 days I have tested several proposed titles for response. None seems to get a more powerful response than [sic] saying "I want to see him run for President and I'm calling you to help . . ."

With your permission (and that of Gen. Curry's), knowing fully that I need ultimate impact with these major donors right now . . . to actually get results, I would like to be called the ACTING DIRECTOR, DRAFT ROBERTSON COMMITTEE.

. . . It . . . affords me a lot of 'sizzle' to get people's attention immediately. The title answers a lot of questions quickly and simply, motivating donors to donate to whatever I say so -- The Freedom Council, The PAC, etc. Please advise me regarding this at your earliest convenience.

(Id., Exh. 5 at 3-4).

That memo, in conjunction with how Clifford had explained the contribution amounts, provoked a strong response from Nuttle in a letter dated April 15, 1986, signed in his capacity as "Legal Counsel, Committee for Freedom." Nuttle purports to correct certain "errors" in a letter that Clifford had written to Jesse Helms, the principal speaker at the May 16 dinner:

First, Dr. Robertson is not at this point "seriously contemplating running for the Presidency of the United States in 1988". Dr. Robertson has been portrayed by the press as seriously running but Dr. Robertson has not stated that he is "seriously" running. On the contrary, he is not speaking with anyone anywhere on this issue. Dr. Robertson has stated that he is trying to "crystallize" future plans with himself and his family.

Second, you stated in your March 27 letter that couples give donations ranging from \$2,000.00 to \$25,000.00 as contributions. A maximum amount of \$5,000.00 can be received per individual by a political action committee. Be aware that Dr. Robertson's generous gifts of his time to the Freedom Council and the Committee for Freedom are unrelated. Also, if a solicitation is made for contributions to a P.A.C. then F.E.C. disclaimers and requests for information must appear in the correspondence.

Since Dr. Robertson is not currently 'seriously' contemplating running for the Presidency and because the Freedom Council will not be involved in politics, the only 'private update' that attendees should hear will involve Dr. Robertson's activities at C.B.N. and the Freedom Council. Any Committee for Freedom update will only deal with conservative candidates that the P.A.C. has or will support.

(Id., Exh. 6).

On the copy of the document submitted by Clifford, in the margin next to the first line of the first paragraph quoted above is the notation, "lie", followed by a question mark. Mr. Clifford testified that he wrote the word "lie" when he received the letter, and he did so because Mr. Robertson was, in fact, privately and publicly talking about running for president.

(Id. at 114)

Clifford has explained that when he received Mr. Nuttle's letter:

I was very, very angry, and I was angry because prior to this time, I didn't even know really who Nuttle was.

. . .

[A]nd I remember calling him . . . and saying, "What's this all about?" "Well, this is a CVA letter. You need to keep this in your files because we're moving so fast

and people are going to make mistakes," blah, blah, blah.

(Id. at 115).<sup>12</sup> Clifford further explained that his "mistake" was not that he had been factually incorrect in stating Mr. Robertson's political ambitions, but merely that he had made public mention of those ambitions.

Deposition testimony from Mr. Higgins and Barry Hon, both of whom attended the May 16 dinner, lends credibility to Mr. Clifford's testimony that the dinner was campaign-related. Mr. Higgins testified that:

I think we pretty much knew, at that point, we were going to run. I think it then became a question of how much and when and at what point we were going to announce, and building a power structure to operate from, a base of people who could get things done and could move mountains if mountains needed to be moved. And there were, to that end, of that dinner that evening, there were probably 60, 70 per cent of the base operations of the entire Pat Robertson campaign there, and each of us brought guests and friends and other things. But, primarily, that meeting was the kickoff of getting money raised for Pat Robertson's -- whether that's the legal aspect or what, that was what we were there to do: start Pat campaign -- Pat's campaign, raising money.

(Higgins Deposition at 69-70; see also Deposition of Barry G. Hon dated March 1, 1995 at 21-22).

12. Nuttle has characterized his letter as "[v]ery direct, arms length, almost to the point of being harsh." (Nuttle Deposition at 215). Asked why he wrote that letter, he responded: "... I probably did it on my own accord out of concern for the undisciplined, unstructured nature of all the activities that I saw surrounding me at the time." (Id.). Nuttle testified that he and Pat Robertson "had discussions about" Michael Clifford's proposed title. (Id. at 218).

d. meeting in Hot Springs, May 22-23, 1986

Following the May 16 fundraising dinner, an organizational meeting was held on May 22-23 at the Robertson home in Hot Springs, Virginia. Attending that meeting were Pat Robertson, Michael Clifford, Marc Nuttle, Dick Minard, who specialized in telemarketing, Bill Royall and Hal Smith of Royall & Company, a direct mail firm that eventually handled the mailings for the August fundraising dinners and for the Constitution Hall event, and Robertson aides Herb Ellingwood and Bob Slosser. (Clifford Deposition at 32-33, 85, 111). The purpose of the meeting was to formulate campaign fundraising events and to organize what became Pat Robertson's principal campaign committee -- Americans for Robertson:

[t]hat was when he [Pat Robertson] more or less formally announced that he wanted to form Americans for Robertson. He told us the name. He wanted to put on the biggest event and launch the fund-raising dinners and do the direct mail project. . . .

(Id. at 32).

The group discussed originally a schedule of about 15 fundraising dinners, but " . . . then reality set in and the ability to organize, you know, came down to two, two big ones, August 1 and August 2." (Id. at 34). Eventually, Clifford and AFR signed a contract on July 18, 1986 in regard to those dinners, but there were other fundraisers, including a large dinner gathering at the home of Cory and Beurt SerVaas, that Clifford also assisted. (Id. at 57-58). Clifford was involved in some

other Robertson fundraising dinners, but those dinners were small and arranged more by Robertson than by VCI. Indeed, VCI signed no contracts for them:

Pat would say, "I've got this friend who runs this company, and if we fly in, he'll have ten people over to this house and each will give this amount of money and let's do it." Some I went to. Some I didn't go to. He was doing that more or less on his own.

(Id. at 34).

The Hot Springs agenda included a discussion of how the campaign fit into and related to the other groups in the Robertson organization. (Id. at 116). Clifford prepared an agenda document asking inter alia for clarification: "How does The Freedom Council interface with Committee for Freedom and CBN and campaign." (Id., Exh. 7 (Hot Springs Agenda May 22-23)).

e. A.L. Williams meeting at Stone Mountain,  
Georgia, June 1986

In late June 1986, Pat Robertson was the featured speaker and honoree at a meeting of the top sales agents of what was then A.L. Williams, the term life insurance company discussed infra at 38-39 and 44-46.<sup>13</sup> This was the first time someone outside of the A.L. Williams organization had been invited to speak to the company's 34 national sales directors. According to Michael Clifford, Pat Robertson had asked Art Williams to allow him to speak to the A.L. Williams sales force at the June meeting. (Id. at 68).

13. Descriptions of events at this meeting are drawn from viewing a videotape of the meeting produced by A.L. Williams to the Commission. This tape was broadcast nationwide over ALW-TV, the company's in-house, closed satellite system, as part of the regular Monday Morning Manager's Meeting.



Following a pledge of support to Pat Robertson if he were to run for president, Mr. Williams called his wife and Pat Robertson to the podium, and there presented a check in the amount of \$100,000 to Mr. Robertson as his pledge to The Freedom Council.<sup>14</sup>

14. At that time The Freedom Council was active in Michigan, where the state Republican Party had drawn out the process by which it chose delegates to the 1988 Republican convention. The first step in the process was the election of precinct delegates; the filing deadline was May 27, 1986, and the elections scheduled for August 5, 1986. The Freedom Council (along with the Committee for Freedom and its affiliated committee, the Michigan Committee for Freedom) was heavily involved in getting individuals to register as delegates, and then in promoting the election of pro-Robertson delegates. Michael Clifford recalled an event to get potential Robertson supporters to "register to vote and get involved", which took place in April or May of 1986. (Id. at 149).

In a meeting with staff of this Office, General Jerry Ralph Curry, head of The Freedom Council during the early part of the Michigan activity, described The Freedom Council as a get-out-the-vote group that, as such, needed to bring in as many voters as possible, regardless of philosophy. He felt The Freedom Council would have to cease activities in Michigan as of June 1986 because at that point it would have to support candidates, which Curry felt they could not do. Curry resigned as head of The Freedom Council in early May 1986, and The Freedom Council continued its efforts in Michigan. Indeed, Marlene Elwell, the individual who spear-headed The Freedom Council's efforts in Michigan and a salesperson for A.L. Williams, later went on to head the Robertson campaign in Michigan. None of The Freedom Council's activity on behalf of Pat Robertson was ever reported to the Commission.

Mr. Williams then committed to raise \$1 million should Mr. Robertson choose to run for president. Next, Mr. Williams presented Mr. Robertson with three items which represented success within the A.L. Williams company. Two of the items -- a jacket worn by the national sales directors and a door plaque measuring approximately 2 1/2 feet wide and 5 feet tall with three increasingly larger panels -- referred to Mr. Robertson as President of the United States.

Following the presentation of the A.L. Williams materials, Mr. Robertson gave his basic stump speech, later repeated during the formal campaign, castigating Jimmy Carter for his foreign policy, calling for a continuation of Ronald Reagan's economic policies, and expressing his opinion on issues such as abortion and prayer in public schools.

In the months that followed, Mr. Williams' support for Pat Robertson's presidential bid extended well beyond the Stone Mountain endorsement. In addition to the check for \$100,000 for The Freedom Council that Mr. Williams handed to Pat Robertson at the Stone Mountain meeting, Mr. Williams also gave another check for \$100,000, made payable to The Freedom Council, on August 4, 1986.<sup>15</sup> In addition, after broadcasting a tape of the Robertson

15. This second \$100,000 check was routed through VCI. The accompanying letter written on A.L. Williams & Associates letterhead and signed by Betty H. Futral, Secretary, stated that Art Williams had discussed the contribution with Pat Robertson and that the check was anticipated. (Deposition of A.L. Williams dated December 12, 1994 at 154-156; Id., Exh. 14).



appearance on ALW-TV, Art Williams directly solicited support for Pat Robertson from his sales agents, saying the following:

if [you] agree with Art that Pat can be a great president . . . if you feel that way, sit down and drop me a letter, let me know you want to help promote the cause of Pat. If you don't feel that way, folks . . . that's OK. But those of you who would like to support Pat and really get behind him -- and let's move his candidacy forward if he chooses to run. Drop me a letter today.

Mr. Williams used his television network to support Pat Robertson, allowed the Robertson campaign to use the mailing list of the A.L. Williams sales force to promote the Constitution Hall event, and appeared as a speaker at the Constitution Hall event in September 1986.

f. Virginia Beach meeting, July 1986

A second organizational meeting was held a week or so after Pat Robertson's appearance at the Stone Mountain meeting, on July 2, 1986 in Virginia Beach. Attending were Robertson, Clifford, Nuttle, Hal Smith (or Bill Royall), and Mary Ellen Miller, a political consultant who was hired to develop grass roots organizations and voter file systems in key primary states. (Clifford Deposition, Exh. 10; Audit Document (contract between Miller and Pat Robertson dated 8-28-86)). Clifford's proposed agenda for the meeting called for a comprehensive discussion of the September 17, 1986 event, including content of the direct mail packages, a review of cash flow, and a final decision on the Committee's logo. Art Williams figured prominently in these discussions, from the use of his agent mailing list in the direct

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mail effort, to his role as featured speaker,<sup>16</sup> to the designation and use through March 1987 of his proposed gift to The Freedom Council.<sup>17</sup>

**g. August 1986 fundraising dinners**

AFR eventually entered into two agreements with VCI, which covered three fundraising events. The three events were (1) a dinner held at the Circle T Ranch owned by Mr. Bunker Hunt, near Dallas, Texas, on August 1, 1986; (2) a dinner held on August 2, 1986 at the Anaheim Center in Anaheim, California; and (3) the rally held September 17, 1986 at Constitution Hall in Washington, D.C. which was simultaneously broadcast via closed circuit video to numerous sites around the country. Both contracts were signed/dated July 18, 1986.

Planning for the August 1, 1986 fundraiser at the home of Bunker Hunt had been underway as early as March 1986. In the

16. Clifford testified that they originally planned that Mr. Williams would be the main speaker for the Constitution Hall event, but it soon appeared it would become the "Art Williams event and not the Pat Robertson event" (Clifford Deposition at 134-135), and so Mr. Robertson had Mr. Williams give but one of several introductory/endorsing speeches on September 17th.

17. Michael Clifford noted in his deposition that Mr. Williams had been talking about giving The Freedom Council \$1 million, and

there was a lot of talk and hubbub about the million dollars, where it was going to go and how it was going to be used . . . . I don't think he ever gave the money . . . . I'm pretty sure he gave money, but I don't remember to whom or to what.

(Id. at 135-136).

March 26, 1986 letter to Nuttle discussed supra, Clifford wrote that

I met with Bunker Hunt on Monday, March 24th in Dallas and he is very much behind 'Pat for President'. In fact on April 7th he is pulling together a small group of 'close friends' for a luncheon with Pat in Dallas. I suggest you plan on attending to present about a 10 minute hard-hitting strategy presentation on 'how we will win!'.  
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Bunker is also going to attend our May 16th dinner and has committed to a \$25,000 gift. He will also be identifying people from his sphere of influence for us to invite. I will follow-up on this.

Bunker is considering hosting an event at his home in the near future. As well as larger gifts in the future. He requested special prayer for his oil business.

(Id., Exh. 5 at 2, item "k"). The contract for the August 1 and 2, 1986 dinners specified that VCI would manage the events, pay the related expenses, and run a caging operation (where a third party would receive payments and disburse amounts to VCI and AFR per their contract), and that AFR would be billed for the cost of services rendered. All expenses were to be paid on the date of the event.<sup>18</sup>

18. VCI advanced approximately \$600,000 in expenses for the two events. (Audit Documents). Further, records indicate that VCI was required to make payments in excess of \$100,000 for services and facilities prior to the dates of the two August 1986 events.

The Committee did not pay VCI the expenses related to the August 1 and 2 events by the terms of the agreement. The first check the Committee sent, on August 5, 1986, for \$385,000 was returned for insufficient funds. The first actual payment was by two checks dated August 13, 1986 in the amounts of \$355,000 and \$30,000. (Response of Chase Bank to Commission Subpoena to Produce Documents dated April 12, 1993 - VCI Bank Records (VCI deposit slips and Americans for Robertson checks)). The Committee did not pay the balance until September 16, 1986, several weeks after the events.

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Video tapes of the Dallas and Anaheim dinners supplied by AFR show supporters urging Pat Robertson to "Go for it!" At the Dallas dinner, a plane pulled a "GO FOR IT PAT!" banner. At the convention center in Anaheim, a live elephant was draped with a red, white, and blue cloth bearing the imperative, "Go for it Pat!!" (MUR 2262, Response of Americans for Robertson to Commission Request for Production of Documents dated March 1987 (video tape)). At both dinners, Pat Robertson gave the basic stump speech which he later delivered at Constitution Hall in September. In all three instances, at the conclusion of the speech, Mr. Robertson announced that he had approved the formation of an exploratory committee to be called Americans for Robertson, at which point a wall-sized banner patterned after the American flag and reading "Americans for Robertson" descended from the back of the stage.<sup>19</sup>

#### h. September 1986 Constitution Hall Event

##### i. financing

VCI produced the event for AFR, and Michael Clifford and Marc Nuttle signed a contract dated July 18, 1986, the same date as the contract between AFR and VCI concerning the August fundraising

19. Among those people attending the Bunker Hunt dinner was Beurt SerVaas, who then flew on Pat Robertson's airplane to California for the Anaheim dinner the next day. (Deposition of Beurt R. SerVaas dated November 3, 1994 at 96; Id. at Exh. 10 (passenger flight logs)). Mr. SerVaas, along with his wife Cory, also appear on a video tape supplied by AFR of the August 2 dinner, on which Dr. SerVaas expresses his support for Pat Robertson. (MUR 2262, Response of Americans for Robertson to Commission Request for Production of Documents).

dinners.<sup>20</sup> Originally, the agreement specified that AFR was to provide 50% of the costs 30 days before the event. (Clifford Deposition, Exh. 1). However, the agreement as signed only required payment in full by the Committee no later than 10 days following the receipt of VCI's invoices. (Id.).<sup>21</sup> The signed agreement also provided for the payment of interest "of the maximum allowable legal rate" from the time the amount was due until the full amount was paid. (Id.).

Although AFR entered into two separate agreements with VCI -- one for the August dinners and the other for the Constitution Hall event -- their financing was interlocked. (Id. at 25) The money generated by the dinners was to be used to finance the Constitution Hall event. However, as noted above, the Committee did not make full payment for the August 1 and 2 events until September 16, the day before the Constitution Hall event. Accordingly, VCI did not have at its disposal the funds required

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20. Unlike the August 1 and 2, 1986 events, which were fundraisers for the Committee to which tickets were sold, the September 17, 1986 event raised money at the time of the event and afterwards. Tickets to the various broadcast sites were provided free to individuals in a mailing to over one million households. Funds were solicited from the attendees at the broadcast sites. A second mass mailing, sent out on the day of the Constitution Hall event, also solicited contributions.

21. Although not stated in the agreement, Clifford testified that the parties understood that money coming in from the caging operation set up for the August 1 and 2 dinners would be advanced to VCI to cover the monies that normally would have been advanced by Americans for Robertson. (Clifford Deposition at 23-24). However, this money was first obligated for debts incurred in connection with the August 1 and 2 events. (See footnote 18, supra). Nuttle described the changes as "in the campaign's favor." (Nuttle Deposition at 224). Moreover, he stated that the invoices were to contain "verified expenses". (Nuttle Deposition at 226), which means that the invoices would have been received after the event.



to produce the September 17, 1986 event, and had to borrow money in order to produce the Robertson event.<sup>22</sup>

Business loans from a bank and additional bank lines of credit were not available to VCI. (Clifford Deposition at 62). Consequently, in order to finance VCI's production of the Constitution Hall event, Clifford, along with Pat or Gordon Robertson, approached wealthy businessmen known to Clifford through common involvement in the Council for National Policy, personal business, and/or other connections with Pat Robertson. (Id. at 162). Identified as people who made short-term unsecured loans to VCI are: Barry Hon (\$100,000), James Higgins (\$100,000), William Dooner (\$50,000), Lucien Warner (\$100,000), and Henry J. "Bud" Smith (\$50,000).

In soliciting businessmen for loans, Clifford stated that he tailored his request to fit individual circumstances:

[W]hat I would say to the people loaning me money it would be different in every conversation. It may be, "I hope to get paid from Campus Crusade this month, and therefore, I can pay you back." Or, "The Robertson event is going really well. . . We're going to make a half million dollars on it in the next 45 days, and I can pay you back." Or it could be, "You know, Crusade

22. At the end of August 1986, VCI still owed \$588,894.62 to Royall & Co., a subcontractor, for direct mail services rendered in regard to the Robertson dinners. (Audit Document (January 13, 1987 Agreement between VCI, Americans for Robertson and Royall)). AFR's failure to pay VCI in accordance with the contract, and its changes to the terms so as not to have to pay advance money under the Constitution Hall event contract, created the situation where VCI was left to front the Constitution Hall event in substantial part.

hasn't paid me. Robertson event is going slowly. Can I borrow \$50,000. By the way, I've got this new event coming up in Thanksgiving." I can't be more specific than that really."

(Id. at 131-132; see also id. at 93)

(A). loan from Lucien Warner

Mr. Warner acknowledged in a sworn affidavit that his check in the amount of \$100,000, dated August 12, 1986, was a loan to provide "advance" money needed by VCI to produce the Constitution Hall event in Washington, D.C.:

The check I wrote for \$100,000 to [VCI] . . . was for the purpose of providing capital necessary to allow Victory to accomplish a close-circuit TV broadcast which had as its purpose the raising of funds in connection with Pat Robertson's potential candidacy for the Republican nomination in 1988.

(Warner Affidavit dated March 9, 1994 at 1; Chase Bank Subpoena Response (copy of Warner check)).

Mr. Warner had never made a loan like the one to VCI. It was the circumstances that convinced him to lend Clifford the money: "This was completely out of the way I normally conduct myself financially. . . -- I wanted to see what [Clifford] was doing happen." (Warner Deposition at 25-26, 35). Mr. Warner explained that "my motive in that is what was being done, really, and that was Pat Robertson was going to be active. And so I just, you know, wanted to facilitate the situation. So I did it." (Id. at 35).

(B). loan from James Higgins

James D. Higgins made two \$50,000 loans to VCI by checks dated August 12, 1986 (the same date as Mr. Warner's check) and August 27, 1986. The first check was Mr. Higgin's personal check.



whereas the second was written on the account of JDH Enterprises. (Chase Bank Subpoena Response (copies of Higgins checks)).

Mr. Higgins testified that before Michael Clifford contacted him, Pat or Gordon Robertson called to indicate the need for money to put on the Constitution Hall event.

I received a call from Mike Clifford -- well, I first received a call from either Pat or Gordon (Robertson), and I can't tell you which one -- . . . -- telling me that we had a problem with the September 1st (sic) national broadcast for raising money that we were going to have; that the people at the coliseum in California needed \$50,000 to turn the lights on that night and we didn't have the money, and that if I would lend the money to Victory Communications, which was sponsoring the event, that they would return the money to me. And I did."

(Higgins Deposition at 28-29).

Michael Clifford stated in his deposition that Higgins had previously contacted him to offer his support for Pat Robertson, and with that standing offer, Clifford contacted Higgins for loans in August 1986. (Clifford Deposition at 59).

The second check was written on the account of Mr. Higgin's company, JDH Enterprises, a financial consulting firm, and dated August 27, 1986, the same day as Mr. Hon lent \$100,000 to VCI.

(C). loan from Barry Hon

Barry Hon, a real estate developer, long-time friend of both Pat Robertson and Michael Clifford, and Board member of CBN University in 1986, made an unsecured loan to VCI of \$100,000 for "campaign" expenses. (Hon Deposition at 56). He testified at his deposition how he came to make that loan:

I got a call from Michael Clifford, and he told me that he had serious cash flow problems on putting on some events, one or more events, for the Robertson campaign and wanted a loan for a limited period of time for

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\$100,000, and that he'd pay interest on the loan, and that he would be repaid by the campaign at a date in the future which seemed reasonable. I don't remember when the date was.

He had talked with Central Bank about loaning him the money, and they would not do so because of his financial statement, but that they said they would loan money to me, and I think other people, and then we could loan the money to Clifford. I agreed to make the loan in that way.

So I borrowed the money from Central Bank, [and] loaned it to Michael.

(Hon Deposition at 52-53).

The loan transaction was a "pass through" loan that Clifford arranged with Michael Rafton, then chairman of Central Bank (now Wells Fargo Bank) and a regent of Pat Robertson's CBN University:

The chairman at that time of Central Bank was a friend of mine and Michael and the campaign. And Michael worked out of, I believe, anyway that he worked out an arrangement with Central Bank, who would not loan money to him directly, but to loan money to me and perhaps other people to take care of Michael's immediate cash need until he could be repaid.

(Hon Deposition at 61). Mr. Hon made clear that the Bank understood that the money was to be used by VCI to produce a Pat Robertson event. (Hon Deposition at 72).

Mr. Hon testified that at the time of the loan transaction, he questioned Michael Clifford about the legality of the loan and was assured by Clifford that the "campaign attorneys" had assured him that Hon's loan to VCI was legal:

When Michael Clifford asked me for this \$100,000 loan for [VCI] to do work for the Pat Robertson campaign, I asked him if it was legal, and he said yes. He said, 'I've checked with my attorneys. They say it's all

legal. The campaign attorneys say it's all legal, so don't worry about it.'

(Hon Deposition at 87).

When asked what raised the question of legality, Mr. Hon testified: ". . . Just that the money was to be used by Michael's company for campaign expenditures, and I didn't know whether that was permissible or not, and so I asked the question." (Hon Deposition at 87). When asked who the campaign attorneys were, Mr. Hon responded:

My goodness. They were all attorneys up there. Nuttle. The whole thing was a bunch of attorneys.

(Hon Deposition at 88).

(D). loan from Henry J. "Bud" Smith

Henry J. "Bud" Smith, president of The Bud Smith Organization of North Carolina, a North Carolina corporation, wrote a check on that corporation's account for \$50,000 to VCI dated August 29, 1986. The memo line bears the inscription "loan due 9-19-86." (Chase Bank Subpoena Response (copy of Smith check)). Mr. Smith testified that Michael Clifford contacted him by phone and asked him to loan some money as "working capital." Following the initial phone call, the two met face to face, (Deposition of Henry J. "Bud" Smith dated October 12, 1994 at 28), and then Mr. Smith checked references, including Bill Bright of the Campus Crusade for Christ, (*id.* at 26), for whom Clifford had the previous year produced a world-wide video broadcast.

Mr. Smith testified that Clifford gave him no indication of why Clifford had asked him for a loan. (*Id.* at 25). Clifford testified that Smith had previously called him to indicate his

willingness to support Pat Robertson and to help in any way he could. (Clifford Deposition at 55-56)

In an affidavit, Mr. Smith stated that his loan was in support of "an event" and was "a straightforward commercial transaction."

[Michael Clifford] indicated that he was working on or was about to be retained to produce (sic) a major event and was in need of short-term working capital. He asked whether I would be in a position to loan his company . . . approximately \$50,000 for something less than 30 days. He assured me that the earnings he would receive would be sufficient to repay the loan, with interest. I viewed this transaction as a straightforward commercial transaction.

(Smith Affidavit dated March 18, 1994 at 9.)

In his deposition, Mr. Smith consistently attempted to distance himself from Pat Robertson and financial support for the Constitution Hall event and to portray his interaction with VCI as a third-party business loan.

(E). loan from William Dooner

Mr. Dooner admitted that he did write a check for \$50,000 on August 28, 1986, the same date as Mr. Smith's loan. (Chase Bank Subpoena Response (copy of Dooner check)). Mr. Dooner testified that VCI needed an "advance" for its payroll or other emergency funds, the same as with other organizations connected to Pat Robertson to which he had made advances. (Deposition of William J. Dooner dated September 1, 1994 at 52).

Mr. Dooner's testimony is supported indirectly by Mr. Clifford's explanation of the plight of small businesses such as VCI:

You know, you've got a payroll to meet in two weeks for \$20,000. You don't know where to get it. You meet

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someone. You ask for a loan for 90 days. They say, "Yeah, I'll help you." You get that loan. You pay it back. You see something else you need to borrow money for. As a small business, I was constantly juggling financing for that. Somebody didn't pay their bill, I'd have to borrow money until the bill got paid many times. I didn't do documents. It was just handshake agreements and people just trusting me.

(Clifford Deposition at 63).

Mr. Dooner indicated that he had several times advanced money to meet the payroll at CBN University, of which he serves as a regent, (Dooner Deposition at 52), and loaning money to VCI for an advance on payroll during the critical period of August 1986 is consistent with his own loan practices and Clifford's needs as owner of a small business.

VCI repaid the loan with interest within 60 days. (Response to Commission Subpoena to Produce Documents to William J. Dooner dated February 16, 1994 (bank documents)).

In summary, these five individuals provided \$400,000 at a crucial start-up time for the campaign, when VCI could not get "arm's length" bank financing.

ii. A.L. Williams mailings and activities in support of Pat Robertson

As noted supra, Art Williams actively supported Pat Robertson's candidacy in a variety of ways.<sup>23</sup> Some of these activities, however, involved his companies, A.L. Williams and

23. Activities in support of Pat Robertson include his endorsement of Pat Robertson for president at a company meeting at Stone Mountain, Georgia in June 1986 along with a presentation of items referring to Pat Robertson as the next president; two checks, each for \$100,000, written to The Freedom Council (the second routed through VCI); and Mr. Williams' introductory speech at the Constitution Hall event.



Associates, Inc. and A.L. Williams Administrative Services, Inc.<sup>24</sup>, The companies' contributions include two mailings in support of the Constitution Hall event and the transmission over ALW-TV of tapes of Art Williams' endorsement of Pat Robertson at the Stone Mountain meeting in June and portions of the Constitution Hall event in September 1986. These transmissions were directed at his sales force and members of the general public across the country.

The two Constitution Hall event mailings by A.L. Williams constituted components of two larger mailings (over one million each) authored and printed by VCI and its subcontractor.<sup>25</sup> The first of the two mailings included an invitation to the various broadcast sites of the September 17 Constitution Hall event and a letter from Art Williams asking his agents to attend one of the September 17, 1986 broadcast sites and to support Pat Robertson. (Williams Deposition, Exh. 14). The second included a petition and a fundraising appeal issued directly after the event.<sup>26</sup>

Mr. Williams has testified that allowing Robertson to use his agent mailing list was the first time he had ever allowed its use

24. In 1988, A.L. Williams Administrative Services, Inc. was merged into A.L. Williams & Associates, Inc. In November 1989, A.L. Williams & Associates, Inc. changed its name to Management Financial Services, Inc. This corporation still exists, but it sold some of its assets, including the insurance contracts with the sales agents and the name A.L. Williams, to Primerica Travelers.

25. The A.L. Williams mailings were performed separately because Art Williams would not provide VCI with his 140,000 agent mailing list. (Clifford Deposition at 142).

26. The actual assembly of the packages was performed by Milico Co., an insurance company wholly-owned by the A.L. Williams Corporation.

by a political campaign. (Id. at 137). Clifford testified that the reason Mr. Williams allowed his list of agents to be used was because:

He believed in what Pat was doing, and he saw it as his way to help further the Vision for America. . . It was something he offered . . . It's an asset. It's something he can offer someone that, frankly, is pretty valuable if it works . . . .

(Clifford Deposition at 143).

On October 23, 1986, ALW Associates invoiced VCI in the amount of \$47,161.56. This amount represents the costs incurred by ALW Associates, plus the list rental fees, for the two mailings. This price does not, however, include any profit. The only written agreement regarding these mailings was entered into after the first mailing was already sent.

iii. the event

In MUR 2262, the Commission concluded that Pat Robertson was a candidate for president no later than the time of the September 17, 1986 event. In the Conciliation Agreement in that matter, the Committee agreed that the broadcast of the event "consisted, among other things, of numerous individuals declaring support for the candidacy of Mr. Robertson for President and a thirty-minute speech by Mr. Robertson. . . . The context of the September 17, 1986 broadcast and of the related direct mail program went beyond the testing of the feasibility of a campaign and therefore exceed the scope of" the testing-the-waters exemptions in the Commission's regulations. (MUR 2262, Conciliation Agreement dated November 22, 1988 at Paragraph IV, Number 14 and Paragraph V). The event was attended by several of



those who had helped finance the event via loans to VCI, or had otherwise expressed support for a Robertson candidacy: William Dooner, Henry J. Smith, Lu Warner, Beurt SerVaas and Barry Hon.

## 2. Analysis

### a. VCI advances to Americans for Robertson

According to the mandatory audit, the cost of the Constitution Hall event, initially budgeted at \$3,306,035.25, was billed at \$3,654,305.18 by VCI invoice dated September 17, 1986, the day of the event. Beginning on September 19, 1986, VCI began to receive payments pursuant to an assignment regarding invoiced amounts. Approximately 10 days after the date of the event, the Committee still owed VCI \$2,313,690.00. As of October 23, 1986, several weeks after the event, the Committee had an outstanding debt to VCI of \$178,490.84. AFR did not fully pay VCI until the parties, after heated and protracted negotiations, signed an agreement on January 13, 1987. (MUR 3485, First General Counsel's Report at Exh. 58; Clifford Deposition at 167-169).

The circumstances of the August, 1986 fundraisers, as well as the September 1986 Constitution Hall event, indicate that VCI did not act in the ordinary course of its business in its dealings with the Committee. In size and complexity, the closest event to the Constitution Hall event was the one Clifford had produced for Campus Crusade in December 1985. That event was a four-day worldwide broadcast to 93 cities. Response of Campus Crusade for Christ International to Commission Subpoena to Produce Documents dated April 9, 1993 (signed contracts)). For the Campus Crusade event, VCI required Campus Crusade to pay 50% of the transmissions

charges 45 days in advance of the event (approximately \$1.5 million) and 50% no later than 10 days after the event. In addition, \$600,000 in various costs were to be advanced. As for all other expenses, Campus Crusade agreed to pay VCI within 30 days of receipt of VCI's invoice, to reimburse VCI for all payments made on its behalf, and to pay VCI a monthly retainer of \$3,000. Although Campus Crusade did fall behind in paying its bills, VCI charged it interest, as provided in their contract.<sup>27</sup>

In contrast to the VCI/Campus Crusade contract, as indicated above, AFR negotiated a contract requiring no upfront payments for the September 17, 1986 event.<sup>28</sup> Then AFR failed to pay VCI as contracted for the August fundraising dinners, leaving VCI to either front the money to produce the September event or go out of business heavily in debt to staff and subcontractors as a result of obligations incurred in connection with the August 1 and 2 events. (Clifford Deposition at 128). Moreover, the Committee did not come close to paying the full amounts owed to VCI per their agreements. VCI later vigorously pursued the repayment of money owed by the Committee, as evidenced by the impounding of funds in the cage, the impounding of the mailing list, the

27. Boiler plate contracts for projects that Clifford prepared after the Robertson September event indicate that VCI did in certain circumstances, but not all, envision not requiring money in advance of an event. However, no signed contracts were submitted to document that VCI ever entered into such a contract (Response of Michael K. Clifford to Commission Subpoena to Produce Documents dated April 9, 1993).

28. While Nuttle has argued that these dealings were at arm's length and the arrangements were done for business reasons, the plain fact was that the Committee did not then have the money to pay the up-front costs that VCI would normally demand.

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strained negotiations, and the eventual full payment by the Committee by negotiated agreement dated January 13, 1987.<sup>29</sup> Nonetheless, VCI did not act in the ordinary course of its business when it made the aforementioned advances to the Committee. Robertson, Nuttle and AFR knew of VCI's financial situation, created it in part, and then helped VCI obtain funds from wealthy businessmen to keep VCI and the Robertson September event alive. As a result, VCI made, and the Committee accepted through the actions of Pat Robertson and Marc Nuttle, an impermissible corporate contribution by virtue of advancing funds, services and credit, in the amount of approximately \$4.75 million.<sup>30</sup>

29. VCI, through its subcontractors, received the returns from the September 17, 1986 Constitution Hall event and related mailings. The Committee felt that VCI was demanding excessive payments. VCI, by effectively impounding revenues created by these events and mailings, and by effectively impounding the Committee's mailing list, forced the Committee into reaching a settlement. Clifford indicated that he and Pat Robertson had a major falling-out over the amounts owed to VCI and that Pat Robertson black-balled Clifford's business among conservative Christians who were VCI's client base. (*Id.* at 169-171). The negotiated agreement, entered on January 13, 1987, settled claims, disposed of inventory, and settled other disagreements among the parties. A review of the information provided indicates that the agreement resulted in VCI being paid approximately 100% of the aggregate amount invoiced to the Committee. The settlement of a disputed debt is not a debt settlement subject to Commission review. See AO 1990-15. Therefore, the value of that agreement is not later included in the calculation of VCI's corporate contribution to the Committee.

30. This figure is comprised of the costs of the August 1 and 2, 1986 events (approximately \$600,000), the September 17, 1986 Constitution Hall event (approximately \$3.65 million), and approximately \$500,000 invoiced in October and November 1986 for related and unrelated activities.

**b. loans to VCI**

VCI, under contract to AFR for the August fundraisers and the September 17, 1986 Constitution Hall event, acted as the Committee's agent. As an agent for the Committee, VCI's receipt of loans to finance the Robertson events from any source other than a bank constitute receipt by the Committee of contributions which must conform to the limitations and prohibitions of the Act. See 2 U.S.C. § 431(8)(A)(i) and (B)(vii).

Although Bud Smith has denied that he intended to benefit Pat Robertson's presidential effort, his denials are not credible. First, James Higgins, Lu Warner and Barry Hon each admit that they knew their loans were to advance Robertson's effort, strongly indicating that Smith had the same knowledge. Second, Smith has argued that the loan was an arm's-length business deal, even though initially no interest was to be paid. (See Smith Deposition at 60-68). Third, Smith's denials go as far as to describe the September 17 Constitution Hall event as an event where people were going to talk about public policy and issues of the day, and denying that there was any mention of a Pat Robertson presidential effort. (Id. at 90-91).

The loans made to VCI by JDH Enterprise, Inc. and the Bud Smith Organization constitute impermissible corporate contributions which the Committee accepted in violation of 2 U.S.C. § 441b. The loans made by Higgins, Dooner and Warner constitute contributions in excess of the \$1,000 limitation established by the Act at 2 U.S.C. § 441a(a)(1)(A), which the Committee accepted, in violation of 2 U.S.C. § 441a(f).

c. ALW contributions to Americans for Robertson

As noted earlier, ALW engaged in a variety of activities which supported Pat Robertson's presidential effort, including the use of its agent mailing list in connection with the September 17, 1986 event.

The transactions between the Committee (in the guise of VCI) and A.L. Williams were not in the ordinary course of business between two independent vendors of services. In addition to A.L. Williams' and his companies' extensive involvement with the campaign, there are several other significant factors which indicate that the services rendered, including the mailing list rental, were not "at arm's length," including: (1) ALW Services would not permit the release of its mailing list to others; (2) the cost of postage was generally advanced prior to the mailing date; (3) the VCI-ALW Services agreement was dated more than two weeks after the first direct mail packages were sent; (4) ALW delayed invoicing VCI for one month; (5) although VCI did not pay the invoiced amount until 3 months following the invoice date, interest was not charged, even though it was expressly provided for in the agreement; (6) ALW's invoice to VCI made no provision for profit; (7) there is no basis to conclude that the value ascribed to the mailing list represents its true market value; and (8) neither ALW Services nor ALW Associates is a direct mail vendor.

In addition, A.L. Williams made the Constitution Hall tape available to agents, and Mr. Williams urged his agents to videotape the segment and then show it at training sessions and



recruitment meetings and to potential clients (Williams Deposition at 103-104, 134-135).<sup>31</sup>

On the basis of the above facts, the Committee accepted a prohibited corporate contribution of more than \$47,161.56 by virtue of the transactions involving the two mailings made using the A.L. Williams list. See 2 U.S.C. § 441b(a). In addition, of undetermined value is the satellite transmissions in support of Mr. Robertson's presidential bid. Further, Mr. Williams' two checks of \$100,000 each, even though made payable to The Freedom Council, appear to constitute political contributions, given the circumstances and A.L. Williams' apparent desire to advance Pat Robertson's candidacy. (See footnote 14, *supra*). Therefore, the Committee received a corporate contribution in excess of \$47,000 in violation of 2 U.S.C. § 441b(a) and accepted an individual contribution from Mr. Williams in excess of the \$1,000 limit established by the Act at 2 U.S.C. § 441a(a)(1)(A).

**d. liability of Pat Robertson and Marc Nuttle**

As noted above, Pat Robertson was involved in and had knowledge of the many transactions and facets of the start up of the campaign, from setting up a meeting with potential supporters in Nashville in March 1986, to detailing mass mailings and fundraising dinners at Hot Springs, Virginia in May 1986, to accepting a \$100,000 check and Presidential paraphernalia from

31. The agents were independent contractors and not employees of the A.L. Williams companies. Guests and potential clients that viewed the tapes in support of Mr. Robertson's candidacy are part of the general public. The agents and guests are, thus, not part of the restricted class to whom a corporation can make communications that expressly advocate the election of a clearly identified candidate. See 2 U.S.C. § 441b(b)(2).

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A.L. Williams at a corporate event, to planning the content of the Constitution Hall event. Both Nuttle and Clifford describe Pat Robertson's style of management as "hands on." (Clifford Deposition at 107). Clifford indicated that Pat Robertson called him frequently from April or May 1986 through several weeks after the Constitution Hall event when Clifford and Robertson had a falling out. (Id. at 88). Clifford indicated that Pat Robertson is an early riser and would call Clifford often at 2:00 or 3:00 a.m. local time in Phoenix. (Id. at 89-90 ("My wife used to laugh because the phone would ring at 2 o'clock, and I'd be falling out to the study.")). According to Clifford, Pat Robertson "knew every detail that was going on." (Id. at 89).

The overall management style within the Robertson organization was what Nuttle described as "matrix management." (Nuttle Deposition at 461-465, 176-180). In that style of management, Nuttle explained, "there are interlocking circles and you only talk to each other where your circles interlock on a project or responsibility." (Id. at 461). Pat Robertson's "circle" overlapped every circle at all times. (Id. at 178).

Nuttle indicated that matrix management left him frustrated at times. (Id. at 465). According to Clifford, Nuttle exerted as much control as he could:

Q. How heavy a hand did Marc Nuttle have?

A. As heavy as he could get his hand. There were times he would be shut out, and he would be upset. Pat would call me, tell me to do something. I would report back to Pat. I would leave Marc out of the loop, and he would be upset and make me repent and make sure he was in the loop next time. Pat was good at not having the left



hand deal with the right hand. I don't think anyone knew what was going on except Pat, if you [want] to know the truth.

(Clifford Deposition at 107).

Nuttle stated that he kept his relationship with Michael Clifford "at arm's length." (Nuttle Deposition at 133-134). Mr. Nuttle's portrayal is not credible, especially since despite his denial, (Id. at 147), Nuttle personally borrowed \$10,000 from Clifford in the late summer of 1986 which Nuttle did not pay back until December 15, 1986. (Clifford Deposition at 99-100; Chase Bank Subpoena Response (Nuttle repayment check)). The point at which Clifford lent the money to Nuttle was the same time that Clifford needed to borrow money from Robertson's wealthy supporters to pay for the scheduled Robertson political events.

Nuttle admitted in his deposition that he attended all of the events and meetings discussed above, though he was persistently vague about what transpired at any of them. (Nuttle Deposition at 80-82, 184-185, 97-100, 111-112, 113-116, 211, 235-237). Further, he was intimately involved in negotiating the contracts with VCI. Like Pat Robertson, Nuttle was fully and knowingly involved in the preparations and proceedings that advanced Pat Robertson's candidacy for the Republican nomination.

VCI's advances served to subsidize the start-up of the Robertson campaign at a time when the Committee had little in the way of funds, and certainly not enough to stage the Constitution Hall rally and broadcast that reached thousands of people. Pat Robertson's activity in these transactions and his presence at planning meetings constitute acceptance of corporate contributions

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on behalf of his committee.<sup>32</sup> Robertson campaign manager R. Marc Nuttle signed for the Committee on its two amended agreements with VCI regarding the August and September 1986 events, which allowed the Committee very favorable terms that it could afford. Therefore, he too accepted corporate contributions on behalf of the Committee.

**B. Committee Use of Aircraft**

**1. Circumstances Giving Rise to Violations**

**a. BAC 1-11 purchase**

As noted supra, Pat Robertson was Chairman of the Board and Chief Executive Officer of CBN, and President and Director of CBN Continental, in late 1984 and early 1985. During this period Mr. Robertson -- as an officer of the above corporations -- engaged in purchase negotiations with Tracinda Corporation ("Tracinda") regarding a twin jet engine commercial airliner ("the BAC 1-11"). As a result of these negotiations, CBN Continental purchased the aircraft for \$900,000 on February 27, 1985.<sup>33</sup> (See Response of Donald Miracle to Commission Subpoena to Produce Documents dated April 9, 1993 (Aircraft Bill of Sale dated February 27, 1985); see also, Deposition of Donald W. Miracle

32. Mr. Robertson was present at a May 23, 1986 meeting where he asked direct mail vendors to coordinate with Michael Clifford regarding an August 25, 1986 solicitation in connection with the September 17, 1986 Constitution Hall event. The candidate was also present at a July 2, 1986 meeting regarding the use of a mailing list in connection with the Constitution Hall event.

33. There is no indication that this was anything but an arms-length commercial transaction, and the negotiated purchase price for the aircraft appears to be consistent with its fair market value at the time of purchase.

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dated May 16, 1995 at Exh. 7 (Purchase Agreement dated February 27, 1985 between Tracinda and CBN Continental), and Exh. 6 (Certificate of Aircraft Registration dated March 27, 1985); see also, Response of CBN Continental to Commission Subpoena to Produce Documents dated April 9, 1993 (Telegram from Pat Robertson to Phillip Stacy of February 25, 1985)).<sup>34</sup>

Written and oral statements made by the candidate during negotiations for the purchase of the BAC 1-11 indicate that there was no corporate need for the aircraft at the time of purchase. Specifically, on November 29, 1984, the candidate offered Tracinda a purchasing arrangement whereby CBN Continental would pay less money for the aircraft, but would provide the seller with a tax-deductible receipt for the difference in the purchase price, even though he thought that arrangement might delay delivery of the aircraft for approximately seven more months due to recent changes in the then-tax code. (CBN Continental Subpoena Response (Letter from Robertson to Stacy of November 29, 1984)). Despite the possible delay, Mr. Robertson stated that he preferred this

34. After purchase, title to the aircraft was transferred to Airplanes Inc., a wholly owned subsidiary of CBN Continental, incorporated on April 18, 1985 for the purpose of owning the BAC 1-11. (See Audit Document (Aircraft Bill of Sale signed by Alan Rundle on April 22, 1985)). After transfer, Airplanes Inc. leased the aircraft back to CBN Continental. (See Audit Document (Renewal Lease Agreement dated May 1, 1987) (renewal lease to run one year from May 1, 1987, suggesting that the first lease ran one year from May 1, 1985)). Because Airplanes, Inc. is a wholly-owned subsidiary of CBN Continental and because CBN Continental retained possession of the aircraft, managed the aircraft's use, billed entities for its use, paid for its repairs, resolved by consent of its directors to sell the aircraft, and engaged in other activity demonstrating that it was the de facto owner, this report refers to CBN Continental as the owner of the BAC 1-11.

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arrangement to one with immediate delivery, but a higher cash payment. (Id.). Moreover, in response to Tracinda's rejection of this offer, on December 4, 1985, Mr. Robertson noted that "to justify in [his] mind and to others in [the] company the operating expense, [he] needed an acquisition price that was so cheap that it would be impossible to turn down." (CBN Continental Subpoena Response (Unsigned Letter from Pat Robertson to Stacy of December 4, 1984)).<sup>35</sup> On the same date, the candidate also wrote one of the individuals involved in the negotiations, Donald W. Miracle, explaining that because his travel needs would not require the use of a large aircraft until "June or July 1986," when his travel needs would increase "rapidly," it would be "financially unwise to proceed right away" with the purchase of the BAC 1-11.<sup>36</sup> (Miracle Deposition, Exh. 12 (Letter from Pat Robertson to Miracle of December 4, 1984)).

Further evidence reveals that the aircraft was purchased specifically for use during Mr. Robertson's upcoming presidential bid. Most significantly, Mr. Miracle has testified that although there was no direct mention of the purpose for the aircraft during the initial negotiations, during a demonstration flight on February 24, 1985, Mr. Robertson confided in Mr. Miracle that "the

35. While unable to specifically confirm receiving the above letter, the addressee, Phillip E. Stacy, Vice President-Aviation for Tracinda, does recall receiving a letter during this period rejecting Tracinda's offer and further recalls that such letter would have been signed by Mr. Robertson. Responses of Tracinda Corporation to Commission Subpoena to Produce Documents dated April 9, 1993).

36. Mr. Miracle, a pilot, was involved in inspecting the aircraft, accompanying Mr. Robertson on the demonstration flights and advising Mr. Robertson on the purchase of the aircraft.

reason he wanted the airplane was because he was going to run for President of the United States." (Miracle Deposition at 36).<sup>37</sup> This stated purpose for the BAC 1-11 is consistent with Mr. Robertson's earlier written statement that there would not be any need for the aircraft until mid-1986 when travel would increase.

Indeed, Mr. Miracle has always understood Mr. Robertson's written statement to mean that, absent the impending campaign, there was no reason to buy the aircraft. Given his experience with corporate aircraft, Mr. Miracle not only considered Mr. Robertson's suggestion of "heavy travel" to be unusual, (Miracle Deposition at 116), but also the necessity of such a large seating capacity. (*Id.* at 120). Mr. Miracle testified that the reference to the anticipated increase in 1986 was in fact a reference to the campaign and that he had the same understanding in 1984 when he received the letter because there were already rumors that Mr. Robertson would be running for president. (*Id.* at 115-116). Mr. Miracle's impression was confirmed when

37. Mr. Miracle was sued by a subsequent purchaser of the BAC 1-11 (Calcutta Aircraft Leasing, Inc.) alleging, *inter alia*, that Mr. Miracle defrauded the purchaser by inflating the sales price of the aircraft by approximately \$535,000 and diverting the funds to his personal bank account. On April 7, 1995, the claim was dismissed by consent of the parties. Calcutta Aircraft Leasing, Inc. v. Peak Aviation, et al., No. 28C01-9101-CPI6 (Greene Cir. Ct. Ind. dismissed Apr. 12, 1995).

Because of his extensive involvement in the BAC 1-11's operations and concomitant knowledge concerning the aircraft's use, where Mr. Miracle's testimony is consistent with either other accounts or supporting documentation, this testimony is cited and relied upon in this report.

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Mr. Robertson mentioned the purpose for the aircraft during the February 24 demonstration flight. (See id. at 116-117).<sup>38</sup>

Mr. Miracle's understanding is not only consistent with documentary evidence, but as next discussed, with statements from other individuals with knowledge of the aircraft's purchase and Mr. Robertson's air travel needs. David Sterbonic, a former Tracinda pilot and one of the first pilots hired by CBN Continental to fly the aircraft, testified that upon hire in 1985 he was informed that he would be flying for the campaign.

(Deposition of David Charles Sterbonic dated October 5, 1994 at 53-61 and 87.) The seller, Tracinda, notes that during the purchase negotiations it learned that the BAC 1-11 was the first large aircraft (seating in excess of twenty passengers) CBN Continental had voiced an interest in purchasing. (Tracinda Subpoena Response). In fact, prior to purchasing the BAC 1-11, CBN Continental had only leased much smaller Learjets (8 passengers) and Beechcraft King Airls (6 passengers). (See CBN Continental Subpoena Response; see also Response of MartinAir, Inc. to Commission's Interrogatories and Requests for Production of Documents dated June 9, 1994). Thus, CBN Continental had not made any use of, nor had any need for, larger aircraft prior to the purchase of the BAC 1-11 in February 1985, nor did Mr. Robertson envision any need for the aircraft until mid-1986 when he anticipated promoting his candidacy.

38. Indeed, while the early acquisition meant that CBN did not have to engage outside aircraft for corporate purposes for a short while, as is demonstrated infra, the use of the campaign gradually evolved until its sole use was for campaign activity.

**b. creation of aviation department**

After purchase, CBN Continental sought to establish a flight department primarily for the maintenance and operation of the BAC 1-11. On May 1, 1985, Mr. Miracle was hired personally by Mr. Robertson to oversee the formation and operation of the flight department. Mr. Miracle has testified that sometime during the hiring period, before he was permanently employed, Mr. Robertson, as a form of "inducement," again mentioned that he would be running for President, and that he would take Mr. Miracle "out of retirement and [Mr. Miracle] could be his pilot on the Presidential airplane" if he won. (Miracle Deposition at 78).

As part of his responsibilities at CBN Continental, Mr. Miracle interviewed employment applicants, including individuals applying to pilot or maintain the BAC 1-11. (See id. at 104, 126-127 and 130). It was so clear by the fall of the 1985 that Mr. Robertson would be running for President and that the BAC 1-11 would be used in the campaign, that Mr. Miracle would mention the campaign as an element of the job description. As noted supra, one of the first pilots hired by CBN Continental was David Sterbonic, who was hired as captain on approximately September 27, 1985 and remained with CBN Continental until approximately April 16, 1986. (See CBN Continental Subpoena Response (CBN Continental flight logs dated September 27, 1985 and April 16, 1986). Mr. Miracle testified that although he could not recall if during the interview process he mentioned to Mr. Sterbonic that



the BAC 1-11 would be used for the campaign, he did inform Mr. Sterbonic that "Pat [Robertson] was going to run for President," and believes that Mr. Sterbonic already knew that Mr. Robertson would be running for President because by then "everybody really knew." (Miracle Deposition at 127).

Mr. Sterbonic testified that during the interview process he was "aware of the election situation" and expressed his concern to Mr. Miracle that the job was only for the duration of the election. (Sterbonic Deposition at 32). In response, Mr. Miracle informed him that one of the major things they were going to participate in was the campaign and that there would be a lot of flying to accommodate the campaign, but assured him that the campaign was not the only purpose for purchasing the aircraft. (Id. at 32 and 36). However, Mr. Sterbonic further testified that during the time he was piloting the BAC 1-11, from approximately the fall of 1985 to the spring of 1986, many of the trips appeared to be political, possibly for Mr. Robertson's Presidential bid,<sup>39</sup> (see id. at 105-106), and that during a flight from Dallas to Houston, Texas on March 7, 1986, he overheard Pat Robertson ask Mr. Miracle if there would be "any trouble getting rid of [the BAC 1-11] after [the campaign] is over." (Id. at 47).

39. During the period that Mr. Sterbonic was piloting the BAC 1-11, The Freedom Council was a frequent user of the aircraft, totaling 41.2 hours of use between September 27, 1985 and April 16, 1986. AS noted elsewhere, The Freedom Council was one of several political organizations used by Mr. Robertson to promote his candidacy prior to the Committee's official formation.

Another early CBN Continental employee corroborates Messrs. Miracle's and Sterbonic's characterization of the aircraft's intended purpose. Herb Mezick was hired by CBN Continental in April of 1985 to perform aircraft maintenance for the recently purchased BAC 1-11. According to Mr. Mezick, upon being hired he was informed by Mr. Miracle that "his job would be to maintain the BAC 1-11 for Pat Robertson's presidential campaign" and that the term of employment would depend on the "outcome of the primary" campaign. (Mezick Interview Notes at 2). Mr. Mezick remained with CBN Continental until approximately March 1988, the same month as AFR's last flight on the BAC 1-11 and just prior to when the the BAC 1-11 was placed on the market for sale. (Id.).

These consistent accounts illustrate the BAC 1-11's intended use as a campaign aircraft when purchased by CBN Continental. As is next discussed, the activity surrounding the aircraft and its actual use after purchase further substantiate that the BAC 1-11 was purchased for the presidential effort.

c. BAC 1-11 usage

Upon purchase by CBN Continental, on February 26, 1985, the BAC 1-11 was flown to Love Field in Dallas, Texas to undergo mechanical and cosmetic repairs. (See Tracinda Subpoena Response (Tracinda flight log dated February 26, 1985); see also Sterbonic Deposition at 95; see also Miracle Deposition at 59 and Exh. 11 (CBN Continental flight log dated April 27, 1985)). These repairs

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and modifications were extensive, requiring approximately two months to complete. (Id.). The cost for these repairs was paid by CBN Continental. (Miracle Deposition, Exh. 9 (Unsigned Minutes of CBN Board of Directors meeting dated September 16, 1988)). While the aircraft underwent numerous repairs and modifications, because CBN Continental has failed to provide any invoices for the repairs performed during this period, and because these repairs never appeared on CBN Continental's internal BAC 1-11 cost records, the total extent of the work performed, or the associated costs, is not known. The best indication of these costs comes from the minutes of the CBN Board of Directors meeting of September 16, 1988, where the board discussed the value of the aircraft. According to these minutes, the cost for "refurbishing" the BAC 1-11 was "\$250,000." (Id.).

As part of the modifications, CBN Continental changed the FAA registration number for the BAC 1-11 from N97KR to N88NB and had the new registration number painted on the aircraft. (See Miracle Deposition at 46; see also Sterbionic Deposition at 115, Mezick Interv. Notes at 4, and CBN Continental Subpoena Response (flight logs beginning April 27, 1985)). Mr. Miracle testified that Mr. Robertson mentioned to him that the new registration number N88NB designated "in 88 new beginning," which referred to a new beginning in 1988 after the candidate won the presidency.<sup>40</sup> (Miracle Deposition at 47 and 49).

40. The first letter in the registration number is assigned by the FAA and denotes the aircraft's country of origin. The designation "N" denotes that the aircraft is U.S. owned.

The following chart shows the proportional and actual use of the BAC 1-11 by the various Robertson organizations for the period from the aircraft's first passenger flight in May 1985 after

The following chart shows the proportional and actual use of the BAC 1-11 by the various Robertson organizations for the period from the aircraft's first passenger flight in May 1985 after

purchase, to its last passenger flight in March 1988. The numbers beneath the percentages are the number of hours actually flown.

	1985	1986 (Pre-AFR) (8.5 months)	1986 (AFR-active) (3.5 months)	1987	1988 <sup>41</sup> (2.5 months)
Corporate	92% (145.7)	58% (96.3)	51% (31.6)	12% (27.6)	--
Political	8% (12.4)	40% (67.9)	7% (4.1)	2% (4.5)	--
Campaign	--	--	41% (25)	86% (193.7)	100% (106.9)

The above chart, based on CBN Continental's internal flight logs, shows declining use for corporate travel, with use steadily shifting to Pat Robertson's political organizations and, ultimately, to the campaign. This shift from corporate use to campaign use become even more pronounced in 1987-88 as the primaries drew closer. For the time period that AFR was officially in existence, it accounted for 83% of all passenger flights on the BAC 1-11. Moreover, the total use of the BAC 1-11 increased substantially as the elections drew nearer. From 1985

41. The chart accounts for only passenger flights during the four year period, and not non-passenger ferry, fuel or maintenance flights (totaling 62 hours). Further, the chart does not list the occasional use of the aircraft by outside organizations (totaling 3.7 hours). The "corporate" category comprises all passenger flights by CBN, CBN Continental, CBN University, CBN Cable and The 700 Club. The "political" category comprises all flights by organizations promoting Mr. Robertson's candidacy before formation of AFR, specifically, The Freedom Council, the Committee for Freedom, the Michigan Committee for Freedom, National Perspectives Institute, Victory Communications International and GBCSI Computers. This Office is not addressing potential violations by these groups because they are all out of business. Last, the "campaign" category comprises only those flights directly attributed to AFR.



through 1987 use of the aircraft remained constant at an average 19.7, 19 and 18.8 passenger hours per month, respectively. However, for the first three months of 1988, during the heat of the primary campaign, the BAC 1-11 flew an average 35.6 passenger hours per month, approximately an 85% increase in use from the previous three years.

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The BAC 1-11's flight manifests provide even further evidence of the purchase of the aircraft for campaign purposes. A review of the individual flight manifests for the period that CBN Continental owned the aircraft shows that the passenger load varied greatly depending on the type of flight.<sup>42</sup> The average passenger load for the corporate flights was 5.6 passengers, which could easily have been accommodated by the previously leased Learjets and King Airs, while the average passenger load for the early campaign flights (including the Robertson political organizations flights) increased to 14.2 passengers, beyond a Learjet's capacity. Most significantly, the average passenger load after Mr. Robertson's second place finish in the February 8 Iowa caucuses increased to 20.7 passengers -- near full capacity for the BAC 1-11.<sup>43</sup> This shift demonstrates that all corporate travel could have been accommodated by the smaller (8-10

42. This review is based on a representative sampling of each organization's use of the aircraft. Specifically, for each year that an organization flew on the BAC 1-11, a month representing the typical flight pattern for the year was chosen for analysis.

43. Although originally having a seating capacity of 74-79 passengers (See "Aircraft Performance Statistics," 14 Official Airline Guide 17 (1987)), this aircraft had been re-configured by a previous owner as an executive aircraft seating 25 passengers.

passenger) aircraft CBN regularly leased prior to purchasing the BAC 1-11. The only activity requiring the larger aircraft was the campaign.

d. BAC 1-11 sale and staff departures

Efforts to sell the aircraft began as soon as it appeared that Mr. Robertson's candidacy would not be successful. On March 9, 1988, the day after Mr. Robertson's poor showing in the Super Tuesday primaries, use of the aircraft was discontinued. After poor showings in additional primaries, on May 11, 1988, the candidate announced his withdrawal from the 1988 presidential election and five days later, Airplanes, Inc. entered into a 120-day brokerage agreement with Midcoast Aviation, Inc., for the sale of the BAC 1-11. (See Miracle Deposition, Exh. 22 (Letter from Reid to Crowell dated May 16, 1988)). Airplanes, Inc. terminated the brokerage agreement, effective September 15, 1988, (CBN Continental Subpoena Response (Letter from Reid to Crowell dated August 15, 1988)), and subsequently, Mr. Miracle's efforts led to the aircraft being sold to Calcutta Aircraft Leasing, Inc. on September 15, 1988 for \$2,000,000. (See Miracle Deposition, Exh. 25 (Aircraft Purchase Order dated September 1, 1988)).

As with the purchase of the aircraft in 1985, this chronology strongly suggests that the BAC 1-11 was purchased for the campaign, and once the campaign was over the aircraft was disposable.<sup>44</sup>

44. Gordon F. Robertson, CBN Continental's attorney involved in drafting the sale documents for the aircraft, has acknowledged under oath that the BAC 1-11 was sold because "it was being underutilized." (G.F. Robertson Deposition at 73 (Calcutta v. Peak Aviation, et al., No. 28C01-9101-CP-16)). Indeed, the



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Once the decision to sell the BAC 1-11 was made and the aircraft stopped flying, CBN Continental began to dismantle its aviation department because there was no longer any need for another large aircraft. The aircraft's mechanic, Mr. Herbert Mezick, left CBN Continental in March 1988. Mr. Mezick explained to this Office that he left because his "job was over, they only needed me to maintain the BAC for the campaign." (Mezick Interv. Notes at 1). The pilots -- Messrs. Miracle and Walen -- remained with CBN Continental until October 1988, when the BAC 1-11 was transferred to its new owner, Calcutta, and they left to work for Calcutta. Mr. Miracle explains that he did not have to leave because there would still be work for him to do at CBN Continental, but that he saw no reason to stay and fly the smaller aircraft that Mr. Robertson was considering purchasing now that the campaign was over. (See Miracle Deposition at 202).<sup>45</sup>

CBN Continental did not purchase a replacement aircraft while the BAC 1-1 was on the market for sale, but instead returned to

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(Footnote 44 continued from previous page)  
available flight records for the period after March 9, 1988 show that the BAC 1-11 made only three flights once the campaign was over. All three flights were non-passenger ferry or maintenance flights. (Response of David P. Walen to Commission's Interrogatories and Request for Production of Documents dated June 17, 1994 (pilot logbook dated March 7 through June 23, 1988)).

45. During the sale period, aside from advising Mr. Robertson regarding the BAC 1-11's market value, Mr. Miracle advised Mr. Robertson on the purchase of an aircraft to "replace the BAC," providing the candidate with "specifications" for several aircraft "suited to [CBN Continental's] needs." (Miracle Deposition, Exh. 23). The three replacement aircraft recommended by Mr. Miracle (Hawker Siddley 125, Falcon 20 and Sabreliner) were considerably smaller than the BAC 1-11, seating between six to ten passengers. (Miracle Deposition at 221-222).

its practice of chartering six- to ten-passenger aircraft for individual trips. (See Walen Response (pilot logbook dated May 7 through June 23, 1988); see also CBN Continental Subpoena Response). This practice appeared to continue for at least two years. (See Miracle Deposition at 284). By April 1990, when Mr. Miracle returned to CBN Continental, the corporation had only one permanent pilot, and was chartering only smaller aircraft for Mr. Robertson, including King Airs and Falcons. (Miracle Deposition at 284-285).

## 2. Analysis

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The preceding discussion describes how CBN Continental purchased the BAC 1-11 for the express purpose of providing the aircraft to AFR for use during the 1988 presidential campaign and that AFR made such use of the aircraft throughout the primary campaign. Communications and discussions in 1984 and 1985 make direct reference to the intended purpose for the aircraft as a campaign airplane. The candidate on more than one occasion explicitly stated that the aircraft was for his presidential bid and that it would have to be disposed of once the candidacy was over. Moreover, the shift in use from corporate travel to campaign travel during the period that CBN Continental owned the aircraft demonstrates in stark terms that the BAC 1-11 was primarily for the campaign's use. Finally, CBN Continental put the aircraft up for sale, and began to dismantle its aviation department, at the exact time that the campaign ended, and returned to chartering smaller aircraft more suitable to its needs, as it had before the purchase of the BAC 1-11.

During the audit of AFR and at the Reason to Believe stage in this matter, the Commission analyzed AFR's use of CBN Continental's BAC 1-11 pursuant to its regulations at 11 C.F.R. § 114.9(e). As discussed, information discovered during the investigation of this matter demonstrates that the aircraft was purchased expressly for AFR's use during the campaign.

Therefore, all available evidence suggests that AFR knowingly accepted, and CBN Continental made, an in-kind contribution of an aircraft specifically purchased by CBN Continental for its use during the 1988 presidential primary campaign, in apparent violation of 2 U.S.C. § 441b(a). Additionally, this same evidence also suggests that Pat Robertson, as an officer of CBN Continental, was intimately involved in the concerted activity to purchase the aircraft, in apparent violation of 2 U.S.C. § 441b(a).

a. amount in violation

Former Section 100.7 held that a contribution included the provision of goods or services without charge as well as the extension of credit beyond normal business practice. 11 C.F.R. § 100.7(a)(1)(iii)(A) and (a)(4). Pursuant to this provision, the entire fair market value of the aircraft at the time that AFR began using it is a contribution by CBN Continental. CBN Continental contributed further by subsidizing a portion of the costs for AFR's use of the aircraft. Specifically, CBN Continental either extended credit, failed to seek payment, or failed to bill AFR for a portion of the costs attributable to AFR.

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CBN Continental purchased the BAC 1-11 in an arms-length business transaction for \$900,000. Upon purchase, the aircraft underwent repairs and modifications totaling \$250,000. Because of the post-purchase repairs and modifications, the aircraft had a fair market value of approximately \$1,150,000 ( $\$900,000 + \$250,000 = \$1,150,000$ ) when provided to AFR.

CBN Continental also subsidized a portion of the campaign's air travel costs by extending credit for these costs. For its use of the aircraft from September 1986 to March 1988, AFR was billed a total of \$1,020,671.56 for its share of the aircraft's flight costs, \$147,160.79 of which was not paid in advance. The amount not paid in advance includes \$26,846.24 in original flight invoices which were paid between 26 and 202 days after the flight dates. Also included in the amount not paid in advance is \$120,314.55 in "additional costs" billings for earlier flights that were paid from 13 days to more than a year after the flight dates.

By allowing AFR to delay payment by more than 13 days after the flight date on a portion of the flight costs (totaling \$147,160.79) CBN Continental extended credit to the Committee. However, corporations may only extend credit for any length of time to a political committee if the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extensions of credit to nonpolitical debtors which are of similar risk and size of obligation. 11 C.F.R. §§ 100.7(a)(4) and 114.10(a). Although a portion of the credit extensions were of short duration, because CBN Continental

was not in the business of providing air travel services and, therefore, did not have any established business practice for extending credit concerning the provision of aircraft, these extensions of credit result in corporate advances in violation of 2 U.S.C. § 441b(a).

AFR also failed to pay \$268,028.41 in incurred expenses. This unpaid amount includes a \$260,352.32 invoice first billed in 1988, which was never adequately satisfied.<sup>46</sup> This invoice was settled without cash payment between the parties by agreement dated August 25, 1989. However, this agreement was not bona fide, as AFR provided CBN Continental the rights to a mailing list which it no longer owned.<sup>47</sup> Because there was effectively no consideration given by AFR to CBN Continental, and because the initial extension of credit was not within the corporation's ordinary business practice, the settlement was not valid for purposes of the Act. See 11 C.F.R. §§ 114.10(b) and (c) (corporations may only settle debts for less than full value if the initial credit extension was within the ordinary course of

46. The Committee has not filed a debt settlement agreement concerning this debt with the Commission.

47. In consideration for CBN Continental dismissing all claims against AFR, AFR agreed to supply CBN Continental with a magnetic tape of its mailing list containing "1,800,000 individuals or families." (Audit Document "Settlement Agreement between CBN Continental, Airplanes, Inc. and AFR dated August 25, 1989)). In addition, AFR granted CBN Continental a "non-exclusive license" to use the list. (Id.). However, based on the description in the agreement, and additional statements by AFR (AFR Response to Final Audit Report at 19-20) it appears that this same list was sold to a separate entity, JDH Enterprises, Inc., ten months earlier, in October of 1988, for \$200,000. For a full discussion of this transaction, see infra at 80-87. Consequently, because AFR had already sold its rights to the list prior to this settlement, it could not use the list as consideration.

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business). Also included in the \$268,028.41 in unpaid expenses is \$7,676.09 in costs incurred by AFR which CBN Continental failed to properly bill, and the Committee failed to pay. These unpaid flight costs also constitute a contribution.

Last, because the aircraft was, in effect, AFR's campaign aircraft, all non-passenger flights traditionally paid for by an aircraft's owner, such as maintenance, fuel and ferry flights, should have been paid by the campaign. During the approximately forty-three months that CBN Continental owned the aircraft, the BAC 1-11 flew a total of 37.6 owner-attributable non-passenger hours. The cost for these flights was absorbed by CBN Continental. Based on the average hourly billing rate and the total owner-attributable non-passenger flight hours for each separate year, the cost for these flights was \$123,525. Because AFR should have paid for these flights, the total cost for these flights is also an in-kind contribution of something of value by CBN Continental to the campaign.

Based on the above, AFR accepted prohibited corporate contributions from CBN Continental totaling \$1,688,714.32.<sup>48</sup>

48. The amount in violation is composed of the following:

Purchase price	\$ 900,000.00
Post purchase repair costs	\$ 250,000.00
Flight costs advanced	\$ 147,160.91
Flight costs never paid	\$ 7,676.09
Flight costs not properly settled	\$ 260,352.32
Ferry, maintenance and fuel flights never billed	\$ 123,525.00
Total	\$1,688,714.32

## C. Computer-Related Violations

### 1. Acquisition of Computer

On August 1, 1985, GB Computer Services, Inc. entered into service agreements with The Freedom Council, the Freedom Council Foundation and the National Perspectives Institute, to provide promotional services and to provide computer services for internal record-keeping. Certain monthly payments under these agreements were front-loaded in order to provide GBCSI with enough funds to place a down payment on a computer system. (Deposition of George F. Border dated August 12, 1994 at 47).<sup>49</sup>

Just over two months later, on October 14, 1985, GBCSI entered into an agreement with IBM to purchase a System 38 computer and related equipment. The total price of hardware and software purchased from IBM, as well as mailing equipment, furniture and other equipment necessary for the functioning of GBCSI, was \$588,799. GBCSI obtained a loan from Sovran Bank for approximately \$249,000 to help finance the purchase of the computer.

On April 1, 1986, Freedom Council, the National Legal Foundation and the National Perspectives Institute modified their service agreements with GBCSI, eliminating monthly fees, and

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49. At that time, these three organizations were primarily funded by CBN. Pat McMahon, an accountant who performed work for The Freedom Council and was thus aware of how it was funded, estimated that 75 per cent of its income came from CBN. (Deposition of Patricia Lee McMahon dated April 22, 1994 at 20). According to Steve Davis, GBCSI's former controller, the three organizations were ultimately intended to be funded through direct-mail activities, but until such time as direct-mail income was sufficient, they were funded by CBN. (Response of Steve Davis dated May 12, 1993 to Commission Reason to Believe Finding).



leaving GBCSI to bill only its costs incurred and a percentage of these costs. The contracts also eliminated from GBCSI's duties "[t]he solicitation of major gifts from corporations foundations and individuals; special events such as rallies, meetings, fund-raisers and receptions designed to promote [Freedom Council] interests or raise funds." According to George Border, these changes in GBCSI's duties and funding were not initiated by him, but by the organizations. (Border Deposition at 71-72). As noted above, VCI and Michael Clifford were starting to perform these very functions, which related to the nascent political campaign of Pat Robertson.

On October 30, 1986, shortly after Americans for Robertson became active, The Freedom Council and the other two organizations terminated their agreements with GBCSI. At that point, the election activity of The Freedom Council, and the fact that The Freedom Council was primarily funded by CBN, had caught the attention of the Internal Revenue Service, which commenced an investigation of CBN to determine whether its tax-exempt status had been compromised. Attempts were made to continue The Freedom Council's operation with private funding, see discussion of A.L. Williams' donations during the summer of 1986, supra at 26 and 45-46, but ultimately this proved inadequate. Without CBN funding, The Freedom Council, National Legal Foundation, and National Perspectives Institute were allowed to terminate.

In the ensuing settlement negotiations between GBCSI and The Freedom Council resulting from The Freedom Council's breach of the service contract, an agreement was reached where The Freedom

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Council provided \$327,000 to GBCSI, which was just enough to allow it to close down, except for the Sovran Bank note secured by the computer. On January 27, 1987, one day after the last agreement with The Freedom Council, GBCSI transferred its entire operation to the Committee. Americans for Robertson made no payment in connection with this transfer but did assume GBCSI's liability on the outstanding Sovran note, an amount of \$233,480. (McMahon Deposition at 67). According to Ms. McMahon, who prepared GBCSI's tax returns, including the return which accounted for the sale of the computer, the Internal Revenue Service appraised the value of the equipment sold at \$312,850, more than the debt Americans for Robertson assumed in return for the computer and other items.

However, Americans for Robertson did not just obtain GBCSI's equipment; rather, with GBCSI employees joining up with the campaign at the time of the sale, and with Americans for Robertson also acquiring below-market-value property leases and IBM service agreements, as well as a contract to provide computer services to an outside corporation for which it received income, Americans for Robertson essentially acquired an operational direct mail business. Accordingly, the value of the Committee's benefit appears to have been much higher.

Therefore, Americans for Robertson accepted a corporate contribution from GB Computer Services, Inc. in violation of 2 U.S.C. § 441b(a).

## 2. Sale and Leaseback of Computer

After purchasing the computer at GBCSI's "fire sale", (Border Deposition at 137), Americans for Robertson next sought to use the

computer as a fundraising device. As will be shown, the Committee, through the efforts of Marc Nuttle, initially sought to raise almost \$1.5 million, before it settled for \$337,500, in an attempt to raise money for AFR at a time when it had little cash-on-hand and significant debts.

Robert B. Beale is a corporate executive who joined the Robertson campaign as a volunteer in Minnesota prior to September 1987 and served as a delegate for Pat Robertson at the 1988 Republican National Convention in New Orleans. (Deposition of Robert B. Beale dated October 3, 1994 at 12-13).

As noted supra, Beurt R. SerVaas and his wife were strong supporters of Pat Robertson, and attended many of the events leading up to the campaign, as well as the Constitution Hall event. Also as shown supra, James Higgins was a strong supporter of Pat Robertson. He has described himself and Beurt SerVaas as part of Pat Robertson's "inner circle." (Higgins Deposition at 75-77).

Richard D. Brown was also a supporter of Pat Robertson. Mr. Brown is now deceased. Wayne Bailey made a \$200 contribution to the Committee.

In an interview with this Office on April 13, 1993, Wayne M. Bailey stated that he was approached on behalf of the campaign by Marc Nuttle, and was told that the campaign needed cash. In order to raise this cash, the campaign wanted to get 20 people to each put up \$50,000, buy the computer, and lease it back to the Committee. Bailey stated that he talked with Nuttle several times, and that both he and Nuttle were to get investors. He

talked to other people, but could not get anyone else to invest. Bailey himself issued a check for \$50,000 to Americans for Robertson, which was deposited into the Committee's operating account on August 17, 1987.

Mr. Bailey has submitted a notarized statement to the Commission dated May 4, 1994, in which he recalls that "there was a rough draft of a purchase/lease-back type of contract sent to me by Mark [sic] Nuttle. As I recall, the document was very rough, with a lot of blank lines for names, dates and so forth. It could have been a standard purchase lease-back document as found in law-books, or it could have been drafted by Mr. Nuttle."<sup>50</sup>

Robert Beale has stated that in mid-August of 1987, Nuttle informed him that Computer Futures, Ltd. was going to buy a computer from Pat Robertson and lease it back to him, and that Beale could participate in this venture by investing money in Computer Futures and could earn interest on his investment. (Beale Deposition at 9-10, 19-20). On September 29, 1987, Marc Nuttle sent a letter to Mr. Beale's attorney on official Committee stationery which transmits rough drafts of documents which Nuttle had discussed with Beale on that same date. (Beale Deposition, Exh. 1).

One of the documents enclosed with the Nuttle letter was a draft "Offering Memorandum" for Computer Futures, Ltd. which numbered 40 pages, not including exhibits. (Beale Deposition, Exh. 3). That document stated that its sole business was to

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50. In that statement, Mr. Bailey states that he dealt with Marc Nuttle concerning the transaction, and otherwise confirms the statements made in his interview.

purchase and lease back the computer owned by Americans for Robertson. The General Partners of the Partnership are identified as AFR Communications (a corporation whose officers and directors were Nuttle and Clarence Decker), and Nuttle, as an individual.<sup>51</sup> This and the other related documents have a number of blank spaces, and sound similar to the documents Wayne Bailey has described as seeing. Beurt SerVaas also received these documents.

Interests in the Partnership were to be sold in units of \$50,000, with a minimum of \$600,000 and a maximum of \$1,450,000 to be raised. The Memorandum noted that the purchase price of the units was not based on projected earnings of the Partnership, nor did it reflect current market value of the Partnership's business and assets to be acquired. Rather, the Memorandum stated, the pricing of the units had been arbitrarily determined by the General Partners.

The Offering Memorandum also noted that a number of risks were associated with this venture, including the facts that no market existed for the resale of Partnership Interests, and that because the lessee was a political campaign with variances in its cash flow and ability to meet its financial obligations, no

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51. The establishment of AFR Communications, Inc. and Computer Futures, Ltd. are described in the First General Counsel's Report in this matter dated November 27, 1992 at pages 35-36.



assurances could be given that the campaign would be able to make the requisite lease payments.<sup>52</sup>

This venture did not develop as, according to Bailey, he had no success in lining up investors. Bailey's money was refunded to him by means of a check on September 30, 1987. The check was not deposited in Bailey's account until October 29, 1987.<sup>53</sup>

A second letter from Nuttle to Beale is dated September 30, 1987, and is also on the Committee's stationery. This second letter stated that it was enclosing a promissory note in the amount of \$50,000 to secure funds advanced to the Computer Futures Limited Partnership, as well as a copy of the agreement to purchase assets from the Committee. Beurt SerVaas received a similar letter, a promissory note for \$150,000, and a copy of the agreement. James Higgins stated that he received only a

52. Except for the initial letter, Beurt SerVaas received similar documents, and produced them in response to a Commission Subpoena and Order. James Higgins, when shown such documents, stated that he never received them.

53. In his interview, Bailey stated that Marc Nuttle had asked Bailey to hold the check for a few days because there was not enough money in the Committee's account to cover it. In his written statement, Bailey confirms this account, and further states that he told Nuttle that he needed to deposit the check into his account. Nuttle told Bailey that he was working on the problem and would let Bailey know when he could deposit the check; Nuttle called Bailey around the end of October and told him to deposit the check.

Nuttle denied that he ever asked Bailey to not deposit his refund check for any period of time. (Nuttle Deposition at 328-330).

The agreement between the Committee and Computer Futures (received by at least Beale and SerVaas) states that Computer Futures will purchase certain computer and other equipment from the Committee and immediately lease it back. The purchase price is stated to be \$400,000. Ultimately, Computer Futures obtained \$350,000 from the four individuals identified above, and paid \$337,500 to the Committee in late September and early October 1987,<sup>55</sup> while the Committee continued its uninterrupted use of the computer and other equipment, and failed to make timely payments to Computer Futures. This money also enabled the Committee to reimburse Wayne Bailey.<sup>56</sup>

54. While Nuttle turned over to the Commission apparent draft copies of letters to all four investors, none of them were on Committee stationery. Nuttle has never indicated that the letters to the lenders were issued on Committee stationery. Indeed, when asked whether Computer Futures was kept completely separate from the Committee, he stated: "Yes, at all times." (Nuttle Deposition at 477-478).

55. The Committee was paid by a check dated September 30, 1987 in the amount of \$200,000, and by a check dated October 5, 1987 in the amount of 137,500.

56. The audit of the Committee determined that the amount of money in the Committee's operating account fell below the amount of Bailey's check. Therefore, the Committee did not have enough money to reimburse Bailey until it received the Computer Futures payments.



Monthly payments of \$10,400 in rent were scheduled to commence on November 6, 1987. Under this schedule, Americans for Robertson would have paid only \$31,200 by the time Computer Futures was required to pay the \$350,000 plus interest to the four individuals. In fact, the Committee, of which Marc Nuttle was campaign manager, paid no lease payments to Computer Futures, of which Marc Nuttle was General Partner, until May 1988, after Pat Robertson had dropped out of the presidential race. The initial lease payment was \$25,000, a small percentage of the money owed at that time.

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The Commission has previously expressed its concern with sale/leaseback transactions. In Advisory Opinion 1986-14, the Commission approved a principal campaign committee's sale of its van, without the purchase price being considered a contribution, basing its conclusion on the presumption, inter alia, that no lease-back of the van would occur. This opinion was public at the time of the sale/leaseback engaged in by the Committee.<sup>57</sup>

Indeed, contemporaneous documents demonstrate that the sale leaseback effort was purely a fundraising effort. Even with the actual sale leaseback transaction which occurred, the

<sup>57</sup> In Advisory Opinion 1989-4, the Commission expounded upon its concern over sale/leaseback transactions. The Commission noted that a situation where a committee sells the equity in an asset but retains possession and pays rent for its use, "raise[s] problems of fundraising through what [is] effectively [a] 'loan[]' to a political committee, in which the committee receives money for the value of the asset but does not relinquish . . . the possession and use of the asset."

Committee was paid \$335,000 for assets for which it had assumed a \$244,000 loan some seven months earlier.

Moreover, the copy of the purchase agreement between the Committee and Computer Futures demonstrates that Computer Futures could not have received enough lease payments to honor the individual promissory notes by the due date. Indeed, the individuals who invested in Computer Futures also had ties to the campaign. Robert Beale was a campaign official in Minnesota. As shown above, James Higgins had already advanced a large sum of money to assist the campaign, and Beurt SerVaas had attended fundraisers with Pat Robertson and was videotaped promoting Pat Robertson's candidacy. Also, at the same time that Marc Nuttle was campaign manager for the Committee, and Clarence Decker was an official within the campaign, they represented Computer Futures in the transaction with the Committee. Letters regarding the transactions were sent on campaign stationery.

Also, Marc Nuttle continues to attempt to disguise this effort. During the audit of Americans for Robertson, Nuttle told Commission staff that Mr. Bailey was in the computer business and that he tried to purchase the Committee's computer, but that he failed to raise additional capital. However, in his written response to the Commission's factual and legal analysis, Mr. Nuttle admitted that Bailey was to be part of a sale/leaseback transaction. Then, in his deposition testimony, Nuttle stated that Bailey was interested in purchasing the Committee's personal computers and related furniture, and that it was Bailey who approached the Committee about such a deal. (Nuttle Deposition

at 324). According to Nuttle, the deal was to be for \$50,000, and Bailey wanted to buy the PCs separately, but the Committee preferred to handle all the computers in one transaction. (Id. at 326-327). Questioned further about Bailey's interest in the computers and the use he intended to make of them, Nuttle stated that "we probably would have - - I think what I remember trying to do was make him part of the asset sale leaseback and he would have been another investor in Computer Futures Limited." (Id. at 327).<sup>58</sup>

It thus appears that Wayne Bailey, Robert Beale and Beurt SerVaas were intended to be part of a large group of investors from whom Nuttle hoped to raise in excess of \$1.4 million for the campaign. Bailey acknowledges that he was told that the effort was being undertaken as a fundraising effort, and that he forwarded \$50,000 directly to the campaign for this effort. Thus the \$50,000 should be viewed as a contribution subject to all limitations, including those at 2 U.S.C. § 441a(a)(1)(A) and 441a(a)(3), which limit contributions by individuals to \$1,000 per election to each committee, and to an aggregate total per calendar year of \$25,000. Additionally, given the above facts, the loans by Robert Beale, Richard Brown, James Higgins and Beurt SerVaas to Computer Futures should be viewed as loans to the Robertson campaign. A loan is a contribution which must meet all limitations, including those at 2 U.S.C. § 441a(a)(1)(A) and

58. If this explanation had been true, that Bailey wanted to buy the personal computers for \$50,000, then Bailey would not have had to raise additional capital, as Nuttle alleged when he met with Commission staff during the audit.

441a(a)(3), which limit contributions by individuals to \$1,000 per election to each committee, and to an aggregate total per calendar year of \$25,000. Accordingly, the Committee violated 2 U.S.C § 441a(f) by accepting these funds.

While Beale has admitted that he participated in order to help Pat Robertson, SerVaas has claimed that this was a straight-forward business deal. This explanation is not credible. As noted above, he has been described as one of Pat Robertson's "inner circle" by James Higgins,<sup>59</sup> appears to have attended the March 1986 Nashville meeting and May 16, 1986 Committee for Freedom dinner, certainly attended the two fundraising dinners in early August 1986 and the September 17 Constitution Hall event,<sup>60</sup> and held a fundraiser at his home for Pat Robertson three weeks before the Constitution Hall event.<sup>61</sup> (See supra at 18, 19, 30 and 40-41). Thus, SerVaas had been a visible and active supporter

59. SerVaas has denied that he knew James Higgins. (SerVaas Deposition at 153, 228-229).

60. SerVaas described the Constitution Hall event as "an extravaganza. . . . There were a lot of patriotic statements made. . . . I can't recall who spoke or how they were patriotic but it had a patriotic motif." (SerVaas Deposition at 117). Like Bud Smith, he would not state that the event was related to Pat Robertson's presidential effort.

61. SerVaas stated that he and his wife "furnished the grounds and a tent and that was our only obligation." (SerVaas Deposition at 104), but otherwise refused to answer questions about it. Michael Clifford recalled that "we had five or six hundred people in a large tent outside of [Beurt SerVaas'] house. . . . [SerVaas] had hired a fund-raising expert that he worked with," and Clifford assisted this individual. (Clifford Deposition at 57-58).

of Pat Robertson's presidential effort for an extended period leading up to the September 1987 sale/leaseback, when Americans for Robertson was in desperate need of cash.

With regard to the computer specifically, Mr. SerVaas has stated that he did not know who owned the computer when Computer Futures purchased it, (SerVaas Deposition at 220), but the documents received by SerVaas prior to his loan informed him that the computer would be purchased from the Committee. Indeed, a note written by SerVaas which appears to be contemporaneous with the transaction, (SerVaas Deposition at 150), instructs his attorney to see him "as soon as you believe you have an agreement with Robertson et al. I'd like to examine the underlying collateral." (SerVaas Deposition, Exh. 20).<sup>62</sup> Moreover, the documents which identified Americans for Robertson as the seller of the computer indicated that Computer Futures would only have received approximately 25 percent of his repayment amount in lease payments by the due date of the note.

### 3. Repayment of Loans Associated with Sale/Leaseback

While Wayne Bailey was paid back with the money advanced for the sale/leaseback, Beale, Brown, Higgins and SerVaas were left to be repaid. Because these loans were not normal commercial

62. SerVaas testified that the memo was not meant to suggest that Pat Robertson was actually involved in the deal, and that Robertson was mentioned because SerVaas "wasn't quite sure of what Marc Nuttle's job was or where he could be reached so [SerVaas] gave that as part of a direction." (Id. at 150-151).



transactions, the Committee engaged in several roundabout efforts to return money to the individuals.

**a. mailing list transaction and repayment  
of Beale, Brown and Higgins**

On July 6, 1988 the Committee received \$65,000 from the Republican National Committee ("RNC") for "mailing list rental." The Committee has also reported the receipt of \$100,000 on October 27, 1988 from JDH Enterprises, Inc. ("JDH") of Houston, Texas for the "[p]urchase of certain mailing list rights." Both of these agreements relate to the Robertson "petition signers list."

During the audit, the Committee produced to the Commission copies of agreements, unsigned by either purchaser, which were represented to the Commission as containing the terms of these transactions. The agreement with the RNC calls for a purchase price of \$90,000, with \$65,000 being due upon the signing of the agreement, and the remaining \$25,000 being due following "a satisfactory completion of an RNC audit of said tapes."

Two days after the Committee received the RNC payment, it paid \$58,200 to Computer Futures for overdue lease payments. That same day, Computer Futures issued a check for \$45,000 to Richard Brown.<sup>63</sup>

The agreement with JDH notes the RNC agreement, calls for a payment of \$100,000, and further states that, while the Committee maintained certain rights in the list, "[u]pon the expiration of this Agreement on March 31, 1991, unless [the Committee] shall

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<sup>63</sup>. Brown had previously been paid \$25,000 on May 10, 1988.

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have exercised its option [to terminate this Agreement by payment of \$200,000 to JDH], all right, title and interest to the List . . . shall vest in JDH and [the Committee] shall have no further right with respect to the List or any portion thereof."

In his deposition, James Higgins discussed how his purchase of the mailing list came about. He stated that the mailing list purchase was first mentioned in the latter part of August 1988 in response to a solicitation by Marc Nuttle. Higgins suggested that it be used as a means for him to recover his \$50,000 investment in Computer Futures, Ltd., and Marc Nuttle incorporated it in the transaction. While there were only one or two minor exceptions involving Gordon Robertson, "every other discussion, conversation, event took place with Marc Nuttle." (Higgins Deposition at 44-45).

James Higgins has disputed that the unsigned agreement produced by the Committee represents the terms of his purchase of the list. During his deposition, Higgins testified that he had never seen the document. (Id. at 45). Additionally, when questioned about the cost of the list, Higgins stated that "\$200,000 was the price. It was always the price. It was the only price ever discussed. This contract and this information is just absolutely foreign to me." (Id. at 46-47).

Prior to the deposition, in response to a Commission subpoena, James Higgins produced documentation which related to the mailing list transaction. That documentation included four checks drawn on a JDH Enterprises, Inc. account. The first check, for \$25,000, is dated September 6, 1988 and is made out to Marc

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Nuttie. The second and third checks are both dated October 21, 1988 and are numbered consecutively. The second check is made out to Marc Nuttle for \$50,000 and the third check is made out to the Committee for \$100,000. The fourth and last check, for \$40,000, is dated November 17, 1988 and is also made out to Marc Nuttle. The three checks to Nuttle bear his stamp as endorsements on the backs.

Mr. Higgins explained what transpired that caused him to issue these checks, stating that

the "\$200,000 purchase price . . . included a company called . . . MEM, which was doing [culling] on a list, which currently had a bill in either the amount of [\$40,000] to \$50,000. It was going to have a few more dollars to finish culling the list to make it saleable. So included in the list was \$100,000 that was to go to Pat Robertson. And when I say that, I mean, Marc says "I'm going to send \$100,000 to Pat. You get credit for your \$50,000 that you have into the Computer Futures, Ltd. You have to give me the money to get the list culled with MEM. It's going to balance at about \$200,000."

(Id. at 47-48). Higgins further identified an initial \$25,000 check to Marc Nuttle as representing Nuttle's fee for handling the deal, and a subsequent \$40,000 check as a payment to MEM to reconstruct the list to enable its rental to the Republican National Committee. (Id. at 54-55).

On October 27, 1988, the Committee paid Computer Futures \$110,000. Of this amount, \$100,000 came from the Higgins purchase of the mailing list by a check dated October 21, 1988. Using the AFR money, on October 27, 1988, Computer Futures issued checks to

64. While Higgins initially remembered that he received a credit for his Computer Futures investment, in a subsequent interview, he remembered that he traded checks with Nuttle, in that he received his \$55,000 back from Computer Futures only after he paid money to Nuttle.

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James Higgins and Robert Beale in amounts of \$55,000, in full payment on their promissory notes. Thus, Higgins funded his own repayment for the promissory note. While this left Robert Beale fully compensated, James Higgins, was still owed \$170,000. With the subsequent \$40,000 payment to Marc Nuttle on November 17, Higgins was owed \$210,000.

Subsequently, Higgins was informed of two rentals of the list by Nuttle. Nuttle told Higgins that the Republican National Committee had paid \$200,000 to rent the list. A check to Higgins for \$220,000 was drawn on an Eli Enterprises account, and was received by Higgins in December 1989. (Id. at 53).<sup>65</sup> A second check for \$27,000 came in January of 1990, and was represented as proceeds of the rental of the list to either a congressional or local state candidate in Michigan. (Id. at 60-61).

With the arrival of these two checks Higgins had now received back from Nuttle a total \$282,000, after issuing checks he identified as being in connection with the purchase of the mailing list totalling \$265,000. According to Higgins, Nuttle would not provide him with any documentation regarding these transactions. Higgins stated that he asked on several occasions, and was told that the documentation would be there shortly. Nuttle has told him that "I really don't want to know. He continues to tell me that I really don't want to know" about the actual agreement. (Id. at 60). RNC reports on file with the Commission

65. Eli Enterprises was Marc Nuttle's personal investment corporation.

do not reveal any expenditure which can be tied to their rental of this list.<sup>66</sup>

The same pattern occurred regarding the agreement with the Michigan candidate. Higgins stated that he never saw a copy of this agreement, even though he asked for it. Nuttle told Higgins that her "did not want to know, for a number of reasons, what [Nuttle's] relationship was with RNC at that point. He had left Pat Robertson, had become a member of the Republican National Committee, was being paid by the Republican National Committee." (Id. at 61).

Marc Nuttle has given the Commission an entirely different story as to his involvement with the mailing list. In his affidavit in response to the Commission's reason to believe finding, Nuttle denied having any involvement in Higgins' purchase of the mailing list.

In response to the Commission's subpoenas and orders, Nuttle again denied involvement, and denied receiving funds from Higgins. Further, Nuttle denied knowing who rented the list from Higgins, asserting, "I have no way of knowing the business affairs of James D. Higgins and/or JDH Enterprises, Inc." In his deposition, Nuttle again denied being involved in the acquisition of a mailing list by James Higgins or JDH Enterprises from Americans for Robertson. (Nuttle Deposition at 340-341). Nuttle also denied that Higgins issued any checks to him that were in

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<sup>66</sup>. Indeed, the RNC rented the same list in July of 1988, and according to the agreement produced by Americans for Robertson, the RNC was supposed to pay an additional \$35,000 after a satisfactory audit of this list. The RNC never paid.

connection with the mailing list, and stated that the checks to him from Higgins related to other business between the two. (Id. at 344). Nuttle refused to answer questions regarding the type of business activities engaged in with Mr. Higgins. (Id. at 356).

When pressed, Nuttle admitted to some involvement in the rental of the list, but would not identify any entities which rented the list. Nuttle denied acting as an intermediary between Mr. Higgins and political organizations, but stated that he did act as an intermediary between Higgins and "[p]ossibly some charitable organizations. Some 501(c)(4) grassroots lobbying organizations." Nuttle stated that he could not remember which organizations these were but that the list was rented by at least one of these groups. (Id. at 357-360).<sup>67</sup>

At issue with these two stories is the credibility of the witnesses. This Office has found James Higgins to be very forthcoming in providing evidence and in being willing to talk about the facts at issue. The checks he produced were ones that he identified as being related to his purchase of the mailing list, and other than the \$100,000 check to the Committee, this Office could not have predicted that the three other checks existed. Moreover, it is unlikely Higgins would have gained his knowledge of MEM & Associates and its responsibility for the

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67. This Office next inquired as to any funds which may have issued from Mr. Nuttle to Mr. Higgins. Again, Nuttle's answers were in no way consistent with Higgins' previous statements.

Nuttle stated that he could not remember the amounts of the rentals, and that he could not remember issuing a \$200,000 check to Higgins on an El: Enterprises account. Nuttle denied telling Higgins that the list had been rented to the RNC, to any Republican party organization or to a political candidate in the state of Michigan.

Robertson mailing list, or of the existence of Eli Enterprises, were his tale of events not true.

Conversely, Mr. Nuttle's credibility is questionable. As noted in numerous places, supra, things he has stated as facts are not consistent with other testimony or documents. He has minimized his role in the Robertson campaign, and he has refused to answer questions asked by this Office in an effort to understand conflicting stories.

Thus, the best reading of the conflicting evidence is that Higgins paid \$265,000 to Computer Futures, the Committee, and Marc Nuttle. Eventually, in return, he was paid a total of \$282,000. Therefore, it appears that the \$265,000 paid by Higgins constituted loans to the Committee, which were repaid by money funneled through Marc Nuttle.

b. Partners for America and repayment  
of SerVaas

By late October of 1988, when the Higgins payment to the Committee was used by Computer Futures to reimburse Beale and Higgins for their loans, Beurt SerVaas was still owed the amount he loaned, \$150,000, plus interest. Partner for America - STATE PAC ("Partners") was the vehicle through which his repayment was attempted.

Partners had been formed on June 27, 1988 as a non-federal political committee registered in the State of Nevada. The trustees of Partners were Pat Robertson, his son Gordon, and Steve



Wark, former chairman of both the Nevada State Republican Party and the Nevada State Republican Central Committee.

In an October 28, 1988 letter from Gordon Robertson, as trustee of Partners, to Marc Nuttle, as General Partner of Computer Futures, Robertson offered to buy the System 38 and related equipment for \$150,000, and invited Nuttle to draw up a purchase agreement. (Response of Gordon Robertson to Commission Subpoena to Produce Documents dated March 14, 1994). A response from Nuttle dated November 8, 1988 accepted the offer, required down payment of \$100,000 by November 15, 1988, and the final \$50,000 payment by December 15, 1988. (Id.).

A draft agreement of sale revised the payment schedule, requiring \$50,000 upon execution of the agreement, and the remaining \$100,000 within 30 days of the date of the agreement, which was made "as of the 30th day of November, 1988." (Id.).

On November 18, 1988, Partners opened its sole bank account at Sentry Federal Savings Bank in Virginia. (Response of Gordon Robertson to Commission Subpoena to Produce Documents and Order to Submit Written Answers dated April 9, 1993). Its first deposit, on opening the account, was a check for \$55,000 from Robert Beale, who had been sent this sum in repayment of his loan to Computer Futures on the day that Gordon Robertson submitted his offer to

buy the computer.<sup>68</sup> Robert Beale was asked about his contribution to Partners, and stated that Pat and Gordon Robertson wanted to start this organization, and he wanted to contribute to it. Beale was approached by Pat Robertson. (Beale Deposition at 28-31). Although Beale could not recall whether Marc Nuttle was involved in discussing Partners for America with him, Gordon Robertson has identified Marc Nuttle as the person who dealt with Robert Beale regarding Beale's contribution to Partners. (Gordon Robertson Response to March 14, 1994 Subpoena).

On December 1, 1988, Partners issued a check for \$50,000 to Computer Futures, as part payment for the purchase of the System 38 computer. No other payment was made under this contract.<sup>69</sup>

68. Records produced by Gordon Robertson show that, other than registering in Nevada, Partners for America conducted no other business there. The check register for Partners' Sentry account shows two checks made out to the Downtown Republican Club, which, according to Ray King, is an organization in Norfolk, Virginia, and one check made out to the Republican Party of Virginia - Second District. (Id.). These three checks are the extent of Partners' disbursements for political activity, and all relate to Virginia activity.

69. Gordon Robertson has told the Commission that the parties entered into a contract for the equipment that Computer Futures had previously purchased from Americans for Robertson; that Partners paid Computer Futures \$100,000 in two installments toward the total purchase price of \$150,000; and that before the contract had been fully executed the computer crashed and the the remainder of the contract was voided. Robertson identified Marc Nuttle as the individual with whom he dealt regarding this sale. (Gordon Robertson Response to April 9, 1993 Order).



After Partners missed its payment, a superseding agreement was made "as of the 1st date of May, 1989." (Gordon Robertson Response to March 14, 1994 Subpoena). It acknowledged that Partners had defaulted on the initial agreement. (Id.). It maintained the selling price of \$150,000, acknowledged the receipt of \$50,000 in December 1988, and established a new schedule for payment of the remaining \$100,000. (Id.). This new schedule required \$50,000 within two weeks of the date of the agreement, and the remaining \$50,000 by November 30, 1989. (Id.).

At the time this agreement was signed, Partners had only \$4,600 in its bank account; therefore, it needed to obtain funds so that it could pay Computer Futures for the computer. An agreement dated January 2, 1989, some four months earlier, transferred from Americans for Robertson to Partners the right to conduct three mailings of the Committee's donors list, in exchange for the Committee's continued use of the System 38 computer. (Id.).<sup>70</sup>

A memo from Sutherlin to Robertson attached to the "superseding agreement" references a second agreement, a list rental agreement between Partners and the the National Republican Senatorial Committee. (Id.). The memo states that Marc Nuttle advised Mr. Sutherlin that the executed copy of the rental agreement was being sent via express mail, and that "the

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70. This agreement appears to have actually been executed in May 1989, as it is attached to a memorandum dated May 17, 1989 from Alan Sutherlin, then-treasurer of the Committee, to Gordon Robertson, in which Sutherlin states: "I have executed the copy of the contract and await your response."

Senatorial Committee was planning to drop the entire list immediately with a proven package." (Id.).

The Partners-NRSC agreement, dated May 5, 1989, provided the NRSC with rights to three fund solicitation mailings of the list in exchange for \$50,000. (Id.). This arrangement would have provided Partners with \$50,000 at a time when a like amount was owed by Partners to Computer Futures, the company headed by Nuttle.

At the same time that these events were occurring, communications were being made between Nuttle and counsel for Beurt SerVaas regarding payment on SerVaas' promissory note. On April 21, 1989, Nuttle faxed a copy of the November Partners-Computer Futures agreement to counsel for Beurt SerVaas with an assurance that a check was on the way. (Response of Beurt R. SerVaas to Commission Subpoena to Produce Documents dated April 9, 1993). An April 25, 1989 letter from counsel for Beurt SerVaas to Nuttle acknowledges receipt of a check for \$70,000, and then states that "[i]t is our . . . understanding that you and Dr. SerVaas will be jointly speaking with [Gordon] Robertson within the next two weeks to work out the final details for the satisfaction of the balance of the Note." (Id.).<sup>71</sup>

71. The \$70,000 payment comprised part of the prior Partners payment and money received from the Committee months after it had sent in payment to terminate the lease, and a portion of which was sent in after Partners had presumably purchased the computer from Computer Futures.

An unsigned letter from counsel to Beurt SerVaas dated July 17, 1989 states that

I spoke with Gordon Robertson concerning the sale of the mailing list to the [NRSC]. The [NRSC] check in the amount of . . . \$50,000 was received by Gordon on Wednesday, July 12th. Gordon is allowing seven . . . days for the . . . check to clear, and then he plans to pay [Computer Futures] the sum of \$50,000 on Wednesday, July 19th. It is my understanding that Mark [sic] Nuttle will then immediately issue a [Computer Futures] check to you in the sum of . . . \$50,000.

. . .

It is my understanding that Nuttle and Robertson are working on another sale of the list to generate an additional payment to you of \$50,000.

(Id.). Dr. SerVaas has testified that Nuttle brought up the possible rental of a mailing list for \$50,000 to raise funds to pay off the debt to SerVaas as early as May of 1988. (SerVaas Deposition at 158).

When questioned about Partners' acquisition of the computer, Nuttle stated that he "had no dealings with Partners for America." (Nuttle Deposition at 418-419). When reminded that he had stated to the Commission that Partners and Computer Futures had engaged in a business deal, Nuttle stated that he couldn't "remember exactly what that would have been . . . unless they were trying to buy the computer." (Id. at 419). Nuttle stated that he remembered nothing about the deal, that he knew nothing about Partners, and that he knew nothing about and played no role in Partners' acquisition of funds to enable it to purchase the computer. (Id. at 419-420).

Despite Nuttle's disavowals, it appears that Partners for America was a shell which was created in order to assist the

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Committee in paying back one of those persons who had lent the Committee money through the Computer Futures transaction. Unlike the repayments to Bailey, Beale, Brown and Higgins, the money which reimbursed Beurt SerVaas for some of his excessive contribution to the Committee did not come from the Committee, but from third parties. By retiring that portion of the debt, monies paid by Partners for America to Computer Futures became contributions to the Committee, see FEC v. Ted Haley Congressional Committee, 852 F.2d 1111 (9th Cir. 1988), far beyond the limitations at 2 U.S.C. § 441a(a).

#### D. Expenditure Limitations

The overall expenditure limitation for the 1988 primary election cycle was \$23,050,000.00. The Committee reported expenditures totaling \$23,079,801.35. Thus, the Committee's reports indicated that it had exceeded the overall expenditure limitation by \$29,801.35.

The audit revealed that additional amounts needed to be allocated to the overall expenditure limit. As discussed supra, the Commission's investigation has uncovered further expenditures which must be added to AFR's overall expenditures. Accordingly, this Office now believes that AFR exceeded its overall expenditure limitation by at least \$1,925,861.39.

A substantial portion of the adjustments resulting from the audit and subsequent investigation are based on in-kind contributions from GBCSI and CBN Continental, discussed supra.

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The chart below summarizes all of the additional expenditures allocated to the overall limit.

Expenditures Subject to the Overall Expenditure Limitation

<u>Category</u>	<u>Amount</u>
Amount Reported by the Committee Through December 31, 1991 <sup>72</sup>	\$23,079,801.35
Adjustments to Reported Total:	
Expenditures Incorrectly Classified as Exempt Compliance by the Committee -- Not included above <sup>73</sup>	\$ 38,940.77
Reported Debt Outstanding at December 31, 1991 <sup>74</sup>	\$ 156,032.50
Additional Unreported Debts Identified during the Audit:	
Response Marketing	\$ 54,596.38
In-Kind Contribution from CBN Continental (BAC 1-11) <sup>75</sup>	\$ 1,541,553.41

72. This figure represents the Committee's reported amount as of December 31, 1988, adjusted by the Audit Division for mathematical errors.

73. The audit revealed that expenditures totaling \$38,940.77 were classified incorrectly as relating to legal and/or accounting services (compliance) and, as a result, were improperly claimed as exempt from the overall expenditure limitation. In fact, according to the Audit division, it appears that these expenditures were for fundraising or operating expenses and should have been applied to the overall limit. Thus, the expenditures subject to the overall limit were increased by \$38,940.77.

74. A review was made of the debts and obligations reported by the Committee on its 1991 Year-End Report to determine the operating, fundraising or legal accounting nature of each debt or obligation. The audit identified a total of \$156,032.50 in debts due to non-exempt expenditures that were reported as outstanding as of December 31, 1991.

75. See discussion supra at 49-67.

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In-Kind Contribution from GB Computer Services, Inc. <sup>76</sup>	\$ 79,370.00
Excess Offsets to Operating Expenditures from Other Income <sup>77</sup>	
- Christian Coalition	\$ 179,150.25
- American Life League	\$ 20,000.00
Accounts Receivable <sup>78</sup>	<\$ 5,835.25>
Non-Qualified Campaign Expenses <sup>79</sup>	<\$ 163,568.68>
<hr/>	
Adjusted Total Expenditures Subject to the Overall Expenditure Limitation	\$24,980,040.73
Overall Expenditure Limitation 2 U.S.C. § 441a(b)(1)(A)	<\$23,050,000.00>
Amount Incurred in Excess of Overall Expenditure Limitation	\$ 1,930,040.73

76. See discussion supra at 68-70. As noted, this appears to be a minimum figure.

77. Expenditures subject to the overall limit have been increased by \$199,150.25 (\$179,150.25 + \$20,000) representing Committee receipts received from the Christian Coalition (\$179,150.25) and the American Life League (\$20,000). These amounts were incorrectly reported by the Committee as offsets to operating expenditures on its disclosure reports. (See Final Audit Report at 24, 57). They appear to be receipts from the rental of mailing lists. (Id.).

The above amount is \$11,445.00 less than the adjustment made in the Final Audit Report and the First General Counsel's Report in this matter. The \$11,445.00 difference represents proceeds from the sale of furniture and equipment to the Christian Coalition, documentation of which was provided by the Committee after the Final Audit Report was drafted. The \$11,445.00 receipt is correctly considered an offset to operating expenditures and was properly reported as such by the Committee. As a result, no adjustment to the Committee's treatment of the \$11,445.00 receipt is required.

78. During the audit, expenditures subject to the overall limit were reduced by \$5,835.25 representing an accounts receivable not recognized or reported by the Committee.

79. During the audit, expenditures subject to the overall limit were reduced by \$163,568.68 in non-qualified campaign expenses included by the Committee in reported expenditures subject to the overall limit.

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**III. RECOMMENDATIONS**

1. Take no further action against the remaining respondents in this matter.
3. Approve the appropriate letters.
4. Close the file.

Date

4/26/96



Lawrence M. Noble  
General Counsel

Staff Assigned: Tony Buckley  
Holly Baker  
Jose Rodriguez  
Colleen Sealander

96043755406



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )

Americans for Robertson, Inc. and )  
Frederick H. Shafer, as treasurer, )  
et al. )

MUR 3485

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on May 2, 1996, the Commission decided by a vote of 4-0 to take the following actions in MUR 3485:

1. Take no further action against the remaining respondents in this matter.
3. Approve the appropriate letters, as recommended in the General Counsel's Report dated April 26, 1996.
4. Close the file.

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

Attest:

5-3-96  
Date

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

Received in the Secretariat: Mon., April 29, 1996 9:50 a.m.  
Circulated to the Commission: Mon., April 29, 1996 4:00 p.m.  
Deadline for vote: Thurs., May 02, 1996 4:00 p.m.

bjr



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Martin A. Kempe  
MartinAir, Inc.  
5745 Huntsman Road  
Sandstone, Va 23150

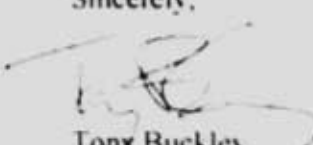
RE MUR 3485

Dear Mr. Kempe:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Irwin Baldwin  
Commonwealth Jet Service, Inc  
2412 Mount Blanco  
Chester, Va 23831

RE MUR 3485

Dear Mr. Baldwin

2604275402  
This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Buckley".

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

James E. Millen, Jr  
333 South 9th Street  
Akron, PA 17501

June 6, 1996


RE MUR 3485

Dear Mr. Millen

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437(g)(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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

Paul D. Trice  
6178 Egypt Valley Court  
Ada, MI 49301

June 6, 1996


RE MUR 3485

Dear Mr. Trice

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690

Sincerely,

  
Tom Buckley  
Attorney



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 6, 1996

David Sterbonic  
Calcutta Aircraft Leasing, Inc.  
971 S Kirby Road  
Bloomington, IN 47403


RE MUR 3485

Dear Mr. Sterbonic:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Edward R. Parker  
Piedmont Aviation, Inc  
5511 Staples Mill Road  
Richmond, Va 23228

RE MUR 3485

Dear Mr. Parker

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690

Sincerely,

A handwritten signature in dark ink, appearing to read "Tony Buckley", written over a horizontal line.

Tony Buckley  
Attorney





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Frank J. Fahrenkopf  
555 13th St., NW  
Washington, DC 20004

RE MUR 3485

Dear Mr. Fahrenkopf:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

President  
Sovran Bank, N.A.  
P.O. Box 600  
Norfolk, VA 23510

RE MUR 3485

Dear Sir or Madam:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "T. Buckley", written over a horizontal line.

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Randolph A. Sutliff, Esq.  
Miles & Stockbridge  
Suite 500  
11350 Random Hills Road  
Fairfax, Va 22030


RE MUR 3485  
Pat McMahon

Dear Mr. Sutliff:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

David Phillip Walen  
P.O. Box 1140  
Coats, NC 27521

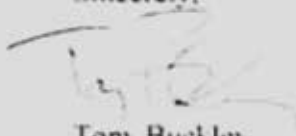
RE MUR 3485

Dear Mr. Walen:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



## FEDERAL ELECTION COMMISSION

WASHINGTON D C 20463

June 6, 1996

Jay D. Mitchell, Esq.  
Resolution Trust Corporation  
100 Colony Square, Suite 2300, Box 68  
Atlanta, GA 30361

RE MUR 3485  
Sentry Federal Savings Bank

Dear Mr. Mitchell

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690

Sincerely,

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Evan R. Chesler, Esq.  
Cravath, Swaine & Moore  
Worldwide Plaza  
825 Eighth Avenue  
New York, NY 10019


RE: MUR 3485  
International Business Machines  
Corporation

Dear Mr. Chesler:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Melissa McLellan  
1200 Claytor Ct.  
Chesapeake, VA 23320

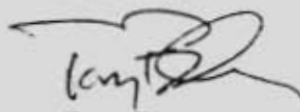
RE MUR 3485

Dear Ms. McLellan

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Tony Buckley  
Attorney





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Sue Ann Ness  
1900 Castleview Drive  
Turlock, CA 95380

RE MUR 3485

Dear Ms. Ness

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Robert Harbstreit, President  
Calcutta Aircraft Leasing, Inc.  
973 South Kirby Road  
Bloomington, IN 47401

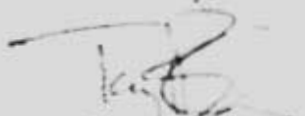
RE MUR 3485

Dear Mr. Harbstreit

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

Tracinda Corporation  
4045 South Spencer, #202  
Las Vegas, NV 89109

June 6, 1996

RE MUR 3485

Dear Sir or Madam

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Mary Ann Jenkins, Esq.  
First Interstate Bank of Arizona, N.A.  
First Interstate Plaza  
P.O. Box 29751  
Phoenix, AZ 85038

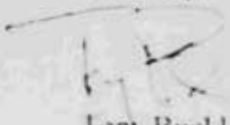
RE MUR 3485  
Chase Bank of Arizona

Dear Ms. Jenkins:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

William B. Canfield, Esq.  
Holland & Knight  
2100 Pennsylvania Avenue, N.W.  
Suite 400  
Washington, D.C. 20037


RE MUR 3485  
National Republican Senatorial  
Committee

Dear Mr. Canfield:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

96043755415



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Dennis R. Kaspar, Esq.  
Lewis, D'Amato, Brisbois & Bisgaard  
Suite 1200  
221 North Figueroa Street,  
Los Angeles, CA 90012

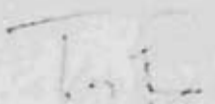
RE: MUR 3485  
Campus Crusade for Christ

Dear Mr. Kaspar

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

96041/55416



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

David Norcross, Chief Counsel  
Republican National Committee  
310 First Street, S E  
Washington, D C 20003

RE: MUR 3485

Dear Mr. Norcross

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690

Sincerely,

Tony Buckley  
Attorney





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 6, 1996

Jack E. Ferrebee  
Attorney at Law  
Sandpiper Key, Suite 11B  
1060 Laskin Road  
Virginia Beach, VA 23451

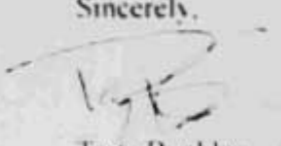
RE MUR 3485  
Kevin Steacy

Dear Mr. Ferrebee

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

William J. Olson, Esq.  
1815 H Street, N.W.  
Suite 600  
Washington, D.C. 22102

RE: MUR 3485  
National Legal Foundation


Dear Mr. Olson:

Your client, the National Legal Foundation was notified that the Federal Election Commission found reason to believe that the National Legal Foundation knowingly and willfully violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437(g)(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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

June 6, 1996

National Perspectives Institute  
P.O. Box 2442  
Chesapeake, Va 23454

RE MUR 3485

Dear Sir or Madam:

You were notified that the Federal Election Commission found reason to believe that the National Perspectives Institute knowingly and willfully violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against the National Perspectives Institute and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tony Buckley".

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Robert A. Dahl, Esq.  
1156 15th Street, N.W.  
Suite 550  
Washington, D.C. 20005

RE: MUR 3485  
Americans for Robertson, Inc., and  
Frederick H. Shafer, treasurer

Dear Mr. Dahl:

Your clients, Americans for Robertson, Inc., and Frederick H. Shafer as treasurer, were notified that the Federal Election Commission found reason to believe that they violated 2 U.S.C. §§ 441b(a), 441a(f), 441e, 441a(b)(1)(A), 26 U.S.C. § 9035(a), and 11 C.F.R. §§ 9033.11(b), 9034.6(d)(1) and 9034.7(b)(3); and knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441a(f). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your clients and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Tom Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Lucien M. Warner  
11411 N. Tatum Blvd.,  
Phoenix, AZ 85028

RE: MUR 3485

Dear Mr. Warner:

You were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Buckley", written over a horizontal line.

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Marion Edwyn Harrison, Esq.  
107 Park Washington Court  
Falls Church, VA 22046

RE MUR 3485  
R. Marc Nuttle

Dear Mr. Harrison

Your client, R. Marc Nuttle, was notified that the Federal Election Commission found reason to believe that he violated 2 U.S.C. §§ 441b(a) and 441a(f) and that he knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441a(f). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Buckley", written over a horizontal line.

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

William J. Dooner  
8555 Laurens Lane  
San Antonio, TX 78218

RE MUR 3485

Dear Mr. Dooner:

You were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tony Buckley", written over a horizontal line.

Tony Buckley  
Attorney





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Justin D. Simon, Esq.  
Dickstein, Shapiro & Morin  
2101 L Street, N.W.  
Washington, D.C. 20037

RE: MUR 3485  
Henry J. Smith, The Bud Smith  
Organization of North Carolina, Inc.

Dear Mr. Simon:

Your clients, Henry J. Smith and the Bud Smith Organization of North Carolina, Inc., were notified that the Federal Election Commission found reason to believe that they each violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your clients and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Terence J. Lynam, Esq.  
Akin, Gump, Strauss, Hauer & Feld  
1333 New Hampshire Avenue, N.W.  
Suite 400  
Washington, D.C. 20036

RE MUR 3485  
George Border

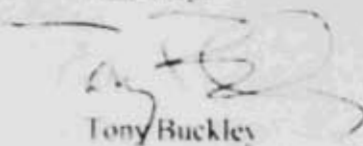
Dear Mr. Lynam

Your client, George Border, was notified that the Federal Election Commission found reason to believe that he, and GB Computer Systems, Inc., knowingly and willfully violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and GB Computer Systems, Inc., and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Jan W. Baran, Esq.  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

RE: MUR 3485  
Christian Broadcasting Network,  
Inc., Pat Robertson, Dave Jackman,  
B. James Reid, Barbara A. Johnson,  
Airplanes, Inc., KXTX, Inc.


Dear Mr. Baran:

Your clients, Pat Robertson, B. James Reid, Barbara A. Johnson, and Airplanes, Inc., were notified that the Federal Election Commission found reason to believe that they each violated 2 U.S.C. § 441b(a). In addition, your clients, the Christian Broadcasting Network, Inc., KXTX, Inc., and Dave Jackman, were notified that the Federal Election Commission found reason to believe that they each knowingly and willfully violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your clients and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

William J. Olson, Esq.  
1815 H Street, N.W.  
Suite 600  
Washington, D.C. 22102

RE MUR 3485  
Robert Skolrood

Dear Mr. Olson

Your client, Robert Skolrood was notified that the Federal Election Commission found reason to believe that he knowingly and willfully violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Robert K. Behrens, Esq.  
Behrens, Snyder & Romaine  
522 North Redington St.,  
Hanford, CA 93230

RE MUR 3485  
Arthur Albrecht

Dear Mr. Behrens:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Donald Miracle  
2517 Wingfield Road  
Norfolk, VA 23518

RE MUR 3485

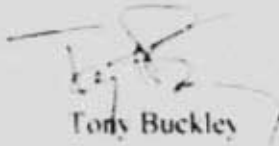
Dear Mr. Miracle

You were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. §§ 441b(a) and 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Allan Sutherlin  
5525 Allisonville Road  
Indianapolis, IN 46220

RE MUR 3485


Dear Mr. Sutherlin:

You were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Wayne Bailey  
121 Owenswood Lane  
Irmo, SC 29063

RE MUR 3485


Dear Mr. Bailey

You were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690

Sincerely,

  
Tony Buckley  
Attorney





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Marlene Elwell  
25270 Ridgewood  
Farmington Hills, MI 48018

RE MUR 3485


Dear Ms. Elwell

You were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

William J. Olson, Esq.  
1815 H Street, N.W.  
Suite 600  
Washington, D.C. 22102

RE MUR 3485  
Herb Ellingwood


Dear Mr. Olson

Your client, Herb Ellingwood was notified that the Federal Election Commission found reason to believe that he violated 2 U.S.C. § 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

E. Mark Braden, Esq.  
Baker & Hostetler  
1050 Connecticut Ave., N.W.  
Suite 1100  
Washington, D.C. 20036

RE: MUR 3485  
Gordon Robertson

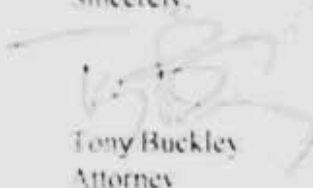
Dear Mr. Braden:

Your client, Gordon Robertson, was notified that the Federal Election Commission found reason to believe that he violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3) and knowingly and willfully violated 2 U.S.C. §§ 433 and 434, and that Partners for America - State PAC, a political committee formed by Ray King and Gordon Robertson, knowingly and willfully violated 2 U.S.C. § 441a(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and Partners for America - State PAC and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

G. Cliff Stidham, Esq  
Thomas & Stidham  
167 East Main St., Suite 200  
Lexington, KY 40507

RE MUR 3485  
Carolyn Ridley


Dear Mr. Stidham

Your client, Carolyn Ridley was notified that the Federal Election Commission found reason to believe that she violated 2 U.S.C. § 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Michael Clifford  
c/o Transglobal Telecom Alliance  
104 N U S 1  
Melbourne, FL 32935

RE MUR 3485  
Victory Communications, Inc


Dear Mr. Clifford

You were notified that the Federal Election Commission found reason to believe that Victory Communications, Inc., and you, as its officer, knowingly and willfully violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and Victory Communications, Inc., and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 6, 1996

Myles V. Lynk  
Dewey, Ballantine, Bushy,  
Palmer & Wood  
1775 Pennsylvania Avenue, N.W.  
2nd Floor  
Washington, D.C. 20006

RE MUR 3485  
Management Financial Services,  
Inc., A.L. Williams

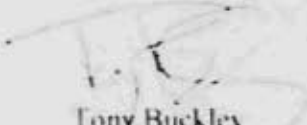
Dear Mr. Lynk:

Your clients, Management Financial Services, Inc., and its officer, A.L. Williams were notified that the Federal Election Commission found reason to believe that they violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your clients and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Richard Mayberry, Esq  
Seventh Floor  
888 16th St., N.W.  
Washington, D.C. 20006

RE MUR 3485  
Tom Atwood


Dear Mr. Mayberry:

Your client, Tom Atwood was notified that the Federal Election Commission found reason to believe that he violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tom Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Robert J. Gould  
Attorney and Counsellor at Law  
Route 2, Box 78  
Greenville, WV 24945

RE MUR 3485  
Ben Waldman


Dear Mr. Gould

Your client, Ben Waldman was notified that the Federal Election Commission found reason to believe that he violated 2 U S C § 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and closed the file in this matter.

The confidentiality provisions at 2 U S C § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 6, 1996

Thomas F. Carretta, Esq.  
Attorney at Law  
2675 Patton Road  
St. Paul, MN 55113

RE: MUR 3485  
Robert Beale

Dear Mr. Carretta

Your client, Robert Beale was notified that the Federal Election Commission found reason to believe that he knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437gr(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Roger M. Whitten, Esq.  
Wilmer, Cutler & Pickering  
2445 M Street, N.W.  
Washington, D.C. 20037

RE: MUR 3485  
Jerry Ralph Curry

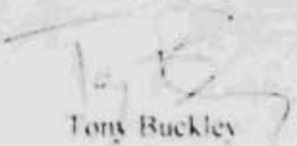
Dear Mr. Whitten:

Your client, Jerry Ralph Curry, was notified that the Federal Election Commission found reason to believe that he violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Leslie J. Kerman, Esq.  
Epstein, Beckett, & Green, P.C.  
1227 25th Street, N.W.  
Washington, D.C. 20037

RE: MUR 3485  
Beurt Servaas


Dear Ms. Kerman:

Your client, Beurt Servaas was notified that the Federal Election Commission found reason to believe that he knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Theo W. Pinson, Esq.  
Pinson & Bussey, P.C.  
Two Houston Center  
909 Fanin, Suite 1650  
Houston, TX 77010

RE: MUR 3485  
James Higgins, JDH Enterprises, Inc.


Dear Mr. Pinson:

Your clients were notified that the Federal Election Commission found reason to believe that JDH Enterprises, Inc. and its officer, James Higgins, violated 2 U.S.C. § 441(b)(1) and that James Higgins knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437(g)(1)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 6, 1996

Cary Davidson, Esq.  
Reed & Davidson  
777 S. Figueroa St., Suite 3400  
Los Angeles, CA 90017

RE: MUR 3485  
Barry Hon


Dear Mr. Davidson

Your client was notified that the Federal Election Commission found reason to believe that he violated 2 U.S.C. §§ 441a(a)(1) and 441a(a)(3). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against Barry Hon, and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

9604375506



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Dr. Herb Titus  
1433 Lake James Drive  
Virginia Beach, Va 23454

RE MUR 3485


Dear Dr. Titus:

You were notified that the Federal Election Commission found reason to believe you knowingly and willfully violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Robert G. Partlow  
1705 Hunt Meet Circle  
Virginia Beach, Va 23454

RE MUR 3485


Dear Mr. Partlow,

You were notified that the Federal Election Commission found reason to believe you knowingly and willfully violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Robert G. Slosser  
1209 Hill Road  
Virginia Beach, Va 23451

RE: MUR 3485


Dear Mr. Slosser

You were notified that the Federal Election Commission found reason to believe that you knowingly and willfully violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Steve Davis  
1139 Fairway Drive  
Chesapeake, Va 23320

RE: MUR 3485

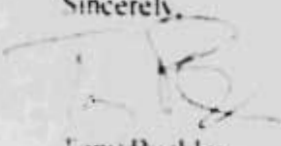
Dear Mr. Davis:

You were notified that the Federal Election Commission found reason to believe that you knowingly and willfully violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

William Moore, President  
Response Media Direct, Inc.,  
5321 S. Sheridan, Suite 29  
Tulsa, OK 74145

RE: MUR 3485  
Response Media Direct, Inc.


Dear Mr. Moore:

You were notified that the Federal Election Commission found reason to believe that Response Media Direct, Inc., and you, as president, violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against Response Media Direct, Inc., and you, as president, and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

William LeBaron  
7620 Barrow St., Box 600  
Sutter, CA 95982

RE MUR 3485

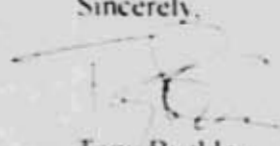
Dear Mr. LeBaron

You were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY, AND TOMORROW  
DEDICATED TO KEEPING THE PUBLIC INFORMED

9604275512





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Clarence Decker  
2101 S. Clay Street  
Denver, CO 80219

RE: MUR 3485


Dear Mr. Decker:

You were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441a(f). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

June 6, 1996

Richard Quinn & Associates  
1600 Gervais St.,  
Columbia, SC 29201

RE MUR 3485

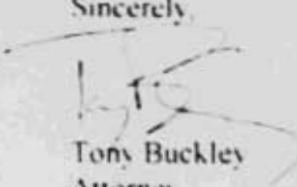
Dear Mr. Quinn

You were notified that the Federal Election Commission found reason to believe that Richard Quinn & Associates violated 2 U.S.C. § 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against Richard Quinn & Associates and closed the file in this matter.

The confidentiality provisions at 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW  
DEDICATED TO KEEPING THE PUBLIC INFORMED

9604375514



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Dr. Gene R. Ward  
875 Puoma St.,  
Honolulu, HI 96825

RE MUR 3485

Dear Dr. Ward

You were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against you and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tony Buckley".

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Spoletto Construction & Supply, Inc.  
8730 NorthPark Blvd.  
Charleston, SC 29418

RE MUR 3485


Dear Sir or Madam:

You were notified that the Federal Election Commission found reason to believe that Spoletto Construction & Supply, Inc., violated 2 U.S.C. § 441b(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against Spoletto Construction & Supply, Inc., and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

David Magilavy, Esq.  
881 Dover Drive, Suite 33  
Newport Beach, CA 92663


RE: MUR 3485  
Darrel Anderson

Dear Mr. Magilavy:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Jon B. Stefansson, Vice President  
and General Manager  
EIMSKIP U.S.A. Iceland Steamship Co.  
P.O. Box 3698  
Norfolk, VA 23514

RE MUR 3485

Dear Mr. Stefansson:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tony Buckley".

Tony Buckley  
Attorney



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 6, 1996

Richard Messick, Esq.  
Attorney at Law  
Suite 700, North Building  
601 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004

RE MUR 3485  
Ray King

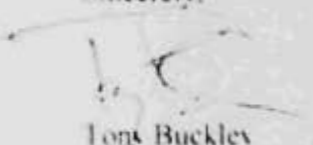
Dear Mr. Messick:

Your client, Ray King, was notified that the Federal Election Commission found reason to believe that he violated 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(3) and knowingly and willfully violated 2 U.S.C. §§ 433 and 434, and that Partners for America - State PAC, a political committee formed by Ray King and Gordon Robertson, knowingly and willfully violated 2 U.S.C. § 441a(a). After considering the circumstances of the matter, the Commission determined on May 2, 1996, to take no further action against your client and Partners for America - State PAC and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) 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 before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

  
Tony Buckley  
Attorney



DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-4605  
TELEPHONE 202 662-1000 FACSIMILE 202 662-1093

June 27, 1996

MYLES V. LYNK  
202 662-1047

VIA HAND DELIVERY


Holly Baker, Esq.  
Attorney  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 657  
Washington, D.C. 20463

Re: MUR 3485  
Management Financial Services, Inc. and  
Arthur L. Williams, Jr.

Dear Ms. Baker:

As we discussed last year, enclosed please find a corrected copy of Respondents' Motion to Quash, or in the Alternative, to Modify the Commission's Subpoena to Produce Documents and Order to Produce Written Answers, which was first filed with the Commission via facsimile on May 19, 1995, and time stamped by the Commission on May 22, 1995. The corrected copy contains typographical corrections only; it does not substantively alter the Motion as it was filed on May 19. Respondents request that this enclosure, together with this letter, be made part of the record of this MUR, which will be made public on or about July 9, 1996.

Very truly yours,

  
Myles V. Lynk  
Michael R. Gerce

Enclosure

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JUN 27 4 20 PM '96

BEFORE THE  
FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C.

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JUN 27 4 20 PM '96

In Re: MUR 3485

On Behalf of Respondents:

CORRECTED COPY

MANAGEMENT FINANCIAL SERVICES, INC.  
and ARTHUR L. WILLIAMS, JR.

**MOTION TO QUASH, OR IN THE ALTERNATIVE, TO MODIFY  
THE COMMISSION'S SUBPOENA TO PRODUCE DOCUMENTS AND  
ORDER TO PRODUCE WRITTEN ANSWERS**

9604175521  
Respondents Management Financial Services, Inc. and Arthur L. Williams, Jr. "Respondents", move the Federal Election Commission (the "Commission"), pursuant to 11 C.F.R. § 111.15(a), to quash the Subpoena to Produce Documents and Order to Produce Written Answers ("Subpoena and Order"), dated April 11, 1995, that were served on these Respondents in this MUR, or, in the alternative, to modify the Subpoena and Order, for the reasons set forth below.

Respondents received the Subpoena and Order on April 13, 1995.<sup>1</sup> The Subpoena seeks production of all videotapes or cassettes of all programs aired on ALW-TV over a twenty-one month period, plus related documents and other information, which mention Marlon Gordon ("Pat") Robertson and/or an event he held

<sup>1</sup> By cover letter dated April 13, 1995, a staff attorney indicated that the Subpoena and Order had been inadvertently mailed, rather than hand-delivered, on April 11. Respondents' counsel received via hand-delivery the Subpoena and Order on April 13.

at Constitution Hall, Washington, D.C., on September 17, 1986  
(the "Constitution Hall event").

I.

**THE SUBPOENA AND ORDER SHOULD BE QUASHED BECAUSE THIS  
INVESTIGATION IS UNCONSTITUTIONAL**

As a threshold matter, Respondents move to quash this Subpoena and Order on the ground that this investigation into conduct that took place before Rev. Robertson was a declared federal election candidate exceeds the Commission's statutory authority and infringes on Respondent Williams' constitutional rights of free speech and free association, which are protected under the First Amendment of the Constitution of the United States. Respondents first raised this objection in their Motion, dated April 30, 1993, to Quash or Modify an earlier Subpoena and Order served on them by the Commission in this MUR.

In a Conciliation Agreement entered into between the Commission and Mr. Robertson on December 12, 1988, the Commission agreed that:

"Respondent Mr. Robertson was a candidate during the period September 17, 1986--May 13, 1988 within the meaning of 2 U.S.C. § 341(2)."

MUR 2262 Conciliation Agreement at IV.1. (Dec. 12, 1988). The scope of the investigation in this MUR as set out in the Commission's Factual and Legal Analysis concerns two mailings which occurred prior to the Constitution Hall event and prior to the date on which even the Commission considers Rev. Robertson to

have been a candidate, for purposes of the Federal Election Campaign Act of 1971, as amended (the "Act").

Respondents assert that the Commission has no jurisdiction to investigate the conduct of United States citizens in support of a citizen who is considering whether to run for President of the United States, which took place before that person became a candidate for federal office. If the purported candidate was not a candidate, then those who supported him cannot have violated the Act. In meetings and conferences with Commission staff attorneys, Respondents' counsel have asked to be referred to any authority that would support a different conclusion. They have been referred to none.

The Commission suggests in its Factual and Legal Analysis at 2-3 that the allegations it raises against Respondents in this MUR have been addressed in two prior and applicable Advisory Opinions, Advisory Opinion ("AO") 1979-36 and AO 1991-18. This is incorrect. In fact, both AO 1979-36 and AO 1991-18 concern proposed agreements between a federal election campaign committee and a vendor company. By contrast, in this MUR there is no agreement between these Respondents, neither of which is a federal election campaign committee, and a candidate or an entity which is a federal election campaign committee, nor even any allegation of the existence of such an agreement. Instead, the Commission is trying in this MUR to find a violation of the Act where third parties contract with a corporation whose principal is closely associated with an individual who subsequently becomes a candidate for federal elective office. AO 1979-36 and AO 1991-

18 are not dispositive of the constitutional issues raised by this investigation.

Therefore, Respondents request that the Subpoena and Order be quashed because the Commission has no statutory authority to attempt, through this MUR, to assert jurisdiction to investigate, and find a violation of the Act by, a third party or parties as a result of their contract with a corporation which is owned and operated by an individual who is not a candidate for political office. These parties did not enter into any agreement with a candidate or candidate's political committee. These parties were not candidates or candidate committees. The individual who subsequently became a candidate was not a candidate at the time of the contracts between these other parties.

The prohibitions of the Act have never been held to apply under these circumstances. The Act is itself a limitation on the exercise of First Amendment rights which has been upheld as constitutional only under the limited circumstances to which it applies.<sup>2</sup> It does not provide a general warrant for the Commission to investigate and sanction any and all activity related to federal election campaigns. Should the Commission seek to expand the reach of the Act, it should propose to the Congress legislation to do so.<sup>3</sup>

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2/ Buckley v. Valeo, 424 U.S. 1 (1976).

3/ See, e.g., FEC v. Phillips Publishing, Inc., 517 F. Supp. 1308, 1314 (D.D.C. 1981) (courts "need not permit further investigation by the FEC if additional factual information is not needed to determine whether the FEC has jurisdiction").

II.

**THE SUBPOENA AND ORDER SHOULD BE  
QUASHED OR MODIFIED BECAUSE THEY ARE OVERBROAD**

Alternatively, Respondents move to quash this Subpoena and Order on the grounds that even if the Commission affirms its jurisdiction to investigate the two mailings which are the focus of the Factual and Legal Analysis in this MUR, the Subpoena and Order seek documents and information that are irrelevant to this investigation.

In defining the boundaries of this investigation, the Commission's Factual and Legal Analysis, sent to Mr. Williams in April 1993, asserts that Respondents (or their successors in interest) "conducted two mailings on behalf of the [Americans for Robertson, Inc.] Committee in connection with" the Constitution Hall event. Factual and Legal Analysis at 4. Further, the Factual and Legal Analysis outlines seven factors which "indicate that the services rendered . . . may not have been 'at arm's length' or in the ordinary course of business." Id. at 7. Each of these factors concern the mailings referenced earlier at page 4 of the Factual and Legal Analysis (e.g., the cost of postage was allegedly advanced prior to the mailing date and invoices were allegedly not paid in a timely fashion).

There is no indication in the Factual and Legal Analysis that the production, showing or distribution of a cablecast transmission of the Constitution Hall event, or transmissions in general over ALW-TV, would constitute part of this investigation.



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Indeed, the only arguably significant reference the Factual and Legal Analysis makes to televised communications is the statement that the Constitution Hall event was "broadcast simultaneously via closed circuit video at numerous sites around the country." Factual and Legal Analysis at 4.<sup>4/</sup> An even more abbreviated reference is made regarding Mr. Robertson<sup>5/</sup> and Mr. Williams "on a September 15, 1986 telecast." These passing comments are the only references in an eight page document which defines the scope of the Commission's investigation that even mention the broadcast (cablecast) of any programs. They do not put Respondents on notice of the Commission's intent to expand the scope of this investigation beyond what is set forth in the Legal and Factual Analysis. They do not provide any basis for the Commission to subsequently seek copies of:

"video cassettes, transcripts, and program logs of all portions of all programs transmitted on ALW-TV from June 1986 through March 1988 in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall, Washington D.C., on September 17, 1986 are mentioned." (Emphasis added.)

as it does in document request number 1 of the April 11, 1995 Subpoena, as well as program logs, production costs of the

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4/ If this statement is intended to suggest or imply that the Constitution Hall event was "broadcast simultaneously via closed circuit video at numerous sites around the country" via ALW-TV, it is factually incorrect. No such broadcasts (cablecasts) were made by or via ALW-TV. Interestingly, the Commission has not sought any information from Respondents to verify this statement.

5/ Respondents note that the Factual and Legal Analysis does not refer to Mr. Robertson by name, but inaccurately refers to him as "the candidate." Id.



videotapes, and other information utterly unrelated to the mailings described in the Legal and Factual Analysis.

Respondents are aware of no grounds for requesting material that includes any mention of Pat Robertson which is not related to the event held at Constitution Hall on September 17, 1986. Similarly, Respondents are aware of no basis for requesting such material "from June 1986 through March 1988," a twenty-one month period that is unrelated to any aspect of the mailings which are the subject of this investigation. Rather, this document request represents an impermissible fishing expedition into matters wholly unrelated to the subject of this investigation.<sup>5/</sup>

Therefore, Respondents request that this Subpoena and Order be quashed, or in the alternative, modified, to remove any requirement that Respondents produce any video cassettes, transcripts, program logs and other documents related to programs which were transmitted over ALW-TV, on the ground that such material is not related to the two mailings described in the Commission's Legal and Factual Analysis of April 1993 and which are the subject of the investigation of these Respondents in this MUR.

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<sup>5/</sup> Respondents contend that the Commission's inquiry into the Respondents' activities before the Rev. Pat Robertson was a declared candidate for federal elective office is not within the authority of the Commission; that the request for documents and the interrogatories are so broad as to be, for all practical purposes, indefinite; and that the information sought is not reasonably related to the subject matter of the Commission's own Factual and Legal Analysis, which was the agreement between ALW Administrative Services, Inc., and Victory Communications (VCI). See Factual and Legal Analysis at 7. United States v. Morton Salt Company, 338 U.S. 637 (1950).

III.

**THE SUBPOENA AND ORDER SHOULD BE QUASHED OR MODIFIED  
BECAUSE COMPLIANCE WITH THESE REQUESTS IS UNDULY BURDENSOME**

Alternatively, if the Commission concludes that it may use this Subpoena and Order to expand the scope of its investigation without prior notice to Respondents, Respondents request that the Subpoena and Order be modified on the grounds that compliance with them as currently worded is unduly burdensome and oppressive.

Compliance with this Subpoena and Order would require Respondents to review records dating back nearly a decade, and covering a period of nearly two years. The Subpoena's document request number 1 states:

"Please provide video cassettes, transcripts, and program logs of all portions of all programs transmitted on ALW-TV from June 1986 through March 1988 in which Pat Robertson and/or the Pat Robertson event held at Constitution Hall, Washington, D.C., on September 17, 1986 are mentioned."

Literally hundreds of programs were transmitted over ALW-TV during this time period. For example, one program was transmitted over ALW-TV every Monday morning. At least one other program, sometimes two or three other programs, were transmitted over this channel each week. There are at least two hundred and perhaps as many as four hundred programs that were transmitted over ALW-TV during this twenty-one month period. It would be unreasonable to require Respondents to review each and every one of these programs to determine whether they contain any reference at all to the Rev. Pat Robertson, even if such references were the subject of this investigation. It is particularly

unreasonable in light of the fact that such references are not the subject of this investigation.

By letter dated May 16, 1995, Respondents explained to the staff attorney assigned to this matter why the Respondents concluded that the Subpoena and Order are overbroad. As of this filing, Respondents have received no written response to this letter.<sup>2/</sup>

Consequently, with respect to document request number 1, Respondents request first, that the phrase, "through March 1988," be removed and substituted with the phrase, "on or before September 17, 1986." Second, Respondents request that the phrase, "Pat Robertson and/or," be removed.

Similarly, with respect to interrogatory number 1, Respondents request that it be deleted; if no such list exists, or if such a list was prepared in 1986-88 but is not in the possession of Respondents, it is unreasonable to expect them to create or recreate such a list now. At a minimum, Respondents request that the phrase, "Pat Robertson and/or," be removed from this interrogatory.

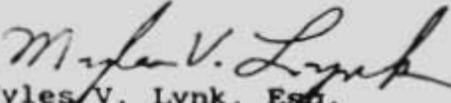
<sup>2/</sup> By a telephone call on May 17, 1995, Respondents were informed that a written response was forthcoming with respect to the issues raised in Respondents' letter.

IV.

RELIEF REQUESTED

Wherefore, Respondents respectfully request that the Commission quash the Subpoena and Order, or, in the alternative, modify the Subpoena and Order as requested above.

Respectfully submitted,

  
Myles V. Lynk, Esq.  
Michael R. Geroe, Esq.

DEWEY BALLANTINE  
1775 Pennsylvania Ave., N.W.  
Washington, D.C. 20006

Of Counsel:

Kevin S. King, Esq.  
King & Carragher  
34 Old Ivy Road, N.E.  
Suite 206  
Atlanta, GA 20242

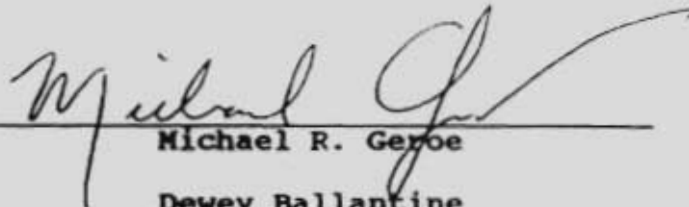
Dated: May 19, 1995

9604375550

CERTIFICATE OF SERVICE

I, MICHAEL R. GEROE, hereby certify that the foregoing submission was served on this 19th day of May, 1995, via facsimile, on the following:

Holly Baker, Esq.  
Staff Attorney  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463



Michael R. Geroe

Dewey Ballantine  
Counsel to Respondents

96043755531

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FAX 202.785.5588

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FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JUN 28 1 38 PM '98

June 28, 1998

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

RE: MUR 3485 - Americans for Robertson, Inc.  
ATTN: Tony Buckley, Esq.

Dear Mr. Noble:

I am submitting this letter on behalf of Americans for Robertson, Inc. ("AFR"), to be added to the public record in Matter Under Review 3485 recently closed by the Federal Election Commission ("the Commission")

In the midst of AFR's efforts in 1993 to satisfactorily resolve the Commission's audit of the 1988 presidential campaign, the Commission initiated an enforcement action against AFR, as well as against many of AFR's former employees and former vendors with whom AFR had conducted arms-length commercial transactions. The Commission's action constituted a broad-scale assault on AFR and most everyone associated with it. Numerous violations of federal law were alleged based upon misinterpretation of facts, pure conjecture and grossly unfair imputing of conspiratorial motives (allegations which will now be on the public record without reasonable opportunity for response). Innocent respondents and witnesses in this matter were harassed, and often forced to spend considerable time and money to answer these charges.

During this entire period, AFR (presumably the Commission's real target) has been kept in the dark regarding the investigation. After responding to your extensive discovery requests three years ago, AFR never heard from you again. I made repeated inquiries as to the status of the case and requests to resolve this matter, but your office would only comment that the investigation was continuing.

AFR has not had access to any subpoenaed documents or affidavits nor been present during any deposition conducted by your office. AFR has not been privy to any of the raw materials collected by the Commission during this protracted investigation nor any investigative theories developed by your office in its internal reports, all or most of which will now be placed on the public record without a chance by AFR to respond.

The Commission has never presented AFR with any substantiated claim of a violation based upon its investigation. AFR has never received, and your office has presumably never prepared, "probable cause" briefs which would enable AFR to respond

point by point or even generally to any allegations of violations the Commission may continue to advance against AFR following your investigation

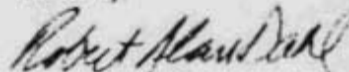
Thus, AFR's opportunity to submit a statement for the record pursuant to the Commission's procedures at this stage and upon this disposition of the case is a completely hollow and inadequate remedy. Due process is obviously not served when the Commission can release a potentially massive file to the public without first giving AFR the chance to review any remaining allegations against us or the raw data in the investigative file and then to meaningfully respond to any conclusions you have drawn. We cannot add facts or legal arguments to the public record when we do not know what the Commission's purported facts or theories might have been.

Despite your closing of this case, the Commission has the ability under this process to leave AFR and other respondents besmirched by a one-sided presentation of information and an assertion of possible violations that you do not have to prove nor responsibly argue. I strongly suspect that is precisely how you will leave it.

It cannot be over-emphasized that AFR has not admitted to any violation of any provision of the Federal Election Campaign Act during the pendency of this proceeding, and we herein deny any violations of law.

—AFR is confident it fully satisfied its obligations in connection with the federally mandated audit of its records and with the investigation of this enforcement case. And, of course, we are pleased to see this unfortunate matter come to an end without any probable cause findings of violations against us.

Sincerely,



Robert Alan Dahl

9604375533



DEWEY BALLANTINE

1775 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, D.C. 20006-6605  
TELEPHONE 202 643-1000 FACSIMILE 202 643-1000

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FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JUN 28 5 23 PM '96

MYLES V. LYNK  
202 642-1047

June 28, 1996

**CLOSED**

VIA HAND DELIVERY

Tony Buckley, Esq.  
Office of The General Counsel  
Federal Election Commission  
999 E Street, N. W.  
Room 657  
Washington, D. C. 20463

Re: MUR 3485  
Management Financial Services, Inc., and  
Arthur L. Williams, Jr.

Dear Mr. Buckley:

Thank you for your letter, dated June 6, 1996, advising us that on May 2, 1996, the Federal Election Commission (the "FEC" or "Commission") voted to close MUR 3485, without finding any probable cause to believe that Respondents A. L. Williams, Jr., or Management Financial Services, Inc., had violated the Federal Election Campaign Act of 1971, as amended (the "Act"). We commend the Commission's decision. Unfortunately, this investigation remained open for three years, inquiring into activities and events that took place ten years ago. It raised troubling questions about the use of the Commission's investigatory powers, for the following reasons.

First, in this MUR the Commission investigated activities by Mr. Williams regarding the Rev. Marion Gordon ("Pat") Robertson which took place in July and August 1986, before Rev. Robertson became a declared candidate for the Republican nomination for President in the 1988 Presidential campaign. See Letter from Marion Edwyn Harrison, Esq. to Peter Kell, Jr., of FEC (Dec. 2, 1986) (affirming Rev. Robertson is not a candidate for federal office and disavowing activity of an unauthorized campaign committee); Letter from Rev. Pat Robertson to Peter Kell, Jr., of FEC (Dec. 2, 1986) (affirming the same). It was not until October 1987 that Rev. Robertson declared himself to be a candidate. Statement of Candidacy filed by Rev. Pat Robertson with FEC (Oct. 15, 1987); Letter from Marion Edwyn Harrison, Esq., to Peter Kell, Jr., of FEC (Nov. 6, 1987) (confirming candidacy of Rev. Robertson and disavowing activity of "bogus" campaign committee). It was not until a year after that, in 1988, that the Commission entered into a Conciliation Agreement.

Tony Buckley, Esq.  
June 28, 1996  
Page 2

with Rev. Robertson in which Rev. Robertson agreed that he became a candidate for the 1988 Republican Presidential nomination on September 17, 1986. Conciliation Agreement in MUR 2262 (December 12, 1988). Yet the events that were the subject of this current MUR took place before September 17, 1986; that is, they took place before not only the date in 1987 when Rev. Robertson declared his candidacy for the Presidency of the United States, but also before the date in 1986 when the Commission subsequently decided that his candidacy had actually begun.

The Commission has no authority under the Act to regulate unauthorized groups electioneering on behalf of one who is not a federal candidate. FEC v. Florida for Kennedy Committee, 681 F.2d 1281 (11th Cir. 1982). See also 2 U.S.C. § 431(2) (defining a candidate), 11 C.F.R. §§ 100.7(b)(1), 100.8(b)(1) (setting forth the "testing the waters" exception to the definitions of contribution and expenditure). Thus, this investigation not only infringed upon Mr. Williams' First Amendment rights of free speech and association, it may also have exceeded the scope of the Commission's statutory authority under the Act. If the Commission was concerned about the accuracy of the representations that had been made in the Conciliation Agreement it entered into with Rev. Robertson in 1988, it could have sought evidence from Mr. Williams as a witness. It did not need to open an MUR investigation naming Mr. Williams as a Respondent in order to obtain information from him.

In addition, because of its delay in bringing this investigation, the Commission had no authority to sanction these Respondents. This MUR was opened in 1993, seven years after the events that were the subject of this civil investigation took place. The Commission is precluded from recovering civil monetary penalties after five years have elapsed from the date of an alleged civil violation. FEC v. National Republican Senatorial Committee, 877 F. Supp. 15 (D.D.C. 1995) (statute of limitations set forth at 28 U.S.C. § 2462 held applicable to the Act). The statute of limitations at 28 U.S.C. § 2462 protects against the inherent unfairness of allowing a government agency unlimited authority to determine when, if ever, to bring an investigation. As with all statutes of limitations, it sets a limit on how long parties may be subjected to the uncertainty of not knowing whether they will be the targets of administrative or judicial proceedings. This is of particular concern where, as here, an investigation threatens to chill the rights of free speech and association protected by the First Amendment to the Constitution.

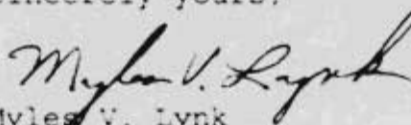
Finally, the Commission never permitted Mr. Williams to obtain a copy of the transcript of his deposition, even though he

Tony Buckley, Esq.  
June 28, 1996  
Page 3

agreed that he would not discuss it with any other witness in this proceeding. Mr. Williams' request to have the court reporter follow prior practice and send him the transcript so that he could review it with his attorney, make any corrections that were necessary, sign it, return the original and retain a copy for his own information, was refused by the General Counsel's staff. The staff demanded that Mr. Williams travel from his home in Florida to the court reporter's office in Atlanta, Georgia, to read the transcript and try to correct it in the court reporter's office. This demand was burdensome, unreasonable and unacceptable. As a consequence, although Mr. Williams never waived his right to read and sign his deposition transcript, he still has not received it. Mr. Williams has therefore been unable to examine and correct his transcript for any errors of statement or omission that it may contain.

Thus, while we commend the Commission for its decision on May 2, 1996, to take no further action against these Respondents in this MUR, the fact that they were named as Respondents, the process by which this investigation was conducted, and the length of time it remained open, all raise troubling questions about the Commission's priorities and its process. The Respondents request that this letter be made a part of the record in this MUR.

Sincerely yours,

  
Myles V. Lynk  
Michael R. Gerce

WILEY, REIN & FIELDING

JUL 1 2 23 PM '96

1776 K STREET, N.W.  
WASHINGTON, D. C. 20006  
(202) 429-7000

July 1, 1996

JAN WITOLD BARAN  
(202) 429-7330

FACSIMILE  
(202) 429-7049

**CLOSED**

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attn: Tony Buckley, Esq.

Re: MUR 3485 (The Christian Broadcasting  
Network, Inc., Marion G. Robertson,  
David T. Jackman, B. James Reid,  
Barbara A. Johnson, Airplanes, Inc.,  
and KXTX, Inc.)

Dear Mr. Noble:

This office represents The Christian Broadcasting Network, Inc., Marion G. Robertson, David T. Jackman, B. James Reid, Barbara A. Johnson, Airplanes, Inc., and KXTX, Inc. in the above-captioned matter. I am in receipt of Mr. Buckley's letter dated June 6, 1996, notifying me that on May 2, 1996, the Federal Election Commission, "after considering the circumstances of the matter" determined to take no further action against these individuals and entities.

While my clients certainly welcome the Commission's dismissal of this matter which stem from the 1988 election period, this case never should have begun and, once begun, should have been dismissed years ago. In the first instance, the Commission waited until April of 1993, more than five years after Dr. Robertson had ceased to be a candidate, to open this matter. Pursuing this matter at that time violated the five year statute of limitations in 28 U.S.C. § 2462 found applicable to the Commission. See, e.g., FEC v. National Republican Senatorial Committee, 877 F. Supp. 15 (1995); FEC v. National Right to Work Committee, Inc., 916 F. Supp. 10 (1996). Thus, from the start this matter was an abuse of the Commission's discretion which caused my clients unnecessary expense and aggravation.

Furthermore, in opening this matter without prior notice to our clients, the Commission made highly inappropriate "knowing and willful" findings against CBN, KXTX and Mr. Jackman. Nothing in



WILEY, REIN & FIELDING

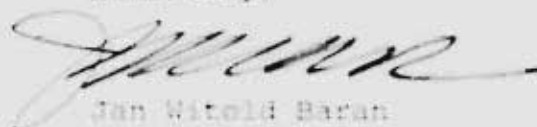
Lawrence M. Noble, Esq.  
July 1, 1996  
Page 2

the record before the Commission at that time suggested that my clients "knowingly and willfully" violated the law. Rather, the Commission's reason to believe findings were based on convoluted and speculative theories about transactions that were nothing more than proper arms length transactions.

In addition, the subpoenas issued by the Commission in 1993 were burdensome, irrelevant, outside of the agency's jurisdiction, and overly broad as to subject matter and time frame as we pointed out at that time. Nonetheless, our clients cooperated fully in providing thousands of pages of documents. Since June, 1993, this action has lay virtually dormant with the exception of the Commission revoting to find "reason to believe" subsequent to the composition of the agency being found to be unconstitutional in FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), cert. dismissed for want of jurisdiction, 115 S. Ct. 537 (1994). However, my clients had previously and subsequently objected to the continued proceedings in this matter to no avail. Furthermore, after again hearing nothing from the Commission for more than a year, in April, 1995, my clients requested that the Commission dismiss this matter especially in light of the five year statute of limitations. On May 22, 1995, without explanation, the Commission declined to dismiss this matter and "instead determined specifically to continue to pursue this matter" again leaving my clients with these wholly unfounded allegations dangling over their heads. After another year of no visible activity, the Commission determined to terminate this action. This decision, made without any explanation to our clients, was long overdue.

Because the General Counsel's Office apparently never prepared a General Counsel's Brief on probable cause in this matter, my clients were never presented with a formal opportunity to submit a brief responding to any allegations against them, particularly the highly inappropriate "knowing and willful" reason to believe findings. Thus, we wish to take this opportunity to state for the public record that our clients adamantly deny any wrongdoing in connection with the 1988 presidential campaign of Dr. Pat Robertson. Furthermore, our clients deny any allegations of knowing and willful violations. My clients are confident that had this matter proceeded they ultimately would have been found in compliance with the law.

Sincerely,



Jan Witold Baran

THIS IS THE END OF MUR # 3485

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MUR 3485 IS CONTINUED ON MUR ROLL #376 WITH FRAME  
#0003.

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**FEDERAL ELECTION COMMISSION**  
WASHINGTON, D.C. 20541

Date: 9/6/96

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THE ATTACHED MATERIAL IS BEING ADDED TO CLOS

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1776 K STREET, N.W.  
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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

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JAN WITOLD BARAN  
(202) 428-7330

FACSIMILE  
(202) 428-7049

September 4, 1996

Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attn: Tony Buckley, Esq.

Re: MUR 3485 (The Christian Broadcasting Network,  
Inc., Marion G. Robertson, Airplanes, Inc.,  
and KXTX, Inc.)

Dear Mr. Noble:

This letter constitutes a supplemental letter for the public record on behalf of The Christian Broadcasting Network, Inc., Marion G. Robertson, Airplanes, Inc., and KXTX, Inc. in the above-captioned matter.

As I indicated in my letter of July 1, 1996, my clients were never presented with an opportunity to submit a brief responding to any formal allegations raised by your investigation. In fact, they were not confronted with formal allegations during the past three years. We now find that a one-sided 96-page General Counsel's Report dated April 26, 1996, (never provided to us) has been released to the public making dubious allegations against my clients. My clients were given no opportunity to respond to these allegations. This is an egregious abuse of discretion which gratuitously and unjustifiably maligns my clients.

The General Counsel's Report states (at 3-4) that this matter was stale, that the Commission would likely lose this matter in court based on the statute of limitations, and that the Commission could not justify putting any more resources into this case. Why then was a 96-page report prepared smearing my clients, and why, once prepared, were my clients never provided this report before the file was released to the public?

Staleness. The Report correctly notes that this case is stale. I wish to note the fact that this case (stemming from the 1988 election) was stale when it began in 1993. From the start,

WILEY, REIN & FIELDING

Lawrence M. Noble, Esq.

September 4, 1996

Page 2

the case had no other evident purpose than to conduct a fishing expedition which now results in disputable allegations to which respondents were powerless to respond.

The Statute of Limitations. My clients asked the Commission over a year ago to dismiss this matter in light of the five year statute of limitations. The Commission refused. Thus, it is particularly egregious now that, more than a year after that request, the Commission has closed this matter precisely because of the statute of limitations, but not until making unfair, undisclosed, and un rebutted accusations against my clients. How can the Commission justify its failure to close this matter on Statute of Limitations grounds over a year ago when my clients made their request? Again, this suggests that the Commission's only goal in keeping this case open as long as it did was to make accusations against my clients without an opportunity to respond.

The Commission's Theories Are Convoluted, Speculative, and Wrong. Furthermore, while the Commission's initial reason to believe findings were based on convoluted and speculative theories about transactions that were proper arms length transactions, the theories espoused in the General Counsel's Report are even more speculative and are based in fiction, not on fact. Prior to this General Counsel's Report, my clients were unaware that the staff believed that CBN Continental (now KXTX) had purchased an airplane solely for use in connection with Pat Robertson's campaign. Had my clients known that the staff had invented this theory, allegedly based on discovery that my clients have never seen and were not privy to, they could have disabused the Commission of this far-fetched allegation. First, CBN or its subsidiaries owned a series of planes prior to and subsequent to the purchase of the BAC 1-11 airplane at issue in this matter.<sup>1</sup> Thus, to suggest that my clients would buy an airplane for

<sup>1</sup> The General Counsel's Report discounts this fact by suggesting that my clients had no need for an airplane with a capacity of more than 6 to 8 seats and have never owned another plane as large as the BAC 1-11. Here again, the Report was in error. Rather than solely renting 6 to 8 passenger planes prior to the purchase of the BAC 1-11 (General Counsel's Report at 53), as early as 1977, my clients owned a Gulfstream I Turboprop with a seating capacity of up to 14. That plane would have been sufficient to meet all of the Americans for Robertson's use until February, 1988 at which time the Report (at 60) indicates that the average passenger load briefly increased to 20.7 passengers. Thus, when analyzing the Report against the facts, the Report is left making the nonsensical suggestion that CBN Continental purchased the plane in 1985 so that Americans For Robertson (which did not then exist) could have enough seating capacity for approximately one month three years later

(continued...)

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use by the Robertson campaign is simply not credibly, and, moreover, not true. Second, when CBN Continental purchased the BAC 1-11 in February, 1985, Pat Robertson was not a candidate, leaving the obvious question of how CBN Continental could have purchased the plane solely for his candidacy? Third, even the chart developed by the Commission regarding the usage of the plane at page 59 of the General Counsel's Report shows that the plane was used almost exclusively for corporate business in 1985 and substantially for corporate business in 1986 underscoring the obvious business purpose for the plane. Fourth, in 1987, when Dr. Robertson was a candidate, the plane was still used for corporate business. Moreover, when the plane was used by Americans for Robertson, CBN Continental was paid in full for its usage.<sup>2</sup> Fifth, when CBN Continental sold the BAC 1-11, it did so at a profit.<sup>3</sup> Thus, the purchase of the plane was patently a good investment by the company. Lastly, CBN or its subsidiaries has owned and does now own a series of planes since the sale of the BAC 1-11 in 1987. Indeed, from 1992 through early 1996, a CBN related company owned a Gulfstream II-B for which it paid several million dollars. It owns yet another airplane now. Thus, CBN and its

<sup>2</sup> (...continued)

Furthermore, subsequent to 1988, my clients owned a series of planes including an L-1011 which is still used by a CBN affiliated entity. That plane had an original capacity of 365 passengers and has been reconfigured so that it now has a capacity of 67 passengers. These facts totally undermine the Report's theory.

<sup>3</sup> In fact, the FEC's own audit admits that CBN Continental billed Americans for Robertson more than \$1,000,000 for its use of the airplane.

<sup>4</sup> The General Counsel's Report (at 94) treats the costs of the airplane as expenditures subject to Americans for Robertson's overall expenditure limit thus alleging that the Robertson Committee greatly exceeded its overall spending limit. Had the General Counsel's Report taken its preposterous theory (that the plane was bought by CBN solely for the Robertson campaign) to its logical conclusion, the plane should have been considered an asset of the campaign. Thus, when the plane was sold, the receipt of the sale proceeds would have been treated as an offset to operating expenditures subject to the overall expenditure limit. This would have lowered substantially Americans for Robertson's total expenditures, thereby reducing, if not eliminating, the alleged overspending.

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subsidiaries have a history of purchasing planes because they are necessary to carry out its business. The BAC 1-11 absolutely was not purchased for a then non-existent campaign.<sup>2</sup>

The FEC Previously Made Unsubstantiated Allegations Against Pat Robertson. The Commission has a history of making baseless allegations and findings in connection with Dr. Robertson that are subsequently rejected. For instance, the Commission ordered Americans for Robertson to repay the news media in the aftermath of the Americans for Robertson audit. But when the Commission had to justify legally its basis for this order before the United States Court of Appeals for the District of Columbia Circuit it could not do so and its order was thrown out by the Court. Robertson v. FEC, 45 F.3d 486 (D.C. Cir. 1995). The Court of Appeals also found the Commission's actions with respect to Americans for Robertson expenditures in the New Hampshire primary election to be arbitrary and capricious. Its actions now, with respect to CBN, are no less arbitrary and capricious.

Conclusion. The Commission should not dismiss cases and then muddy the public record with ninety-six pages of secret allegations to which respondents have had no opportunity to respond. This practice violates all notions of fairness and fundamental due process. Accusations by the government against private citizens should be made directly to the citizens affected who, in turn, should be permitted to respond and have their case heard before an independent trier of fact and law. None of these safeguards were afforded Dr. Robertson, CBN, or our other clients in this matter. We object and request that this letter be made part of the record in this case and part of the public summary file.

Sincerely,



Jan Witold Baran

cc: The Commissioners

<sup>2</sup> The Report's theories with respect to other allegations regarding my clients are equally speculative and wrong. This letter is not intended to highlight all the deficiencies in the General Counsel's Report.