

Bruce I. Afran
Attorney-at-Law
10 Braeburn Drive
Princeton, New Jersey 08540
609-924-2075

Office of General Counsel
Federal Election Commission
999 E Street N.W.
Washington, D.C. 20463

Re: MUR 5475

Dear Sir or Madam:

I am counsel for Nader for President 2004 and Carl Mayer, Treasurer and Theresa Amato, Campaign Manager in connection with the aforesaid complaints.

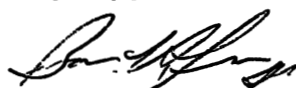
I have enclosed the campaign's response to these complaints, which as set forth herein, are without support, are grossly inaccurate and are based entirely on newspaper reports without any apparent investigation by the complainant.

In addition to the response prepared by counsel, I have enclosed the following:

Letter of Ralph Nader
Affidavit of Alexandra Arace
Affidavit of Matthew Bradley
Affidavit of Taylor Hillenmeyer
FEC Designation of Counsel

Please feel free to contact me at any time for further information or material concerning these matters.

Very truly yours,



Bruce I. Afran

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

2004 JUL 30 A 9 38

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Re: MUR 5475: Complaint Dated July 6, 2003

Based entirely on an inaccurate newspaper report from the Washington Post, this complaint is without any personal knowledge by the complainant and was made without any attempt by the complainant to contact the Nader campaign.

The complaint suggests that the Nader campaign had been renting space from November 2003 to February 2004 at below market rates from a non-profit known as Citizen Works. The complaint also suggests that the Nader campaign has failed to report this so-called "subsidy" on its FEC reports and, finally, that it inappropriately shared telephones and a receptionist with other entities.

These claims are all false in their entirety.

1. The "fair market" claims in the complaint

Paragraph 7 of the Complaint inaccurately asserts that the space Mr. Nader's campaign is using has a fair market value of approximately \$12,500 per month, but that the Nader campaign paid only \$6,700 per month from November 2003 through February 2004.

From November to February, the period covered by the complaint, the Nader campaign paid \$6,700 per month for the space it was using (along with a security deposit in the same amount). See attached checks. At that time the campaign was sub-leasing 900 square feet from Citizen Works, which was about 44 percent of the office space in the suite, exclusive of hallways and common areas. The remainder of the suite, totalling 1,130 square feet, was rented by Citizen Works and five other small public interest organizations based in Washington. See Affidavit of Alexandra Arace at paragraphs 6-9.

Citizen Works had been paying \$13,266 per month for the entire suite. As Mr. Hillenmeyer, the leasing agent for the property owner states at paragraphs 11 and 17 of his affidavit, this represented a rate of \$36.42 per square foot, well within the normal and usual market value for office space of this type in the District.

The Nader campaign's monthly payment of \$6,700 equaled 50.05 per cent (or slightly more than half) of Citizen Works' total monthly lease payment, even though the campaign was leasing less than half the space.

As these facts show, Nader for President 2004 has not received any subsidized or below market rent from Citizen Works, and therefore has not reported any subsidized rent. It has reported its fair market value transactions monthly, as evidenced by our reports.¹

¹ It is unfortunate that the complainant is so motivated by partisan politics that it did not take the trouble to request this information from the Nader campaign before filing a complaint. Had it done so, it could have saved the Commission and the campaign a great deal of inconvenience and expense. It is to be hoped that the Commission's complaint system is to be used for legitimate grievances, not petty partisan attacks.

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2. The remaining assertions in the complaint.

Paragraph 8 of the Complaint alleges that "Citizen Works and the campaign share a common receptionist." This is false and no evidence is offered by the complainant to support this charge. Both the campaign and Citizen Works each had personnel responsible for their respective offices. Neither had a "receptionist," much less a common one. Mr. Bradley, the campaign's initial office manager, answered the campaign's phones, retrieved the mail, greeted campaign visitors and signed for packages. See affidavit of Matthew Bradley at paragraphs 2 and 3.

Paragraph 8 of the complaint also alleges that "a telephone number listed as belonging to Education Allies, a sub-tenant of Citizen Works, has been answered as if belonging to the Nader campaign." The obvious point of this assertion is that the Nader campaign is supposedly getting the use of another group's telephone. Again the charge is false and without any factual basis.

Education Allies was once a subtenant of Citizen Works but left the suite when its lease terminated in the Spring of 2003, six months before the Nader campaign exploratory committee even set up offices. When the Nader exploratory committee first sublet space at the suite, it connected phone lines that had been previously installed in the suite, one of which was formerly used by Education Allies, 202-265-4998.

As the attached phone bills from Verizon for November 2003 show, this line was paid for and connected by the Nader campaign when it sublet space in October 2003. The Nader campaign owns the phone line and pays the bills. See Affidavit of Matthew Bradley at paragraph 5 and Verizon bill dated 11/19/03 annexed thereto. The reporter who wrote the article on which the complaint is based apparently looked up Education Allies' old phone number and when he called it, it was answered by the Nader campaign, a perfectly predictable result since the campaign now owns and pays for the number.

The final charge, also in paragraph 8 of the complaint, is even more unfounded.

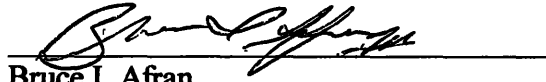
This charge contends that a cell phone number for Citizen Works spokesman Lee Drutman "is the same phone number used by a media staffer to Mr. Nader's 2000 presidential campaign".

First, the charge has nothing to do with Nader 2004, but appears to refer to a person, who once worked for Mr. Nader's earlier campaign in the 2000 election four years ago. Second, this person, Stacy Malkan, has never worked for the Nader 2004 campaign and left Citizen Works in 2001.

Conclusion

Based on the foregoing the complaints should be dismissed as there is no basis for the Commission to make any finding or to recommend any inquiry.

Respectfully submitted,



Bruce I. Afran

Counsel for

Nader for President 2004

Carl Mayer, Treasurer

Theresa Amato, Campaign Manager

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1002

15-107/00

DATE 10/31/03 \$ 6700.00

PAY TO THE ORDER OF College blocks

Six thousand seven hundred 00/100 DOLLARS

NADER 2004 PRESIDENTIAL EXPLORATORY COMMITTEE, INC.

AB 100% BOND NEW YORK

FOR Scenic Agency

25044111338

1003

10-10-2000

DATE 11/1/02 \$ 6700.00 DOLLARS @ III

**NADER 2004 PRESIDENTIAL
EXPLORATORY COMMITTEE, INC.**

City of White

St. James & Sons Inc. 9/00

AB

Mr. Rich

PAY TO THE ORDER OF

FOR

25044111339

SECURITY CHECKED LOCAL SECURITY SERVICE

1026

PAY TO THE ORDER OF Citizens Works

DATE 12/1/03

\$1,000.00 DOLLARS

AB 1025 S Street NW
Washington, DC 20005
American Bank

FOR Ken & Dec

NADER 2004 PRESIDENTIAL
EXPLORATORY COMMITTEE, INC.

[REDACTED]

[REDACTED]

GUARDIAN • SAFETY

25044111340

1064

10-10/100

11/2/03

DATE

\$ 6700.00

DOLLARS

NADER 2004 PRESIDENTIAL
EXPLORATORY COMMITTEE, INC.

PAY
TO THE
ORDER
OF

See Handwritten



1005 L Street NW
Washington, DC 20003

Rest of...

FOR

25044111341

NADER 2004 PRESIDENTIAL
EXPLORATORY COMMITTEE, INC.

1095

DATE 2/2/04

PAY
TO THE
ORDER OF

Citizens Works/RCC

\$ 67.00.00

(67.00 thousand) seven hundred dollars & 00/100 cent

DOLLARS



1825 K Street N.W.
Washington, DC 20006

FOR

Rent

[Signature]



July 29, 2004

Jeff S. Jordan
Supervisory Attorney
Federal Election Commission
Complaints Examination & Legal Administration
999 E Street, NW
Washington, DC 20463

2004 JUL 30 1A 9:38

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

5475
Dear Mr. Jordan:

The Citizens for Responsibility and Ethics (CRE) has now filed complaints with the FEC against our campaign, charging accusations that have no evidence behind them. CRE, a 501(c)(3) organization, is engaging in frivolous declarations that amount to institutional slanders. These complaints do not even rise to the level of fishing expeditions.

I am writing to you because you presumably have a threshold above which you initiate your procedures for complaint-handling. Below that threshold presumably is a category for capricious, unfounded complaints. Melanie Sloan's complaints fall into that category. She purveys political rumor and the infamous "if" condition into wasting the time of the FEC and our campaign.

Were she in court, she would incur summary dismissal and possible sanctions against her, as an attorney at law, by the court. She simply taps into the heightened innuendo mills during a campaign, masks a political agenda, proceeds to fabricate false premises and sprawls to her frivolous conclusions.

The Washington Post article, on which she relies entirely, is based on suppositions and conditional observations – all of which received rebuttals in the same article. Yet the reporter, who came up empty-handed, saw fit to write another article reporting CRE's complaint based entirely on his non-story. CRE believes it has no burden of persuasion, before going forward to waste the taxpayers' dollars.

We are looking into the law of malicious process, should CRE proceed into judicial arenas with such vacuous accusations. Obviously, CRE is raising questions about its own capability and errant practices.

As you know, our campaign staff is in constant touch with the FEC staff to make sure week after week that we understand your rules and interpretation so as to be in full compliance with FEC regulations.

Sincerely,

Ralph Nader

Affidavit of Alexandra Arace

1. My name is Alexandra Arace and I have read the complaint against Citizen Works and I make the following statement under oath:
2. From August of 2002 through April of 2004, including the time periods alleged in the complaint, I was, among other duties, the manager of the office at Citizen Works. I am not and have never been employed by Nader for President 2004 or its exploratory committee.
3. Throughout 2003, I was personally responsible for advertising Citizen Works' available office space on the open market and did so frequently both in the *Washington Post* and in the *Washington City Paper* as Citizen Works was routinely seeking subtenants.
4. As the office manager, I was responsible for Citizen Works' relations with its sublettors and with the Stout and Teague building management company (Stout and Teague). I showed prospective tenants the offices available. I assessed the square footage of leased space for sublettors, including the Nader 2004 Presidential Exploratory Committee, and inserted this square footage into Citizen Works' sublease template. All subtenants, including the Nader 2004 Presidential Exploratory Committee, paid rent based on the amount of office square footage Citizen Works leased to them and that included use of the common areas, including the kitchen and conference room.
5. Stout and Teague and the Citizen Works board had to approve of all subleases, including the Nader Committee's lease, which they did approve in October 2003.

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6. At that time the aggregate monthly rent payment Citizen Works owed to the landlord was \$13,266.68. Subtenants either paid rent to Citizen Works or paid the management company directly, usually through a check collected by me, at the beginning of each month.
 7. During the time periods alleged in the complaint, Citizen Works subletted space to the following organizations: The All Ethiopian Unity Organization, Black Voices for Peace, the National Black Environmental Justice Network, the D.C. Library Renaissance Project, The Clark Group, and the Nader 2004 Presidential Exploratory Committee.
 8. Citizen Works advertised and rented individual furnished offices of approximately 120 square feet for \$900/month. I used these figures as a base to determine a consistent rental rate for each of the sublettors, including the Nader 2004 Presidential Exploratory Committee.
 9. For the time period identified in the complaint, the Nader 2004 Presidential Exploratory Committee subleased approximately 900 square feet of furnished office space from Citizen Works for a monthly rate of \$6700. The committee also paid a security deposit in the same amount (\$6700). All committee rent payments were made in the beginning of each month.
 10. During the time periods alleged in the complaint, I sat at the work station in the front of the office but I was not the receptionist for the suite. The suite did not have a "receptionist." The office suite contains three open administrative stations. Citizen Works rented one, the Clark Group rented another, and the Nader Committee rented the third, each staffed with their own personnel.

11. The Nader Committee was responsible for purchasing its own computers, phone lines and office supplies.

12. All the tenants, except the Nader Committee, used the suite's DSL Internet connection and fax machine as part of their normal rent charge.

13. Education Allies subletted space for more than a year from Citizen Works but ceased subletting in the spring of 2003. Education Allies' phone number was (202) 265-4998 when it rented space at Citizen Works.

Alexandra Arace
Alexandra Arace

Washington D.C.

Subscribed and Sworn before me 29th Day of July
on 2004 at 1725 Eye street, NW, 4th floor Washington, DC

Grace A. Owuor
Notary Public, District of Columbia
My Commission Expires 10-14-2007

District of Columbia : SS

Subscribed and Sworn to before me

this 29th day of July, 2004

Grace A. Owuor

Notary Public, D.C.

My commission expires 10-14-2007

Affidavit of Matthew Bradley

1. My name is Matthew Bradley and I am currently employed by Nader for President 2004 as its webmaster. I have read the complaint against Nader for President and Citizen Works and I make the following statement under oath:
2. From the period of mid-October through February 2004, I was employed as the office manager for the Nader 2004 Presidential Exploratory Committee. I was employed as the office manager for the Committee from its inception and as such, I established and maintained our office space. I have never been employed by Citizen Works.
3. My duties included, but were not limited to, answering the Committee's phones, obtaining the Committee's mail and signing for packages/greeting visitors, of which there were very few.
4. As part of my duties, I was responsible for ensuring that all phone lines used by the Committee were assigned to and paid for by the Committee. The attached bill reflects the installation of phone lines used by the Committee since its inception.
5. The Committee was one of approximately six sublettors in the Citizen Works suite, but during this time there was no sublettor named Educational Allies. Their former phone number (202) 265-4998, was a number assigned to the Committee, as reflected on our phone bill, a copy of which is attached. That line is properly answered by the Nader campaign as it is one of the committee's phone lines.
6. As part of my duties, I purchased and maintained the computers, office equipment and supplies for the Committee and paid fair market value for those items.

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7. The allegations in the complaint and the Washington Post article regarding Citizen Works and the Nader campaign are based on erroneous and untrue assumptions.
 8. Nader for President 2004 and its exploratory committee has not accepted any subsidized rent or prohibited contribution of goods or services from Citizen Works.

Matthew Bradley
Matthew Bradley

DC Notary:

Subscribed and Sworn before me Doris F. Ham

On 7-29-04

DORIS F. HAM
Notary Public, District of Columbia
My Commission Expires March 14, 2009

Verizon

Make progress every day

NPEC 2004

Billing Date 11/19/03 Page 1 of 19

Telephone Number: 202 265-4000

Account Number: [REDACTED]

How to Reach Us. See page 2

Account Summary

Previous Charges	\$.00
Payment Received	00
Balance Forward	\$.00

New Charges

Verizon (page 4)	\$625.34
Verizon Online (page 11)	161.38
Total New Charges due Dec 18	\$786.72
Total Due (Past Due + New)	\$788.72

Total Due if Paid After 12/18/03 **\$794.54**
Includes late payment charge of 1%



Manage Your Verizon Account Online!

View & pay bills, request repairs, place orders
It's quick and easy:

Go to verizon.com

Click "Sign In" under "Manage My Account"

First time user? Get started with ...

User ID: [REDACTED]

Password: [REDACTED]

... and customize your ID as you register.

Then follow the step-by-step instructions.



Verizon Direct Payment Option

To enroll, please read and sign the agreement
on the reverse side of the payment form below



Account: 000851430500 41Y

**NADER 2004 PRESIDENTIAL
EXPLORATORY COMMITTEE, INC.**

1039

DATE

12/11/03

16-167/540
08

PAY
TO THE
ORDER OF

\$ 786.72

DOLLARS

Security Features
are indicated
on the back



1625 K Street NW
Washington, DC 20006

FOR

[REDACTED]



Make progress every day

Billing Date: 11/19/03 Page 6 of 19
Telephone Number: 202 265-4000
Account Number: [REDACTED]
How to Reach Us: See page 2

Additions and Changes to Verizon Service(s) - Detail

G 00001

Activity on 202 265-4000

Service Request 495075060 (continued)

Added to Monthly Service from Oct 21, 2003 thru Nov 18, 2003

Description	Qty	Pro-Rated	One-Time	Type	Amount
1. CustopAK Bundled Feature Package .00 Per Month	1	.00			.00
2. CustopAK Line - Unrestricted Exchange Access 6.05 Per Month	1	5.65			5.65
3. CustopAK Line - Unrestricted Intercommunication 14.33 Per Month	1	13.37			13.37
4. Federal Subscriber Line Charge Credit 3.87cr Per Month	1	3.61cr			3.61cr
5. Federal Subscriber Line Charge Multi Line 3.87 Per Month	1	3.61			3.61
6. Federal Universal Service Fund Surcharge Multi Line .10 Per Month	1	.09			.09
7. Local Number Portability Surcharge .23 Per Month	1	.21			.21
8. Non-Published Service .81 Per Month	1	.76			.76
9. Series Hunting .00 Per Month	1	.00			.00
		20.08			20.08
Total for 202 265-4000		20.08	83.25		103.33

Activity on 202 265-4998

Service Request 495075060

Account Activity, Effective on Oct 20, 2003

Description	Qty	Pro-Rated	One-Time	Type	Amount
10. Line Connection Charge - Per Line	# 1		25.00		25.00

Added to Monthly Service from Oct 21, 2003 thru Nov 18, 2003

Description	Qty	Pro-Rated	One-Time	Type	Amount
11. CustopAK Bundled Feature Package .00 Per Month	1	.00			.00
12. CustopAK Line - Unrestricted Exchange Access 6.05 Per Month	1	5.65			5.65
13. CustopAK Line - Unrestricted Intercommunication 14.33 Per Month	1	13.37			13.37
14. Federal Subscriber Line Charge Credit 3.87cr Per Month	1	3.61cr			3.61cr

Indicates charges for non-regulated product(s) or service(s)

continues

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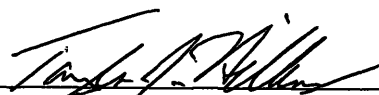
Affidavit of Taylor Hillenmeyer

1. My name is Taylor Hillenmeyer, I have read the complaint against Citizen Works and the Nader campaign, and I make the following statement under oath:
2. I am a Vice President of Leasing for Stout and Teague Management Corporation, which is the agent for Resources & Conservation Center, L.P. (RCC).
3. In June of 2001, RCC entered a lease with Citizen Works for 4371 square feet of office space at 1400 16th St. N.W., Suite 225, Washington, D.C. (the property).
4. During the time period -- November 2003 through February 2004 -- alleged in the complaint, Citizen Works was RCC's tenant.
5. The Citizen Works lease requires Stout and Teague to approve the terms of all subleases as a precondition to the sublease.
6. During the last three years, I have reviewed all of Citizen Works' subleases.
7. The terms of each of Citizen Works' subleases over the course of three years and multiple subtenants were virtually identical in that they were structured to rent the square footage of actual furnished individual offices or work stations and to allow for access and use of the common areas of the premises.
8. In October 2003, Citizen Works sought to sublet space to the Nader 2004 Presidential Exploratory Committee.
9. In mid-October 2003, Citizen Works subleased approximately 900 square feet of furnished office space/work stations to the Nader 2004 Presidential Exploratory Committee.

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10. I approved of the sublease on behalf of the management company and RCC.
 11. In October of 2003, Citizen Works' lease required it to pay rent in the amount of \$13,266.68 a month. This amounts to a rate of \$36.42 per square foot of leased space for the property.
 12. This is fair market value or above fair market value for this property and comparable properties in our location in downtown Washington, D.C.
 13. Indeed, in July of 2004, we are currently writing leases for space in this building at a rate of \$35.50-\$36.00 a square foot.
 14. The Exploratory Committee paid both a security deposit and a monthly rent of \$6700, during the time periods alleged at the beginning of each month.
 15. During this time period, Citizen Works also had subleases with Black Voices for Peace, the National Black Environmental Justice Network, the Clark Group, the D.C. Library Renaissance Project, and the All Ethiopian Unity Organization.
 16. The factual allegations regarding the rent and fair market value in both the complaint and The Washington Post article are not accurate and are based on untrue assumptions about the total square footage of the lease, the rent charged, and the number of subtenants.

17. The Nader campaign paid the normal and usual charge of the rental space in the open market within a commercially reasonable time.


Taylor Hillenmeyer
Vice President Leasing
Stout and Teague

Washington D.C.

Subscribed to and sworn before me Doris F. Ham

on 7-22-04

DORIS F. HAM
Notary Public, District of Columbia
My Commission Expires March 14, 2009

25044111352

STATEMENT OF DESIGNATION OF COUNSEL

Please use one form for each respondent.

MUR 5475

NAME OF COUNSEL: BRUCE I. AFRAN

FIRM: _____

ADDRESS: 10 BRADBURN DRIVE
PRINCETON, NJ
08540

TELEPHONE: (609) 924-2075

FAX: (609) 924-1045

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

2004 JUL 30 1A 9:38

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.

NASRA FOR PRESIDENT 2004 CARL MAYER, Treasurer
THERESA AMATO, Campaign Manager
Print Name

7/28/04
Date

[Signature]
Signature

Campaign Manager
Title

RESPONDENT'S NAME: NASRA FOR PRESIDENT, CARL MAYER,
THERESA AMATO

ADDRESS: P.O. Box 18002
Washington, D.C. 20036

TELEPHONE: HOME [REDACTED]

BUSINESS(202) 265-4000

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