

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Friends of Jane Harman and Jacki Bacharach,)

as treasurer;)

Hughes Aircraft Company;)

C. Michael Armstrong; W.D. Merritt;)

T.G. Westerman, et al)

MUR 3987

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement that has been signed on behalf of Hughes Aircraft Company ("Hughes" or the "corporation") by John J. Higgins, Sr. Vice President and General Counsel for Hughes Electronics in resolution of this matter.

[illegible]

Consistent with

the corporation's

assuming responsibility for the violation, this Office recommends that the Commission take no further action against C. Michael Armstrong, T.G. Westerman, and W.D. Merritt. include an admonishment in the letters to be sent to them, and close its file in regard to them.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with Hughes Aircraft Company and close the file as to it.
2. Take no further action against C. Michael Armstrong, T.G. Westerman, and W.D. Merritt and close the file as to them.
3. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

Date

9/16/96

BY:



Lois G. Lerner
Associate General Counsel

Staff Assigned: Holly J. Baker