AKIN GUMP
STRAUSS HAUER & FELD L.L.P.

━━━━━━━━━━━━━━ Attorneys at Law

PAUL W. BUTLER
202.887.4069/fax: 202.887.4288
pbutler@akingump.com

April 8, 2009

Steven T. Walther
Chairman
Federal Election Commission
999 E Street, NW
Washington, DC 20463

     Re: MUR 6143

Dear Chairman Walther:

     We write in response to letters dated February 27, 2009 and received in our office on March 5, 2009 regarding Galen Capital Corporation and certain of its employees. At the outset, we wish to express our desire to pursue pre-probable cause conciliation on behalf of the respondents in this matter and request a date, at your earliest convenience, for a meeting to discuss conciliation.

     In responding to the Commission's findings of reason to believe against April Spittle, Phil Layton, and Eric Wagner we note that certain key facts supporting the finding that these individuals violated 2 U.S.C. § 441b(a) are incorrect. These individuals are neither officers nor directors of Galen. Each of these individuals requested and received refunds from Hillary Clinton's 2006 senate campaign and her 2008 presidential campaign. The monies were then returned to Galen. Therefore, we respectfully submit that Ms. Spittle, Mr. Layton and Mr. Wagner did not violate 2 U.S.C. § 441b(a) and that this reason to believe finding should be rescinded.

     We respectfully submit that none of the individuals involved knowingly and willfully violated the Federal Election Campaign Act by permitting their names to be used to effect an impermissible corporate contribution. The majority of the individuals involved are not seasoned fundraisers and the majority had never given to a federal candidate prior to these contributions. As we stated   , contributors may have signed contribution forms but they indicated either that they did not read the language, did not understand the meaning of the language or assumed their contributions were still permissible. It is unreasonable to think that individuals would proceed with their contributions if they had read and understood the language on the contributor form or had knowledge that their actions would constitute violations of federal law. These individuals had nothing to gain from these contributions and would not risk either the financial viability of the company or having to undergo a stressful government inquiry.
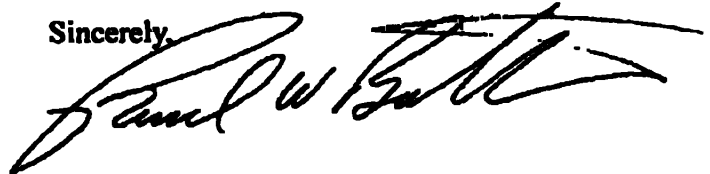
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Additionally, when it came to light that the contributions may have been impermissible, Galen, under Mr. Danielczk's direction, retained counsel and sent notification to the Commission that ⸺ would be forthcoming. Galen voluntarily undertook steps to remediate the impermissible contributions by requesting refunds from each contributor and conducting training for employees regarding the campaign finance rules. While it may "strain[] credulity that Danielczyk would know that corporations could not make contributions while believing that a corporation could reimburse employees and others for such contributions," Mr. Danielczyk's actions subsequent to the discovery that the contributions were impermissible do not portray an individual who is seeking to circumvent the law but rather one who, upon learning his conduct may have been wrong, takes prompt action to correct the mistake by not only ⸺ but also taking steps to unwind the transactions—neither of which are required under the law and both of which constitute sincere attempts to correct the violations.

We look forward to working with you in this matter. The respondents in this matter have indicated their willingness to take corrective action to unwind violations of the Federal Election Campaign Act but are forceful in their assertions that their conduct was not knowing and willful. Please let us know, at your earliest convenience, when we may begin conciliation.

Sincerely,

Paul W. Butler

Melissa L. Laurenza

Enclosures

cc: Vice Chairman Matthew S. Petersen
       Commissioner Cynthia L. Bauerly
       Commissioner Caroline C. Hunter
       Commissioner Donald F. McGahn II
       Commissioner Ellen L. Weintraub