FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2246

Date Filmed 12/17/86 Camera No. --- 2

Cameraman AS

8604052136 3

MUR 2246

FEDERAL ELECTION COMMISSION

Index to Permanent File (5); 5 Routing slips; Assignment Sheet - complaint notification form (5); 2 Staff minutes of letter (5); 1 objection sheet (5); 1 RAD Memorandum on RFAI (5 + 2/5 12 Day Reports (5);

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

| | | | |
|---|---|---|---|
| ___ | (1) Classified Information | ___ | (6) Personal privacy |
| X | (2) Internal rules and practices | ___ | (7) Investigatory files |
| ___ | (3) Exempted by other statute | ___ | (8) Banking Information |
| ___ | (4) Trade secrets and commercial or financial information | ___ | (9) Well Information (geographic or geophysical) |
| X | (5) Internal Documents | | |

Signed Patty Reilly

date 12/12/86

FEC 9-21-77

85040521364

***TYPE or PRINT 8 5 0 4 0 5 2 1 3 4 5 PAGE 1 of 1

MUR # 2246 MERGED WITH

MICROFILM LOCATION REEL/FRAME REEL/FRAME REEL/FRAME

COMPLAINANTS NAMES

(1) Thomson, Alexander B.
(2) Fenebock Associates, Inc.

☐ Continued

RESPONDENTS NAMES

(1) Runnels for Congress Committee
(2) Cervantes, ~~[illegible]~~ Orlando, - treasurer

☐ Continued

MUR DATES OPENED: 9/12/86 CLOSED: 12/2/86

| U.S. CODE CITES | C.F.R. CITES |
|---|---|
| 583 - 441b(a) | 267 - 114.10 |
| ☐ Continued | ☐ Continued |

SUBJECT TERMS

516 - Corporate Contribution
542 - Contributions/Expenditures by Corporation - Exemptions

☐ Continued

Patty Reitz 12/12/86
CODER (Name and Date)

12/12/86
SUPERVISOR (Name and Date)

VERIFIED BY AND SIGNED OFF (Name and Date)

Pelm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 8, 1986

Raymond E. Sandoval
Runnels for Congress Committee
P.O. Box 412
Las Cruces, N.M. 88004

RE: MUR 2246
Runnels for Congress Committee and
Orlando Cervantes, as treasurer

Dear Mr. Sandoval:

On September 22, 1986, the Commission notified the Runnels for Congress Committee and Orlando Cervantes, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on December 2 , 1986, determined that on the basis of the information in the complaint, and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

Lawrence M. Noble
By Lawrence M. Noble
Deputy General Counsel

Enclosure
General Counsel's Report

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Pllm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 8, 1986

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Alexander B. Thomson
c/o Fenebock & Associates, Inc.
312 Massachusetts Ave., N.E.
Washington, DC 20002

Re: MUR 2246

Dear Mr. Thomson:

The Federal Election Commission has reviewed the allegations of your complaint dated September 8, 1986 and on December 2 , 1986, determined that on the basis of the information provided in your complaint and information provided by the Respondent there is no reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") has been committed. Accordingly, the Commission has decided to close the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel

Lawrence M. Noble (JRZ)
By Lawrence M. Noble
Deputy General Counsel

Enclosure
General Counsel's Report

8604052137

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| The Runnels for Congress Committee | ) | MUR 2246 |
| Orlando Cervantes, as treasurer | ) | |

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of December 2, 1986, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2246:

1. Find no reason to believe the Runnels for Congress Committee and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 441b(a).

2. Approve the letters attached to the General Counsel's report dated November 12, 1986.

3. Close the file in this matter.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

12-2-86
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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SENSITIVE

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

86 NOV 12 P4:33

# FIRST GENERAL COUNSEL'S REPORT

Date and Time of Transmittal to the Commission by OGC_____

MUR: 2246
Date Complaint Received by OGC: 9/15/86
Date of Notification to Respondents: 9/22/86
Staff Member: Reilly

Complainant's Name: Alexander B. Thomson

Respondents' Names: The Runnels for Congress Committee and Orlando Cervantes, as treasurer

Relevant Statute: 2 U.S.C. § 441b(a)

Internal Reports Checked: Disclosure Reports

Federal Agencies Checked: None

## SUMMARY OF ALLEGATIONS

The Office of the General Counsel received a complaint on September 15, 1986 from Alexander B. Thomson on behalf of Fenebock and Associates, Inc. ("the Corporation"). The complaint alleges that the failure of the Runnels for Congress Committee ("the Committee") to pay an outstanding debt owed to the Corporation may have resulted in a violation of 2 U.S.C. § 441b(a).

## FACTUAL AND LEGAL ANALYSIS

In support of this allegation, the complaint identifies the Corporation as a media production and consulting firm that in March, 1986 entered into an agreement with the Committee for "consulting, creative and production services." The complaint

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alleges the Corporation provided services and incurred expenses on behalf of the Committee, totalling $17,997.06 as of July 22, 1986. The complaint states the Corporation extended 30 days credit to the Committee pursuant to its normal business practices, but the "Committee's failure to pay past due amounts exceeds [the Corporation's] normal credit extension policies." Complaint at 1. The Corporation notes it has made two demands on the Committee for payment and the Committee has not responded to these demands.

The Committee's response explains that it engaged the Corporation to produce media spots. The Committee states it did not receive any media spots from the Corporation, nor did it receive "any satisfactory service." Response at 1. The Committee asserts it questioned billings received from the Corporation, but did not receive a satisfactory response to its requests for additional documentation. It states that this matter is a contract dispute for which the Committee is seeking private legal adjudication. The Committee notes it has paid $7,000 to the Corporation and has offerred to settle the debt for an additional $5,000. */

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*/ The Committee's reports document a total of $7,000 in payments to the Corporation. Additionally, the Committee's 1986 July Quarterly Report includes on Schedule D a debt of $6,630 owed to the Corporation.

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## FACTUAL AND LEGAL ANALYSIS

The Act prohibits a corporation from making a contribution or expenditure in connection with any election. 2 U.S.C. § 441b(a). Political committees are prohibited from knowingly receiving such corporate contributions. Id. A contribution is defined to include any direct or indirect payments, loans or advances. 2 U.S.C. § 431(8)(A)(i). Corporations may extend credit to a candidate or a political committee provided such credit is extended in the ordinary course of the corporation's business and the terms of the debt are substantially the same as those for a non-political debt. 11 C.F.R. § 114.10.

In the instant case, the complainant offers no evidence to indicate that its extension of credit to the Committee was not in the ordinary course of its business. Rather, the complaint states credit was extended pursuant to an agreement and that the Corporation extended credit to the Committee for 30 days according to "its normal business practices." Moreover, there is no indication that the Corporation failed to try to collect on the debt. In fact, the Corporation states it has made two demands for payment. Additionally, the Respondents do not deny using this corporate vendor, but indicate they have refused to pay the billed amount because of a dispute over the quality and amount of services received. Therefore, because the Corporation extended the credit in the ordinary course of its business and has attempted to collect the outstanding debt, this Office

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recommends that the Commission find no reason to believe the Runnels for Congress Committee and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 441b(a).

**RECOMMENDATIONS**

1. Find no reason to believe the Runnels for Congress Committee and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 441b(a).

2. Approve the attached letters.

3. Close the file in this matter.

Charles N. Steele
General Counsel

11/12/86
Date

By
Lawrence M. Noble
Deputy General Counsel

Attachments
1. Response
2. Proposed letters (2)

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RECEIVED AT THE FEC
GCC 1754
3:08

# RUNNELS

## CONGRESS ★ DEMOCRAT

P. O. BOX 412 • PHONE (505) 524-2200 • LAS CRUCES, NEW MEXICO 88004

Lawrence M. Noble
Deputy General Counsel
Federal Election Commission
Washington D.C.

October 7, 1986

Dear Mr. Noble:

This letter is in response to your letter dated September 26, 1986, REFERENCE MUR 2246.

We dispute the complaint and are seeking private legal adjudication of this dispute or some settlement.

The Runnels campaign disputes the claims made by Fenenbock and Associates and their lawyer, Peter Kazdick as follows:

We engaged Fenenbock and Associates to produce Media spots for the Runnels campaign. Upon subsequent billing, we questioned the billing and received no satisfactory reply to our requests for additional substantiation for billing information. We also have received no media spots nor any satisfactory service from Fenenbock and Associates.

Acting in good faith that some service, adequate accounting of billings and media spots would be produced, we have paid Fenenbock and Associates some money.

However, we have not paid any additional amounts while awaiting further clarifing information regarding billing charges that are suspect.

We also cannot pay for media spots never produced nor examined by the Runnels Campaign. We have not seen any media spots.

This is clearly a contract dispute and our attorney is taking action to settle the dispute. The Runnels campaign did make an offer to settle the dispute by offering an additional $5,000 on condition that we examine any media spots and they proved satisfactory. This offer was rejected by Fenenbock and Associates attorney, Peter Kazdick.

Paid for by Runnels for Congress Committee, Orlando Cervantes, Treasurer

ATTACHMENT # 1 (1)

NICHOLS PRINTING & OFFICE PRODUCTS CENTER

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The Runnels Campaign cannot pay charges that are not clear and for items never seen. Such payment would violate the trust of contributors and not be sound business judgement.

We stand willing to provide a reasonable payment for actual documented services rendered but we have no clear documentation and no product. Further, unless a media product is produced soon the product would be rendered useless by the passage of the election.

The Runnels campaign has paid $7,000 to Fenenbock and Associates with no visible products nor benfits. We cannot pay for no product.

Sincerely,

Raymond E. sandoval, Phd.
Campaign Manager

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Raymond E. Sandoval
Runnels for Congress Committee
P.O. Box 412
Las Cruces, N.M. 88004

RE: MUR 2246
Runnels for Congress
Committee and
Orlando Cervantes, as
treasurer

Dear Mr. Sandoval:

On September 22, 1986, the Commission notified the Runnels for Congress Committee and Orlando Cervantes, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1986, determined that on the basis of the information in the complaint, and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

Enclosure
General Counsel's Report

8604052137 5

ATTACHMENT #2(1)

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Alexander B. Thomson
c/o Fenebock & Associates, Inc.
312 Massachusetts Ave., N.E.
Washington, DC 20002

Re: MUR 2246

Dear Mr. Thomson:

The Federal Election Commission has reviewed the allegations of your complaint dated September 8, 1986 and on , 1986, determined that on the basis of the information provided in your complaint and information provided by the Respondent there is no reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") has been committed. Accordingly, the Commission has decided to close the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

Enclosure
General Counsel's Report

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RUNNELS
CONGRESS DEMOCRAT

P. O. BOX 412

LAS CRUCES, NEW MEXICO 88004

Paid for by Runnels for Congress Committee, Orlando Cervantes, Treasurer

CERTIFIED

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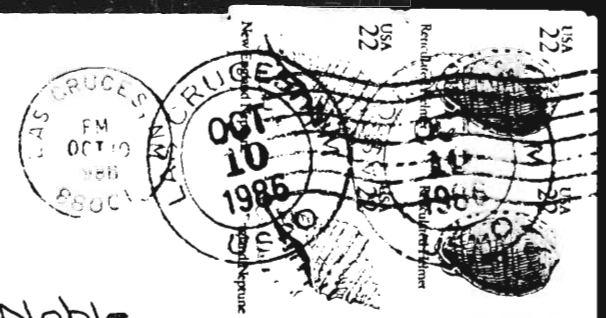
MAIL




Lawrence M. Noble
Deputy General Counsel
Federal Election Commission
999 E. Street, N.W
Washington, DC 20463

RETURN RECEIPT
REQUESTED

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RECEIVED AT THE FEC
GCC 1754
3:08

# RUNNELS

## CONGRESS ★ DEMOCRAT

P. O. BOX 412 • PHONE (505) 524-2200 • LAS CRUCES, NEW MEXICO 88004

OCT 17 A10:22
GENERAL COUNSEL

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Lawrence M. Noble
Deputy General Counsel
Federal Election Commission
Washington D.C.

October 7, 1986

Dear Mr. Noble:

This letter is in response to your letter dated September 26, 1986, REFERENCE MUR 2246.

We dispute the complaint and are seeking private legal adjudication of this dispute or some settlement.

The Runnels campaign disputes the claims made by Fenenbock and Associates and their lawyer, Peter Kazdick as follows:

We engaged Fenenbock and Associates to produce Media spots for the Runnels campaign. Upon subsequent billing, we questioned the billing and received no satisfactory reply to our requests for additional substantiation for billing information. We also have received no media spots nor any satisfactory service from Fenenbock and Associates.

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We also cannot pay for media spots never produced nor examined by the Runnels Campaign. We have not seen any media spots.

This is clearly a contract dispute and our attorney is taking action to settle the dispute. The Runnels campaign did make an offer to settle the dispute by offering an additional $5,000 on condition that we examine any media spots and they proved satisfactory. This offer was rejected by Fenenbock and Associates attorney, Peter Kazdick.

Paid for by Runnels for Congress Committee, Orlando Cervantes, Treasurer

NICHOLS PRINTING & OFFICE PRODUCTS CENTER

The Runnels Campaign cannot pay charges that are not clear and for items never seen. Such payment would violate the trust of contributors and not be sound business judgement.

We stand willing to provide a reasonable payment for actual documented services rendered but we have no clear documentation and no product. Further, unless a media product is produced soon the product would be rendered useless by the passage of the election.

The Runnels campaign has paid $7,000 to Fenenbock and Associates with no visible products nor benfits. We cannot pay for no product.

Sincerely,

Raymond E. sandoval, Phd.
Campaign Manager

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 26, 1986

Runnels for Congress Committee
and Orlando Cervantes, as
treasurer
P.O. Box 412
Las Cruces, N.M. 88004

Re: MUR 2246

Dear Sir or Madam:

Pursuant to your September 26, 1986, telephone conversation with Patty Reilly of this Office, enclosed please find the complaint in MUR 2246. Also enclosed are a designation of counsel statement and a copy of the Commission's procedures. It is our understanding that the package which you received from this Office did not contain these enclosures. Accordingly, your fifteen day response period will begin to run on the date that you receive this letter.

If you have any questions please contact Ms. Reilly at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Lawrence M Noble (PLZ)

By: Lawrence M. Noble
Deputy General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement
9/22 Notification Letter

cc: Mike Runnels

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pdm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 22, 1986

Mr. Alexander B. Thomson
c/o Fenebock & Associates, Inc.
317 Massachusetts Ave., N.E.
Washington, DC 20002

Dear Mr. Thomson:

This letter will acknowledge receipt of a complaint filed by you which we received on September 15, 1986, alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by the Runnels For Congress Committee and Mr. Orlando Cervantes. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to this office. We suggest that this information be sworn to in the same manner as the original complaint. For your information, we have attached a brief description of the Commission's procedures for handling complaints. We have numbered this matter under review MUR 2246. Please refer to this number in all future correspondence. If you have any questions, please contact Retha Dixon at (202) 376-3110.

Sincerely,

Charles N. Steele
General Counsel

Lawrence M. Noble

By: Lawrence M. Noble
Deputy General Counsel

Enclosure

8604052138 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 22, 1986

Orlando Cervantes, Treasurer
Runnels For Congress Committee
PO Box 412
Las Cruces, NM 88004

Re: MUR 2246

Dear Mr. Cervantes:

The Federal Election Commission received a complaint which alleges that the Runnels For Congress Committee and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2246. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and the Runnels For Congress Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

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 matter to be made public. 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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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If you have any questions, please contact Patty Reilly, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Lawrence M. Noble/LP

By: Lawrence M. Noble
Deputy General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement

cc: Mr. Mike Runnels

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OGC Docket

SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON D C 20463

MEMORANDUM TO: THE COMMISSION

FROM: MARJORIE W. EMMONS/ Darlene Small

DATE: September 18, 1986

SUBJECT: MUR 2246 - COMPLAINT

The attached has been circulated for your information.

Attachment

86040621384

SENSITIVE

HAND DELIVERED

FEC
COMMISSION SECRETARY

86 SEP 17 P4:08

86 SEP 15 P4:03

September 8, 1986

Charles N. Steele, Esquire
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Mr. Steele:

This letter is to inform you of violations of provisions the Federal Election Campaign Act by the Runnels for Congress Committee ("the Committee"), P.O. Box 412, Las Cruces, New Mexico 80001, which require the establishment of an investigation by the Federal Election Commission ("FEC").

Fenenbock & Associates,Inc. ("F&A"), a corporation, is a media production and consulting firm located at 317 Massachusetts Avenue, N.E., Washington, D.C. 20002. F&A is aware of the FEC's enforcement activities in the past with respect to in-kind contributions by advertising agencies and media consulting firms to federal election campaign committees. It is F&A's understanding that the FEC considers an extension of credit for services rendered by such a firm that exceeds the firm's normal policies, to be an in-kind contribution to the relevant campaign. F&A is gravely concerned that the FEC may take such a position with respect to F&A's extension of credit to the Committee.

On March 22, 1986, F&A entered into an agreement with the Committee for consulting, creative and production services. Pursuant to that agreement, F&A has provided services and incurred out-of-pocket costs on behalf of the Committee. F&A, in accordance with its normal business practices, has extended credit to the Committee for thirty (30) days with respect to the amounts due for fees and services. As of July 22, 1986, however, the Committee owed F&A $17,997.06 for these services and costs. This balance due includes amounts owed since May 8, 1986, and the Committee's failure to pay past due amounts exceeds F&A's normal credit extension policies. On July 23 and July 31, 1986 F&A made demands for payment upon the Committee. The Committee has not responded to these demands.

F&A does not wish to make an illegal campaign contribution to the Committee, but the Committee's continued refusal to pay these fees and costs may be interpreted in such a way as to

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SENSITIVE

GCCA 1512

HAND DELIVERED

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

86 SEP 17 P4:08

86 SEP 15 P4:03

SEP 12 P2:22

September 8, 1986

Charles N. Steele, Esquire
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Mr. Steele:

This letter is to inform you of violations of provisions the Federal Election Campaign Act by the Runnels for Congress Committee ("the Committee"), P.O. Box 412, Las Cruces, New Mexico 80001, which require the establishment of an investigation by the Federal Election Commission ("FEC").

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On March 22, 1986, F&A entered into an agreement with the Committee for consulting, creative and production services. Pursuant to that agreement, F&A has provided services and incurred out-of-pocket costs on behalf of the Committee. F&A, in accordance with its normal business practices, has extended credit to the Committee for thirty (30) days with respect to the amounts due for fees and services. As of July 22, 1986, however, the Committee owed F&A $17,997.06 for these services and costs. This balance due includes amounts owed since May 8, 1986, and the Committee's failure to pay past due amounts exceeds F&A's normal credit extension policies. On July 23 and July 31, 1986 F&A made demands for payment upon the Committee. The Committee has not responded to these demands.

F&A does not wish to make an illegal campaign contribution to the Committee, but the Committee's continued refusal to pay these fees and costs may be interpreted in such a way as to

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evidence an illegal corporate contribution. Therefore, I request that you establish an investigation of the Committee's failure to pay F&A.

I swear under the penalty of perjury that the foregoing is true.

Alexander B. Thomson

Subscribed and sworn to before me
this 12th day of ~~August~~ September, 1986.

Notary Public

My Commission expires: 11-30-90.

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GCCA 1512

HAND DELIVERED

86 SEP 12 P2:22

86 SEP 15 P4:03

GENERAL COUNSEL

September 8, 1986

Charles N. Steele, Esquire
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Mr. Steele:

This letter is to inform you of violations of provisions the Federal Election Campaign Act by the Runnels for Congress Committee ("the Committee"), P.O. Box 412, Las Cruces, New Mexico 80001, which require the establishment of an investigation by the Federal Election Commission ("FEC").

Fenenbock & Associates,Inc. ("F&A"), a corporation, is a media production and consulting firm located at 317 Massachusetts Avenue, N.E., Washington, D.C. 20002. F&A is aware of the FEC's enforcement activities in the past with respect to in-kind contributions by advertising agencies and media consulting firms to federal election campaign committees. It is F&A's understanding that the FEC considers an extension of credit for services rendered by such a firm that exceeds the firm's normal policies, to be an in-kind contribution to the relevant campaign. F&A is gravely concerned that the FEC may take such a position with respect to F&A's extension of credit to the Committee.

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F&A does not wish to make an illegal campaign contribution to the Committee, but the Committee's continued refusal to pay these fees and costs may be interpreted in such a way as to

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evidence an illegal corporate contribution. Therefore, I request that you establish an investigation of the Committee's failure to pay F&A.

I swear under the penalty of perjury that the foregoing is true.

Alexander B. Thomson

Subscribed and sworn to before me
this 18th day of ~~August~~ September, 1986.

Notary Public

My Commission expires: 11-30-90.

86040521389

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2246

Date Filmed 12/17/86 Camera No. --- 2

Cameraman AS

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