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January 26, 2017

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**VIA HAND DELIVERY**

Jeff S. Jordan  
Office of General Counsel  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20436

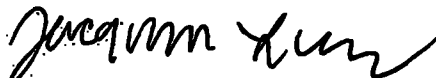
**Re: MUR 7199**

Dear Mr. Jordan:

Please find enclosed the original copy of the Declaration of Thomas Murphy Jr. submitted by Respondents on January 17, 2017 in connection with the above referenced matter.

Please do not hesitate to contact counsel should you have any questions.

Very truly yours,



Marc Erik Elias  
Graham M. Wilson  
Jacquelyn K. Lopez  
Counsel to Respondents

OFFICE OF GENERAL COUNSEL

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FEDERAL ELECTION  
COMMISSION

**BEFORE THE  
FEDERAL ELECTION COMMISSION**

IN RE

Patrick Murphy, *et al.*

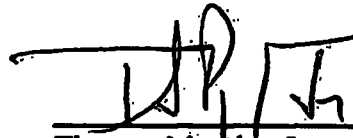
MUR 7199

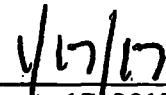
**Declaration of Thomas Murphy, Jr.**

1. I am the Chairman and Chief Executive Officer of Coastal Construction Group of South Florida, Inc. ("Coastal").
2. Representative Murphy is a former Member of the U.S. House of Representatives and was a candidate for the U.S. Senate in Florida in 2016. I am Representative Murphy's father.
3. I am married to Leslie Murphy, who is Representative Murphy's mother. Leslie Murphy and I are both shareholders of Coastal.
4. On December 28, 2012, Leslie Murphy and I transferred a number of shares of our interest in Coastal stock to Representative Murphy. The transfer was of a personal nature and was not made in anticipation of or in relation to any actual or potential candidacy or campaign of Representative Murphy for federal office. Representative Murphy's ownership of the shares is governed by the terms and conditions of the Coastal Shareholders' Agreement (the "Shareholders' Agreement"). As of December 28, 2012, the transferred shares became a personal asset of Representative Murphy.
5. The Shareholders' Agreement, originally entered into on December 9, 1998, defined the "Established Price" of Coastal stock as the "agreed fair value per [s]hare" of the stock. On January 1, 2008, the Shareholders' Agreement was amended to set the agreed fair value per share of the stock, the Established Price, as the "Book Value" of the stock. The amendment set forth robust procedures to ensure that the calculated Book Value reflects the fair market value per share of the stock. Specifically, under the amended Shareholders' Agreement, the Book Value is calculated by an independent certified public accountant, in accordance with generally accepted accounting principles consistently applied. The calculation is performed using regular financial statements as well as any "such data as the CPA deems necessary or useful to make such determination of the fair market value of the [ ] [s]tock."
6. On October 25, 2016, Representative Murphy sold a portion of the shares he had previously acquired back to Coastal. The stock was sold to Coastal for Book Value, the fair market value per share, in accordance with the Shareholders' Agreement.

7. On October 25, 2016, the Board of Directors and Shareholders of Coastal executed a written consent approving the terms of the sale (the "Consent"). The Consent affirmed that the "Corporation has determined that it is in the best interest of the Corporation and its Shareholders" to purchase the shares from Representative Murphy for Book Value.
8. The total price received by Representative Murphy for the sale of shares to Coastal for Book Value was \$1,000,120 based on the fair market value of each share.
9. I am over 21 years of age, of sound mind, and I have personal knowledge of the facts stated above.

I declare under penalty of perjury that this declaration is true and correct.

  
\_\_\_\_\_  
Thomas Murphy, Jr.

  
\_\_\_\_\_  
January 17, 2017