



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2380

DATE FILMED 6/15/88 CAMERA NO. 2

CAMERAMAN K.A.U.

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600 2980



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RECEIVED  
GENERAL COUNSEL  
07 MAR 26 P 4: 31

MEMORANDUM

A85-49

March 26, 1987

TO: LAWRENCE M. NOBLE  
ACTING GENERAL COUNSEL

FROM: ROBERT J. COSTA *RJC*  
ASSISTANT STAFF DIRECTOR  
AUDIT DIVISION

SUBJECT: REFERRAL OF MATTER IN MAINE FREEZE VOTER AUDIT

On July 2, 1986, the Commission approved the final audit report on Maine Freeze Voter which included referral of the attached matter to your office. During a review of compliance matters resulting from audits, it was noted that the referral had not been forwarded to your office.

If you have any questions regarding this matter, please contact Steve Sanford or Ray Lisi at 376-5320.

Attachments as stated

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Receipt of Corporate Contributions

The Act, at 2 U.S.C. § 441b prohibits a corporation from making a contribution in connection with a federal election and prohibits any political committee from knowingly accepting and receiving any contributions prohibited by this section.

The Audit staff reviewed Committee receipts and noted that two (2) corporate contributions totalling \$4,000 were received. The first was a \$2,000 direct contribution received on October 22, 1984. In response to a March, 1985 inquiry from the Reports Analysis Division, the Committee refunded the \$2,000 on May 23, 1985.

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The second corporate contribution was a \$2,000 loan from a non-profit corporation received on September 27, 1984. Committee officials supplied copies of correspondence between the Committee and the corporation which indicates that \$750.00 of the debt has been satisfied in exchange for use of the Committee's mailing list (see Attachment 1). The value of this exchange was set at \$125 per one thousand names for a 2,000 (approximate) name list which was used three times. However, the documentation also indicates that "normal list rental" is between \$55 and \$75 per one thousand names. Based on this information, it is the opinion of the Audit staff that a question as to the amount of the reduction of the debt is evident. The documentation also indicates that the non-profit corporation hopes to recoup additional portions of the debt by crediting the Committee with 50% of all contributions greater than \$500 received as a result of the use of the list. This activity would appear to present additional potential problems under 2 U.S.C. § 441b. Committee officials stated that they were not aware that a loan of this type was a prohibited contribution.

In the interim audit report the Audit staff recommended that the Committee, provide evidence that the contribution and loan noted above were not received from prohibited sources. Absent such evidence, the Audit staff recommended that the Committee provide an explanation of the circumstances surrounding the receipt of the contribution and loan, including the subsequent refunding and/or disposition of the amounts involved.

Exhibit 1  
Page 2 of 2

In response to the interim audit report (see Attachment II), the Committee's Treasurer stated that the receipt of the \$2,000 direct contribution was due to errors on the part of several persons involved in processing the Committee's receipts. Once it was determined that the contribution could not be accepted it was refunded.

Regarding the \$2,000 loan, the Committee Treasurer stated that the loan was obtained through the efforts of the Committee's Executive Director as a short term loan which was to be repaid quickly. However, after the 1984 elections, the Committee was in debt and unable to repay the loan. At this point the corporation attempted to strike a deal with the Committee to repay the loan.

Recommendation

the Audit Division recommends that this matter be referred to the Office of General Counsel.

89040705035

P.O. Box 5184 Augusta, Maine 04330

(207) 622-19

(3)

GEORGE PILLSBURY  
 HAYMARKET PEOPLES FUND  
 25 WEST STREET  
 BOSTON, MASS.

3-1-85

Dear George:

The purpose of this letter is to follow up on a phone discussion which we had about six weeks ago. At that time I indicated that Maine Freeze Voter was bearing a substantial debt and that, although we were continuing to raise funds and would eventually repay all of our debts, it would be some time before we could begin to repay the \$2,000 debt which we owed to Haymarket.

I suggested a general proposal that would involve our organization making available to Haymarket, in exchange for reductions in the debt, its computerized mailing list of donors. This list contains between 1500 and 2000 names of Mainers who are recent givers to a progressive organization (MFV). It could be made available to Haymarket for a one-time use on labels.

At this point I'd like to propose a more specific arrangement, since you expressed during our phone call your opinion that we could work something out.

I'd like to propose the following:

- that, upon receipt of the list, \$500 be deducted from our outstanding debt to Haymarket, and
- that, after its use and during the next year, 50% of all receipts in amounts of \$25 or more, will be applied to our debt, and,
- that this arrangement will expire upon full repayment of the outstanding balance owed to Haymarket by Freeze Voter.

Would you give this a little thought and jot down your reactions and send them to me. I can be reached during the day, if you prefer to call, at (207) 622-5798 on Tues-Thurs. and at (207) 772-3041 on Monday or Friday.

Thanks.

Alan R. Caron

THE NUCLEAR WEAPONS FREEZE IS THE CANDIDATE

8 9 0 4 0 7 0 5 0 3 6

George Pillsbury

3-29-85

counter-offer

3 times

1 fall

1 fall/86

1 conference

3-time rental

normal rental

55 per 1,000

w/ pay \$125 per thousand

①  $\times 2 \times 3 = \$750$

balance

② split large down  
500 and above

③ some cash back  
\$500 in '85

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April 4, 1985

Alan Caron  
Maine Freeze Voter  
c/o 20 Munjoy St  
Portland ME 04101

Dear Alan,

We're getting back to you about the loan.

First of all, we want to say formally that we are distressed about Maine Freeze Voter's inability to pay back the loan on schedule, if at all. It sets a bad example for other progressive organizations. It is Haymarket's first loss of a loan since setting up the new loan policy. We won't belabor the point that it is unfortunate that a CC member is involved in this first loss, because we know that you yourself feel badly about this. Perhaps there was some condition we could have put on the loan at the outset to avoid this problem.

Back to the problem of loan repayment. We believe we could use your list beneficially for fundraising mailings or to promote a socially responsible investment event. We would like to rent the list 3 times at the costs of \$125/1000 names. Assuming your list is 2000 names, that will cover \$750 of the \$2000 loan. That leaves a balance of \$1250.

Our absolute preference is that Maine Freeze Voter repay this amount directly to Haymarket. This would mean that at least some part of the loan gets paid back in cash. As a fall back, we will monitor our return from mailing to your list (which won't start until the fall) to see if we do uncover any \$500+ contributors for Haymarket as we have occasionally in direct mail campaigns. If this happens, we can attribute 50% of their gift towards covering the unpaid balance of the loan. Again, since this is unlikely to happen from such a small list, we would very much prefer direct payment. The fact is that nonrepayment will impact on our future decisions to loan money to projects in Maine as well as to other campaign/referenda/pac situations.

If you have any questions about the above, please call. We'll see you at the end of the month. We hope we can come up with a final agreement on this over the next 4-6 weeks.

yours,  
*Themba Vilakazi*  
Themba Vilakazi  
staff

*George Pillsbury*  
George Pillsbury  
coordinating council loan committee

Answered 4/2

88040705038

\* normal list rent: \$50-75/1000

June 17, 1956  
M F V BUN 203 7/28  
Augusta, Ga 31303

L-12

Federal Election Commission  
Washington, D.C. 20463

Dear Mr. Coate

In answer to your

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letter of May 19 concerning the findings of your audit of last November I would present the following comments and observations. The audit conducted by Mr. Steve Sanford was fair and impartial and our association with this gentleman was quite enjoyable. In explanation of the two corporate contributions the first being a loan from the High Market Peoples Fund this loan was made through the efforts of our Executive Director Glen Caron the idea being it would be a short term loan that would be paid back quickly as the freeze movement gathered momentum however this was not the case

L-12

at the close of the election in 1984 MFV was in debt nineteen thousand dollars our executive director was required to find ways to reduce this debt. Although the people fund of buy-sell would have preferred to be paid for its loan they tried to scrape what money they could by striking a deal with MFV. The contribution of two thousand dollars concerning bank and file inc.

40 was our error on the part of several persons  
50 MFV had interns opening mail and recording  
70 contributions the check was deposited and spent  
40 before we became aware of our error the  
80 amount of this check was repaid to bank and file  
8 At the present MFV has a debt of a little over  
five thousand dollars the steering committee will  
continue to try to resolve this debt.

Yours Truly  
Robert E. Greely

**SENSITIVE**

Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20464

**FIRST GENERAL COUNSEL'S REPORT**

87 JUN 5 5 55:00

MUR #2380  
Staff Member: Delanie  
D. Painter

SOURCE OF MUR: INTERNALLY GENERATED  
RESPONDENT: Maine Freeze Voter, Robert E. Greely,  
as treasurer  
RELEVANT STATUTE: 2 U.S.C. § 441b(a)  
INTERNAL REPORTS  
CHECKED: Interim and Final Audit Reports  
FEDERAL AGENCIES  
CHECKED: None

**I. GENERATION OF MATTER**

On July 2, 1986, the Commission approved the final audit report on Maine Freeze Voter ("the Committee"). This matter arose from the final audit and was referred to the Office of the General Counsel on March 26, 1987.

**II. FACTUAL AND LEGAL ANALYSIS**

The Audit Division noted several apparent violations of 2 U.S.C. § 441b(a) during its review of the Committee's receipts. The Federal Election Campaign Act of 1971, as amended ("the Act"), prohibits any corporation from making a contribution in connection with a federal election, and also prohibits any political committee from knowingly accepting and receiving such a contribution. 2 U.S.C. § 441b.

The Committee received two corporate contributions totalling \$4,000. The first was a \$2,000 direct contribution from Rank and

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File, Inc., ("Rank and File") received on October 22, 1984. In response to a March, 1985 inquiry from the Reports Analysis Division, the Committee refunded the \$2,000 on May 23, 1985. Thus, the Committee did not send a refund for seven months after receipt of the contribution. This contribution was an apparent violation of 2 U.S.C. § 441b.

The second corporate contribution was a \$2,000 loan from Haymarket People's fund ("Haymarket") a non-profit corporation. The Committee received the loan on September 27, 1984. Since Haymarket does not appear to be a bank or lending institution, there is reason to believe that the loan violated 2 U.S.C. § 441b.

The Committee's explanation for these contributions was that persons processing Committee receipts erroneously accepted the Rank and File contribution because they did not realize that it was an illegal contribution. The \$2,000 loan from Haymarket was obtained by the Committee's executive director as a short-term loan. After the 1984 elections, the Committee was in debt and unable to repay the loan. At that point the corporation attempted to make arrangements for the Committee to repay the loan.

The Committee's repayment arrangements for the Haymarket loan are somewhat unusual. The Committee supplied documentation indicating that \$750 of the debt was satisfied in exchange for use of the Committee's mailing list. The price set for this use was \$125 per one thousand names for a list of approximately

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2,000 names, which was used three times. However, a handwritten notation in the Committee's documents states that "normal list rental" is between \$55 and \$75 per one thousand names. It is unclear where this figure came from, or if it is an accurate estimate of the market value of the list at that time. Moreover, there is no explanation of why the price set for list rental is so much higher than the "normal list rental."

In several Advisory Opinions, the Commission has permitted committees to exchange or sell their mailing lists if the amount paid for the list did not exceed the normal and usual charge. See Advisory Opinion 1979-18 and Advisory Opinion 1982-41. A contribution would result if the purchase price "exceeded the normal and usual charge for such a list in the market from which it would ordinarily be purchased." Advisory Opinion 1979-18, page 3. The amount of the contribution would be the difference between the usual charge and the amount paid. Thus, to the extent that an illegal corporate contribution may be refunded in-kind by the renting of mailing lists, rental fees credited to the Committee's outstanding debt must not exceed the normal rental rate for such mailing lists.<sup>1/</sup> Haymarket may not artificially

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<sup>1/</sup> In MUR 2228, the Commission took into account in determining a civil penalty an authorized committee's refund of excessive contributions to subordinate party committees in the form of in-kind contributions of its mailing list. This Office has reservations about extending this treatment to refunds of prohibited corporate contributions, particularly in this situation where the corporation's use of the mailing list may have created further Section 441b problems. We further note that a prohibited corporate contribution would result where

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inflate the rental fee to aid the Committee in reducing its loan. Therefore, any amount of rental fees credited to the Committee's debt in excess of the normal list rental rate would provide further evidence of violations of 2 U.S.C. § 441b by the Committee and Haymarket.

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Finally, the documentation indicates that Haymarket hoped to reduce the remaining debt by crediting the Committee with 50% of all contributions greater than \$500 received as a result of the use of the list. This arrangement creates several possible §441b violations. The corporation was, in effect, putting itself in the position of raising funds to reduce the Committee's loan. If Haymarket's solicitation materials indicated that a portion of contributions would go to the Committee, then there is reason to believe that Haymarket was soliciting funds for the Committee, a violation of 2 U.S.C. § 441b. Alternatively, if the solicitation materials did not indicate that a percentage would go to the Committee, then there is reason to believe that Haymarket was diverting corporate funds to the Committee, a violation of 2 U.S.C. § 441b. The issues of whether the debt actually was reduced in this manner, and of the content of the solicitation materials should be investigated.<sup>2/</sup>

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(Footnote continued) a political committee rents its mailing list to a corporation at more than the usual and normal charge, even when it is not involved with an attempt to refund a prohibited contribution.

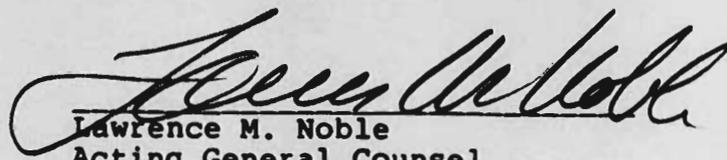
<sup>2/</sup> The documentation reveals that both Rank and File and Haymarket have the same mailing address. This fact implies that the two corporations may be affiliated in some way, and that the (Footnote continued)

**III. RECOMMENDATIONS**

1. Find reason to believe that Maine Freeze Voter and Robert E. Greely, as treasurer, violated 2 U.S.C. § 441b.
2. Find reason to believe that Haymarket Peoples Fund violated 2 U.S.C. § 441b.
3. Find reason to believe that Rank and File Inc. violated 2 U.S.C. § 441b.
4. Approve the attached letters, Factual and Legal Analysis, Requests for Answers, and Request for Documents.

Date

6/5/87



Lawrence M. Noble  
Acting General Counsel

**Attachments:**

1. Referral Materials
2. Proposed Letter and Factual and Legal Analyses (3)
3. Requests for Answers and Requests for Documents

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(Footnote continued) two separate contributions may have come from the same source. The relationship of the two corporations to each other should be clarified in the investigation.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Maine Freeze Voter, Robert E. Greely, ) MUR 2380  
as treasurer )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 10, 1987, the Commission decided by a vote of 6-0 to take the following actions in MUR 2380:

1. Find reason to believe that Maine Freeze Voter and Robert E. Greely, as treasurer, violated 2 U.S.C. § 441b.
2. Find reason to believe that Haymarket Peoples Fund violated 2 U.S.C. § 441b.
3. Find reason to believe that Rank and File Inc. violated 2 U.S.C. § 441b.
4. Approve the letters, Factual and Legal Analysis, Requests for Answers, and Request for Documents, as recommended in the First General Counsel's Report signed June 5, 1987.

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

Attest:

6-10-87  
Date

Mary H. Dove for  
Marjorie W. Emmons  
Secretary of the Commission

Received in Office of Commission Secretary: Fri., 6-5-87, 5:00  
Circulated on 48 hour tally basis: Mon., 6-8-87, 11:00  
Deadline for vote: Wed., 6-10-87, 11:00

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 12, 1987

Rank and File, Inc.  
25 West Street  
Boston, MA 02117

Re: MUR 2380  
Rank and File Inc.

Dear Sir/Madam:

On June 10, 1987, the Federal Election Commission found that there is reason to believe that Rank and File, Inc. violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against Rank and File, Inc. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office, along with answers to the enclosed questions, and request for documents within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against Rank and File, Inc., the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that

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Letter to Rank and File, Inc.  
Page 2

pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to respondents.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel is not authorized to give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Delanie D. Painter, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Scott E. Thomas  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Request for Documents  
Request for Answers

88040705048

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
)

MUR 2380

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Rank and File, Inc.  
25 West Street  
Boston, MA 02117

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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Please submit answers to the following questions:

1. What is the nature of Rank and File, Inc.? If it is a corporation, what is the corporate purpose?
2. Is Rank and File, Inc. affiliated in any way with Haymarket People's Fund?
3. Did Rank and File, Inc. make a \$2,000 contribution to Maine Freeze Voter?
4. If so, was the contribution mailed or hand delivered, and on what date was it sent?
5. Did Rank and File, Inc. ever receive a refund of the contribution to Maine Freeze Voter?
6. Was this refund for the entire contribution?
7. When was the refund received?
8. Did the contribution instrument indicate that the contribution came from a corporate source?

Please produce the following documents:

1. All documents and materials in the possession custody or control of Rank and File, Inc. relating to any contributions made to Maine Freeze Voter.
2. All bank account statements, invoices, billing forms and checks and other negotiable paper which reflect a contribution to Maine Freeze Voter and the refund of such contribution.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 12, 1987

Robert E. Greely, Treasurer  
Maine Freeze Voter  
c/o 20 Munjoy Street  
Portland, Maine 04101

Re: MUR 2380  
Maine Freeze Voter  
Robert E. Greely,  
as treasurer

Dear Mr. Greely:

On June 10, 1987, the Federal Election Commission found that there is reason to believe that Maine Freeze Voter ("Committee") and you, as treasurer, violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office, along with answers to the enclosed questions, and request for documents within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that

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12/20/87

Letter to Robert E. Greely  
Page 2

pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel is not authorized to give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Delanie D. Painter, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Scott E. Thomas  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Request for Documents and Request for Answers

88040705052

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
)

MUR 2380

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Robert E. Greely, as treasurer  
Maine Freeze Voter  
c/o 20 Munjoy Street  
Portland, Maine 04101

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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Please submit answers to the following questions:

1. According to information supplied by you, Maine Freeze Voter received a \$2,000 contribution from Rank and File Inc. on October 22, 1984. Identify the persons who received this contribution.
2. Was the contribution mailed or hand-delivered?
3. Did the contribution indicate that it came from a corporate source? Was the check from "Rank and File, Inc."?
4. Who discovered that the Rank and File contribution was from a corporation? On what date was this fact discovered?
5. What efforts did Maine Freeze Voter make to refund the Rank and File, Inc. contribution?
6. Has the contribution been refunded in full? When was the refund made?
7. If the refund was made on May 23, 1985, what accounts for the seven month delay in refunding the contribution?
8. Did Maine Freeze Voter receive a \$2,000 loan from Haymarket People's Fund?
9. What were the date and original terms of this loan?
10. Has the loan been repaid? If not, what is the outstanding balance?
11. If any portion of the loan was repaid, what were the arrangements for the repayment?
12. Did Maine Freeze Voter provide a list of contributors to Haymarket?
13. Was the rental price of this list credited to Maine Freeze Voter's debt?
14. What was the total amount credited to the debt as a fee for list rental?
15. How many times was the list used by Haymarket?
16. What was the price for the list rental? How was this figure determined?
17. What was the normal rental for similar lists during the same time period?
18. Please explain any discrepancy between the normal rental and any amount credited to Maine Freeze Voter's account.

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19. Did Haymarket agree to credit some percentage of contributions received through use of the list to Maine Freeze Voter's debt?
20. If so, what were the terms of the agreement?
21. Was 50% of all contributions above \$500 credited to the debt?
22. Did Haymarket receive any contributions from its use of the list?
23. Was any portion of such contributions credited to Maine Freeze Voter's debt? If so, what was the total amount credited to the debt in this matter?
24. To your knowledge, did Haymarket's solicitation materials indicate that a portion of contributions would go to Maine Freeze Voter?

Please produce the following documents:

1. All documents and materials in the possession, custody or control of Maine Freeze Voter relating to any contribution received from Rank and File Inc., and to any loan received from Haymarket Peoples Fund.
2. All bank account statements, invoices, billing forms, and checks and other negotiable paper which reflect deposit, refund or repayment of the Haymarket loan and the Rank and File contribution.

88040705055

*film*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 12, 1987

Haymarket People's Fund  
25 West Street  
Boston, MA 02117

Re: MUR 2380  
Haymarket People's Fund

Dear Sir/Madam:

On June 10, 1987, the Federal Election Commission found that there is reason to believe that Haymarket People's Fund violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against Haymarket People's Fund. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office, along with answers to the enclosed questions and request for documents within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against Haymarket People's Fund, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that

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Letter to Haymarket People's Fund  
Page 2

pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to respondents.

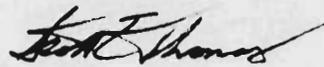
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel is not authorized to give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Delanie D. Painter, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Scott E. Thomas  
Chairman

Enclosures  
Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Request for Documents  
Request for Answers

8804070557

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
)

MUR 2380

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Haymarket People's Fund  
25 West Street  
Boston, MA 02117

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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Please submit answers to the following questions:

1. Is Haymarket People's Fund a corporation? What is its nature and purpose?
2. Is Haymarket People's Fund a bank or lending institution?
3. Is Haymarket People's Fund affiliated in any way with Rank and File Inc.?
4. Did Haymarket make a \$2,000 loan to Maine Freeze Voter?
5. What was the date of this loan?
6. What were the original terms of the loan?
7. Has the loan been repaid? If not, what is the remaining balance due?
8. If any portion of the loan was repaid, what were the arrangements for the repayment?
9. Did Haymarket agree to reduce Maine Freeze Voter's debt by crediting their account for the rental price of a list of contributors?
10. What was the price for the list rental? How was this figure determined?
11. Was the list rental price typical of normal rental for similar lists?
12. If not, are there any factors which explain this discrepancy?
13. How many times was the list used?
14. What was total amount credited to Maine Freeze Voter's debt as a fee for list rental?
15. Did Haymarket agree to credit Maine Freeze Voters debt with some percentage of contributions received through use of the list?
16. If so, what were the terms of the agreement?
17. Was Maine Freeze Voter's debt credited with 50% of all contributions over \$500 arising from the list?

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18. Did Haymarket receive any contributions from its use of the list?
19. Was any portion of such contributions credited to Maine Freeze Voter's debt? If so, what amount was credited to the debt in this manner?
20. Did the solicitation materials sent to names on the list state that a portion of contributions might be credited to Maine Freeze Voter?
21. Was Maine Freeze Voter mentioned at all in the solicitation materials?

Please produce the following documents:

1. All documents and materials in the possession, custody or control of Haymarket People's Fund relating to any loan to Maine Freeze Voter, including repayment arrangements.
2. Solicitation materials used in connection with the list of Maine Freeze Voter contributors.
3. All bank account statements, invoices, billing forms and checks and other negotiable paper which reflect the loan to Maine Freeze Voter, repayment of the loan, including any credit for list rental, and contributions arising from use of the Maine Freeze Voter contributor list.

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GCC 3840

DEFRANCESCHI AND ELLIS, P. C.

ATTORNEYS AT LAW

6 BEACON STREET

BOSTON, MASSACHUSETTS 02108

EDWARD DEFRANCESCHI  
ALFRED D. ELLIS

TEL. 617-723-6068

MICHELE B. HOGAN  
CATHERINE SHAVELL

July 6, 1987

Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attention: Attorney Delanie D. Painter

RE: MUR 2380  
Haymarket People's Fund

Dear Ms. Painter:

Please consider this letter an affirmative request for conciliation under Regulations 11 CFR 111.18. Our client, Haymarket People's Fund received your letter requesting information dated June 12, 1987 on the 22nd of June in Boston, MA. (See enclosed letter.) After a telephone call with Attorney Painter, we have decided to request preprobable cause conciliation.

Our client, Haymarket People's Fund, a tax exempt charitable corporation, is engaged in funding educational studies among other activities. It believed at the time of the loan, that Maine Freeze Voter's work would be in the nature of other non partisan educational studies it has funded. Haymarket treated it similarly to all their educational projects in evaluating it for its short term loan program. They have attempted to collect this loan. They were ignorant of the nature of Maine Freeze Voter's actual activities. Haymarket is ready and willing to sign a consent agreement with the Federal Election Commission stating that they will never make a loan or grant to an organization such as Maine Freeze Voter. Their new loan program application developed in 1984 and 1985 clearly shows Haymarket's responsible attempt to know the nature of the organization to which they are loaning money. It is our belief that the loan application process and evaluation connected with it will ensure compliance with the standards of Section 441(b) of 2 USCS.

97 JUL 8 P 2: 42

RECEIVED  
GENERAL COUNSEL

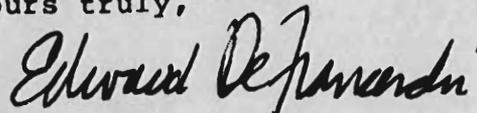
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Delanie D. Painter  
July 6, 1987  
Page 2

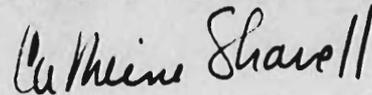
Please respond so that we may work together to draft such a consent agreement as a conciliation arrangement.

Thank you for your attention.

Yours truly,



Edward DeFranceschi



Catherine Shavell

ED:CS/dsp  
Enclosures

88040705062

**STATEMENT OF DESIGNATION OF COUNSEL**

**MUR** 2380

**NAME OF COUNSEL:** DeFranceschi & Ellis

**ADDRESS:** 6 Beacon St.

Boston, 02108

**TELEPHONE:** (607) 7236068

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.

July 6, 1987  
Date

Renee Scott.  
Signature Staff person

**RESPONDENT'S NAME:** Haymarket People's Fund

**ADDRESS:** 25 West St. 5th fl.

Boston, Ma 02111

(617) 426 1909

**HOME PHONE:** \_\_\_\_\_

**BUSINESS PHONE:** \_\_\_\_\_

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# MAINE FREEZE VOTER

P.O. Box 5184 Augusta, Maine 04330

(207) 622-1912

Exhibit "A"

GEORGE PILLSBURY  
HAYMARKET PEOPLES FUND  
25 WEST STREET  
BOSTON, MASS.

3-1-85

Dear George:

The purpose of this letter is to follow up on a phone discussion which we had about six weeks ago. At that time I indicated that Maine Freeze Voter was bearing a substantial debt and that, although we were continuing to raise funds and would eventually repay all of our debts, it would be some time before we could begin to repay the \$2,000 debt which we owed to Haymarket.

I suggested a general proposal that would involve our organization making available to Haymarket, in exchange for reductions in the debt, its computerized mailing list of donors. This list contains between 1500 and 2000 names of Mainers who are recent givers to a progressive organization (MFV). It could be made available to Haymarket for a one-time use on labels.

At this point I'd like to propose a more specific arrangement, since you expressed during our phone call your opinion that we could work something out.

I'd like to propose the following:

- that, upon receipt of the list, \$500 be deducted from our outstanding debt to Haymarket, and
- that, after its use and during the next year, 50% of all receipts in amounts of \$25 or more, will be applied to our debt, and,
- that this arrangement will expire upon full repayment of the outstanding balance owed to Haymarket by Freeze Voter.

Would you give this a little thought and jot down your reactions and send them to me. I can be reached during the day, if you prefer to call, at (207) 622-5798 on Tues-Thurs. and at (207) 772-3041 on Monday or Friday.

Thanks.

Alan R. Caron

THE NUCLEAR WEAPONS FREEZE IS THE CANDIDATE

88040705064

Exhibit "B"

Alan Caron  
Maine Freeze Voter  
c/o 20 Munjoy St  
Portland ME 04101

Dear Alan,

We're getting back to you about the loan.

First of all, we want to say foramlly that we are very distressed about Maine Freeze Voter's inability to pay back the loan on schedule, if at tall. It sets a bad example for other progressive organizations. It is Haymarket's first loss of a loan since setting up the new loan policy. We won't belabor the point that it is especially upsetting that a CC member is involved in this first loss, because we know that you yourself feel badly about this. Perhaps there was some condition we could have put on the loan at the outset to avoid this problem.

Back to the problem of loan repayment. We beleive we could use your list profitably for fundraising mallings or to promote a socially responsible investment event. We would like to rent the list 3 times at the costs of \$125/1000 names. Assuming your list is 2000 names, that will cover \$750 of the \$2000 loan. That leaves a balance of \$1250.

Our absolute preference is that Maine Freeze Voter repay this amount diretly to Haymarket. This would mean that at least some part of the loan gets paid back in cash. As a fall back, we will monitor our return from mailing to your list (which won't start until the fall) to see if we do uncover any \$500+ contributors for Haymarket as we have occasionally in direct mail campaigns. If this happens, we can attribute 50% of their gift towards covering the unpaid balance of the loan. Again, since this is unlikely to happen from such a small list, we would strongly prefer direct payment. The fact is that nonrepayment will impact on our future decisions to loan money to projects in Maine as well as to other campaign/referenda/pac situations.

If you have any questions about the above, please call. We'll see at the end of the month.

yours,

Themba Vilakazi  
staff

George Pillsbury  
coordinating council loan committee

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# MAINE FREEZE VOTER

P.O. Box 5184 Augusta, Maine 04330

(207) 622-1912

Exhibit "C"

Haymarket Peoples Fund  
25 West Street  
Boston, MA.

pd

August 30, 1984

Dear friends:

I am writing to request a loan from Haymarket. We are in need of a cash flow loan to carry us through the next sixty days.

Maine Freeze Voter is a non-partisan voter education project which is attempting to clarify for freeze the positions of the major candidates on this issue and other disarmament issues. We are not, however, tax-exempt.

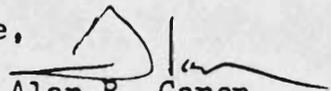
During the last few months we have been undertaking volunteer canvasses around the state in which we solicit pledges to vote on the basis of the freeze, volunteers and donations. These have resulted in close to 7,000 pledges, 1,000 volunteers and \$3-4,000 in donations. In addition we have organized over fifty fundraising parties which brought a total of \$6,000 in.

At this point we need to rapidly expand our operation and in particular add a full-time fundraiser. I am convinced that our fundraising potential has not been reached. Our plan will be to establish a small phone bank and to begin calling all of our supporters to seek contributions. In addition, we are currently working on another round of parties and on a major event in October.

Our need is for a carry-over cash flow loan, in whatever amount up to the maximum, which you can make available. We would like to have the loan repayable after the elections in November. I can see no difficulty with repayment since our supporters are part of a larger, ongoing freeze effort within the state.

I will call on Tuesday to see whether or not you can provide us with this loan.

take care,

  
Alan R. Caron  
Executive Director

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THE NUCLEAR WEAPONS FREEZE IS THE CANDIDATE



8. If any portion of the loan was repaid, what were the arrangements for the repayment?

A. See answer to number 7.

9. Did Haymarket agree to reduce Maine Freeze Voter's debt by crediting their account for the rental price of a list of contributors?

A. Haymarket agreed to rent Maine Freeze Voter's list of contributors in order to reduce Maine Freeze Voter's debt.

10. What was the price for the list rental? How was this figure determined?

A. The terms for the list rental were a three time use at \$125.00 per 1,000 names. Additionally, if any contributors of over \$500.00 were in response to the use of this list they, Haymarket, would attribute 50% of such a gift toward the unpaid balance of the loan. See letter of Coordinating Counsel Loan Committee marked Exhibit "C".

11. Was the list rental price typical of normal rental for similar lists?

A. No.

12. If no, are there any factors which explain this discrepancy?

A. The usual price of a rental list is \$65.00 per 1,000 names. The discrepancy can be attributed to Haymarket's desire to reduce the loan amount and its evaluation of the potential effectiveness of this list.

13. How many times was the list used?

A. The list was never used.

14. What was total amount credited to Maine Freeze Voter's debt as a fee for list rental?

A. No amount was credited to Maine Freeze Voter's debt.

15. Did Haymarket agree to credit Main Freeze Voter's debt with some percentage of contributions received through use of the list?

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A. See answer to number 10.

16. If so, what were the terms of the agreement?

A. See answer to number 10.

17. Was Maine Freeze Voter's debt credited with 50% of all contributions over \$500 arising from the list?

A. See answer to number 14.

18. Did Haymarket receive any contributions from its use of the list?

A. The list was never used.

19. Was any portion of such contributions credited to Maine Freeze Voter's debt? If so, what amount was credited to the debt in this manner?

A. The list was never used.

20. Did the solicitation materials sent to names on the list state that a portion of contributions might be credited to Maine Freeze Voter?

A. No solicitation materials were developed.

21. Was Maine Freeze Voter mentioned at all in the solicitation materials?

A. See answer to number 20.

The documents to be produced are:

1. Exhibit "A", a letter of August 30, 1984 from Maine Freeze Voter to Haymarket People's Fund. Exhibit "B", a letter from Haymarket's Coordinating Counsel Loan Committee to Maine Freeze Voter. Exhibit "C", a letter from Maine Freeze Voter to Haymarket People's Fund dated March 1, 1985.

2. No solicitation materials were developed in connection with the unused Maine Freeze Voter list.

3. The only documents responsive to request number 3 are the check for the loan amount and a copy of the account record upon which it was drawn. Neither is available at the instant time.

Haymarket People's Fund  
by their attorneys,

*F. DeFranceschi* *et*

Edward DeFranceschi  
DeFRANCESCHI & ELLIS, P.C.  
6 Beacon Street  
Boston, MA 02108  
(617) 723-6068

*Catherine Shavell*

Catherine Shavell  
DeFRANCESCHI & ELLIS, P.C.  
6 Beacon Street  
Boston, MA 02108  
(617) 723-6068

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

*Ram*

August 7, 1987

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

Robert E. Greely, Treasurer  
Maine Freeze Voter  
c/o 20 Munjoy Street  
Portland, Maine 04101

Re: MUR 2380  
Maine Freeze Voter  
Robert E. Greely, as treasurer

Dear Mr. Greely:

88040705071

On June 10, 1987, the Federal Election Commission found that there is reason to believe that Maine Freeze Voter ("Committee") and you, as treasurer, violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended. A letter notifying the Committee of the Commission's findings was sent to you on June 12, 1987. The letter included interrogatories and a request for documents, and requested that you submit answers to these interrogatories within 15 days of your receipt of the letter. Copies of these materials are enclosed.

More than 30 days have passed since the letter and interrogatories were sent to you. You should have submitted the requested answers and documents within 15 days of receipt of the June 12, 1987, request for production. Please submit the requested information immediately. If the requested documents and interrogatory answers are not provided to us promptly, this Office will request the Commission to issue a subpoena.

If you have any questions, please contact Delanie D. Painter, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble  
Acting General Counsel

By: Lois G. Lerner  
Associate General Counsel

Enclosures

CCC # 440 Sept 12, 1987

Maine Free Voter  
P.O. Box 5784 Augusta  
ME 04330

(MUR 2380)

Federal Election Commission  
999 E. Street N.W.  
Washington D.C. 20463

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RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL

Dear Reader

Let me apologize for writing you in long hand but in as much as I just received your notification of demands Sept 11 I realize that time is of the essence also it is likely that I will be hospitalized shortly it is important that I complete this correspondence as quickly as possible. Let me begin by informing you that the reference you have made about a June 12th letter being sent to Maine Free Voter was never received. If you have in your possession a Certified Mail receipt with my signature (I am the only one who picks up a box a day to MFV Box) I would appreciate being made a microform copy. On reading over your demands I have noted there are some issues that I personally do not have first hand knowledge however I will do my best to answer the

# Questions.

1/ According to information supplied by you name  
Trumpeter received a \$2000 Contribution from  
Rank and file inc. on October 22, 1984 Identify the  
persons who received this Contribution.

Anne Goldberg and Alan Carson

2 Was the Contribution mailed or hand delivered

Mailed

3 Did the Contribution indicate it was from a  
Corporate Source? Was the Check from Rank and  
file inc.

I did not notice any Contributions from a  
Corporate Source & do not recall the Check but  
it must have been a Check because we never  
received that much Cash. Records indicate Grant  
from Rank and file inc. P.A.C. \$2000

4 Who discovered that the Rank and file  
Contribution was from a Corporation? On  
what date was this fact discovered  
By the F.I.C. I believe they sent us  
a Notification in March of 1985

5 What effects did Maine Free Water Make to Refund the Bank and file in Contention.

effects were made by the structure director  
Alan Carson to contact the large donors for  
Contributions for the repayment.

6 Has the Contribution been refunded in full? When  
was the refund made

Yes May 23 1985

7 If the refund was made on May 23, 1985 what  
accounts for the seven months delay in refunding  
the Contribution?

8 We were not immediately aware of the  
violation I believe sometime in March of  
1985 we were notified by the F.E.C. as  
M F U was broke and in debt it  
took us two or three months to raise  
the essential amount.

8 Did Maine Freeze water receive approx 2000 loan from Haymarket people fund?

I believe this to be a fact.

9 What were the date and original terms of this loan? Sept. 27, 1984 payback was scheduled after November elections. Arranged by Alon Conon I do not recall terms.

10 Has the loan been repaid? if not what is outstanding balance

Arrangements were made by Executive Director Alon Conon for Haymarket people fund to use contributors list in payment for loan I do not know what the standing balance is at this time.

11 If any portion of the loan was repaid what were the arrangements for the repayment

by the use of Contributors list only

12 Did Maine Freeze water provide a list of contributors to Haymarket?

Yes

13.

Was the rental price of this list credited to name freeze voters debt?

yes

14

What was the total amount credited to the debt as a fee for list rental

I don't know

15

How many times was the list used by Haymarket?

I don't know

16

What was the price for the list rental?  
How was this figure determined?

I don't know

17

What was the normal rental for similar lists during the same time period?

Our list was used only by  
(over) not page

Haymarket I have no computer knowledge of  
other lists or the details involved in the  
rental of the list to Haymarket

18 please explain any discrepancy between  
normal rental and any amount credited to the  
Mona Freese voter account.

I don't know

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The questions asked here particularly those  
involving the rental of the contributors list  
I do not have much knowledge concerning  
this area however by contacting Alon Conon  
or Grace I will long more information could  
be obtained these persons use the executive  
director and president of name press usbr  
respectfully.

Yours respectfully  
R E Grealy

88040705078

BEFORE THE FEDERAL ELECTION COMMISSION

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FEDERAL ELECTION COMMISSION  
SECRETARIAL  
87 AUG 27 AM 11:27

In the Matter of )  
 )  
Maine Freeze Voter )  
Robert E. Greely, as treasurer) MUR 2380  
Haymarket People's Fund, )  
Rank and File Inc. )

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 10, 1987, the Commission found reason to believe that Maine Freeze Voter and Robert E. Greely, as treasurer ("Maine Freeze"), Haymarket People's Fund ("Haymarket") and Rank and File Inc. ("Rank and File") violated 2 U.S.C. § 441b. This matter involves two corporate contributions to Maine Freeze, a \$2,000.00 contribution from Rank and File and a \$2,000.00 loan from Haymarket. To clarify the facts of this matter, interrogatories and requests for documents were sent to all respondents with the letters informing them of the reason to believe findings on June 12, 1987. The letter to Rank and File was returned by the Post Office as undeliverable. This Office sent a request for a forwarding address to the Boston Postmaster on August 7, 1987. Maine Freeze has not responded to the interrogatories or reason to believe findings. Therefore, a second letter was sent by certified mail on August 7, 1987. Haymarket did reply to the interrogatories in a letter dated July 6, 1987. Haymarket included copies of several documents and

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answers to the interrogatories. Moreover, Haymarket requested conciliation prior to a finding of probable cause to believe.

Haymarket's responses reveal a violation of 2 U.S.C. § 441b. The facts according to Haymarket are these: Haymarket is a tax-exempt Massachusetts corporation, but not a lending institution. Haymarket made a \$2,000.00 loan to Maine Freeze between September and December 1984. The loan was a noninterest-bearing, short-term loan. Although Haymarket made arrangements to credit Maine Freeze's account with a list rental fee for use of Maine Freeze's contributor list and 50% of all contributions above \$500.00 derived from that list, the list was never used and no amount was ever credited to Maine Freeze's debt. The loan has never been repaid and \$2,000 remains due.

Under these facts, the \$2,000.00 loan was a prohibited corporate contribution in violation of 2 U.S.C. § 441b. Haymarket has provided all of the information which was requested. Since the principal respondent, Maine Freeze, has not yet responded, this Office cannot complete the investigation. Maine Freeze's responses may add additional information regarding the transaction with Haymarket. Therefore, this Office recommends that the Commission deny Haymarket's request for pre-probable cause conciliation at this time pending completion of the investigation.

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**III. RECOMMENDATIONS**

1. Decline at this time to enter into conciliation prior to a finding of probable cause to believe with Haymarket People's Fund.
2. Approve the attached letter.

8/27/87  
Date

Lawrence M. Noble (sp)  
Lawrence M. Noble  
Acting General Counsel

**Attachments**

1. Request for conciliation and interrogatory answers
2. Proposed letter

88040705081



FEDERAL ELECTION COMMISSION

WASHINGTON DC 20463

MEMORANDUM TO: LAWRENCE M. NOBLE  
 ACTING GENERAL COUNSEL

FROM: MARJORIE W. EMMONS /SUSAN GREENLEE *S.G.*

DATE: SEPTEMBER 10, 1987

SUBJECT: OBJECTION TO MUR 2380: General Counsel's Report  
 signed August 27, 1987

88040705082

The above-captioned document was circulated to the Commission on Thursday, August 27, 1987 at 4:00 P.M.

Objections have been received from the Commissioners as indicated by the name(s) checked:

- Commissioner Aikens \_\_\_\_\_
- Commissioner Elliott \_\_\_\_\_
- Commissioner Josefiak \_\_\_\_\_
- Commissioner McDonald \_\_\_\_\_
- Commissioner McGarry \_\_\_\_\_
- Commissioner Thomas \_\_\_\_\_ *x*

This matter will be placed on the Executive Session agenda for September 15, 1987.

Please notify us who will represent your Division before the Commission on this matter.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Maine Freeze Voter	)	
Robert E. Greely, as treasurer)	)	MUR 2380
Haymarket People's Fund	)	
Rank and File, Inc.	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of September 15, 1987, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2380:

1. Decline at this time to enter into conciliation prior to a finding of probable cause to believe with Haymarket People's Fund.
2. Approve the letter attached to the General Counsel's report dated August 27, 1987.

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

Attest:

9-16-87  
Date

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

88040705083



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

September 18, 1987

Edward DeFranceschi, Esquire  
Catherine Shavell, Esquire  
DeFranceschi & Ellis  
6 Beacon Street  
Boston, MA 02108

RE: MUR 2380  
Haymarket People's Fund

Dear Mr. DeFranceschi and Ms. Shavell:

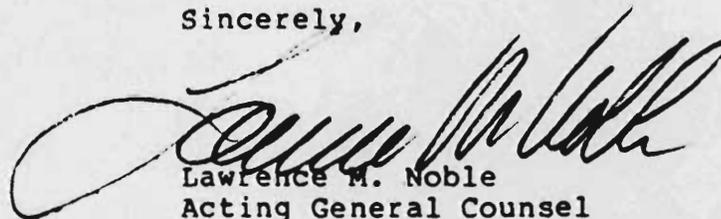
On June 12, 1987, you were notified that the Federal Election Commission found reason to believe that your client, Haymarket People's Fund violated 2 U.S.C. § 441b. On July 6, 1987, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has considered your request and determined, because of the need to complete the investigation, to decline at this time to enter into conciliation prior to a finding of probable cause to believe.

At such time when the investigation in this matter has been completed, the Commission will reconsider your request to enter into conciliation prior to a finding of probable cause to believe.

If you have any questions, please contact Delanie D. Painter, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

  
Lawrence M. Noble  
Acting General Counsel

88040705084

CCC#4451

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

87 SEP 28 AM 10:24

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of )  
Rank and File, Inc. ) MUR 2380  
)

**ANSWERS TO INTERROGATORIES AND  
REQUEST FOR PRODUCTION OF DOCUMENTS**

1. What is the nature of Rank and File, Inc.? If it is corporation, what is the corporate purpose?

A. Rank and File, Inc. is a non profit corporation. attached Commonwealth of Massachusetts statement of purpose.

2. Is Rank and File, Inc. affiliated in any way with Haymarket People's Fund?

A. Rank and File, Inc. shares an office with Haymarket People's Fund and its directors are staff members of Haymarket Peoples Fund.

3. Did Rank and File, Inc. make a \$2,000 contribution to Maine Freeze Voter?

A. Rank and File, Inc. did make a \$2,000 contribution to Maine Freeze Voter.

4. If so, was the contribution mailed or hand delivered, and on what date was it sent?

A. A copy of a check written and mailed October 17, 1984 for \$2,000.00 is attached.

5. Did Rank and File, Inc. ever receive a refund of the contribution to Maine Freeze Voter?

A. The check was returned in May 1985.

6. Was this refund for the entire contribution?

A. The check amount returned from Maine Freeze Voter was \$2,000.00. See attached ledger entry.

7. When was the refund received?

A. The refund was received on May 31, 1985.

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8. Did the contribution instrument indicate that the contribution came from a corporate source?

A. The check was written on the account of Rank and File, Inc. which indicates a corporate source.

**Documents to be produced**

1. A copy of the Rank and File, Inc. check to Maine Freeze Voter written October 17, 1984 in the amount of \$2,000.00 is enclosed along with partial copy of letter to Maine Freeze Voter of the same date.

2. A copy of a ledger entry page is enclosed indicating receipt of \$2,000.00 returned by Maine Freeze Voter to Rank and File, Inc. on May 31, 1985. The ledger is of Rank and File, Inc. A copy of a letter written May 23, 1985 to Rank and File, Inc. along with the returned check is also enclosed. Such letter states that "Maine Freezer Voter accepted in error last fall".

Haymarket People's Fund  
by its attorneys,

*Edward DeFranceschi*

---

Edward DeFranceschi  
DeFRANCESCHI & ELLIS, P.C.  
6 Beacon Street  
Boston, MA 02108  
(617) 723-6068

*Catherine Shavell*

---

Catherine Shavell  
DeFRANCESCHI & ELLIS, P.C.  
6 Beacon Street  
Boston, MA 02108  
(617) 723-6068

88040705096

**The Commonwealth of Massachusetts**  
**PAUL GUZZI**

Secretary of the Commonwealth

STATE HOUSE  
BOSTON, MASS. 02133

**ARTICLES OF ORGANIZATION**

Under G.L. Ch. 156B  
Incorporation

**NAME** **RESIDENCE**  
*Articles given name in full in case of natural persons; in case of a corporation, give state of incorporation.*

Tracy Barnes 15 Cooney St. Somerville, Ma. 02143  
Douglas Haigh 8 Lexington Ave. Cambridge, Ma. 02138  
William L. McLennan Jr. 46 Irving St. Cambridge, Ma. 02138

The above-named incorporator(s) do hereby associate (themselves) with the intention of forming a corporation under the provisions of General Laws, Chapter 156B and hereby attest:

1. The name by which the corporation shall be known is:

Rank and File Inc.

2. The purposes for which the corporation is formed are as follows:

- a. To maintain and establish a non-profit corporation committed to the betterment of all people;
- b. To seek out and advance all ways of increasing communication between people;
- c. To initiate and carry out all manner of programs and projects to improve relationships between individuals, races, cultures, and creeds;
- d. To improve the health, education, and welfare of the poor and disadvantaged; and
- e. To promote and create harmony and good will among nations.

NOTE: If provisions for which the space provided under Articles 2, 3 and 4 is not sufficient, additions should be written on continuation sheets to be numbered 2A, 2B, etc. Indicate under each Article where the provision is set out. Continuation sheets shall be on 8 1/2" x 11" paper and must have a left-hand margin 1 inch wide for binding. Only one side should be used.

1985

		1	2	3	4
		Amount	Deposit Amount	Public Donation	Donor Advis.
1	January, 1985				
2	1-11-85 Edward Everts / Deborah Davis	10 000 -		10 000 -	
3	Laurie Scheeter / Gary Isaacson	2 500 -		2 500 -	
4	Erik / Diane Lund	2 00 -		2 00 -	
5	John Carney	25 -		25 -	
6	Patricia Magee / Oakes Plimpton	12 140 <sup>15</sup> -	12 740 -	12 740 <sup>15</sup> -	
7					
8					
9	3-29-85 James A. Babson	150 -		150 -	
10	Dr. Julie Scheeter	200 -	350 -	200 -	
11		350 -		350 -	
12					
13	4-26-85 Werner A. / Carol Trogen Lohr	1 250 -	1 250 -	1 250 -	
14	? Transfer	4 000 -			
15		5 250 -		1 250 -	
16	5-17-85 James A. Babson	150 -		150 -	
17	Robin Lloyd	100 -		100 -	
18	Eric Reid	10 -	260 -	10 -	
19	5-31-85 Maine Freely Voter	2 000 -	2 000 -		
20		2 260 -		260 -	
21					
22					
23	6-3-85 ?				
24					
25					
26					
27					
28					

Returned check  
5/31/87

8 8 0 4 0 7 0 5 0 8 8

Under  
Oct  
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Manuel Meege Victor  
May 23, 1985

Rank + Tula Inc  
25 West St  
Boston, Mass

Dear Sir

I am returning to you  
This sum of Money that Manuel  
Meege Victor accepted in error last  
fall We thank you very much  
for your good intent and very  
generous offer

Yours Truly  
R E Greeley

\$ 2000  
returned

88040705089





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

29 September 1987

Mr. Robert E. Greeley  
Maine Freeze Voter  
P.O. Box 5184  
Augusta, Maine 04330

RE: MUR 2380

Dear Mr. Greeley:

On September 18, 1987, the Federal Election Commission received your response to interrogatories regarding loans and contributions from Haymarket People's Fund and Rank and File, Inc., to Maine Freeze Voter. Further clarification of this matter is necessary. Please call Judybeth Greene, the staff member assigned to this matter at 1-800-424-9530 or provide this Office with a number at which you can be reached.

Sincerely,

Lawrence M. Noble  
Acting General Counsel

By:   
Lois G. Lerner  
Associate General Counsel

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DEFRANCESCHI AND ELLIS, P. C.  
ATTORNEYS AT LAW  
6 BEACON STREET  
BOSTON, MASSACHUSETTS 02108

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EDWARD DEFRANCESCHI  
ALFRED D. ELLIS

TEL. 617-723-6068

MICHELE B. HOGAN  
CATHERINE SHAVELL

October 7, 1987

Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attention: Attorney J.B. Green

RE: MUR 2380  
Rank & File, Inc.

Dear Ms. Green:

Please consider this letter an affirmative request for conciliation under Regulations 11 CFR 111.18. Our client, Rank & File, Inc. received your letter requesting information dated September 9. We have already submitted answers under your MUR number 2380.

Our client, Rank & File, Inc., is a non profit charitable corporation, engaged in funding grass-roots community based projects. Its guidelines for funding are to give grants to groups for organizing themselves on issues concerning peace, discrimination, economic justice, accessibility, poverty and discrimination. It assessed Maine Freeze Voter as an organization within those parameters. Maine Freeze Voter realized it was not eligible for this grant and returned the entire amount. It is our belief that Rank & File's general evaluation of applicants will ensure compliance with the standards of Section 441(b) of 2 USCS.

Please respond so that we may work together to draft a consent agreement for conciliation.

Thank you for your attention.

Yours truly,

*Edward DeFranceschi*  
Edward DeFranceschi

*Catherine Shavell*  
Catherine Shavell

ED:CS/dsp  
Enclosures

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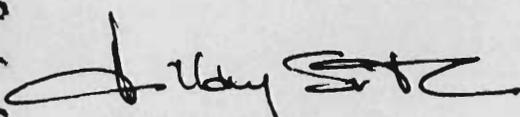
STATEMENT OF DESIGNATION OF COUNSEL

MJR 2380

Name of Counsel: DeFRANCESCHI & ELLIS, P.C.  
6 Beacon Street  
Boston, MA 02108  
(617) 723-6068

The abovenamed individual is hereby designated as my counsel and is authorized to receive any notification and other communication from the Commission and to act on my behalf before the Commission.

88040705093



Hillary Smith  
Staff/Consultant  
Rank and File, Inc.

10/5/87

RESPONDENT'S NAME: Rank & File, Inc.  
ADDRESS: 25 West Street  
Boston, MA 02111

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QCC#4765  
Nov 8, 1987  
M F U Box 5184  
Augusta, Ga 04324  
Wm 2380

Federal Election Comm  
Washington D, C 20463

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Dear Ms Greene

In accordance with our phone  
Conversations last week the letter will  
inform you that M.F.U. is now interested  
in pre-consultatory considerations, I expect we  
will be hearing from you in the near future

Sincerely  
Robert E. Stealy  
President M.F.U.

In the Matter of )  
 )  
Maine Freeze Voter )  
Robert E. Greely, as treasurer )  
Haymarket People's Fund, Rank )  
and File, Inc. )

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MUR 2380

**SENSITIVE**

**GENERAL COUNSEL'S REPORT**

**I. BACKGROUND**

On June 10, 1987, the Commission found reason to believe that Maine Freeze Voter ("Maine Freeze") and Robert E. Greely, as treasurer, Haymarket People's Fund ("Haymarket") and Rank and File, Inc. ("Rank and File") violated 2 U.S.C. § 441b. This matter involves two corporate contributions to Maine Freeze: a \$2,000 contribution from Rank and File and a \$2,000 loan from Haymarket. To clarify the facts of this matter, interrogatories and requests for documents were sent to all respondents with letters informing them of the reason to believe findings on June 12, 1987. However, difficulties encountered in obtaining the current addresses of Rank and File<sup>1/</sup> and Robert Greely,<sup>2/</sup> the

<sup>1/</sup> The June 12, 1987, letter to Rank and File at 25 West Street in Boston was returned to the Commission. Pursuant to 39 C.F.R. § 265.6(d)(1), this Office requested the Boston Postmaster to inform the Commission of the company's new address. On August 31, 1987, the Postmaster replied that it did not have Rank and File's new address. This Office then made inquiries with the Massachusetts Secretary of State's Office and was informed that Rank and File was involuntarily dissolved on November 17, 1986, and was listed as located in Cambridge, Massachusetts. A certified letter was sent to Rank and File at the Cambridge address but was returned on September 17, 1987. One week later, counsel for Haymarket indicated in a phone conversation that Rank and File shares both an office and a board of directors with Haymarket. The letter to which Rank and File recently responded was sent to it c/o Haymarket.

<sup>2/</sup> The June 12, 1987, letter to Robert E. Greely, treasurer of Maine Freeze Voter was sent by certified mail to 20 Munjoy Street, Portland, Maine, but was returned as unclaimed on September 2, 1987. A copy of the letter was then sent by certified mail to Mr. Greely at the Maine Freeze Voter post office box in Augusta, Maine. Mr. Greely signed for the letter on September 11, 1987.

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treasurer of Maine Freeze Voter, delayed the receipt of the letters by these respondents which, in turn, delayed their responses to the Commission's inquiries. On September 28, 1987, the Commission received Rank and File's response to the Commission's interrogatories and on October 9, 1987, it received a request for pre-probable cause conciliation.

## II. ANALYSIS

Rank and File's responses reveal a violation of 2 U.S.C. § 441b. The facts, according to Rank and File, are as follows: Rank and File is a nonprofit charitable corporation, incorporated in Massachusetts, which is engaged in funding grass-roots community-based programs. On September 17, 1984, Rank and File mailed a direct contribution of \$2,000 to Maine Freeze Voter. The check was drawn on Rank and File's corporate account which indicated its corporate source. Rank and File received a full refund of the \$2,000 contribution from Maine Freeze Voter on May 31, 1985.

The response received from the principal respondent, Maine Freeze Voter, accords with the facts reported by Rank and File.<sup>3/</sup>

<sup>3/</sup> Haymarket made a request to enter into pre-probable cause conciliation with the Commission on July 6, 1987. Haymarket's responses revealed a violation of 2 U.S.C. § 441b in that it made a non-interest bearing, short-term loan of \$2,000 from its general treasury funds to Maine Freeze. However, on September 16, 1987, the Commission decided to deny Haymarket's request for pre-probable cause conciliation at that time because it had received no response from Maine Freeze, the principal respondent. On September 18, 1987, this Office received a response from Mr. Greely, the treasurer of Maine Freeze. This response contained incomplete answers to the interrogatories and disputed Haymarket's claim that no part of the loan had been

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Thus, the existence of the \$2,000 corporate contribution to Maine Freeze Voter, a political committee, is undisputed.

These facts clearly reveal that the \$2,000 contribution was a prohibited corporate contribution in violation of 2 U.S.C. § 441b. Therefore, this Office recommends that the Commission enter into conciliation with Rank and File prior to a finding of probable cause to believe.

**III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY**

**IV. RECOMMENDATIONS**

1. Enter into conciliation with Rank and File, Inc. prior to a finding of probable cause to believe.

(Footnote 3 continued)

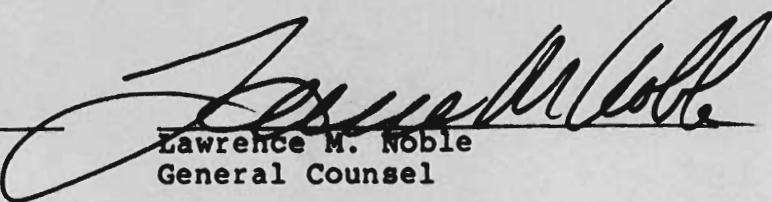
repaid and that the full balance remains due. Mr. Greely has been in contact with this Office since his initial response to the interrogatories and is presently making further inquiries about the circumstances of the Haymarket loan and the terms and execution of repayment plan. This Office will report to the Commission with a recommendation regarding whether to enter into pre-probable cause conciliation with Haymarket upon receiving further information from Maine Freeze.

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2. Approve the attached proposed conciliation agreement and letter.

Date

11/20/57

  
Lawrence M. Noble  
General Counsel

Attachments

1. Request for Conciliation
2. Proposed Conciliation Agreement and Letter

88040705098

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Maine Freeze Voter	)	MUR 2380
Robert E. Greely, as treasurer	)	
Haymarket People's Fund, Rank	)	
and File, Inc.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 25, 1987, the Commission decided by a vote of 6-0 to take the following actions in MUR 2380:

1. Enter into conciliation with Rank and File, Inc. prior to a finding of probable cause to believe.
2. Approve the proposed conciliation agreement and letter, as recommended in the General Counsel's report signed November 20, 1987.

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

Attest:

11-25-87

Date

*Marjorie W. Emmons*

Marjorie W. Emmons  
Secretary of the Commission

Received in the Office of Commission Secretary:	Fri.,	11-20-87,	3:50
Circulated on 48 hour tally basis:	Mon.,	11-23-87,	11:00
Deadline for vote:	Wed.,	11-25-87,	11:00

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plm



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

01 December 1987

Mr. Edward DeFranceschi  
DeFranceschi & Ellis, P.C.  
6 Beacon Street  
Boston, Massachusetts 02108

RE: MUR 2380  
Rank and File, Inc.

Dear Mr. DeFranceschi:

On June 10, 1987, the Federal Election Commission found reason to believe that Rank and File, Inc. violated 2 U.S.C. § 441b. At your request, on November 25, 1987, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If your client agrees with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Judybeth Greene, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

  
Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement

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600 # 5009

DEFRANCESCHI AND ELLIS, P. C.  
ATTORNEYS AT LAW  
6 BEACON STREET  
BOSTON, MASSACHUSETTS 02108

EDWARD DEFRANCESCHI  
ALFRED D. ELLIS

TEL. 617-723-6068

MICHELE B. HOGAN  
CATHERINE SHAVELL

December 23, 1987

Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

Attention: Attorney Judy Beth Green

RE: MUR 2380  
Rank and File

Dear Ms. Green:

Enclosed is signed Conciliation Agreement for MUR 2380 Rank and File. We assume you will bill client directly for the \$500.00 fee. If not, please notify this office by phone and we will make arrangements for you to receive their checks.

Yours truly,

*Catherine Shavell*  
Catherine Shavell

CS/pck

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In the Matter of )  
Maine Freeze Voter )  
Robert E. Greely, as treasurer )  
Haymarket People's Fund, )  
Rank and File, Inc. )

MUR 2380

**SENSITIVE**  
**EXECUTIVE SESSION**  
**FEB 02 1988**

**GENERAL COUNSEL'S REPORT**

**I. BACKGROUND**

On June 10, 1987, the Commission found reason to believe that Maine Freeze Voter ("Maine Freeze") and Robert E. Greely, as treasurer, Haymarket People's Fund ("Haymarket") and Rank and File, Inc. ("Rank and File") violated 2 U.S.C. § 441b. This matter involves two corporate contributions to Maine Freeze: a \$2,000 contribution from Rank and File and a \$2,000 loan from Haymarket. To clarify the facts of this matter, interrogatories and requests for documents were sent to all respondents with letters informing them of the reason to believe findings on June 12, 1987. Haymarket replied to the interrogatories in a letter dated July 6, 1987, and included a request for conciliation prior to finding a probable cause to believe. On August 29, 1987, Haymarket's request was denied pending completion of the investigation - primarily because the principal respondent, Maine Freeze, had not responded.

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Difficulties in obtaining the current addresses of Rank and File, Inc.<sup>1/</sup> and Robert Greely<sup>2/</sup>, the treasurer of Maine Freeze, delayed their receipt of the letters which the Commission had mailed on June 12, 1987. These difficulties, in turn, delayed these respondents' answers to the Commission's inquiries.

On September 18, 1987, this Office received a response from Mr. Greely, the treasurer of Maine Freeze. Although the response was incomplete as to the facts surrounding the repayment of the loan which Maine Freeze had received from Haymarket, Maine Freeze clearly admitted accepting a \$2,000 check from Rank and File, Inc. and refunding the full amount seven months later. On September 28, 1987, the Commission received Rank and File's response to the Commission's interrogatories and on October 9,

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1/ The June 12, 1987, letter to Rank and File at 25 West Street in Boston was returned to the Commission. Pursuant to 39 C.F.R. § 265.6(d)(1), this Office requested the Boston Postmaster to inform the Commission of the company's new address. On August 31, 1987, the Postmaster replied that it did not have Rank and File's new address. This Office then made inquiries with the Massachusetts Secretary of State's Office and was informed that Rank and File was involuntarily dissolved on November 17, 1986, and was listed as located in Cambridge, Massachusetts. A certified letter was sent to Rank and File at the Cambridge address but was returned on September 17, 1987. One week later, counsel for Haymarket indicated in a phone conversation that Rank and File shares both an office and a board of directors with Haymarket. The letter to which Rank and File recently responded was sent to it c/o Haymarket.

2/ The June 12, 1987, letter to Robert E. Greely, treasurer of Maine Freeze Voter was sent by certified mail to 20 Munjoy Street, Portland, Maine, but was returned as unclaimed on September 2, 1987. A copy of the letter was then sent by certified mail to Mr. Greely at the Maine Freeze Voter post office box in Augusta, Maine. Mr. Greely signed for the letter on September 11, 1987.

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1987, it received a request from Rank and File for conciliation prior to finding of probable cause to believe. On November 25, 1987, the Commission decided to grant Rank and File's request and a letter was sent to Rank and File on December 1, 1987, which included a proposed conciliation agreement and a \$500 civil penalty. The signed agreement was received by the Commission on December 28, 1987.

On November 16, 1987, the Commission received a request from Maine Freeze for pre-probable cause conciliation.

## II. ANALYSIS

2 U.S.C. § 441b(a) prohibits corporations from making contributions or expenditures in connection with Federal elections. For purposes of this section, the terms "contributions" and "expenditures" are defined broadly to prohibit corporations from providing "any direct or indirect payment, distribution, loan, advance, deposit or gift of money ... or any thing of value ..." to a candidate or political committee. Section 441b also prohibits any political committee, such as Maine Freeze from knowingly accepting and receiving such a contribution.

The responses from all three respondents are in accord as to their participation in the transactions which constitute

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violations of Section 441b(a).<sup>3/</sup>

**A. Rank and File's Contribution**

Rank and File's responses reveal a violation of 2 U.S.C. § 441b(a). The facts, according to Rank and File, are as follows: Rank and File is a nonprofit charitable corporation, incorporated in Massachusetts, which is engaged in funding grass-roots community-based programs. On October 17, 1984, Rank and File mailed a direct contribution of \$2,000 to Maine Freeze. The check was drawn on Rank and File's corporate account which indicated its corporate source. Rank and File received a full refund of the \$2,000 contribution from Maine Freeze on May 31, 1985.

The response received from the principal respondent, Maine Freeze Voter, accords with the facts reported by Rank and File,<sup>4/</sup> confirming the occurrence of a Section 441b(a) violation in the transaction between the two entities.

**B. Haymarket's Loan**

Haymarket's responses also reveal a violation of 2 U.S.C. § 441b(a). The facts according to Haymarket are as follows: Haymarket is a Massachusetts corporation which is engaged in

---

<sup>3/</sup> There is, however, a factual dispute between Haymarket and Maine Freeze as to whether the \$2,000 loan was repaid,

<sup>4/</sup> In its answers to interrogatories, Maine Freeze admitted receiving a \$2,000 check from Rank and File, Inc. on October 22, 1984, and refunding the \$2,000 in full on May 23, 1985.

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funding educational studies among other activities and is neither a bank nor a lending institution. It is tax exempt as a charitable corporation under Section 501(c)(3) of the Internal Revenue Code. Haymarket made a short term, non-interest bearing \$2,000 loan to Maine Freeze on September 1, 1984, which was due on December 31, 1984. The loan was not repaid on that date. Although, Haymarket agreed to rent Maine Freeze Voter's list of contributors in order to reduce Maine Freeze's debt<sup>5/</sup> and to attribute 50% of contributions for over \$500 solicited through these lists toward Maine Freeze's debt, the list was never used, no solicitation materials were developed and no amount was credited to Maine Freeze's debt.

While Maine Freeze has acknowledged its acceptance of the \$2,000 loan from Haymarket, it controverts Haymarket's claim that the entire balance of the \$2,000 loan remains outstanding. In response to the Commission's inquiries, Robert Greely, the treasurer of Maine Freeze, claimed that the rental price of the contributor list was credited to Maine Freeze's debt although he did not have complete information on the arrangement. See Attachment 2(12). Alan Caron, the former Executive Director of Maine Freeze who had negotiated the loan workout agreement with Haymarket, claimed in a phone conversation on November 19, 1987,

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5/ The price set for this use was \$125 per one thousand names, for a list of approximately 2,000 names, which was to be used three times for a total of \$750. Maine Freeze has provided documentation which substantiates its claim that it had an agreement with Haymarket upon those terms.

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that \$750 of the \$2,000 debt was satisfied in exchange for the use of Maine Freeze's mailing list.<sup>6/</sup>

Haymarket does not dispute that it entered into a workout agreement to rent a 2,000 name list at \$125 per use for three mailings nor that the agreed rental fee was higher than the usual list rental price of \$65.00 per one thousand names. See Attachment 2, page 2. Haymarket, however, claims that the debt was not reduced at all because the list was never used.

The dispute, therefore, appears to be a question of contract law and may involve choice of law problems as the debtor was a political committee located in Maine and the lender was a Massachusetts corporation. It is not within the Commission's jurisdiction to decide whether, as a matter of contract law, a portion of Maine Freeze's debt to Haymarket was satisfied by its receipt of contributor lists which it had agreed to rent at a certain price per use.

Even assuming that Haymarket's receipt of the contributor list did contractually obligate it to reduce Maine Freeze's outstanding debt by \$750 to \$1,250 as per its April 4, 1985, letter, the Commission would not consider the full amount of the

<sup>6/</sup>The agreement also provided that Haymarket would attribute 50% any contributions of over \$500 received in response to soliciting individuals on Maine Freeze's mailing list to the unpaid balance of the loan. Since the list was never used this aspect of the arrangement is no longer a factor in this discussion.

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\$750 to be refunded. Rather, the Commission has only considered impermissible corporate contributions as refunded in-kind by renting mailing lists where the rental fees credited to the outstanding debt do not exceed the normal rate for such mailing lists. See ; see also Advisory Opinions 1979-18 and 1982-41. In its answers to interrogatories, Haymarket indicated that its normal rental price is \$65 per one thousand names. See Attachment 2, page 2. The rental of a two thousand name list for a three time use would, therefore, normally cost \$390 rather than \$750. Thus, at most, the Commission could only consider \$390 of Maine Freeze's \$2,000 debt to be refunded.

In any event, the existence of a \$2,000 short-term non-interest bearing loan from Haymarket, a corporation that is neither a bank nor a lending institution, to Maine Freeze, a political committee, is undisputed. These facts clearly reveal that the \$2,000 loan was a prohibited corporate contribution in violation of 2 U.S.C. § 441b. Therefore, this Office recommends that the Commission enter into conciliation with both Haymarket and Maine Freeze prior to a finding of probable cause to believe.

**III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY**

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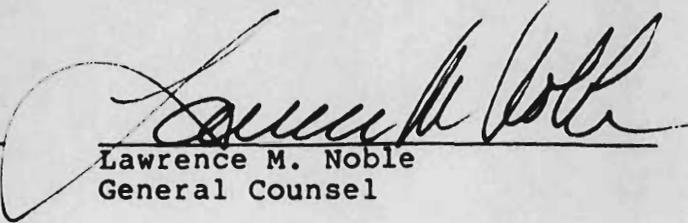
**IV. RECOMMENDATIONS**

1. Enter into conciliation with Haymarket People's Fund prior to a finding of probable cause to believe.

2. Enter into conciliation with Maine Freeze Voter prior to a finding of probable cause to believe.
3. Accept the attached conciliation agreement with Rank and File, Inc. and close the file as it pertains to this respondent.
4. Approve the attached proposed conciliation agreements and letters.

Date

1/21/88

  
Lawrence M. Noble  
General Counsel

**Attachments**

1. Requests for Conciliation
2. Responses to Interrogatories and Requests for Production of Documents
3. Proposed Conciliation Agreements and Letters
4. Conciliation Agreement Signed by Rank and File, Inc.

Staff Person: Judybeth Greene

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

MEMORANDUM TO: LAWRENCE M. NOBLE  
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS / JOSHUA MCFADDEN *JM*

DATE: JANUARY 27, 1988

SUBJECT: OBJECTION TO MUR 2380 - General Counsel's Report  
Signed January 21, 1988

The above-captioned document was circulated to the Commission on Monday, January 25, 1988 at 11:00 A.M.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens \_\_\_\_\_  
Commissioner Elliott \_\_\_\_\_  
Commissioner Josefiak \_\_\_\_\_  
Commissioner McDonald \_\_\_\_\_  
Commissioner McGarry \_\_\_\_\_  
Commissioner Thomas \_\_\_\_\_ X

This matter will be placed on the Executive Session agenda for February 2, 1988.

Please notify us who will represent your Division before the Commission on this matter.

88040705111

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Maine Freeze Voter )  
Robert E. Greely, as treasurer) MUR 2380  
Haymarket People's Fund )  
Rank and File, Inc. )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of February 2, 1988, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 2380:

1. Enter into conciliation with Haymarket People's Fund prior to a finding of probable cause to believe.
2. Enter into conciliation with Maine Freeze Voter prior to a finding of probable cause to believe.
3. Accept the conciliation agreement with Rank and File, Inc., and close the file as it pertains to this respondent, as recommended in the General Counsel's report dated January 21, 1988.
4. Approve the proposed conciliation agreements and letters attached to the General Counsel's report dated January 21, 1988.

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

Attest:

Feb. 3, 1988

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission

88040705112



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 5, 1988

Catherine Shavell, Esquire  
DeFranceschi and Ellis, P.C.  
6 Beacon Street  
Boston, Massachusetts 02108

RE: MUR 2380  
Haymarket People's Fund

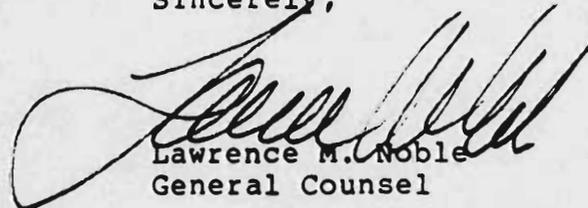
Dear Ms. Shavell:

On June 10, 1987, the Federal Election Commission found reason to believe that Haymarket People's Fund violated 2 U.S.C. § 441b(a). At your request, on February 2, 1988, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If your client agrees with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Judybeth Greene, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement

88040705113

*John*



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 5, 1988

Robert E. Greely  
Treasurer, Maine Freeze Voter  
P.O. Box 5184  
Augusta, Maine 04330

RE: MUR 2380  
Maine Freeze Voter

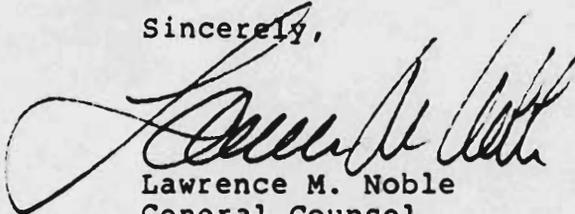
Dear Mr. Greely:

On June 10, 1987, the Federal Election Commission found reason to believe that Maine Freeze Voter violated 2 U.S.C. § 441b(a). At your request, on February 2, 1988, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Judybeth Greene, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement

88040705114

*plan*



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 5, 1988

Catherine Shavell, Esquire  
DeFranceschi and Ellis, P.C.  
6 Beacon Street  
Boston, Massachusetts 02108

RE: MUR 2380  
Rank and File, Inc.

Dear Ms. Shavell:

On February 2, 1988, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in regard to a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended. The Commission anticipates receiving \$500 from the Rank and File, Inc. within 30 days of your receipt of this letter in settlement of this violation. Accordingly, the file has been closed in this matter as it pertains to Rank and File, Inc. This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Judybeth Greene, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement

88040705115

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Rank and File, Inc. ) MUR 2380

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Rank and File, Inc. ("the Respondent") violated 2 U.S.C. § 441b.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent, and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Maine Freeze Voter is a political committee registered with the Commission.
2. Rank and File, Inc. is a non-profit corporation incorporated in the Commonwealth of Massachusetts.
3. Rank and File, Inc. mailed a \$2,000 check drawn on its general treasury funds as a contribution to Maine Freeze Voter on October 17, 1984.

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4. Maine Freeze Voter refunded the \$2,000 contribution in May 1985. Rank and File, Inc. received the refund on May 31, 1985.

5. Pursuant to 2 U.S.C. § 441b(a), corporations are prohibited from making contributions with treasury funds to political committees.

V. Rank and File, Inc. made a \$2,000 contribution to Maine Freeze Voter, in violation of 2 U.S.C. § 441b(a).

VI. Rank and File, Inc. will pay a civil penalty to the Federal Election Commission in the amount of Five Hundred Dollars (\$500.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

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X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble  
General Counsel

By: *Lois G. Lerner*  
Lois G. Lerner  
Associate General Counsel

2/5/88  
Date

FOR THE RESPONDENT:

*Edward DeFranceschi*  
Edward DeFranceschi

December 22, 1987  
Date

88040705118

000#6610

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

88 FEB 29 AM 11:28

EDWARD DEFRANCESCHI, P.C.

ATTORNEY AT LAW

6 BEACON STREET

BOSTON, MASSACHUSETTS 02108-3802

TEL. 617-723-6068

EDWARD DEFRANCESCHI

MICHELE B. HOGAN  
CATHERINE SHAVELL

February 26, 1988

Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

Attention: Ms. Lois G. Lerner

RE: In the Matter of Haymarket People's Fund  
MUR 2380

Dear M s.Lerner:

Please find enclosed a signed Conciliation Agreement on the  
above matter.

If you have any questions, please do not hesitate to contact  
me.

Very truly yours,

Catherine Shavell

CS/pck

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FEDERAL ELECTION COMMISSION  
88 FEB 29 AM 12:51

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FEDERAL ELECTION COMMISSION  
MAIL ROOM

88 MAR -4 AM 8: 58



# Rank and File

March 1, 1988

Lawrence M. Noble  
Federal Election Commission  
Washington DC 20463

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
88 MAR -7 PM 12: 18

Dear Mr. Noble,

Enclosed please find a check in the amount of \$500.00. This check represents payment of a civil penalty to the Commission from Rank and File, Inc. (MUR 2380)

Please let us know if we can be of any further assistance in settling this matter.

Sincerely,

*Louise Profumo*

Louise Profumo  
Bookkeeper

88040705120

RECEIVED  
FEDERAL ELECTION COMMISSION  
SECRETARIAT  
88 MAR 16 PH 1:01

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Haymarket People's Fund ) MUR 2380

**CONFIDENTIAL**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by Hillary Smith, the treasurer of Haymarket People's Fund.

The attached agreement contains no changes from the agreement approved by the Commission on February 2, 1988. A check for the civil penalty has not yet been received.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with Haymarket People's Fund.
2. Close the file as it pertains to this respondent.
3. Approve the attached letters.

Lawrence M. Noble  
General Counsel

Date 3/16/88

BY: *Lois G. Lerner*  
Lois G. Lerner  
Associate General Counsel

Attachments

1. Conciliation Agreement
2. Letter to Respondent

Staff Person: Judybeth Greene

EXECUTIVE SESSION  
APR 05 1988

88040705121



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20543

MEMORANDUM TO: LAWRENCE M. NOBLE  
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN *JM*

DATE: MARCH 21, 1988

SUBJECT: OBJECTION TO MUR 2380 - General Counsel's Report  
Signed March 16, 1988

The above-captioned document was circulated to the Commission on Thursday, March 18, 1988 at 11:00 A.M.

Objections have been received from the Commissioners as indicated by the name(s) checked:

- Commissioner Aikens \_\_\_\_\_
- Commissioner Elliott \_\_\_\_\_
- Commissioner Josefiak \_\_\_\_\_
- Commissioner McDonald \_\_\_\_\_
- Commissioner McGarry \_\_\_\_\_
- Commissioner Thomas \_\_\_\_\_ X

This matter will be placed on the Executive Session agenda for April 5, 1988.

Please notify us who will represent your Division before the Commission on this matter.

88040705122

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 2380  
Haymarket Peoples Fund )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of April 5, 1988, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 2380:

1. Accept the conciliation agreement with Haymarket People's Fund, as recommended in the General Counsel's report dated March 16, 1988, subject to the corrections noted in the meeting discussion.
2. Close the file as it pertains to this respondent.
3. Direct the Office of General Counsel to send an appropriate letter pursuant to the above-noted actions.

Commissioners Aikens, Elliott, Josefiak, McGarry, and Thomas voted affirmatively for the decision; Commissioner McDonald was not present at the time this matter was under consideration.

Attest:

4-7-88

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission

88040705123

plm



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

April 14, 1988

Catherine Shavell, Esquire  
Edward DeFranceschi, P.C.  
6 Beacon Street  
Boston, Massachusetts, 02108-3802

RE: MUR 2380  
Haymarket People's Fund

Dear Ms. Shavell:

On April 5, 1988, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended. Pursuant to your telephone conversation with staff of this Office, the duplicated material on page two of the conciliation agreement has been deleted and a corrected page has been substituted. Accordingly, the file has been closed in this matter as it pertains to Haymarket People's Fund. This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any

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Page 2  
Catherine Shavell

questions, please contact Judybeth Greene, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

88040705125

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 2380  
Haymarket People's Fund )

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Haymarket People's Fund ("the Respondent") violated 2 U.S.C. § 441b.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent, and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Maine Freeze Voter is a political committee registered with the Commission.
2. Haymarket People's Fund is a non-profit corporation incorporated in the Commonwealth of Massachusetts.
3. Haymarket People's Fund is neither a bank nor a lending institution.

REC-111-1000

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4. Haymarket People's Fund mailed a \$2,000 check drawn on its general treasury funds as a short-term, non-interest bearing loan to Maine Freeze Voter in September 1984.

5. Pursuant to 2 U.S.C. § 441b(a), corporations are prohibited from making contributions with treasury funds to political committees.

V. Haymarket People's Fund made a \$2,000 contribution to Maine Freeze Voter, in violation of 2 U.S.C. § 441b(a).

VI. Haymarket People's Fund will pay a civil penalty to the Federal Election Commission in the amount of One Thousand Dollars (\$1,000.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this

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agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

IX. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble  
General Counsel

By: *Lois G. Lerner*  
Lois G. Lerner  
Associate General Counsel

4/14/88  
Date

FOR THE RESPONDENT:

*William T. Site*

2/23/88  
Date

88040705128

BEFORE THE FEDERAL ELECTION COMMISSION

88 MAY 16 PM 12:08

In the Matter of	)	
	)	
Maine Freeze Voter	)	
Robert E. Greely, as treasurer,	)	MUR 2380
Haymarket People's Fund,	)	
Rank and File, Inc.	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by Robert E. Greely, the treasurer of Maine Freeze Voter.

The attached agreement contains no changes from the agreement approved by the Commission on April 21, 1988. A check for the civil penalty has not yet been received.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with Maine Freeze Voter and Robert E. Greely, as treasurer.
2. Close the file.
3. Approve the attached letters.

Lawrence M. Noble  
General Counsel

Date 5/13/88

BY:

  
 \_\_\_\_\_  
 Lois G. Lerner  
 Associate General Counsel

Attachments

1. Conciliation Agreement
2. Letters to Respondents

Staff Person: Judybeth Greene

88040705129

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )

Maine Freeze Voter )  
Robert E. Greely, as treasurer, )  
Haymarket People's Fund, )  
Rank and File, Inc. )

MUR 2380

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on May 18, 1988, the Commission decided by a vote of 5-0 to take the following actions in MUR 2380:

1. Accept the conciliation agreement with Maine Freeze Voter and Robert E. Greely, as treasurer, as recommended in the General Counsel's report signed May 13, 1988.
2. Close the file.
3. Approve the letters, as recommended in the General Counsel's report signed May 13, 1988.

Commissioners Aikens, Elliott, Josefiak, McGarry, and Thomas voted affirmatively for the decision; Commissioner McDonald did not cast a vote.

Attest:

5-18-88

Date

*Marjorie W. Emmons*

Marjorie W. Emmons  
Secretary of the Commission

Received in the Office of Commission Secretary:	Mon.,	5-16-88,	12:08
Circulated on 48 hour tally basis:	Mon.,	5-16-88,	4:00
Deadline for vote:	Wed.,	5-18-88,	4:00

89040705130



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 26, 1988

Catherine Shavell, Esquire  
DeFranceschi and Ellis, P.C.  
6 Beacon Street  
Boston, Massachusetts 02108

RE: MUR 2380  
Haymarket People's Fund

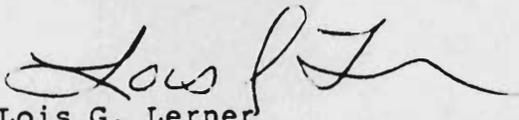
Dear Ms. Shavell:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact Judybeth Greene, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

BY:   
Lois G. Lerner  
Associate General Counsel

88040705131



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 26, 1988

Catherine Shavell, Esquire  
DeFranceschi and Ellis, P.C.  
6 Beacon Street  
Boston, Massachusetts 02108

RE: MUR 2380  
Rank and File, Inc.

Dear Ms. Shavell:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact Judybeth Greene, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

A handwritten signature in cursive script, appearing to read "Lois G. Lerner".

BY: Lois G. Lerner  
Associate General Counsel

38040705132



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 26, 1988

Mr. Robert E. Greely  
Treasurer, Maine Freeze Voter  
P.O. Box 5184  
Augusta, Maine

RE: MUR 2380  
Maine Freeze Voter  
Robert E. Greely, as  
treasurer

Dear Mr. Greely:

On May 18, 1988, the Federal Election Commission accepted the signed conciliation agreement submitted on Maine Freeze Voter's behalf in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter. This matter will become a part of the public record within 30 days. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Judybeth Greene, the attorney assigned to this matter at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement

88040705133

@CC#9220

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

BEFORE THE FEDERAL ELECTION COMMISSION

88 MAY -6 AM 9:04

In the Matter of )  
 )  
Maine Freeze Voter ) MUR 2380  
 )  
and Robert E. Greely, as treasurer )

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Maine Freeze Voter ("the Respondent") violated 2 U.S.C. § 441b.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent, and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Maine Freeze Voter is a political committee registered with the Commission.
2. Rank and File, Inc. is a non-profit corporation incorporated in the Commonwealth of Massachusetts.
3. Haymarket People's Fund is a non-profit corporation incorporated in the Commonwealth of Massachusetts.

88040705134

88 MAY -6 PM 2:41

RECEIVED  
FEDERAL ELECTION COMMISSION

4. Haymarket People's Fund is neither a bank nor a lending institution.

5. Rank and File, Inc. mailed a \$2,000 check drawn on its general treasury funds as a contribution to Maine Freeze Voter on October 17, 1984.

6. Maine Freeze Voter refunded the \$2,000 contribution from Rank and File, Inc. in May 1985. Rank and File, Inc. received the refund on May 31, 1985.

7. Haymarket People's Fund made a \$2,000 short-term, non-interest bearing loan to Maine Freeze in September 1984 which was due on December 31, 1984.

8. Pursuant to 2 U.S.C. § 441b(a), corporations are prohibited from making contributions with treasury funds to political committees. For purposes of this section, the term "contribution" is defined in Section 441b(b)(2) to include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money or any services, or anything of value to any organization in connection with a Federal election.

V. Maine Freeze Voter received a \$2,000 contribution from Rank and File, Inc., in violation of 2 U.S.C. § 441b(a).

VI. Maine Freeze Voter received a \$2,000 contribution, in the form of a short-term, non-interest bearing loan, from Haymarket People's Fund, in violation of 2 U.S.C. § 441b(a).

VII. Maine Freeze Voter will pay a civil penalty to the Federal Election Commission in the amount of Two Hundred Dollars (\$200.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

88040705135

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

IX. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble  
General Counsel

By: *Lois G. Lerner* Date *5/25/88*  
Lois G. Lerner  
Associate General Counsel

FOR THE RESPONDENT:

*Robert E. Keeley* Date *5-2-88*

98040705136



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR #

2380

88040705137



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MJR # 2380

DATE FILMED 6/15/08 CAMERA NO. 2

CAMERAMAN K.A.U.

88040705138



FEDERAL ELECTION COMMISSION  
WASHINGTON, D C 20463

- 28.25.80

THE FOLLOWING MATERIAL IS BEING ADDED TO THE  
PUBLIC FILE OF CLOSED MUR 2380 .

88040712830

**closed**

MAINE FREEZE VOTER  
BOX 5184  
AUGUSTA, ME 04330

1307

*July 22 1988*

52-60  
112

PAY TO THE  
ORDER OF

*Federal Election Commission* \$ *200*  
*Two Hundred* DOLLARS



FOR *don't lose it*

*Robert E. Deely, Texas*  
*M.F.V.*

⑆01⑆200808⑆ ⑈20⑈5⑆72 9⑈ ⑆307

*CCC#9933*

40712831

MEMORANDUM

TO: DEBRA A. TRIMIEW TO: CECILIA LIEBER  
FROM: CECILIA LIEBER FROM: DEBRA A. TRIMIEW

CHECK NO. 1307 { A COPY OF WHICH IS ATTACHED } RELATING TO

MUR 2380 AND NAME Maine Freeze Voter

*(Greene)*  
WAS RECEIVED ON 7/27/88. PLEASE INDICATE THE ACCOUNT INTO

WHICH IT SHOULD BE DEPOSITED:

- / / BUDGET CLEARING ACCOUNT { 95F3875.16 }
- /  / CIVIL PENALTIES ACCOUNT { 95-1099.160 }
- / / OTHER \_\_\_\_\_

SIGNATURE Debra A. Trimiew DATE 7/28/88

88 JUL 27 PM 3:58  
RECEIVED  
FEDERAL ELECTION COMMISSION

OCC# 9933  
July 22, 88  
RECEIVED  
FEDERAL ELECTION COMMISSION  
M. F. V.  
R. E. Deely, Treas  
R 50 BSA 133  
Hendover, mo 04345

RECEIVED  
FEDERAL ELECTION COMMISSION  
88 JUL 27 PM 3:58

Federal Election Commission  
Washington D.C. 20463

Dear Ms Greene

Enclosed is the check dealing with the agreement signed earlier. According to my records a check was sent you on May 2, 88 & I have voided this check and made you a new one.

yours truly  
Robert E. Deely  
Treas. M. F. V.

890407



FEDERAL ELECTION COMMISSION  
WASHINGTON D C 20463

THE FOLLOWING MATERIAL IS BEING ADDED TO THE  
PUBLIC RECORD IN (CLOSED) MUR 2380

80040711697



FEDERAL ELECTION COMMISSION  
WASHINGTON DC 20463

October 23, 1989

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

Hillary Smith  
Haymarket People's Fund  
25 West Street  
5th Floor  
Boston, MA 02111

**CLOSED**

RE: MUR 2380  
Haymarket People's Fund

Dear Ms. Smith:

On April 14, 1988, the Federal Election Commission and the Haymarket People's Fund entered into a conciliation agreement in settlement of a violation of 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended. According to the agreement, you were required to pay a civil penalty of \$1,000.00. Your payment was due on May 14, 1988. A copy of the fully executed agreement is enclosed.

According to Commission records, your payment has not been received. Please be advised that, pursuant to 2 U.S.C. § 437g(a)(5)(D), violation of any provision of the conciliation agreement may result in the institution of a civil suit for relief in the United States District Court. Unless we receive the payment from you in five days, this Office will recommend that the Commission file suit to remedy this violation.

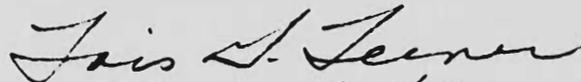
390407/1598

Hillary Smith  
Page 2

Should you have any questions, please contact Jeffrey D. Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner *LL*  
Associate General Counsel

Enclosure  
Conciliation Agreement

cc: Catherine Shavell, Esquire  
Edward DeFranceschi, P.C.  
6 Beacon Street  
Boston, MA 02108-3802

30040771599

*Tim*



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 14, 1988

Catherine Shavell, Esquire  
Edward DeFranceschi, P.C.  
6 Beacon Street  
Boston, Massachusetts, 02108-3802

RE: MUR 2380  
Haymarket People's Fund

Dear Ms. Shavell:

On April 5, 1988, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended. Pursuant to your telephone conversation with staff of this Office, the duplicated material on page two of the conciliation agreement has been deleted and a corrected page has been substituted. Accordingly, the file has been closed in this matter as it pertains to Haymarket People's Fund. This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any

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Page 2  
Catherine Shavell

questions, please contact Judybeth Greene, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

880407/1701  
88040705125

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Haymarket People's Fund ) MUR 2380

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Haymarket People's Fund ("the Respondent") violated 2 U.S.C. § 441b.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent, and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Maine Freeze Voter is a political committee registered with the Commission.
2. Haymarket People's Fund is a non-profit corporation incorporated in the Commonwealth of Massachusetts.
3. Haymarket People's Fund is neither a bank nor a lending institution.

REC-11-1000

8800440765726

4. Haymarket People's Fund mailed a \$2,000 check drawn on its general treasury funds as a short-term, non-interest bearing loan to Maine Freeze Voter in September 1984.

5. Pursuant to 2 U.S.C. § 441b(a), corporations are prohibited from making contributions with treasury funds to political committees.

V. Haymarket People's Fund made a \$2,000 contribution to Maine Freeze Voter, in violation of 2 U.S.C. § 441b(a).

VI. Haymarket People's Fund will pay a civil penalty to the Federal Election Commission in the amount of One Thousand Dollars (\$1,000.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this

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agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

IX. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

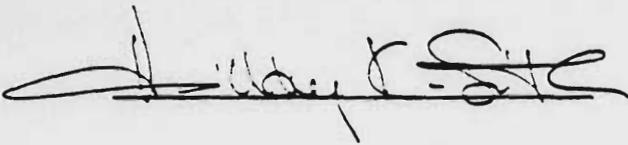
FOR THE COMMISSION:

Lawrence M. Noble  
General Counsel

By:   
Lois G. Lerner  
Associate General Counsel

4/15/88  
Date

FOR THE RESPONDENT:



2/23/88  
Date

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