



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2762

DATE FILMED 4/16/91 CAMERA NO. 2

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BEFORE THE FEDERAL ELECTION COMMISSION
OF THE UNITED STATES

COMPLAINANT: CHARLES H. DAMRON

RESPONDENTS:

ALAMO POLITICAL ACTION COMMITTEE)
(FEC Identification No. C00127431))
ALBERT O. FORRESTER, Treasurer)
of the Alamo PAC)
BRUCE W. EBERLE)
BRUCE W. EBERLE & ASSOCIATES, INC.)
COMPUTER COMMUNICATIONS, INC., and)
OMEGA LIST COMPANY)

MUR No. 2762

COMPLAINT

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FEDERAL ELECTION COMMISSION RECEIVED

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I. FACTS

A. The Alamo PAC

1. The Alamo Political Action Committee (the "Alamo PAC") formerly of P.O. Box 921, Charles Town, West Virginia, 25414 and currently of 317 Peoples St. #405, Corpus Christi, Texas 78401, has filed reports with the Federal Election Commission for various periods from May 1980 through September 30, 1988. The receipts, disbursements and outstanding debts that Alamo PAC stated on each such report to the FEC are summarized on Exhibit 1 hereto.

2. These reports indicate that the Alamo PAC received contributions and made disbursements between October, 1980 and December, 1983. It reported no contributions and no disbursements between January 1, 1984 and June 30, 1988. Additional contributions and expenditures are newly reported on Alamo PAC's latest report for July 1 through September 30, 1988.

3. Between October 1 and December 31, 1980, the outstanding debts owed by the Alamo PAC grew from \$1,525.00 to

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\$5,011.57. Between January 1, 1981 and December 31, 1983, the outstanding debts reported by the Alamo PAC varied from a low of \$67,767.26 to a high of \$84,396.16. Beginning with the report for the period July 1 through December 31, 1983 and on every report filed thereafter until its latest report, the Alamo PAC reported that it owed debts in the amount of \$72,741.78. (The latest report states that Alamo PAC's debts have increased to \$89,968.86.) Thus, it appears that the Alamo PAC made no payments to reduce its debt obligations for more than four and one-half years.

4. Recently, it has come to Complainant's attention that the Alamo PAC appears to have financed the production of two professionally produced, high-quality videos for use in television advertising against Governor Dukakis in the current presidential election campaign. (See the Affidavit of William P. Cross, attached hereto as Exhibit 2.)

B. The Eberle Creditors

5. Of the debts that Alamo PAC has owed since at least January 1, 1984, it has owed some \$46,354 to three entities that are apparently owned and/or controlled by Bruce W. Eberle of Vienna, Virginia.

6. The three creditor entities are: Bruce W. Eberle & Associates, Inc. ("Eberle Associates"), Computer Communications, Inc., and Omega List Company (collectively, the "Eberle Creditors"). Records of the Virginia State Corporation Commissioner (Exhibit 3 hereto) indicate that Bruce W. Eberle

of 1449 Montague Drive, Vienna, Virginia 22180 is a principal officer and director of each of the Eberle Creditors. Furthermore, each of these entities has the same address, i.e. 8330 Old Courthouse Road, Vienna, Virginia 22180, and the same registered agent, i.e. Fred H. Coddington of Fairfax, Virginia.

7. The Alamo PAC has reported the following indebtedness to the Eberle Creditors on its FEC Report for the period July 1 to December 31, 1983 and on each report filed thereafter:

<u>Creditor</u>	<u>Amount Owed by Alamo PAC</u>
Eberle Associates	\$16,730.20
Computer Communications	5,851.88
Omega List Company	<u>23,772.12</u>
Total	\$46,354.20

II. Applicable Law

8. A corporation may not make direct or indirect contributions to political candidates or committees. 2 U.S.C. § 441b(a). A corporation may, however, extend credit to a candidate or political committee in connection with a federal election provided the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extensions of credit to nonpolitical debtors which are of similar risk and size of obligation. 11 C.F.R. § 114.10. FEC regulations further provide that an extension of credit "for a length of time beyond normal business or trade practice is a contribution, unless the creditor has made a commercially reasonable attempt to collect the debt." 11 C.F.R. § 100.7(a)(4).

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9. The standard of commercial reasonableness in extending credit must be met to avoid a prohibited contribution. See 11 C.F.R. § 114.10(c). The commercial reasonableness standard requires that: (a) the initial extension of credit was made in the ordinary course of business in terms substantially similar to nonpolitical debtors, (b) the debtor political committee has taken all commercially reasonable efforts to satisfy the debt, and (c) the corporate creditor has pursued remedies in a manner similar in nature and intensity to those employed by the corporation in pursuit of nonpolitical debtors, including lawsuits if filed in similar circumstances. 11 C.F.R. §§ 114.10(c)(1)-(3).

10. Debts totalling from \$67,000 to \$72,000 and remaining outstanding for seven years could not be considered to have been pursued in a commercially reasonable fashion without compelling evidence that both debtor and creditors took definite steps to satisfy these obligations. Moreover, the initial and continuing extension of credit of such large sums to a political committee that demonstrated little or no ability to satisfy its outstanding obligations indicates neither a normal commercial transaction nor an arms-length relationship. Such a conclusion would be further buttressed if any of the individuals associated with the Eberle Creditors are also involved in the political activities of the Alamo PAC.

11. The Commissions's regulations provide specific standards regulating the extension of credit. If such standards are not met, it would permit a gaping loophole in the

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corporate contribution prohibition and allow the infusion of massive sums of illegal corporate funds into the political process.

III. Violations

12. The facts presented in this Complaint set out a prima facie case for violations of 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10 by the Alamo PAC, the Eberle Creditors, and perhaps by Bruce W. Eberle himself as a principal officer and director of the Eberle Creditors. Moreover, such violations would be compounded if new contributions are received in the present election cycle and are used for purposes other than to satisfy old debts. While authorized candidate committees and ongoing non-candidate political committees have an obligation to pay their debts, in the case of an ongoing political entity, such as the Alamo PAC, the failure to pay its debts when new funds are raised or when there is a potential to raise new funds, is egregious and patently illegal.

IV. Conclusion

13. For the reasons set forth in this Complaint, Complainant respectfully requests the Commission (a) to find that Respondents have violated and continue to violate the Federal Election Campaign Act and the FEC's regulations, (b) to impose penalties for past violations, and (c) to take other appropriate actions to prevent these violations from continuing to occur.

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VERIFICATION

The Undersigned swears that the facts set forth
in this Complaint are true to the best of his knowledge,
information and belief.

Charles Hoadley Damon
Charles Hoadley Damon
One Elm Street
Leon, West Virginia 25123

State of West Virginia
County of Kanawha

Subscribed and sworn to before me, this 1st day of November
1988, in the County of Kanawha, West Virginia. My Commission
expires 7 JULY, 1991.

J. L. Settle
Notary Public

Seal

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Exhibit 1

Summary of Reicepts, Disbursements and Debts
Reported to the Federal Election Commission
by the Alamo Political Action Committee

<u>Period Covered</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Debts Owed by Alamo</u>
5/6/80-6/30/80	\$ 0.00	\$ 0.00	\$ 0.00
7/1/80-9/30/88	\$ 0.00	\$ 0.00	\$ 0.00
10/1/80-10/15/80	\$ 1,525.00	\$1,500.00	\$ 1,525.00
10/16/80-11/24/80	\$ 7,096.00	\$6,400.82	\$ 945.46
11/24/80-12/31/80	\$ 71.13	\$ 404.86	\$ 5,011.57
1/1/81-6/30/81	\$63,490.81	\$60,746.45	\$67,767.26
7/1/81-12/31/81	\$ 5,695.43	\$ 8,124.64	\$82,177.07
1/1/82-3/31/82	\$ 8,106.30	\$ 1,783.75	\$84,396.16
4/1/82-6/30/82	\$13,258.35	\$16,507.14	\$76,323.80
7/1/82-9/30/82	\$ 1,181.11	\$ 4,221.33	\$75,933.91
10/1/82-11/22/82	\$ 30.00	\$ 0.00	\$75,144.80
11/23/82-12/31/82	\$ 0.00	\$ 0.00	\$75,144.80
1/1/83-3/31/83	\$ 2,963.84	\$ 1,986.36	\$74,252.03
4/1/83-6/30/83	\$ 225.00	\$ 0.00	\$74,510.33
7/1/83-12/31/83	\$ 25.00	\$ 1,967.62	\$72,741.78
1/1/84-3/31/84	\$ 0.00	\$ 0.00	\$72,741.78
4/1/84-6/30/84	"	"	"
7/1/84-9/30/84	"	"	"
10/1/84-11/26/84	"	"	"
11/27/84-12/31/84	"	"	"

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<u>Period Covered</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Debts Owed by Alamo</u>
1/1/85-6/30/85	\$ 0.00	\$ 0.00	\$72,741.48
7/1/85-12/31/85	"	"	"
1/1/86-3/31/86	"	"	"
4/1/86-6/30/86	"	"	"
7/1/86-9/30/86	"	"	"
10/1/86-12/31/86	"	"	"
1/1/87-6/30/87	"	"	"
7/1/87-12/31/87	"	"	"
1/1/88-3/31/88	"	"	"
4/1/88-6/30/88	"	"	"
7/1/88-9/30/88	\$ 4,026.89	\$ 3,294.33	\$89,968.86

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AFFIDAVIT

STATE OF MASSACHUSETTS

COUNTY OF SUFFOLK

I, William P. Cross, being first duly sworn depose and state as follows:

1. I am William P. Cross, an employee of the Dukakis-Bentsen Committee, Inc.
2. I am a resident of Boston, Suffolk County, Massachusetts.
3. The Hotline is a daily publication of the American Political Network, Inc. The Hotline publishes summaries of political stories from newspapers across the country and provides commentary from various political organizations.
4. That on or about September 21, 1988 I did telephone the offices of The Hotline in McLean, Virginia.
5. I did speak with two employees of The Hotline. Both of these gentlemen stated that The Hotline had received and has in its possession two videotape commercials made by Alamo Political Action Committee, on behalf of George Bush's presidential campaign.
6. The Hotline of August 15, 1988 provides transcripts of these two advertisements, which are included as attachment "A".
7. The above statements are believed by the undersigned to be true and accurate to the best of his knowledge.

William P. Cross
William P. Cross

Sworn to and subscribed before me by the said William P. Cross this 6th day of October, 1988.

Joseph D. Steinfeld
Notary Public in & for said
County & State

Exhibit 2

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#11 ALAMO PAC TV SPOTS: JG WARS & PRISON FURLOUGH
The full TEXT of two new anti-Dukakis tv spots by ALAMO PAC, to be begin 8/15 in New Orleans, nationwide after Labor Day.

VIDEO

AUDIO

#1 Montage of parked car in front of school, showing conversations between driver and many different students, in and out of car.

CAR'S DRIVER: Hey, I got some crack, I got some smoke...

ANNCR: The killer in our schools: Drugs. Michael Dukakis says he'll fight drugs. But Governor Dukakis vetoed mandatory prison for drug dealers. He fought the death penalty for drug murderers. And he supports weekend passes for drug convicts. Now, he says he'll do for America what he's done for Massachusetts. But do we really want the kind of America Michael Dukakis wants?

#2 Masked burglar entering sliding glass doors of a dark house at night, brandishing a gun, and slowly climbing stairs and walking down hallway, and opening bedroom door.

ANNCR: Two days ago, John Phillips was in prison. He'll be in prison again tomorrow. But not for this crime. Because in Michael Dukakis' state, prisoners get weekend passes, including murderers. Governor Dukakis claims it's an important part of any modern prison system. Now he says he'll do for America what he's done for Massachusetts. But do we really want the kind of America Michael Dukakis wants?

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Exhibit 3

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DO NOT WRITE IN SHADED AREAS (SEE REVERSE SIDE)

COMMONWEALTH OF VIRGINIA STATE CORPORATION COMMISSION

1988 ANNUAL REPORT

CORPORATE NO. 53479-1 DATE 01 18 88

1 CORPORATION NAME

GERALD & ASSOCIATES, INC., BRUCE W.

2 STATE OR COUNTRY OF INCORPORATION

VIRGINIA

3 REGISTERED AGENT NAME AND ADDRESS OF PLACE ABOVE OR IN VIRGINIA

FRED H. COODING CITY
1008 MAIN STREET, SUITE 200
P.O. BOX 225
FAIRFAX, VA 22030

4 CITY OR COUNTY (IN VIRGINIA) OF THE REGISTERED AGENT

FAIRFAX CI

5 COMMON

5,000.00

6 NAME

BRUCE W. EBERLE

TITLE S

SECRETARY

COMPLETE FIRST STREET ADDRESS

1449 MONTAGUE DR., VIRGINIA, VA 22180

REGISTERED OFFICE ADDRESS

1449 MONTAGUE DR., VIRGINIA, VA 22180

U 0 8 2 1 0 / 5 2

7 STREET 1330 Old Courthouse Road

CITY VIRGINIA

STATE VA

ZIP 22180

8 NAME BRUCE W. EBERLE

ADDRESS 1449 Montague Dr., Virginia, VA 2218

ADDRESS

WARNING THAT THE INFORMATION CONTAINED IN THIS REPORT IS ACCURATE AND THAT NONE OF IT IS FALSE OR MISLEADING MATERIAL RESPECT TO THE INFORMATION CONTAINED HEREIN

DATE SIGNED MARCH 24 1988

SIGNATURE BRUCE W. EBERLE

TITLE SECRETARY OF COMMONWEALTH

STATE OF VIRGINIA

JJB 2 . 535

DO NOT WRITE IN SHADED AREAS (SEE REVERSE SIDE)
COMMONWEALTH OF VIRGINIA STATE CORPORATE COMMISSION
1988 ANNUAL REPORT
CORPORATE 185716-0 REPORT DATE: JUL 18 1988

1 CORPORATION NAME:
COMPUTER COMMUNICATIONS, INC.
2 STATE OR COUNTRY OF INCORPORATION:
VIRGINIA

3 REGISTERED AGENT NAME AND REGISTERED OFFICE ADDRESS IN VIRGINIA:
FRED M. COODING, CITY
10828 MAIN ST., SUITE 200
FAIRFAX, VA 22030
4 CITY OR COUNTY (IN VIRGINIA) OF THE REGISTERED AGENT:
FAIRFAX CI

5
CLASS OF STOCK:
COMMON
AMOUNT OF STOCK:
10,000.00

6 COMPLETE POST OFFICE ADDRESS:
8310 Old Courthouse Road
Vienna, VA 22180

7 NAME AND ADDRESS OF THE PERSON SIGNING:
NAME: Bruce W. Ebelie
ADDRESS: 1449 Montague Dr., Vienna, VA 22180

8
DATE SIGNED: MARCH 23 1988
SIGNATURE: Bruce W. Ebelie
PRINTED NAME: BRUCE W. EBELIE
TITLE: President



9
I HEREBY CERTIFY THAT THE INFORMATION CONTAINED IN THIS REPORT IS ACCURATE AND THAT NONE OF IT IS FALSE OR MATERIAL MISLEADING.

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DO NOT WRITE IN SHADED AREAS. SEE REVERSE SIDE.

COMPANIAL AUTHORITY OF VIRGINIA: STATE CORPORATION LAW, 1980 AND A.P.R. 1981.

1 CORPORATION NAME: OMEGA LIST COMPANY

2 STATE OR COUNTRY OF INCORPORATION: VIRGINIA

3 REGISTERED AGENT NAME AND REGISTERED OFFICE ADDRESS IN VIRGINIA:
 FRED H. COOKING, ATTY
 10822 MAIN STREET
 FAIRFAX, VA 22030
 CITY OR COUNTY (IN VIRGINIA) OF THE REGISTERED OFFICE: FAIRFAX CI

4 NAME: BRUCE W. EBERLE
 AUTHORIZED: 5,000.00

5 COMPANY POST OFFICE ADDRESS: 1429 MONTAGUE DR., VIENNA, VA 22180

6 NAME: BRUCE W. EBERLE
 ADDRESS: 1429 MONTAGUE DR., VIENNA, VA 22180
 CITY OR COUNTY (IN VIRGINIA) OF THE REGISTERED OFFICE: VIENNA

7 DATE SIGNED: August 24, 1983
 SIGNATURE: Bruce W. Eberle
 PRINTED NAME: BRUCE W. EBERLE
 TITLE: PRESIDENT

8 I AFFIRM THAT THE INFORMATION CONTAINED IN THIS REPORT IS ACCURATE AND THAT NONE OF IT IS FALSE, MISLEADING OR MATERIAL RESPECT TO THE COMPANY.

STEPHEN M. BOYD
1015 FIFTEENTH STREET, N.W. PM 2:18
WASHINGTON, D.C. 20005

November 2, 1988

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

Attn: Lawrence M. Noble, Esq.
General Counsel

Re: Complaint Against the Alamo PAC, et al.

Dear Mr. Noble:

I have been assisting Charles H. Damron in the preparation and filing of the above Complaint.

In response to your letter of October 26, 1988 and the advice of Ms. Retha Dixon, we are today refileing the original Complaint, with properly executed verification, and eleven copies thereof.

Should you have any further questions regarding this matter please contact me at the above address, or phone me at (202) 289-6100.

Sincerely yours,

Stephen M. Boyd

Stephen M. Boyd

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 14, 1988

Mr. Charles Hoadley Damron
One Elm Street
Leon, WV 25123

RE: MUR 2762

Dear Mr. Damron:

This letter acknowledges receipt on November 2, 1988, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by the Alamo PAC and James Meadows, as treasurer, Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., and the Omega List Company. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 2762. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints. If you have any questions, please contact Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

Enclosure
Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 14, 1988

James Meadows, Treasurer
Alamo PAC
317 Peoples Street
#405
Corpus Christi, TX 78401

RE: MUR 2762
Alamo PAC and James
Meadows, as treasurer

Dear Mr. Meadows:

The Federal Election Commission received a complaint which alleges that the Alamo PAC and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2762. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and the Alamo PAC in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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

Sincerely,

Lawrence M. Noble
General Counsel



By: Lois G. Lerner
Associate General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

21540814846



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 14, 1988

Bruce W. Eberle & Associates,
Inc.
8330 Old Courthouse Road
Vienna, VA 22180

RE: MUR 2762
Bruce W. Eberle &
Associates, Inc.

Gentlemen:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2762. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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91540314347

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

Sincerely,

Lawrence M. Noble
General Counsel


By: Lois G. Lerner
Associate General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

21040314348



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 14, 1988

Computer Communications, Inc.
8330 Old Courthouse Road
Vienna, VA 22180

Re: MUR 2762
Computer Communications,
Inc.

Gentlemen:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2762. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

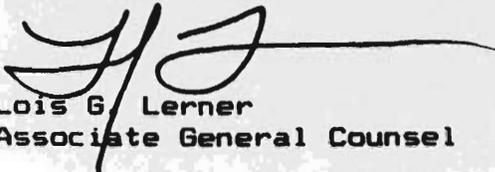
This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

91040311349

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

Sincerely,

Lawrence M. Noble
General Counsel


By: Lois G. Lerner
Associate General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

21540314850



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

= November 14, 1988

Omega List Company
8330 Old Courthouse Road
Vienna, VA 22180

Re: MUR 2762
Omega List Company

Gentlemen:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2762. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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

Sincerely,

Lawrence M. Noble
General Counsel



By: Lois G. Lerner
Associate General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

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FEDERAL RECEIVED ELECTION COMMISSION

Fred H. Coddington

88 NOV 29 PM 1:30

Attorney-at-Law

(703) 591-1870

10382 Main Street
Suite 200
The Coddington Building

P. O. Box 225
Fairfax, Virginia 22030

November 23, 1988

James Brown, Esquire
Federal Election Commission
Washington, D.C. 20463

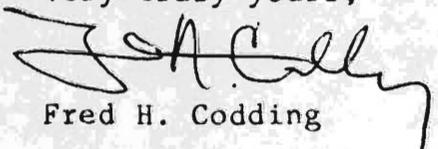
Re: MUR 2762 - Bruce W. Eberle & Associates, Inc.
Omega List Co. - Computer Communications, Inc.

Dear Mr. Brown:

The above-referenced case has been referred to me and enclosed is a Statement of Designation of Counsel.

It will take a period of time longer than 15 days in order to fully investigate the background of this case. Accordingly, because of the potential unavailability of persons because of the time of year and the time required to complete a review, an extension to January 9, 1989, for filing a response is requested. It is anticipated that we would be able to file the response on or before January 9, 1989.

Very truly yours,



Fred H. Coddington

bjs

Enclosure

cc: Bruce W. Eberle

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2762

NAME OF COUNSEL: Fred H. Coddington

ADDRESS: P. O. Box 225
Fairfax, VA 22030

TELEPHONE: 703-591-1870

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.

11/28/88
Date


Signature **PRESIDENT**
C - B&D

RESPONDENT'S NAME: Bruce W. Eberle

(Bruce W. Eberle & Assoc., Inc., Omega List Company, Computer Communications, Inc.)
ADDRESS: 8330 Old Courthouse Rd., #700
Vienna, VA 22180

HOME PHONE: _____

BUSINESS PHONE: 703-821-1550

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FEDERAL ELECTION COMMISSION
SEPTEMBER

88 DEC -2 PM 3:13



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

December 2, 1988

MEMORANDUM

TO: The Commission
FROM: Lawrence M. Noble
General Counsel
BY: Lois G. Lerner *[Signature]*
Associate General Counsel

SUBJECT: MUR 2762 Request for Extension of Time

By a letter from counsel dated November 23, 1988, Bruce W. Eberle & Associates, Inc., Omega List Co., and Computer Communications, Inc., request an extension of thirty-eight (38) days to respond to the allegations of the complaint in MUR 2762.

The letter explains that an extension is necessary because of the unavailability of persons during the upcoming holiday season and because of the time required to complete a review.

Originally the response in this matter would have been due by the close of business on December 1, 1988.

After considering the above circumstances, the Office of General Counsel recommends that the Commission grant the requested extension.

RECOMMENDATIONS

1. Grant an extension of 38 days to Bruce W. Eberle & Associates, Inc., Omega List Co., and Computer Communications, Inc.
2. Approve the attached letter.

Attachments

1. Request for extension of time
2. Letters

Staff: J. Albert Brown

91040314355

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
Bruce W. Eberle &)	MUR 2762
Associates, Inc., Omega)	
List Co., and Computer)	
Communications, Inc.)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on December 7, 1988, the Commission decided by a vote of 4-0 to take the following actions in MUR 2762:

1. Grant an extension of 38 days to Bruce W. Eberle & Associates, Inc., Omega List Co., and Computer Communications, Inc., as recommended in the General Counsel's memorandum to the Commission dated December 2, 1988.
2. Approve the letter, as recommended in the General Counsel's memorandum to the Commission dated December 2, 1988.

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

Attest:

12/7/88
Date

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

Received in the Office of Commission Secretary:	Fri.,	12-2-88,	3:13
Circulated on 48 hour tally basis:	Mon.,	12-5-88,	11:00
Deadline for vote:	Wed.,	12-7-88,	11:00

21040314356

flum



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

December 12, 1988

Fred H. Coddling
P.O. Box 225
10382 Main Street
Suite 200
Fairfax, Virginia 22030

RE: MUR 2762
Bruce W. Eberle &
Associates, Inc., Omega
List Co., and Computer
Communications, Inc.

Dear Mr. Coddling:

This is in response to your letter dated November 23, 1988, which we received on November 29, 1988, requesting an extension of (38) days to respond to the complaint in the above matter under review. After considering the circumstances presented in your letter, the Federal Election Commission has granted the requested extension. Accordingly, your response is due by the close of business on January 9, 1989.

If you have any questions, please contact Jim Brown, the attorney assigned to this matter, at (202)-376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

21 J 4 0 3 1 1 3 5 7

GCC#1463

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

GARCIA, KILGORE & HICKMAN
ATTORNEYS AT LAW, P.C.
2044 SOUTH LAMAR
AUSTIN, TEXAS 78704

88 DEC 27 AM 9:40

(512) 447-4481

M. N. (RON) GARCIA
1921-1981
GARY L. KILGORE
HOWARD A. HICKMAN

1214 SOUTH 31st
TEMPLE, TEXAS 76504

817-773-0037
817-774-8025

December 19, 1988

Mr. James Brown
Federal Election Commission
Washington, D.C. 20463

RE: MUR 2762
Alamo PAC and James Meadows, Treasurer

Dear Mr. Brown:

Please be advised that I represent Alamo PAC and James Meadows. It is our position that the debts which are alleged to be corporate donations are still debts owed by Alamo PAC but which may have been written off by the respective creditors as bad debts under their usual commercial practices. Additionally since these debts were incurred to develop a mailing list, which was the only asset of Alamo PAC at the time of the incursion of the debt and which was kept by the creditor, it is also our position these debts may have been paid by the seizure of Alamo PAC's only asset.

Respectfully,


HOWARD A. HICKMAN

HAH/nrg

210311353

88 DEC 27 PM 2:41

FEDERAL ELECTION COMMISSION

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2762

NAME OF COUNSEL: Herold Hillman

ADDRESS: 2044 S. Lamar
Austin, Texas 78704

TELEPHONE: 512-477-4481

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.

12-8/88
Date

[Signature]
Signature

RESPONDENT'S NAME: Alamo PAC

ADDRESS: 317 Peoples St. #405
Corpus Christi, TX 78401

HOME PHONE: _____

BUSINESS PHONE: 512-888-7100

91040814859

OGC # 1540

FEDERAL ELECTION COMMISSION
RECEIVED
DM

Fred H. Coddling
Attorney-at-Law
(703) 591-1870

89 JAN -9 AM 8:57

10382 Main Street
Suite 200
The Coddling Building

P. O. Box 225
Fairfax, Virginia 22030

January 6, 1989

FEDERAL ELECTION COMMISSION
89 JAN 10 PM 2:43

HAND DELIVERED

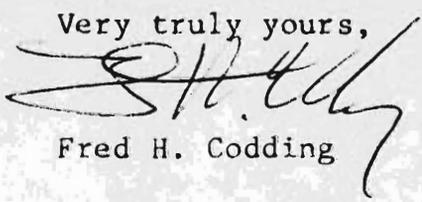
James Brown, Esquire
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2762 - Bruce W. Eberle & Associates, Inc.
Omega List Co. - Computer Communications, Inc.

Dear Mr. Brown:

Enclosed is the Memorandum In Response To Complaint filed in the above-referenced case.

If there is anything further we should provide at this time, please do not hesitate to contact me at the above address.

Very truly yours,

Fred H. Coddling

bjs

Enclosures

21040314350

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ELECTION COMMISSION
WASHINGTON, D. C.

CHARLES H. DAMRON,)
)
 Complainant,)
)
 vs.) COMPLAINT MUR NO. 2762
)
 ALAMO POLITICAL ACTION)
 COMMITTEE, ET AL,)
)
 Respondents.)

MEMORANDUM IN RESPONSE TO COMPLAINT

THIS MEMORANDUM is submitted on behalf of Bruce W. Eberle & Associates, Inc.; Omega List Company; Computer Communications, Inc.; and Bruce W. Eberle, as their response to the Complaint filed herein.

1. Bruce W. Eberle & Associates, Inc. ("Eberle & Associates") was incorporated in 1974 to provide services, including direct mail fund raising, on a for-profit basis. Omega List Company ("Omega") was incorporated in 1975 to provide list rental services on a for-profit basis. Computer Communications, Inc. ("CCI") was incorporated in 1978 to provide computer services. No one connected with the other parties named in the Complaint has any ownership or other interest in these companies which provide services for charitable, political and commercial clients. Bruce W. Eberle is the Chairman/President of these firms.

2. Bruce W. Eberle & Associates, Inc. entered into an Agreement dated October 1, 1980, with Alamo Political Action Committee ("Alamo PAC") to provide a direct response fund raising program. A copy of the Agreement is attached hereto as Exhibit 1. Bruce W. Eberle executed the Agreement as President of Eberle & Associates and Albert O. Forrester

executed the Agreement as Chairman of Alamo PAC. A copy of a Statement of Organization for Alamo PAC is attached as Exhibit 2. Bruce W. Eberle has never held any position in or with Alamo PAC.

3. Several companies owned by Eberle & Associates provided services to Alamo PAC for which they were initially paid. When payments became delinquent, discussions were held with Albert O. Forrester to obtain payment. After an extensive and thorough review, it became evident that Alamo PAC was defunct with no prospect of paying the sums due.

4. Pursuant to the October 1, 1980, Agreement, Eberle & Associates had developed a direct mail fund raising list ("List") for Alamo PAC. In response to the demand for cash payment, or other assets, Alamo PAC by and through its Treasurer, Albert O. Forrester, agreed to release any and all interest in the List and income received from rental of the List. A Confirmation of that 1983 Agreement is attached hereto as Exhibit 3. Pursuant to that Agreement, complete ownership of the List vested in Eberle & Associates and list rental income was applied to the sums owed the Respondents. The List was thereafter an asset owned by Eberle & Associates which marketed the List and collected the resulting list rental income.

5. The Complaint includes a number of allegations concerning matters of which these Respondents are without any knowledge. These specifically include debts subsequent to the Agreement with Alamo PAC in 1983 and television advertising relating to the recent Presidential election.

6. Eberle & Associates owned Omega and CCI. Bruce W. Eberle is a principal officer and director of each of those companies. As previously stated, he has never held any position in or with Alamo PAC.

7. It is a matter of public record that Eberle & Associates,

be considered a bad decision. At the time, however, it appeared to be a prudent business decision.

For the reasons previously set forth, it is requested that these Respondents be dismissed from MUR 2762.

BRUCE W. EBERLE & ASSOCIATES, INC.;
OMEGA LIST COMPANY; COMPUTER COMMUNI-
CATIONS, INC.; AND BRUCE W. EBERLE

By: 
Bruce W. Eberle, Chairman/
President and Individually

AFFIDAVIT

Personally appeared before me Bruce W. Eberle, who after being duly sworn, did depose and state that he is the Chairman/President of Bruce W. Eberle & Associates, Inc.; Omega List Company; and Computer Communications, Inc.; that he is authorized to execute this Affidavit; that he has read the foregoing Memorandum In Response To Complaint; and that the matters set forth therein are true and correct to the best of his personal knowledge and belief.


BRUCE W. EBERLE

STATE OF VIRGINIA)

AT LARGE)

Subscribed and sworn to before me this 6th day of January, 1989.

My Commission Expires: June 26, 1990


NOTARY PUBLIC

10382 MAIN STREET • FREDM. CODDING • ATTORNEY AT LAW • FAIRFAX, VIRGINIA 22030 • (703) 591-1870



FRED H. CODDING
COUNSEL FOR BRUCE W. EBERLE
& ASSOCIATES, INC.; OMEGA
LIST COMPANY; COMPUTER
COMMUNICATIONS, INC.; and
BRUCE W. EBERLE
10382 MAIN STREET
P.O. BOX 225
FAIRFAX, VA 22030
(703-591-1870)

10382 MAIN STREET • FRED H. CODDING • ATTORNEY AT LAW • FAIRFAX, VIRGINIA 22034 • (703) 591-1870

AGREEMENT

AGREEMENT made this 1st day of October, 1980, between Bruce W. Eberle & Associates, Inc., 8330 Old Courthouse Road, Suite 700, Vienna, Virginia 22180, hereinafter called the Agency, and THE ALAMO POLITICAL ACTION COMMITTEE, RT. 1, BOX 382D, GOLDSVEIN, VIRGINIA 22720

hereinafter called the Client.

WHEREAS, the Client is desirous of engaging the services of the Agency, it is agreed as follows

1. **Appointment and Authorization of Agency.** The Agency is hereby retained and appointed to represent exclusively the Client in carrying out its direct response fund raising program, and list rentals, subject to the terms and conditions of this Agreement. Direct response fund raising shall include direct mail, telephone and/or any advertising medium which generates a direct response.
2. **Agency Services.** The Agency shall act as the Client's representative and perform, upon authorization hereby granted, any and all of the following services to the extent necessary to meet the Client's needs:
 - a. Plan, create, write and prepare layouts and actual copy to be used in the Client's direct response fund raising program.
 - b. Coordinate and develop the Client's direct response fund raising program.
 - c. Enter into arrangements with the advertising media and others for space and time to effectuate the advertising and fund raising program as authorized by the Client.
 - d. Negotiate, arrange and enter into agreements on behalf of the Client for any special material and talent required and for all photography, models, special effects, layouts, art work, printing and any necessary technical material for use in the direct response fund raising and advertising program. The Agency shall have the right to select all vendors from which such services and/or materials shall be obtained.
 - e. Promote the rental of all Client-owned mailing lists with individual rentals to be approved by the Client.
3. **Direct Mail Fund Raising and Advertising Costs and Expenditures.**
 - a. The Agency shall be reimbursed for all costs incurred and expenditures made for approved advertising.
 - b. The Agency shall be reimbursed for the costs of packaging, shipping, taxes and duties and telephone calls and telegrams incurred in connection with the performance of this Agreement.
 - c. The Client shall pay all of the Agency's costs and any necessary traveling on its behalf other than to or from the main office of the Agency.
4. **Agency's Compensation.**
 - a. The Agency shall receive compensation in the sum of Forty-Five Dollars (\$45.00) per one thousand (1,000) fund raising packages processed by the mailing house for mailing under the terms of this Agreement. A package shall include solicitation letter and other enclosures. The Agency shall receive a monthly retainer in the sum of N/A (\$ N/A) per month.
 - b. The Agency shall receive compensation of fifteen percent (15%) of the costs for solicitations by telephone. It is agreed that costs include charges for the telephone call vendor(s), telephone lines and followups by mailgram or similar devices.
 - c. The Agency shall receive compensation in the sum of two dollars (\$2.00) per name for individually typed mailings to high dollar donors (fifty dollar (\$50.00) and up) in quantities of two thousand (2,000) or less.
 - d. Agency compensation as enumerated in paragraphs 4 a., 4 b. and 4 c. shall be subject to an adjustment at the beginning of each calendar year in an amount equal to the increase in the United States nationwide Consumer Price Index prepared by the United States Bureau of Labor Statistics, but shall in no event be less than the amounts set forth in said paragraphs.
 - e. The Client shall pay the Agency a fee in an amount to be determined by the parties for televised fund appeals.
 - f. The Agency or its agent shall receive a commission of 20% of the standard list rental charge and/or exchanges made directly to organizations and a 40% commission on list rentals placed to other brokers or agencies, out of which the Agency will pay the other brokers' or agencies' fees. It is understood and agreed that the Omega List Company may at times serve as Agent for the Agency. The Agency shall place all list rental and other commissionable monies in a special bank account from which commissions and list rental fees shall be paid immediately upon receipt.
 - g. The Client shall pay the Agency a fee in an amount to be determined by the parties for any special services not usually included within the scope of this type of agreement, and the Agency shall present an estimate therefore. Public relations or publicity work performed by the Agency shall not be considered in the usual scope of this Agreement.
 - h. The Client recognizes that the Agency will incur costs in the development of a project and/or package. The Client does agree, as a part of the consideration for this Agreement, to pay the Agency the sum of twenty-five thousand dollars for termination of the Agreement prior to the expiration date set forth in Paragraph 7 a. as liquidated damages, and not as a penalty. This amount is fixed and agreed upon by and between the Client and the Agency because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages the Agency would sustain in such event. It is agreed that this sum shall be the amount of damages which the Client shall pay the Agency along with payment for services and commissions set forth in Paragraph 7 d.
 - i. If this Agreement is terminated or expires and a direct mail package created by the Agency in its original or modified form is used thereafter by the Client, its affiliate or assigns, the Client hereby agrees to pay the Agency the sum of forty-five dollars per thousand pieces mailed. The Client agrees that it will provide the Agency upon request the name and address of any party conducting mailings of such a package as well as a report on the quantity and dates of said mailings.
5. **Billing and Payment**
 - a. The Agency shall render billings from time to time as necessary on its standard forms and they shall be paid no later than on the due date stated therein.
 - b. All returns from any direct response fund raising program must be tabulated on forms supplied by the Agency and the forms transmitted to the Agency for analysis within seven (7) days of receipt of said returns by the Client.
 - c. All returns generated from solicitations shall be directed to an independent third party selected by the Agency and the Client. This third party shall tabulate all returns, deposit all funds in a special trust account for the Agency and the Client, and shall disburse said returns to the direct mail suppliers for all bills outstanding prior to the transfer of funds to the Client. Disbursements from the special bank account shall be upon the signature of the representative of the Agency and the Client selected by the Agency and the Client.
 - d. The Agency is hereby irrevocably authorized to have Client list rental income received pursuant to Paragraph 4 e applied directly to payment of outstanding invoices due the Agency or Omega List Company if such invoices are thirty (30) days or more past due. The Client shall be notified in writing of any such transfer of list rental income by the issue of a credit invoice in an identical amount.
 - e. If at any time invoices due a creditor(s) for services provided under this Agreement (including the Agency) remains unpaid ninety (90) or more days past the original invoice date, the Agency shall have the right to direct all future direct mail, telephone marketing or other returns to an Escrow Account designated by the Agency for the purpose of tabulation, deposit and disbursement to the creditor(s). Disbursement from the Escrow Account shall be upon the signature of a representative designated by the Agency.
 - f. It is understood and agreed that any funds advanced by the Agency for postage, telephone vendors and other direct response fund raising services or materials shall be immediately reimbursed the Agency before any returns are disbursed to the Client and/or other parties.
6. **Confidentiality.** All financial information relating to these accounts, and this contract shall be held in confidence by the Agency. Further the Client shall hold in confidence all financial matters in connection with this contract, specifically including the Agency's com-

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penation. It is agreed, however, that financial information can be provided by the Client to governmental agencies upon request of a formal request from a governmental entity. The Client shall immediately notify and provide the Agency a copy of any such formal request and the information provided by the Client.

7. Duration and Termination.

- a. This Agreement shall become effective on October 8, 1980, and shall continue in force for a period of _____ unless sooner terminated as provided herein. Unless terminated as herein provided, this Agreement shall be automatically renewed and extended under the same terms and conditions for successive one year periods.
- b. Either party may terminate this Agreement by giving the other party written notice of termination at least one hundred fifty (150) days prior to the effective date of termination. Upon receipt of notice of termination, the Agency shall not commence any new work, but it shall complete all mailings and place all lists and advertisements previously approved. All other rights and duties of the parties shall continue during such a notice, and the Client shall be responsible to the Agency for payment of any contract obligation incurred with third parties. In the event the Client or the Agency desires to terminate all work and progress on direct mailing and advertisements commenced before the receipt of notice of termination, it may be so agreed upon the parties' mutual consent and the determination of compensation to be received by the Agency for partially completed work.
- c. Upon termination of this Agreement, the Agency shall assign to the Client all of its rights and contracts, agreements, arrangements or other transactions made with third parties for its account effective on the date of termination or on such other date as may be agreed upon by the parties, and the Client shall assume all obligations and hold the Agency harmless for all liability thereunder. In the event any such contract is nonassignable and consent to assignment is refused, or the Agency cannot obtain a release from its obligations, the Agency shall continue to perform and the Client shall meet its obligations as though this Agreement has not been terminated.
- d. Upon termination of this Agreement, the Agency shall submit its billing for all amounts not previously billed and due the Agency at that time. The Agency shall not be entitled to commission or payment for any advertisement or direct list work it has undertaken if work performed thereon commenced after the date the notice of termination of this Agreement was retied by the Agency. The Agency shall, however, be entitled to payment for services and commissions for advertisements and direct list placings commenced and approved for placement in specific media or with a specific broker or agency prior to receipt of such notice, or with express written consent, prior to the effective date of termination.
- e. In the event a direct mail fund raising project and/or a package originated by the Agency is delayed in mailing for fifteen (15) days or more by directions or instructions of the Client, it is expressly agreed and understood that the project and/or package can, at the option of the Agency, be placed by the Agency with another party without any liability to the Client whatsoever. The Client hereby waives and releases any rights it may now or in the future have in or to said project and/or package. In the event of any exercise of this option by the Agency, the Client shall be responsible to the Agency for payment of any contract obligations previously incurred with third parties. The Agency shall be entitled to payment for services and commissions for work prior to the receipt by the Client of a notice of the exercise of this option.

8. Disposition of Property and Materials. Upon termination of this Agreement, all property and material produced and used under this Agreement, including layouts, copy, art work and lists shall be considered the property of the Agency until final payment of all invoices has been made by the Client. All shipping and transportation costs for said property shall be borne by the Client. These provisions shall apply whether the items in question are in the possession of the Agency or third parties. The Client hereby acknowledges the co-ownership by the Agency of any lists created under this Agreement and shall be entitled to unlimited use of the same without any payment of any nature whatsoever to the Client. The Client, its officers and/or representatives shall not during the term of this Agreement, or at any time subsequent thereto, rent, exchange, donate, sell or otherwise provide any lists created under this Agreement to any third party for any reason whatsoever without the prior written approval of the Agency.

9. Arbitration. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in Northern Virginia in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award rendered by the arbitrator or arbitrators may be entered in any court of competent jurisdiction. In the event the Client has not paid invoices rendered by the Agency, list brokers and/or suppliers, the Client hereby further agrees that the Agency, list brokers and/or suppliers shall have the right to institute legal proceedings without first resorting to arbitration. The Client also agrees that such legal proceedings can be before a court in Northern Virginia and that such court shall have jurisdiction over the parties hereto.

10. Assignment and Delegation. Neither party may assign any rights or delegate any duties hereunder without the express prior written consent of the other.

11. Modification. This writing contains the entire Agreement of the parties. No representations were made or relied upon by either party other than those that are expressly set forth. No agent, employee, or other representative of either party is empowered to alter any of the terms hereof, unless done in writing and signed by an executive officer of the respective parties.

12. Controlling Law. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of Virginia.

13. Waiver. The failure of either party to this Agreement to object or to take affirmative action with respect to any conduct by the other which is in violation of the terms of this Agreement shall not be construed as a waiver thereof, or of any future breach or subsequent wrongful conduct.

14. Claims. The Client specifically agrees to hold the Agency harmless from any and all claims of third parties, of any nature whatsoever arising out of materials, including copy, for direct response fund raising projects and/or packages reviewed and approved by the Client. In the event any payment due the Agency and/or direct response creditors is not made in accord with the terms of this Agreement and the obligation(s) is referred to any attorney for collection, the Client agrees to pay all costs of collection, including an attorney's fee of twenty percent of the sum due.

15. Certification. The Client does hereby certify to the Agency that there is no agreement with another direct response fund raiser or list broker currently in existence or which will be in existence as of the effective date of this Agreement which conflicts with the terms hereof.

16. Notices. All notices pertaining to this Agreement shall be in writing and shall be transmitted either by personal hand delivery or through the facilities of the United States Postal Service. The addresses set forth above for the respective parties shall be the places where notices shall be sent, unless written notice of a change of address is given.

17. Additional Terms: N/A

The undersigned do hereby personally warrant and affirm that they are authorized to execute and bind the parties hereto.

Attest:

Corporate Secretary

THE ALAMO POLITICAL ACTION COMMITTEE
By Albert O. Forrester
Albert O. Forrester, Chairman

Attest:
Katherine M. Eberle
Corporate Secretary

BRUCE W. EBERLE & ASSOCIATES, INC.
By Bruce W. Eberle
President

040314366

STATEMENT OF ORGANIZATION

(see reverse side for instructions)

1. (a) Name of Committee (in Full) <input type="checkbox"/> Check if name or address is changed. The Alamo Political Action Committee	2. Date May 3, 1980
(b) Address (Number and Street) P.O. Box 1461, College Station	3. FEC Identification Number
(c) City, State and ZIP Code Fredericksburg, Virginia 22401	4. Is this an amended Statement? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

5. TYPE OF COMMITTEE (check one):

(a) This committee is a principal campaign committee. (Complete the candidate information below.)

(b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate	Candidate Party Affiliation	Office Sought	State/District
-------------------	-----------------------------	---------------	----------------

(c) This committee supports/opposes only one candidate _____ and is NOT an authorized committee.
(name of candidate)

(d) This committee is a _____ committee of the _____ Party.
(National, State or subordinate) (Democratic, Republican, etc.)

(e) This committee is a separate segregated fund.

(f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund nor a party committee.

6. Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

Corporation Corporation w/o Capital Stock Labor Organization Membership Organization Trade Association Cooperative

7. Custodian of Records: Identify by name, address (phone number - optional) and position, the person in possession of committee books and records.

Full Name	Mailing Address and ZIP Code	Title or Position
Albert O. Forrester	Route 1, Box 382D, Goldvein, Va. 22720	Chairman

8. Treasurer: List the name and address (phone number - optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name	Mailing Address and ZIP Code	Title or Position
Albert O. Forrester	(same as above)	Ass't. Treasurer
Stanley M. Tapscott	4706 Nathan Hale, #104, Annandale, Va. 22003	Treasurer

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.	Mailing Address and ZIP Code

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

STANLEY MARCUS TAPSCOTT *Stanley Marcus Tapscott* **5/3/80**
 Type or Print Name of Treasurer SIGNATURE OF TREASURER Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530, Local 202-523-4068

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FEC FORM 1 (3/80)

21040314367

CONFIRMATION
OF
AGREEMENT

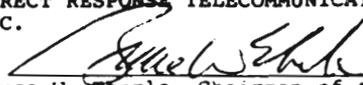
This is a Confirmation of the Agreement entered into as of August 3, 1983, by and between Alamo PAC (hereinafter referred to as Alamo) and Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., Graphics 440, Direct Response Telecommunications, Inc., Omega List Company, Omni Direct Mail Services Ltd., (hereinafter collectively referred to as Eberle).

The undersigned, after being duly sworn, do hereby confirm that an Agreement was entered into whereby Eberle provided certain services to Alamo and was not fully paid for said services; and that Alamo and Eberle entered into an Agreement as of August 3, 1983, for the settlement of said obligations upon the following terms and conditions:

1. Eberle shall receive all list rental income received for the List created under their Agreement as a full and complete settlement of claims against Alamo.
2. Alamo shall have no further interest in or rights of any nature whatsoever to said List or its rental income. Hereafter, Eberle shall own the List exclusively.

Witness the following hands and seals.

BRUCE W. EBERLE & ASSOCIATES, INC.,
COMPUTER COMMUNICATIONS, INC.,
OMEGA LIST COMPANY, OMNI DIRECT
MAIL SERVICES, LTD., GRAPHICS 440,
DIRECT RESPONSE TELECOMMUNICATIONS,
INC.

by 
Bruce W. Eberle, Chairman of the
Board/President


Albert Forrester, Former Treasurer
of Alamo PAC

AFFIDAVIT

I, Bruce W. Eberle, after being duly sworn do hereby
depose, state, affirm and confirm that I have read the foregoing

4031436

Confirmation of Agreement and that the matters set forth therein are true and correct.

Bruce W. Eberle
Bruce W. Eberle

STATE OF VIRGINIA:
COUNTY OF FAIRFAX:

Personally appeared before me, the undersigned Notary Public, Bruce W. Eberle, who after being duly sworn did depose, state and affirm that the matters set forth in the foregoing Confirmation of Agreement and Affidavit are true and correct and that he executed the same.

Leander J. Redage
Notary Public

My Commission Expires: June 26, 1990

AFFIDAVIT

I, Albert Forrester, after being duly sworn, do hereby depose, state, affirm and confirm that I was the initial Chairman and Assistant Treasurer of Alamo PAC; that I was Treasurer of Alamo PAC for the period March 17, 1981, through August 11, 1988; that I have read the foregoing Confirmation of Agreement; and that the matters set forth therein are true and correct.

Albert Forrester
Albert Forrester

STATE OF
COUNTY OF

Personally appeared before me, the undersigned Notary Public, Albert Forrester who after being duly sworn did depose, state and affirm that the matters set forth in the foregoing Confirmation of Agreement and Affidavit are true and correct and that he executed the same.

Alice K. Martina
Notary Public
COMMISSIONED AS
ALICE KATHERINE SMITH

My Commission Expires: June 1, 1989

104031486

060 1592

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

GARCIA, KILGORE & HICKMAN
ATTORNEYS AT LAW, P.C.
2044 SOUTH LAMAR
AUSTIN, TEXAS 78704

89 JAN 18 AM 10:20

(512) 447-4481

1214 SOUTH 31st
TEMPLE, TEXAS 76504

M. N. (RON) GARCIA
1921-1981
GARY L. KILGORE
HOWARD A. HICKMAN

January 13, 1989

817-773-0037
817-774-8025

Mr. James Brown
Federal Election Commission
Washington, D.C. 20463

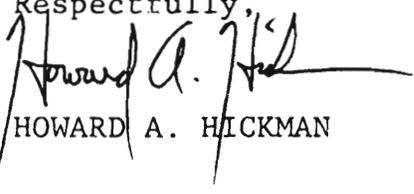
RE: MUR 2762
Alamo PAC and James Meadows, Treasurer

Dear Mr. Brown:

In reference to the above complaint, Mr. Meadows is a recent change in the personnel of Alamo PAC and was not familiar with the actions of the past treasurer, Mr. Albert Forrester. Apparently on August 3, 1983, Mr. Forrester and Bruce Eberle & Associates entered into an agreement resolving the claims against Alamo PAC. Although this debt had been resolved, Mr. Forrester continued to list it on Alamo PAC's filings with the Federal Election Commission.

For future filings, we would appreciate your input on the methodology that Alamo PAC should follow in reference to reporting this resolved debt to Bruce Eberle & associates.

We trust that this clarifies the position of Alamo PAC in reference to the above numbered complaint.

Respectfully,

HOWARD A. HICKMAN

2104031:370

RECEIVED
FEDERAL ELECTION COMMISSION
89 JAN 18 AM 11:42

February 27, 1989

Fax Transmission to 202-376-5280

To: Jim Brown
Federal Election Commission

From: Albert O. Forrester
P.O. Box 921
Charles Town, WV 25414

Re: MUR 2762

RECEIVED
FEDERAL ELECTION COMMISSION
09 FEB 28 PM 6:09

As former Treasurer of Alamo PAC, I can confirm the agreement of August 3, 1983 with Bruce W. Eberle and Associates. I believe this agreement has been provided to you by Mr. Fred Coddling.

Because of this agreement, Alamo PAC did not list the value of its list or rental income from the list on line #9 of the Summary Page of filings with the Federal Election Commission. I could not figure out how to handle the matter on the Alamo PAC filings so I continued to list all debts. I thought giving too much information was better than messing everything up. It seems like that just led to things getting messed up.

I am very willing to assist in any way I can to resolve this matter. You have my phone numbers at home and work or you can write me at the address above.

Albert O. Forrester

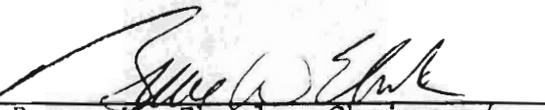
91040314371

2. Omega rented lists from other parties for use by Alamo PAC. It should be pointed out that Paragraph 4. f. of the 1980 Agreement provided that Omega was to receive a commission of 20% of the standard list rent charges when made directly to an organization. It would be paid 40% on list rentals if another broker or agency was involved. In the latter case, the other broker or agency received 20% of the total commission. Thus, Omega was due a 20% commission from the sum due for Alamo PAC's rental of lists from other parties.

The Complaint lists the sum of \$23,772.12 due Omega. This sum includes the amounts due the other list owners. Only 20% of that amount would actually be owed directly to Omega as a commission. That would be \$4,754.24. (\$23,772.12 times 20%.) As previously indicated, Omega received \$2,232.41 from subsequent list rental income.

BRUCE W. EBERLE & ASSOCIATES, INC.;
OMEGA LIST COMPANY; COMPUTER COMMUNICA-
TIONS, INC.; AND BRUCE W. EBERLE

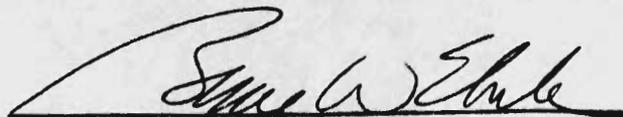
By:


Bruce W. Eberle, Chairman/
President and Individually

AFFIDAVIT

Personally appeared before me Bruce W. Eberle, who after being duly sworn, did depose and state that he is the Chairman/President of Bruce W. Eberle & Associates, Inc.; Omega List Company; and Computer Communications, Inc.; that he is authorized to execute this Affidavit; that he has read the foregoing Supplemental Memorandum In Response To Complaint; and that the matters set forth therein are true and correct to the

best of his personal knowledge and belief.


BRUCE W. EBERLE

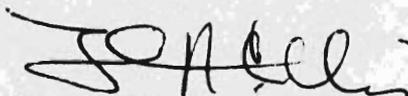
STATE OF VIRGINIA)

AT LARGE)

Subscribed and sworn to before me this 28th day of February,
1989.

My Commission Expires: June 26, 1990


NOTARY PUBLIC



FRED H. CODDING, COUNSEL FOR
BRUCE W. EBERLE &
ASSOCIATES, INC.; OMEGA
LIST COMPANY; COMPUTER
COMMUNICATIONS, INC.; and
BRUCE W. EBERLE
10382 Main Street
P.O. Box 225
Fairfax, VA 22030
(703-591-1870)

10382 MAIN STREET)
FRED H. CODDING) ATTORNEY AT LAW)
P.O. BOX 225) FAIRFAX, VIRGINIA 22030) (703) 591-1870

AGREEMENT

AGREEMENT made this 1st day of October, 1980, between Bruce W. Eberle & Associates, Inc. 8330 Old Courthouse Road, Suite 700, Vienna, Virginia 22180, hereinafter called the Agency, and THE ALAMO POLITICAL ACTION COMMITTEE, RT. 1, BOX 382D, GOLDVEIN, VIRGINIA 22720

hereinafter called the Client.

WHEREAS, the Client is desirous of engaging the services of the Agency, it is agreed as follows:

1. **Appointment and Authorization of Agency.** The Agency is hereby retained and appointed to represent exclusively the Client in carrying out its direct response fund raising program, and list rentals, subject to the terms and conditions of this Agreement. Direct response fund raising shall include direct mail, telephone and/or any advertising medium which generates a direct response.
2. **Agency Services.** The Agency shall act as the Client's representative and perform, upon authorization hereby granted, any and all of the following services to the extent necessary to meet the Client's needs:
 - a. Plan, create, write and prepare layouts and actual copy to be used in the Client's direct response fund raising program.
 - b. Coordinate and develop the Client's direct response fund raising program.
 - c. Enter into arrangements with the advertising media and others for space and time to effectuate the advertising and fund raising program as authorized by the Client.
 - d. Negotiate, arrange and enter into agreements on behalf of the Client for any special material and talent required and for all photography, models, special effects, layouts, art work, printing and any necessary technical material for use in the direct response fund raising and advertising program. The Agency shall have the right to select all vendors from which such services and/or materials shall be obtained.
 - e. Promote the rental of all Client-owned mailing lists with individual rentals to be approved by the Client.
3. **Direct Mail Fund Raising and Advertising Costs and Expenditures.**
 - a. The Agency shall be reimbursed for all costs incurred and expenditures made for approved advertising.
 - b. The Agency shall be reimbursed for the costs of packaging, shipping, taxes and duties, and telephone calls and telegrams incurred in connection with the performance of this Agreement.
 - c. The Client shall pay all of the Agency's costs and any necessary traveling on its behalf other than to or from the main office of the Agency.
4. **Agency's Compensation.**
 - a. The Agency shall receive compensation in the sum of Forty-Five Dollars (\$45.00) per one thousand (1,000) fund raising packages processed by the mailing house for mailing under the terms of this Agreement. A package shall include solicitation letter and other enclosures. The Agency shall receive a monthly retainer in the sum of N/A (\$ N/A) per month.
 - b. The Agency shall receive compensation of fifteen percent (15%) of the costs for solicitations by telephone. It is agreed that costs include charges for the telephone call vendor(s), telephone lines and followups by mailgram or similar devices.
 - c. The Agency shall receive compensation in the sum of two dollars (\$2.00) per name for individually typed mailings to high dollar donors (fifty dollar (\$50.00) and up) in quantities of two thousand (2,000) or less.
 - d. Agency compensation as enumerated in paragraphs 4.a., 4.b. and 4.c. shall be subject to an adjustment at the beginning of each calendar year in an amount equal to the increase in the United States nationwide Consumer Price Index prepared by the United States Bureau of Labor Statistics, but shall in no event be less than the amounts set forth in said paragraphs.
 - e. The Client shall pay the Agency a fee in an amount to be determined by the parties for televised fund appeals.
 - f. The Agency or its agent shall receive a commission of 20% of the standard list rental charge and/or exchanges made directly to organizations and a 40% commission on list rentals placed to other brokers or agencies, out of which the Agency will pay the other brokers' or agencies' fees. It is understood and agreed that the Omega List Company may at times serve as Agent for the Agency. The Agency shall place all list rental and other commissionable monies in a special bank account from which commissions and list rental fees shall be paid immediately upon receipt.
 - g. The Client shall pay the Agency a fee in an amount to be determined by the parties for any special services not usually included within the scope of this type of agreement and the Agency shall present an estimate therefore. Public relations or publicity work performed by the Agency shall not be considered in the usual scope of this Agreement.
 - h. The Client recognizes that the Agency will incur costs in the development of a prospect and/or package. The Client does agree, as a part of the consideration for this Agreement, to pay the Agency the sum of twenty-five thousand dollars for termination of the Agreement prior to the expiration date set forth in Paragraph 7.a. as liquidated damages, and not as a penalty. This amount is fixed and agreed upon by and between the Client and the Agency because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages the Agency would sustain in such event. It is agreed that this sum shall be the amount of damages which the Client shall pay the Agency along with payment for services and commissions set forth in Paragraph 7.d.
 - i. If this Agreement is terminated or expires and a direct mail package created by the Agency in its original or modified form is used thereafter by the Client, its affiliate or assigns, the Client hereby agrees to pay the Agency the sum of forty-five dollars per thousand pieces mailed. The Client agrees that it will provide the Agency, upon request, the name and address of any party conducting mailings of such a package as well as a report on the quantity and dates of said mailings.
5. **Billing and Payment.**
 - a. The Agency shall render billings from time to time as necessary on its standard forms and they shall be paid no later than on the due date stated thereon.
 - b. All returns from any direct response fund raising program must be tabulated on forms supplied by the Agency and the forms transmitted to the Agency for analysis within seven (7) days of receipt of said returns by the Client.
 - c. All returns generated from solicitations shall be directed to an independent third party selected by the Agency and the Client. This third party shall tabulate all returns, deposit all funds in a special trust account for the Agency and the Client, and shall disburse said returns to the direct mail suppliers for all bills outstanding prior to the transfer of funds to the Client. Disbursements from the special bank account shall be upon the signature of the representative of the Agency and the Client selected by the Agency and the Client.
 - d. The Agency is hereby irrevocably authorized to have Client list rental income received pursuant to Paragraph 4.e. applied directly to payment of outstanding invoices due the Agency or Omega List Company if such invoices are thirty (30) days or more past due. The Client shall be notified in writing of any such transfer of list rental income by the issue of a credit invoice in an identical amount.
 - e. If at any time invoices due a creditor(s) for services provided under this Agreement (including the Agency) remains unpaid ninety (90) or more days past the original invoice date, the Agency shall have the right to direct all future direct mail, telephone marketing or other returns to an Escrow Account designated by the Agency for the purpose of tabulation, deposit and disbursement to the creditor(s). Disbursement from the Escrow Account shall be upon the signature of a representative designated by the Agency.
 - f. It is understood and agreed that any funds advanced by the Agency for postage, telephone vendors and other direct response fund raising services or materials shall be immediately reimbursed the Agency before any returns are disbursed to the Client and/or other parties.
6. **Confidentiality.** All financial information relating to these accounts and this contract shall be held in confidence by the Agency. Further, the Client shall hold in confidence all financial matters in connection with this contract, specifically including the Agency's com-

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penation. It is agreed however that financial information can be provided by the Client to governmental agencies upon request of a formal request from a governmental entity. The Client shall immediately notify and provide the Agency a copy of any such forms, request and the information provided by the Client.

Duration and Termination

- a. This Agreement shall become effective on October 8 19 80 and shall continue in force for a period of _____ unless sooner terminated as provided herein. Unless terminated as herein provided, this Agreement shall be automatically renewed and extended under the same terms and conditions for successive one year periods.
- b. Either party may terminate this Agreement by giving the other party written notice of termination at least one hundred fifty (150) days prior to the effective date of termination. Upon receipt of notice of termination, the Agency shall not commence any new work, but it shall complete all mailings and place all lists and advertisements previously approved. All other rights and duties of the parties shall continue during such a notice, and the Client shall be responsible to the Agency for payment of any contract obligation incurred with third parties. In the event the Client or the Agency desires to terminate all work and progress on direct mailing and advertisements commenced before the receipt of notice of termination, it may be so agreed upon the parties' mutual consent and the determination of compensation to be received by the Agency for partially completed work.
- c. Upon termination of this Agreement, the Agency shall assign to the Client all of its rights and contracts, agreements, arrangements or other transactions made with third parties for its account effective on the date of termination or on such other date as may be agreed upon by the parties, and the Client shall assume all obligations and hold the Agency harmless for all liability thereunder. In the event any such contract is nonassignable and consent to assignment is refused, or the Agency cannot obtain a release from its obligations, the Agency shall continue to perform and the Client shall meet its obligations as though this Agreement has not been terminated.
- d. Upon termination of this Agreement, the Agency shall submit its billing for all amounts not previously billed and due the Agency at that time. The Agency shall not be entitled to commission or payment for any advertisement or direct list work it has undertaken if work performed thereon commenced after the date the notice of termination of this Agreement was ratified by the Agency. The Agency shall, however, be entitled to payment for services and commissions for advertisements and direct list placings commenced and approved for placement in specific media or with a specific broker or agency prior to receipt of such notice, or, with express written consent, prior to the effective date of termination.
- e. In the event a direct mail fund raising project and/or a package originated by the Agency is delayed in mailing for fifteen (15) days or more by directions or instructions of the Client, it is expressly agreed and understood that the project and/or package can, at the option of the Agency, be placed by the Agency with another party without any liability to the Client whatsoever. The Client hereby waives and releases any rights it may now or in the future have in or to said project and/or package. In the event of any exercise of this option by the Agency, the Client shall be responsible to the Agency for payment of any contract obligations previously incurred with third parties. The Agency shall be entitled to payment for services and commissions for work prior to the receipt by the Client of a notice of the exercise of this option.

8 **Disposition of Property and Materials.** Upon termination of this Agreement, all property and material produced and used under this Agreement, including layouts, copy art work and lists shall be considered the property of the Agency until final payment of all invoices has been made by the Client. All shipping and transportation costs for said property shall be borne by the Client. These provisions shall apply whether the items in question are in the possession of the Agency or third parties. The Client hereby acknowledges the co-ownership by the Agency of any lists created under this Agreement and shall be entitled to unlimited use of the same without any payment of any nature whatsoever to the Client. The Client, its officers and/or representatives shall not during the term of this Agreement, or at any time subsequent thereto, rent, exchange, donate, sell or otherwise provide any lists created under this Agreement to any third party for any reason whatsoever without the prior written approval of the Agency.

9 **Arbitration.** Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in Northern Virginia in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award rendered by the arbitrator or arbitrators may be entered in any court of competent jurisdiction. In the event the Client has not paid invoices rendered by the Agency, list brokers and/or suppliers, the Client hereby further agrees that the Agency, list brokers and/or suppliers shall have the right to institute legal proceedings without first resorting to arbitration. The Client also agrees that such legal proceedings can be before a court in Northern Virginia and that such court shall have jurisdiction over the parties hereto.

10 **Assignment and Delegation.** Neither party may assign any rights or delegate any duties hereunder without the express prior written consent of the other.

11 **Modification.** This writing contains the entire Agreement of the parties. No representations were made or relied upon by either party other than those that are expressly set forth. No agent, employee, or other representative of either party is empowered to alter any of the terms hereof, unless done in writing and signed by an executive officer of the respective parties.

12 **Controlling Law.** The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of Virginia.

13 **Waiver.** The failure of either party to this Agreement to object or to take affirmative action with respect to any conduct by the other which is a violation of the terms of this Agreement shall not be construed as a waiver thereof, or of any future breach or subsequent wrongful conduct.

14 **Claims.** The Client specifically agrees to hold the Agency harmless from any and all claims of third parties, of any nature whatsoever, arising out of materials, including copy, for direct response fund raising projects and/or packages reviewed and approved by the Client. In the event any payment due the Agency and/or direct response creditors is not made in accord with the terms of this Agreement and the obligation(s) is referred to any attorney for collection, the Client agrees to pay all costs of collection, including an attorney's fee of twenty percent of the sum due.

15 **Certification.** The Client does hereby certify to the Agency that there is no agreement with another direct response fund raiser or list broker currently in existence or which will be in existence as of the effective date of this Agreement which conflicts with the terms hereof.

16 **Notices.** All notices pertaining to this Agreement shall be in writing and shall be transmitted either by personal hand delivery or through the facilities of the United States Postal Service. The addresses set forth above for the respective parties shall be the places where notices shall be sent, unless written notice of a change of address is given.

17 **Additional Terms** N/A

The undersigned do hereby personally warrant and affirm that they are authorized to execute and bind the parties hereto.

Attest:

Corporate Secretary

THE ALAMO POLITICAL ACTION COMMITTEE

By Albert U. Forrester
Albert U. Forrester, Chairman

Attest:

Katherine M. Eberle
Corporate Secretary

BRUCE W. EBERLE & ASSOCIATES INC.

By Bruce W. Eberle
President

31040814376

CONFIRMATION
OF
AGREEMENT

3

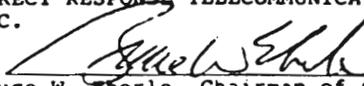
This is a Confirmation of the Agreement entered into as of August 3, 1983, by and between Alamo PAC (hereinafter referred to as Alamo) and Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., Graphics 440, Direct Response Telecommunications, Inc., Omega List Company, Omni Direct Mail Services Ltd., (hereinafter collectively referred to as Eberle).

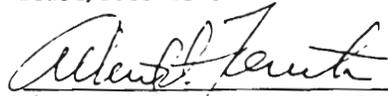
The undersigned, after being duly sworn, do hereby confirm that an Agreement was entered into whereby Eberle provided certain services to Alamo and was not fully paid for said services; and that Alamo and Eberle entered into an Agreement as of August 3, 1983, for the settlement of said obligations upon the following terms and conditions:

1. Eberle shall receive all list rental income received for the List created under their Agreement as a full and complete settlement of claims against Alamo.
2. Alamo shall have no further interest in or rights of any nature whatsoever to said List or its rental income. Hereafter, Eberle shall own the List exclusively.

Witness the following hands and seals.

BRUCE W. EBERLE & ASSOCIATES, INC.,
COMPUTER COMMUNICATIONS, INC.,
OMEGA LIST COMPANY, OMNI DIRECT
MAIL SERVICES, LTD., GRAPHICS 440,
DIRECT RESPONSE TELECOMMUNICATIONS,
INC.

by 
Bruce W. Eberle, Chairman of the
Board/President


Albert Forrester, Former Treasurer
of Alamo PAC

AFFIDAVIT

I, Bruce W. Eberle, after being duly sworn do hereby depose, state, affirm and confirm that I have read the foregoing

91040314377

Confirmation of Agreement and that the matters set forth therein are true and correct.

Bruce W. Eberle
Bruce W. Eberle

STATE OF VIRGINIA:
COUNTY OF FAIRFAX:

Personally appeared before me, the undersigned Notary Public, Bruce W. Eberle, who after being duly sworn did depose, state and affirm that the matters set forth in the foregoing Confirmation of Agreement and Affidavit are true and correct and that he executed the same.

Janet J. Reddy
Notary Public

My Commission Expires: June 26, 1990

AFFIDAVIT

I, Albert Forrester, after being duly sworn, do hereby depose, state, affirm and confirm that I was the initial Chairman and Assistant Treasurer of Alamo PAC; that I was Treasurer of Alamo PAC for the period March 17, 1981, through August 11, 1988; that I have read the foregoing Confirmation of Agreement; and that the matters set forth therein are true and correct.

Albert Forrester
Albert Forrester

STATE OF
COUNTY OF

Personally appeared before me, the undersigned Notary Public, Albert Forrester who after being duly sworn did depose, state and affirm that the matters set forth in the foregoing Confirmation of Agreement and Affidavit are true and correct and that he executed the same.

Alice K. Smith
Notary Public
COMMISSIONED AS
ALICE KATHERINE SMITH

My Commission Expires: June 1, 1989

21040814378

(MUR 2702) 000 3001

B100 (11/86) BANKRUPTCY DOCKET

DOCKET NUMBER
YR - NUMBER
88 00113
CHECKOFF APPLICABLE
Joint
Petition

34th MEETING (Date, Time, Loc.)
03/07/88 04:00 P A1B
CLAIM DEADLINE
523/727 COMPLAINT
DIST. NO.
0422
OFF. NO.
1
DATE PETITION FILED
01/25/88
REOPENED - 9

NAME OF DEBTOR (Last, First, Middle)
COMPUTER COMMUNICATIONS, INC.
AKA/DBA 1. A-12 PGS., B-6 PGS.
2. CONVERTED TO CH 7 1-23-89
3.
SS or EMPLOYER ID
541110969
ADDRESS OF DEBTOR
8330 OLD COURTHOUSE ROAD
VIENNA VA 221803813
NAME OF COUNTY
FAIRFAX
COUNTY CODE
51059
TRUSTEE CODE

NAME OF JOINT DEBTOR
AKA/DBA 4.
5.
6.
SS or EMPLOYER ID
ADDRESS OF JT. DEBTOR
NAME OF JUDGE
MARTIN V.B. BOSTETTER, JR.
JUDGE CODE
A055

RECEIVED
FEDERAL RECEIVING CENTER
89 JUN -9

TYPE OF CASE (Check One Box)				NATURE OF DEBTOR (Check One Box)			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COMMENCED UNDER (Check One Box)				IF BUSINESS, FORM OF ORGANIZATION (Check One Box)			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESTIMATED NO. CREDITORS				TYPE OF BUSINESS (Check One Box)			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ESTIMATED ASSETS (IN 000's OF DOLLARS)				EST. NUMBER OF EMPLOYEES-CH. 11 AND CH. 12 ONLY			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESTIMATED LIABILITIES (IN 000's OF DOLLARS)				EST. NO. OF EQU. SECURITY HOLDERS-CH. 11 & CH 12 ONLY			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ATTORNEY FOR DEBTOR (NAME, ADDRESS, AND TELEPHONE NO)
BENNETT A. BROWN
3905 NORTH RAILROAD AVE
SUITE 200
FAIRFAX VA 22030
TEL: 703-591-3500

TRUSTEE (NAME, ADDRESS AND TELEPHONE NUMBER)
TEL:

Date of Entry	Document Number	BANKRUPTCY CASE RECORD	Date of Entry	Document Number	BANKRUPTCY CASE RECORD
		Application and Order for Payment of Installment Filing Fee			Order/Notice to File Claims and Certificate of Mailing
					Notice of Discharge Hearing and Certificate of Mailing
					Notice of Confirmation Hearing and Certificate of Mailing
		Statement of Affairs and Schedules (or Ch. 13 Statement)	MAR 2 1989		Section 341 Meeting conducted
		Schedule of Income and Expenditures			Discharge entered
		Statement of Debtor's Intentions			Notice of Discharge & Certification of Mailing
FEB 17 1989		Appointment of Trustee	MAR 16 1989		Trustee's Final Report <input checked="" type="checkbox"/> No Asset <input type="checkbox"/> Asset
		Trustee's Bond & Order Approving/Trustee Acceptance			Orders of Final Distribution
836-50 2/17	73 NCI. 2	Notice of Section 341 Meeting & Certificate of Mailing			Order Closing Case

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DATE FILED	DATE OF ENTRY	DOCUMENT NUMBER	BANKRUPTCY CASE RECORD
02-12-88	02-18-88	1	APPLICATION of dbtr. to employ Bennett A. Brown, as as counsel for the dbtr, w/affidavit
		2	see front
02-22-88	02-23-88	3	MOTION of Computer Communications, Inc. to use cash collateral
02-29-88	02-29-88	4	INTEREM ORDER for use of cash collateral ,final hrg. <u>March 9, 1988 at 9:30A.</u> , the dbtr. shall provide 8 days notice time.
02-29-88	02-29-88	5	ORDER auth. appointment of Bennett A. Brown, as counsel for dbtr., Nunc Pro Tunc.
03-16-88	03-16-88	6	NO Appointment of Unsecured Creditors' Committee
03-18-88	03-18-88	7	MOTION of the U.S. Trustee f. entry of consent order conditioning rights of debtor.
03-18-88	03-21-88	8	NOTICE OF HRG. to use cash collateral, set for <u>4/27/88</u> at 9:30 A.M.
03-23-88	03-24-88	9	CONSENT ORDER conditioning rights of dbtr.
04-27-88	04-28-88	10	HEARING on mot. of dbtr. f. use of cash collateral. Interim order accepted as final which was entered on 2/29/88. (EOD: 4/28/88)
05-09-88	05-10-88	11	MOTION of Datascribe, Inc. to have debtor assume or reject lease.
05-09-88	05-10-88	12	NOTICE of appearance of Richard L. Greenberg on be- half of Datascribe, Inc.
10-31-88	10-31-88	13	JOINT MOTION between dbtr. & U.S. TR. for fixing a date certain for the filing of a plan & disclosure stmt. or , in the alternative, for conversion to ch. 7
11-9-88	11-10-88	14	CONSENT ORDER to set a date certain for the filing of a plan and discl. stmt., until Jan. 2, 1989
11-17-88	11-18-88	15	CASH POSITION STATEMENT FOR Sept. 1988
11-30-88	12-01-88	16	CASH POSITION STATEMENT FOR <u>October 1988</u>
12-29-88	1-6-88	17	MONTHLY REPORT (S) for <u>November 1988</u>
1-6-89	1-11-89	18	PRAECIPE by U.S TR. for conversion to ch. 7 purs. to consent order ent. 11-10-88
1-19-89	1-23-89	19	ORDER that the dbtr. petition is converted to ch 7
2/10		20	ORDER for 341 meeting after conversion, set for: <u>March 2, 1989, 11:30am</u>

89 JUL -5 AM 11:42

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

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

MUR 2762
DATE COMPLAINT RECEIVED
BY OGC: November 2, 1988
DATE OF NOTIFICATION TO
RESPONDENTS: November 14, 1988
STAFF MEMBER: J. Albert Brown

COMPLAINANT: Charles H. Damron

RESPONDENTS: Alamo Political Action Committee and James Meadows, as treasurer

Bruce W. Eberle

Bruce W. Eberle & Associates, Inc.

Computer Communications, Inc.

Omega List Company

RELEVANT STATUTES: 2 U.S.C. § 434(b)(8)
2 U.S.C. § 441b(a)
11 C.F.R. § 100.7(a)(4)
11 C.F.R. § 114.10

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

On November 2, 1988, the Office of the General Counsel received a complaint from Charles H. Damron. The complaint alleges that Bruce Eberle, Bruce W. Eberle & Associates, Inc., Omega List Co., and Computer Communications, Inc. (collectively referred to as the "Eberle Creditors"), made in-kind corporate contributions to Alamo Political Action Committee (Alamo PAC), by extending credit to Alamo PAC outside the ordinary course of the corporation's business and without making a commercially

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reasonable attempt to collect the debts. It is Complainant's position that by not pursuing collection of these certain debts within a commercially reasonable time and not filing a debt settlement with the Commission, the Eberle Creditors, Alamo PAC and its treasurer, have violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10(c).

All of the Eberle Creditors designated the same counsel, and their response was received on January 9, 1989. (Attachment I). On February 28, 1989, the Eberle Creditors submitted a supplemental response. (Attachment II). The statements made in those responses are supported by the sworn affidavits of Bruce W. Eberle, in his personal capacity and as Chairman/President of each of the corporate Eberle Creditors. Alamo PAC and James Meadows, as treasurer, submitted two (2) letters in response to the complaint, one on December 27, 1988, the other on January 18, 1989. (Attachments III and IV). The former treasurer of Alamo PAC, Albert O. Forrester, submitted a letter on February 28, 1989, confirming the events that occurred during his tenure as treasurer. (Attachment V).

II. FACTUAL AND LEGAL ANALYSIS

A. The Law

A corporation may not make direct or indirect contributions to political candidates or committees. 2 U.S.C. § 441b(a). Commission regulations provide that credit extended for a length of time beyond normal business or trade practice by any person is considered a contribution, "unless the creditor has made a commercially reasonable attempt to collect the debt."

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11 C.F.R. § 100.7(a)(4).

Commission regulations allow a corporation to extend credit to a candidate, political committee, or other person in connection with a Federal election provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extensions of credit to nonpolitical debtors which are of similar risk and size of obligation. 11 C.F.R. § 114.10. A corporation may lawfully forgive a debt or settle a debt for less than the full amount only if the corporate creditor has "treated the outstanding debt in a commercially reasonable manner." 11 C.F.R. § 114.10(c). Settlements will satisfy the standard of commercial reasonableness if three conditions are met:

- (1) The initial extension of credit was made [on terms substantially similar to nonpolitical debtor(s)];
- (2) the candidate or political committee or person has undertaken all commercially reasonable efforts to satisfy the outstanding debt; and
- (3) the corporate creditor has pursued its remedies in a manner similar in intensity to that employed by the corporation in pursuit of a nonpolitical debtor, including lawsuits if filed in similar circumstances.

11 C.F.R. § 114.10(c)(1) - (3).

The Act at 2 U.S.C. § 434(b)(8) requires the treasurers of political committees to include in their periodical reports to the Commission the amount and nature of the political committee's outstanding debts and obligations. That Section also provides that political committee treasurers shall file a statement detailing the circumstances and conditions under which debts or obligations are settled, when they are settled for less

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than their reported amount or value, as well as the actual consideration for which such debts are settled.

Section 114.10(b) of the Commission regulations prohibits a corporation from forgiving prior debts, or settling debts, incurred by a candidate for less than the amount owed on the debt, except in situations of commercial reasonableness as discussed above in Section 114.10(c). The regulations also specify that once a settlement is achieved, a settlement statement must be filed with the Commission and must include the initial terms of credit, the steps taken by the debtor to satisfy the debt, and the remedies pursued by the creditor. Such settlement statements must be filed prior to the termination of the reporting status of the debtor and are subject to Commission review. Id. In Commission Advisory Opinion 1989-2, the Commission recently reiterated that "when a corporate creditor and a political debtor have agreed upon a settlement, either or both parties to the settlement must file a Statement of Settlement with the Commission for the Commission to review." See AO 1989-2, page 3.

B. The Facts

Bruce W. Eberle & Associates, Inc. entered into an Agreement dated October 1, 1980, with Alamo PAC to conduct a direct mail fundraising program. See Attachment I, page 7. According to the Eberle Creditors' response, several companies owned by Eberle & Associates, including Computer Communications, Inc. and Omega List Company, provided services to Alamo PAC, which has continually filed reports with the Federal Election

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Commission since May 1980. Alamo PAC first reported a debt to Computer Communications, Inc. in its 1980 Post-General Report. In that same report, Alamo PAC showed combined disbursements of \$724.55 to the Eberle Creditors. Over the next few reporting periods, Alamo PAC made partial payments to the Eberle Creditors for their services, but became gradually more indebted to these creditors. By the end of 1983 Alamo PAC reported total outstanding debts of \$72,741.78, and continued to report that same amount of indebtedness for several years, up to and including the 1988 July Quarterly Report. Of that amount, some \$46,354 was reported owed to the three corporate respondent creditors: \$16,730.20 to Bruce W. Eberle & Associates, Inc. ("Eberle & Associates"); \$5,851.88 to Computer Communications, Inc. ("CCI"); and, \$23,772.12 to Omega List Company ("Omega" or OLC). According to reports filed with the Commission, Alamo PAC received no contributions and made no disbursements between January 1, 1984 and June 30, 1988.

According to the Committee's 1988 October Quarterly Report, Alamo PAC has resumed activity. That report showed total new receipts of \$4,026.89 and total debts and obligations of \$89,968.86. The \$89,968.86 figure included the debts previously reported, plus newly acquired debts. In contrast, the 1988 Year-End Report (filed after notification of this complaint was given to the Respondents) reflects debts and obligations of only \$10,600, and drops all mention of the previously reported debts, including those owed the Eberle Creditors. The report fails to show any disbursement by Alamo PAC to any of the Eberle

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Creditors in payment for the previously reported debts.

C. Analysis

Complainant challenges the commercial reasonableness of the initial and continued extension of credit in this situation, arguing that it violates 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10. It is Complainant's position that Alamo PAC's failure to reduce its debt obligations and the Eberle Creditors' failure to pursue repayment of this outstanding debt over the course of many years suggests that Alamo PAC and the Eberle Creditors had "neither a normal commercial transaction nor an arms-length relationship" (Complaint - Attachment VI, page 4). Complainant also contends that the violations would be more clearly substantiated "if any of the individuals associated with the Eberle Creditors are also involved in the political activities of the Alamo PAC." Id.

The Eberle Creditors' response states that Bruce W. Eberle has never held any position with Alamo PAC and that Alamo PAC, and Albert O. Forrester (former Alamo PAC treasurer) have no ownership or other interest in any of the corporate respondents. According to the creditors' response, Computer Communications, Inc., and Omega List Company were in fact owned by Eberle & Associates. Bruce W. Eberle is identified as the principal officer and director of each of the corporate respondents. (Attachment I, page 3).

The Eberle Creditors' response notes that Eberle & Associates customarily extended credit in the ordinary course of its business in 1980-1983, and currently continues that

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practice. Id. Respondents assert that when Alamo PAC's payments for the work done by the Eberle Creditors became delinquent, Eberle & Associates held discussions with the former treasurer of Alamo PAC, Albert O. Forrester, in an attempt to secure payment. When it became evident that Alamo PAC was defunct and would be unable to pay the sums due, the creditors purportedly entered into an agreement with Alamo PAC on August 3, 1983 (Attachment I, page 10). According to an undated, notarized document entitled "Confirmation of Agreement," Alamo PAC agreed to release any and all interest in a fund raising list developed by the Eberle Creditors in exchange for forgiveness of its debts. Thus, all interest in and income derived from rental of the list was relinquished by Alamo PAC to Eberle & Associates. (Attachment I, Page 10). According to the Eberle Creditors' response, rental list income was thereafter applied to the sums owed by Alamo PAC to the Eberle Creditors.

In their supplemental response, the Eberle Creditors report that after the August 3, 1983 agreement, the Alamo PAC mailing list generated \$10,975.72 in income, which was distributed as follows: \$6,853.16 to Computer Communications, Inc. in payment for its outstanding bill of \$5,851.88 and for additional services subsequently performed; \$1,890.15 toward payment of the \$16,730.20 debt owed to Eberle & Associates, Inc.; and \$2,232.41 applied to the debt with Omega.

With respect to the amount owed Omega, the supplemental

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response maintains that Alamo PAC incorrectly reported its debt to that company as totaling \$23,772.43. See Attachment II, page 2. The Eberle Creditors explain that under the terms of the 1980 agreement, OLC rented lists from other parties for use by Alamo. As compensation, Omega was to receive 20% of the standard list rental charges (See Paragraph 4, f. of Attachment I, page 7) and an additional 20% whenever any other broker or agency was involved. Thus, the supplemental response asserts that only 20% of the \$23,772.12 reported by Alamo PAC, or \$4,754.24, actually was owed Omega. No explanation is given by any of the Respondents as to how, or if, the other 80% of the list rental debt was paid, or to whom it was owed. Due to Alamo PAC's apparent incorrect reporting of these debts owed to Omega List Company it is recommended that the Commission find that there is reason to believe Alamo Political Action Committee violated 2 U.S.C. § 434(b)(8).

According to the sworn affidavit of Bruce W. Eberle, the creditor respondents decided to settle what appeared to be non-collectible debts in exchange for all rights to Alamo PAC's mailing list in an attempt to avoid costly litigation and attorneys fees. The creditors' own financial status apparently weighed in favor of such a resolution: all three creditors have had severe financial problems and CCI presently is involved in Chapter 7 bankruptcy proceedings in the United States Bankruptcy Court for the Eastern Division of Virginia, Alexandria Division (Case No. 88-00113A). The Eberle creditors assert that their

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actions here were no different than they would have been, and have since been, with other similar clients.

Two short letters were submitted by counsel as a response for Alamo PAC and James Meadows, as treasurer. The first letter, dated December 19, 1988, contains no mention of an August 3, 1983 agreement. Counsel instead suggests that the outstanding debts are still owed, but that the creditors may have written them off as bad debts. That letter also confirms that the Eberle Creditors kept Alamo PACs sole asset, its mailing list, and thus suggests that retention of this list satisfied the debt. See Attachment III. The second letter references the August 3, 1983 agreement entered into between Alamo PAC's former treasurer and the Eberle Creditors. That letter states that the current treasurer was unaware of that settlement. Mr. Forrester, the former Alamo PAC treasurer, explained in his letter that he continued to list the debts on Alamo PAC's filings after the 1983 agreement and did not file a settlement statement with the Commission because he "could not figure out how to handle the matter." See Attachment V.

None of the parties to the 1983 agreement filed a statement of settlement with the Commission outlining the initial terms of credit, the steps the debtor took to satisfy the debt, and the remedies pursued by the creditor as required by 11 C.F.R. § 114.10(c). Because of the failure to file such a statement this Office recommends that the Commission find that there is reason to believe Bruce W. Eberle, Bruce W. Eberle & Associates,

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Inc., Computer Communication, Inc., Omega List Company, Alamo Political Action Committee and James Meadows, as treasurer, violated 11 C.F.R. § 114.10.

Moreover, it is unclear from the responses to the complaint whether the extensions of credit were within the corporations' ordinary course of business. There is a notable discrepancy between the amount the creditors claim they extended and the debt reported by Alamo Pac. There also appears to be some confusion about the duration of the debt, which Alamo Pac initially described as unpaid and then, in a subsequent letter, claimed was settled back in 1983. Even the settlement confirmation document contains ambiguity. Although it references an August 11, 1983 settlement, the undated document was executed at least five years later. Without further investigation, there is no basis for determining whether the extensions of credit here were within the corporations' ordinary course of business and whether Respondents have complied with the criteria of 11 C.F.R. 114.10(c) in settling the debts. Accordingly, this Office recommends that the Commission find reason to believe Bruce W. Eberle, Bruce W. Eberle & Associates, Inc., Computer Communication, Inc., Omega List Company, Alamo Political Action Committee and James Meadows, as treasurer violated 2 U.S.C. § 441b(a).

In an effort to clarify the commercial reasonableness of the actions of the parties involved herein, this Office further recommends that the Commission approve the attached letters, interrogatories and request for production of documents to

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Respondents (Attachment VII). These interrogatories and request for production of documents attempt to ascertain what attempts were made by Alamo PAC to repay its debt and what steps were taken by the creditors to collect the debt. The discovery requests also inquire into the apparent reporting error regarding the amount owed to Omega List Company.

III. RECOMMENDATIONS

1. Find reason to believe that Alamo Political Action Committee and James Meadows, as treasurer, violated 2 U.S.C. § 434(b)(8), 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10.
2. Find reason to believe that Bruce W. Eberle, Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., and Omega List Company violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10.
3. Approve the attached letters, factual and legal analyses and interrogatories and requests for production of documents.

Lawrence M. Noble
General Counsel

7/3/89
Date


BY: Lois G. Lerner
Associate General Counsel

Attachments

1. Eberle Creditors January 9, 1989 Response
2. Eberle Creditors February 28, 1989 Supplemental Response
3. Alamo PAC December 27, 1988 Response
4. Alamo PAC January 18, 1989 Letter
5. Albert O. Forrester February 28, 1989 Letter
6. Complaint
7. Letters (2), interrogatories and request for production of documents (2), and factual and legal analysis (2)

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Alamo Political Action Committee and)	
James Meadows, as treasurer)	
Bruce W. Eberle)	MUR 2762
Bruce W. Eberle & Associates, Inc.)	
Computer Communications, Inc.)	
Omega List Company)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on July 8, 1989, the Commission decided by a vote of 6-0 to take the following actions in MUR 2762:

1. Find reason to believe that Alamo Political Action Committee and James Meadows, as treasurer, violated 2 U.S.C. § 434(b)(8), 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10.
2. Find reason to believe that Bruce W. Eberle, Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., and Omega List Company violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10.
3. Approve the letters, factual and legal analyses and interrogatories and requests for production of documents, as recommended in the First General Counsel's Report signed July 3, 1989.

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

Attest:

7-10-89
Date

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

Received in the Office of Commission Secretary:	Wed., 7-5-89, 11:42
Circulated on 48 hour tally basis:	Wed., 7-5-89, 4:00
Deadline for vote:	Fri., 7-7-89, 4:00

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 13, 1989

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Fred H. Coddling
10382 Main Street
Suite 200
The Coddling Building
P.O. Box 225
Fairfax, Virginia 22030

RE: MUR 2762
Bruce W. Eberle, Bruce W. Eberle &
Associates, Inc., Computer
Communications, Inc., Omega List
Company

Dear Mr. Coddling:

On November 14, 1988, the Federal Election Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was enclosed with that notification.

Upon further review of the allegations contained in the complaint, and information supplied by you and other respondents, the Commission, on July 8, 1989, found that there is reason to believe Bruce W. Eberle, Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., and Omega List Company violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10, provisions of the Act and Commission regulations. 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 your clients. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed interrogatories and request for production of documents must be

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Fred H. Coddling
Page 2

submitted to the General Counsel's Office within 15 days of your receipt of this letter. Any additional materials or statements you wish to submit should accompany the response to the interrogatories and request for production of documents.

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

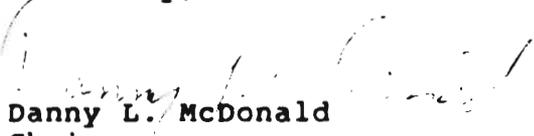
If your clients are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that 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 ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

If you have any questions, please contact Jim Brown, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,


Danny L. McDonald
Chairman

Enclosures

Interrogatories and Request for Production of Documents
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION
WASHINGTON, D. C. 20463

July 13, 1989

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Howard A. Hickman
Garcia, Kilgore & Hickman
Attorneys at Law, P.C.
2044 South Lamar
Austin, Texas 78704

RE: MUR 2762
Alamo PAC and James Meadows, as
treasurer

Dear Mr. Hickman:

On November 14, 1988, the Federal Election Commission notified your clients, Alamo PAC and James Meadows, as treasurer, ("the Committee") of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was enclosed with that notification.

Upon further review of the allegations contained in the complaint, and information supplied by you and other respondents in this matter, the Commission, on July 8, 1989, found that there is reason to believe Alamo PAC and James Meadows, as treasurer, violated 2 U.S.C. § 434(b)(8), 2 U.S.C. § 441b(a), and 11 C.F.R. § 114.10, provisions of the Act and the Commission Regulations. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, your clients have an opportunity to demonstrate that no action should be taken against them. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed interrogatories and request for production of documents must be submitted to the General Counsel's Office within 15 days

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Howard A. Hickman
Page 2

of your receipt of this letter. Any additional materials or statements you wish to submit should accompany the response to the interrogatories and request for production of documents.

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

If your clients 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 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 ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

If you have any questions, please contact Jim Brown, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,


Danny W. McDonald
Chairman

Enclosures

Interrogatories and Request for Production of Documents
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION
OFFICE OF THE CLERK
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July 25, 1989

Mr. Danny L. McDonald, Chairman
Federal Election Commission
Washington, D.C. 20463

RE: MUR 2762
Bruce W. Eberle; Bruce W.
Eberle & Associates, Inc.;
Computer Communications, Inc.;
Omega List Company

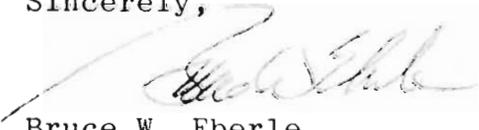
Dear Mr. McDonald:

Pursuant to the second paragraph of your July 13, 1989, letter received July 10, 1989, the above-referenced parties are interested in pursuing pre-probable cause conciliation.

The reason for this interest revolve around the financial circumstances of the parties (one being in bankruptcy); the individual in charge of accounting and bookkeeping having gone on a part-time basis because of financial constraints; and the questionable ability to retain counsel to continue this matter.

It appears that a settlement statement was not previously filed with the FEC. We attempted to show from the previously submitted information that I, personally, Bruce W. Eberle & Associates, Inc., Computer Communications, Inc, and Omega List Company did not make corporate contributions.

We are attempting to prepare responses to as many of the questions as we can. It is hereby requested that we be given until August 23, 1989, to respond to the interrogatories and request for production of documents for the reasons set forth above while pre-probable cause conciliation is being pursued. Further, the requested information and documents will necessitate a search of countless boxes in efforts to locate the materials.

Sincerely,


Bruce W. Eberle
Chairman of the Board



8330 OLD COURTHOUSE ROAD • SUITE 700 •
VIENNA, VIRGINIA 22180 • 703-821-1550 •
FAX 703-821-0920

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Alamo PAC and) MUR 2762
James Meadows, as Treasurer)

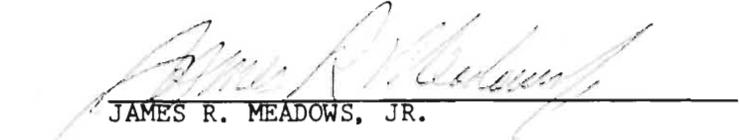
RESPONSE TO INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL
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TO: Federal Election Commission
Office of the General Counsel
Room 659
999 E Street N.W.
Washington, D.C. 20463

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1. James Meadows became treasurer of the federally registered Alamo PAC on or about August 11, 1988. At that time and to the present he has not received any documents other than Alamo PAC's last FEC filing before he became treasurer. Additionally Alamo PAC had been inactive for an extended period of time. He has no actual knowledge of the requested information. He did have a telephone conversation with the former treasurer, Albert Forrester after becoming treasurer in which he obtained substantially the information contained in the Supplemental Memorandum In Response to Complaint filed with the Commission by Bruce W. Eberle & Associates. There exists no written record of the content of this telephone conversation.
2. James Meadows has no knowledge of any contemporaneous written agreement and does not know if one was made of if it exists.
3. James Meadows has no written correspondence and documents relating the August 3, 1983 settlement agreement.
4. James Meadows has no knowledge of such owners and agents prior to August 11, 1988. A complete listing of such owners and agents since that time is contained in the FEC filings signed by James Meadows.
5. James Meadows has no knowledge of this information.
6. Other than the settlement identified in Supplemental Memorandum in Response to Complaint filed by Bruce W. Eberle & Associates, Inc. in this case, James Meadows has no knowledge of any other debt settlements.

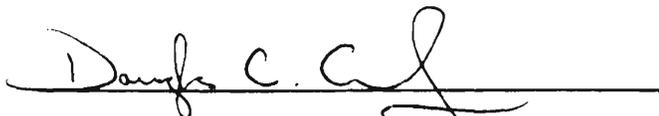


JAMES R. MEADOWS, JR.

STATE OF TEXAS §
§
COUNTY OF NUECES §

BEFORE ME the undersigned Notary Public, on this day personally appeared James R. Meadows, Jr. who being by me duly sworn on his oath deposed and said that he has read the above and foregoing Response to Interrogatories and Request for Production of Documents and that every statement contained therein is within his knowledge true and correct.

SUBSCRIBED AND SWORN TO BEFORE ME on this the 4th day of August, 1989, to certify which witness my hand and official seal of office.



NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

My commission expires: 5-26-91



HOWARD A. HICKMAN
Counsel for James R. Meadows
GARCIA, KILGORE & HICKMAN
2044 South Lamar
Austin, Texas 78704
(512) 447-4481

21040814399



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 14, 1989

Bruce W. Eberle
Chairman of the Board
Bruce W. Eberle & Associates, Inc.
8330 Old Courthouse Road, Suite 700
Vienna, Virginia 22180

RE: MUR 2762
Bruce W. Eberle; Bruce W.
Eberle & Associates, Inc.;
Computer Communications, Inc.;
Omega List Company

Dear Mr. Eberle:

This is in response to your letter dated July 25, 1989, which we received on July 31, 1989, requesting an extension until August 23, 1989, to respond to interrogatories and request for production of documents. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on August 23, 1989.

If you have any questions, please contact Jim Brown, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel


BY: Lois G. Lerner
Associate General Counsel

cc: Fred H. Coddling
10382 Main Street
P.O. Box 225
Fairfax, VA 22030

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OFFICE OF GENERAL COUNSEL
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UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

CHARLES H. DAMRON,)	
)	
Complainant,)	
)	
vs.)	COMPLAINT MUR NO. 2762
)	
ALAMO POLITICAL ACTION)	
COMMITTEE, ET AL,)	
)	
Respondents.)	

RESPONSES TO INTERROGATORIES
AND REQUESTS FOR DOCUMENTS

1. Repeated telephone calls were made to Albert Forrester demanding payment of "Eberle Creditors" bills by Alamo Political Action Committee ("Alamo PAC"). The Eberle Creditors became aware that Alamo PAC had no assets other than the donor List and that the fund raising program had lost money. Therefore, realistically speaking, the Eberle Creditors realized that there was no hope of recovering sums due. The Eberle Creditors then negotiated to obtain the Alamo PAC donor List. The List was then rented for an extended period in an attempt to generate list rental income at least equivalent to the Eberle Creditor bills.

2. Trying to obtain payments from an organization with no assets was like "trying to obtain blood from a turnip." When it became apparent that the mailing program had lost money, it soon became obvious that there was little chance of being paid. Knowing that the only asset held by Alamo PAC was the donor List, the Eberle Creditors took immediate steps to obtain sole ownership of that List in hopes of generating list rental income at least equivalent to the Eberle Creditor bills.

10382 MAIN STREET • FRED. CODDING • ATTORNEY AT LAW • (703) 591-1870
P.O. BOX 225 • FAIRFAX, VIRGINIA 22031

3. Alamo PAC verbally agreed to the course of action outlined in paragraphs 1. and 2. above. That verbal agreement was later reduced to writing and the FEC has previously received a copy. Immediately after the 1983 agreement, list rental income generated was applied to the Eberle Creditor bills.

4. See Attachment A. We are searching files for other information. As previously noted, one of the parties (Computer Communications, Inc.) is in bankruptcy, the chief financial officer in charge of accounting and bookkeeping has gone on a part-time basis because of financial constraints, and there has been a substantial amount of turnover in personnel. All of these have contributed to difficulties in locating documents.

5. Alamo PAC debt was originally kept on the books in hopes that the ensuing list rental income would cover the full amount. In fact, the list rental income paid CCI in full for all sums owed by Alamo PAC. Eberle & Associates received \$1,890.15 for services and Omega received \$2,232.41 in commissions. The Complaint stated Omega was owed \$23,772.12. This sum, however, was a gross sum reflecting the total amount due by Alamo PAC to list owners. Only twenty percent (20%), or \$4,754.24, of that amount was actually owed Omega of which it received \$2,232.41. The Eberle Creditors have been on a cash basis for tax purposes since their formation. They cannot take a tax write-off for an uncollected or bad debt while on a cash basis. Accordingly, they could not take a tax write-off for the Alamo PAC debts. In 1986 the List was capitalized at the amount of the total remaining Eberle Creditors debt by Bruce W. Eberle & Associates, Inc. for depreciation purposes. The ledger sheets reflecting this write-off are numerous and complicated. They are freely available for review by FEC designated

BRUCE W. EBERLE & ASSOCIATES, INC.;
OMEGA LIST COMPANY; COMPUTER COMMUNI-
CATIONS, INC. and BRUCE W. EBERLE

By: *Bruce W. Eberle*
Bruce W. Eberle, Chairman
President and Individually

STATE OF VIRGINIA)

AT LARGE)

Subscribed and sworn to before me the undersigned Notary Public
this 22nd day of August 1989 by Bruce W. Eberle.

My Commission Expires: Aug 25, 1991

Brenda Schneider
NOTARY PUBLIC

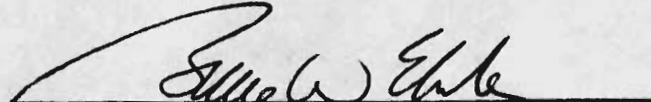
Fred H. Coddling

FRED H. CODDING
COUNSEL FOR BRUCE W. EBERLE
& ASSOCIATES, INC.; OMEGA
LIST COMPANY; COMPUTER
COMMUNICATIONS, INC.; and
BRUCE W. EBERLE
10382 MAIN STREET
P.O. BOX 225
FAIRFAX, VA 22030
(703-591-1870)

10382 MAIN STREET • FRED H. CODDING • ATTORNEY-AT-LAW • FAIRFAX, VIRGINIA 22030 • (703) 591-1870

AFFIDAVIT

Bruce W. Eberle, after being duly sworn, does hereby state and affirm that he does not and has not held any position in the Alamo Political Action Committee.



BRUCE W. EBERLE

STATE OF VIRGINIA)

AT LARGE)

Subscribed and sworn to before me this 22nd day of August 1989
by Bruce W. Eberle.

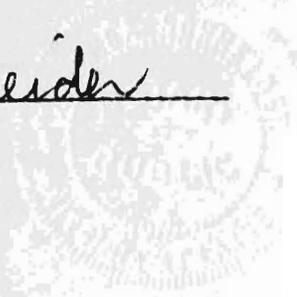
My Commission Expires: Aug. 25, 1991



NOTARY PUBLIC

91040314904

STANDARD
SOUTH-WORTH
2.5% LITTON FIBER



ATTACHMENT A

21040314905

Alamo Political Action Committee
P.O. Box 1461
Fredericksburg, Virginia 22401

March 17, 1981

Mr. Robert Snow
Senior Reports Analyst
Reports Analysis Division
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Dear Mr. Snow:

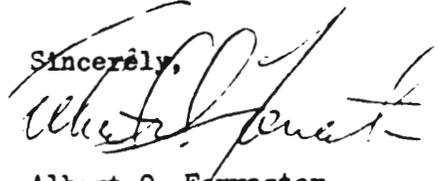
This letter serves as an amendment to the Statement of Organization for Alamo Political Action Committee, Identification #C00127431.

In accordance with 11 C.F.R. 103.2 an account has been opened at Preston State Bank, P.O. Box 12000, Dallas, Texas 75225 in the name of Alamo Political Action Committee.

Please amend the Statement of Organization to list Albert O. Forrester, Route 1, Box 382D, Goldvein, Virginia 22720 as Treasurer of Alamo Political Action Committee. Home telephone is (703) 439-8894. Office telephone is (703) 356-7361.

Please let me know if there is anything else we should do to remain in compliance with the regulations of the Federal Election Commission. I appreciate your assistance.

Sincerely,



Albert O. Forrester

21040314906

AGREEMENT

AGREEMENT made this 1st day of October, 1980, between Bruce W Eberle & Associates Inc., 8330 Old Courthouse Road, Suite 700 Vienna, Virginia 22180 hereinafter called the Agency, and THE ALAMO POLITICAL ACTION COMMITTEE, RT. 1, BOX 382D, GOLDVEIN, VIRGINIA 22720

hereinafter called the Client.

WHEREAS, the Client is desirous of engaging the services of the Agency, it is agreed as follows

1. **Appointment and Authorization of Agency** The Agency is hereby retained and appointed to represent exclusively the Client in carrying out its direct response fund raising program, and list rentals, subject to the terms and conditions of this Agreement. Direct response fund raising shall include direct mail, telephone and/or any advertising medium which generates a direct response.

2. **Agency Services.** The Agency shall act as the Client's representative and perform, upon authorization hereby granted, any and all of the following services to the extent necessary to meet the Client's needs:

- a. Plan, create, write and prepare layouts and actual copy to be used in the Client's direct response fund raising program.
- b. Coordinate and develop the Client's direct response fund raising program.
- c. Enter into arrangements with the advertising media and others for space and time to effectuate the advertising and fund raising program as authorized by the Client.
- d. Negotiate, arrange and enter into agreements on behalf of the Client for any special material and talent required and for all photography, models, special effects, layouts, art work, printing and any necessary technical material for use in the direct response fund raising and advertising program. The Agency shall have the right to select all vendors from which such services and/or materials shall be obtained.
- e. Promote the rental of all Client-owned mailing lists with individual rentals to be approved by the Client.

3. **Direct Mail Fund Raising and Advertising Costs and Expenditures.**

- a. The Agency shall be reimbursed for all costs incurred and expenditures made for approved advertising.
- b. The Agency shall be reimbursed for the costs of packaging, shipping, taxes and duties and telephone calls and telegrams incurred in connection with the performance of this Agreement.
- c. The Client shall pay all of the Agency's costs and any necessary traveling on its behalf other than to or from the main office of the Agency.

4. **Agency's Compensation.**

- a. The Agency shall receive compensation in the sum of Forty-Five Dollars, \$45.00 per one thousand (1,000) fund raising packages processed by the mailing house for mailing under the terms of this Agreement. A package shall include solicitation letter and other enclosures. The Agency shall receive a monthly retainer in the sum of N/A \$ N/A per month.
- b. The Agency shall receive compensation of fifteen percent (15%) of the costs for solicitations by telephone. It is agreed that costs include charges for the telephone call vendor(s), telephone lines and followups by mailgram or similar devices.
- c. The Agency shall receive compensation in the sum of two dollars (\$2.00) per name for individually typed mailings to high dollar donors (fifty dollar (\$50.00) and up) in quantities of two thousand (2,000) or less.
- d. Agency compensation as enumerated in paragraphs 4 a., 4 b. and 4 c. shall be subject to an adjustment at the beginning of each calendar year in an amount equal to the increase in the United States nationwide Consumer Price Index prepared by the United States Bureau of Labor Statistics, but shall in no event be less than the amounts set forth in said paragraphs.
- e. The Client shall pay the Agency a fee in an amount to be determined by the parties for televised fund appeals.
- f. The Agency or its agent shall receive a commission of 20% of the standard list rental charge and/or exchanges made directly to organizations and a 40% commission on list rentals placed to other brokers or agencies, out of which the Agency will pay the other brokers or agencies' fees. It is understood and agreed that the Omega List Company may at times serve as Agent for the Agency. The Agency shall place all list rental and other commissionable monies in a special bank account from which commissions and list rental fees shall be paid immediately upon receipt.
- g. The Client shall pay the Agency a fee in an amount to be determined by the parties for any special services not usually included within the scope of this type of agreement, and the Agency shall present an estimate therefore. Public relations or publicity work performed by the Agency shall not be considered in the usual scope of this Agreement.
- h. The Client recognizes that the Agency will incur costs in the development of a project and/or package. The Client does agree, as a part of the consideration for this Agreement, to pay the Agency the sum of twenty-five thousand dollars for termination of the Agreement prior to the expiration date set forth in Paragraph 7 a. as liquidated damages, and not as a penalty. This amount is fixed and agreed upon by and between the Client and the Agency because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages the Agency would sustain in such event. It is agreed that this sum shall be the amount of damages which the Client shall pay the Agency along with payment for services and commissions set forth in Paragraph 7 d.
- i. If this Agreement is terminated or expires and a direct mail package created by the Agency in its original or modified form is used thereafter by the Client, its affiliate or assigns, the Client hereby agrees to pay the Agency the sum of forty-five dollars per thousand pieces mailed. The Client agrees that it will provide the Agency, upon request, the name and address of any party conducting mailings of such a package as well as a report on the quantity and dates of said mailings.

5. **Billing and Payment.**

- a. The Agency shall render billings from time to time as necessary on its standard forms and they shall be paid no later than on the due date stated therein.
- b. All returns from any direct response fund raising program must be tabulated on forms supplied by the Agency and the forms transmitted to the Agency for analysis within seven (7) days of receipt of said returns by the Client.
- c. All returns generated from solicitations shall be directed to an independent third party selected by the Agency and the Client. This third party shall tabulate all returns, deposit all funds in a special trust account for the Agency and the Client, and shall disburse said returns to the direct mail suppliers for all bills outstanding prior to the transfer of funds to the Client. Disbursements from the special bank account shall be upon the signature of the representative of the Agency and the Client selected by the Agency and the Client.
- d. The Agency is hereby irrevocably authorized to have Client list rental income received pursuant to Paragraph 4 e. applied directly to payment of outstanding invoices due the Agency or Omega List Company if such invoices are thirty (30) days or more past due. The Client shall be notified in writing of any such transfer of list rental income by the issue of a credit invoice in an identical amount.
- e. If at any time invoices due a creditor(s) for services provided under this Agreement (including the Agency) remains unpaid ninety (90) or more days past the original invoice date, the Agency shall have the right to direct all future direct mail, telephone marketing or other returns to an Escrow Account designated by the Agency for the purpose of tabulation, deposit and disbursement to the creditor(s). Disbursement from the Escrow Account shall be upon the signature of a representative designated by the Agency.
- f. It is understood and agreed that any funds advanced by the Agency for postage, telephone vendors and other direct response fund raising services or materials shall be immediately reimbursed the Agency before any returns are disbursed to the Client and/or other parties.

6. **Confidentiality.** All financial information relating to these accounts, and this contract shall be held in confidence by the Agency. Further, the Client shall hold in confidence all financial matters in connection with this contract, specifically including the Agency's com-

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penation. It is agreed, however, that financial information can be provided by the Client to governmental agencies upon request of a formal request from a governmental entity. Client shall immediately notify and provide the Agency a copy of any such formal request and the information provided by the Client.

Duration and Termination.

- a. This Agreement shall become effective on October 8, 1980 and shall continue in force for a period of _____ unless sooner terminated as provided herein. Unless terminated as herein provided, this Agreement shall be automatically renewed and extended under the same terms and conditions for successive one year periods.
- b. Either party may terminate this Agreement by giving the other party written notice of termination at least one hundred fifty (150) days prior to the effective date of termination. Upon receipt of notice of termination, the Agency shall not commence any new work, but it shall complete all mailings and place all lists and advertisements previously approved. All other rights and duties of the parties shall continue during such a notice, and the Client shall be responsible to the Agency for payment of any contract obligation incurred with third parties. In the event the Client or the Agency desires to terminate all work and progress on direct mailing and advertisements commenced before the receipt of notice of termination, it may be so agreed upon the parties' mutual consent and the determination of compensation to be received by the Agency for partially completed work.
- c. Upon termination of this Agreement, the Agency shall assign to the Client all of its rights and contracts, agreements, arrangements or other transactions made with third parties for its account, effective on the date of termination or on such other date as may be agreed upon by the parties, and the Client shall assume all obligations and hold the Agency harmless for all liability thereunder. In the event any such contract is nonassignable and consent to assignment is refused, or the Agency cannot obtain a release from its obligations, the Agency shall continue to perform and the Client shall meet its obligations as though this Agreement has not been terminated.
- d. Upon termination of this Agreement, the Agency shall submit its billing for all amounts not previously billed and due the Agency at that time. The Agency shall not be entitled to commission or payment for any advertisement or direct list work it has undertaken if work performed thereon commenced after the date the notice of termination of this Agreement was ratified by the Agency. The Agency shall, however, be entitled to payment for services and commissions for advertisements and direct list mailings commenced and approved for placement in specific media or with a specific broker or agency prior to receipt of such notice or with express written consent, prior to the effective date of termination.
- e. In the event a direct mail fund raising project and/or a package originated by the Agency is delayed in mailing for fifteen (15) days or more by directions or instructions of the Client, it is expressly agreed and understood that the project and/or package can, at the option of the Agency, be placed by the Agency with another party without any liability to the Client whatsoever. The Client hereby waives and releases any rights it may now or in the future have in or to said project and/or package. In the event of any exercise of this option by the Agency, the Client shall be responsible to the Agency for payment of any contract obligations previously incurred with third parties. The Agency shall be entitled to payment for services and commissions for work prior to the receipt by the Client of a notice of the exercise of this option.

8 Disposition of Property and Materials. Upon termination of this Agreement, all property and material produced and used under this Agreement, including layouts, copy, art work and lists shall be considered the property of the Agency until final payment of all invoices has been made by the Client. All shipping and transportation costs for said property shall be borne by the Client. These provisions shall apply whether the items in question are in the possession of the Agency or third parties. The Client hereby acknowledges the co-ownership by the Agency of any list(s) created under this Agreement and shall be entitled to unlimited use of the same without any payment of any nature whatsoever to the Client. The Client, its officers and/or representatives shall not during the term of this Agreement or at any time subsequent thereto rent, exchange, donate, sell or otherwise provide any list(s) created under this Agreement to any third party for any reason whatsoever without the prior written approval of the Agency.

9 Arbitration. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in Northern Virginia in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award rendered by the arbitrator or arbitrators may be entered in any court of competent jurisdiction. In the event the Client has not paid invoices rendered by the Agency, list brokers and/or suppliers, the Client hereby further agrees that the Agency, list brokers and/or suppliers shall have the right to institute legal proceedings without first resorting to arbitration. The Client also agrees that such legal proceedings can be before a court in Northern Virginia and that such court shall have jurisdiction over the parties hereto.

10 Assignment and Delegation. Neither party may assign any rights or delegate any duties hereunder without the express prior written consent of the other.

11 Modification. This writing contains the entire Agreement of the parties. No representations were made or relied upon by either party other than those that are expressly set forth. No agent, employee, or other representative of either party is empowered to alter any of the terms hereof, unless done in writing and signed by an executive officer of the respective parties.

12 Controlling Law. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of Virginia.

13 Waiver. The failure of either party to this Agreement to object to or take affirmative action with respect to any conduct by the other which is in violation of the terms of this Agreement shall not be construed as a waiver thereof or of any future breach or subsequent wrongful conduct.

14 Claims. The Client specifically agrees to hold the Agency harmless from any and all claims of third parties, of any nature whatsoever, arising out of materials, including copy, for direct response fund raising projects and/or packages reviewed and approved by the Client. In the event any payment due the Agency and/or direct response creditors is not made in accord with the terms of this Agreement and the obligation(s) is referred to any attorney for collection, the Client agrees to pay all costs of collection, including an attorney fee of twenty percent of the sum due.

15 Certification. The Client does hereby certify to the Agency that there is no agreement with another direct response fund raiser or list broker currently in existence or which will be in existence as of the effective date of this Agreement which conflicts with the terms hereof.

16 Notices. All notices pertaining to this Agreement shall be in writing and shall be transmitted either by personal hand delivery or through the facilities of the United States Postal Service. The addresses set forth above for the respective parties shall be the places where notices shall be sent, unless written notice of a change of address is given.

17 Additional Terms: N/A

The undersigned do hereby personally warrant and affirm that they are authorized to execute and bind the parties hereto.

Attest

Corporate Secretary

THE ALAMO POLITICAL ACTION COMMITTEE
By Albert O. Forrester
Albert O. Forrester, Chairman

Attest
Katherine M. Elberk
Corporate Secretary

BRUCE W EBERLE'S ASSOCIATES, INC.
By Gene W. Eberle
President

91040814908

AGREEMENT

AGREEMENT made October 1, 1980, between BRUCE W. EBERLE & ASSOCIATES, INC.,
(hereinafter called the "Agency"), THE ALAMO POLITICAL ACTION COMMITTEE (hereinafter called the
"Client"), and WASHINGTON INTELLIGENCE BUREAU (hereinafter called the "Escrowee").

WITNESSETH:

WHEREAS, the Agency and the Client have heretofore entered into an Agreement dated October 1, 1980, pursuant to which the Agency has agreed to provide direct mail fund raising services to the Client and the Client has agreed to pay the costs for said services as well as costs for others providing services and supplies for the direct mail fund raising program, all upon the terms and conditions set forth in the Agreement between the Agency and the Client, and

WHEREAS, the parties desire to execute an Escrow Agreement in accord with the provisions of paragraph 5 c. of said Agreement

IT IS, THEREFORE, agreed:

1. **Escrow Fund.** The Agency and the Client hereby agree that returns from the direct mail fund raising programs covered by their Agreement dated October 1, 1980, shall be received by the Escrowee and the sum so received shall be known as the Escrow Fund.

2. **Payment of Creditors.** The Escrow Fund shall be held by the Escrowee separate and apart from the other funds of the Escrowee. The Agency and the Client shall mutually present the Escrowee invoices of creditors, including invoices of the Agency, which the Escrowee shall pay from said Escrow Fund.

All invoices paid from said Escrow Fund shall be jointly agreed upon by the Agency and the Client. If any such invoice is disputed, the Escrowee shall continue to hold the sums necessary to pay said disputed invoice in escrow until such time as the claim of debt is resolved by the Agency and the Client.

3. **Disputes.** In the event of any dispute with respect to disposition of all or part of the Escrow Fund, the Escrowee shall not be obligated to disburse the disputed portion thereof nor shall the Escrowee be required affirmatively to commence any action against the Agency or the Client or defend any action that a creditor might bring. In his sole discretion, the Escrowee may, in the event of a dispute as to the disposition of all or part of the Escrow Fund, commence an action in a nature of interpleader and seek to deposit the disputed portion in a Court of Competent Jurisdiction.

4. **Other Agreements.** The Escrowee shall not be bound by any agreement between the Agency and the Client of which he has no knowledge as of the date of this Escrow Agreement. Nor shall he be required to determine the amount or validity of any claim made against the Escrow Fund.

5. **Accounting.** The Escrowee shall provide the Agency and the Client an accounting as to each payment or disbursement made from the Escrow Fund. Those disbursements shall only be upon the joint approval of the Agency and the Client.

6. **Escrowee's Compensation.** The compensation of the Escrowee has been fixed by the Agency, Client and Escrowee under a separate Agreement. The Escrowee shall not be entitled to any additional compensation for services rendered under this Escrow Agreement.

7. **Promptness of Invoices.** The Agency and the Client shall take reasonable steps to have all invoices attributable to the direct mail fund raising programs submitted promptly to the Escrowee for payment.

8. **Bond and Insurance.** The Escrowee shall provide a bond satisfactory to the Agency and the Client to cover its services under this agreement. The Escrowee shall also provide an insurance policy with the Agency and Client as named insureds which protects them from any losses from theft and/or embezzlement during the period returns are in the care, custody and/or control of the Escrowee.

9. **Claims.** The Agency and the Client shall at all times hereafter indemnify the Escrowee against all actions, proceedings, claims and demands by reasons of the delivery to him of direct mail fund raising proceeds and his payment of invoices under this Agreement.

10. **Assignment and Delegation.** No party to this Agreement may assign any rights or delegate any duties hereunder without the express prior written consent of the other.

11. **Controlling Law.** The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of Virginia.

12. **Waiver.** The failure of any party to this Agreement to object or to take affirmative action with respect to any conduct by the other which is in violation of the terms of this Agreement shall not be construed as a waiver thereof, or of any future breach or subsequent wrongful conduct.

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13. Modification. This Agreement may not be altered or modified without the expressed written consent of the Agency, the Client and the Escrowee.

14. Additional Terms. N/A

The undersigned do hereby personally warrant and affirm that they are authorized to execute and bind the parties hereto.

BRUCE W EBERLE & ASSOCIATES, INC. (AGENCY)

Attest
Latherine M. Eberle

BY [Signature] (s)

THE ALAMO POLITICAL ACTION COMMITTEE (CLIENT)

Attest

BY [Signature] (s)

WASHINGTON INTELLIGENCE BUREAU (ESCROWEE)

Attest
Theresa R. Matthews

BY [Signature] (s)

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CONFIRMATION
OF
AGREEMENT

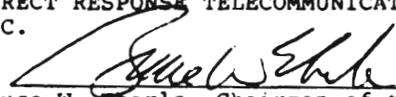
This is a Confirmation of the Agreement entered into as of August 3, 1983, by and between Alamo PAC (hereinafter referred to as Alamo) and Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., Graphics 440, Direct Response Telecommunications, Inc., Omega List Company, Omni Direct Mail Services Ltd., (hereinafter collectively referred to as Eberle).

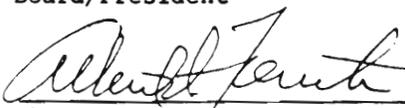
The undersigned, after being duly sworn, do hereby confirm that an Agreement was entered into whereby Eberle provided certain services to Alamo and was not fully paid for said services; and that Alamo and Eberle entered into an Agreement as of August 3, 1983, for the settlement of said obligations upon the following terms and conditions:

1. Eberle shall receive all list rental income received for the List created under their Agreement as a full and complete settlement of claims against Alamo.
2. Alamo shall have no further interest in or rights of any nature whatsoever to said List or its rental income. Hereafter, Eberle shall own the List exclusively.

Witness the following hands and seals.

BRUCE W. EBERLE & ASSOCIATES, INC.,
COMPUTER COMMUNICATIONS, INC.,
OMEGA LIST COMPANY, OMNI DIRECT
MAIL SERVICES, LTD., GRAPHICS 440,
DIRECT RESPONSE TELECOMMUNICATIONS,
INC.

by 
Bruce W. Eberle, Chairman of the
Board/President


Albert Forrester, Former Treasurer
of Alamo PAC

AFFIDAVIT

I, Bruce W. Eberle, after being duly sworn do hereby depose, state, affirm and confirm that I have read the foregoing

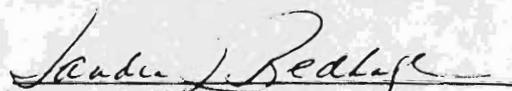
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Confirmation of Agreement and that the matters set forth therein are true and correct.


Bruce W. Eberle

STATE OF VIRGINIA:
COUNTY OF FAIRFAX:

Personally appeared before me, the undersigned Notary Public, Bruce W. Eberle, who after being duly sworn did depose, state and affirm that the matters set forth in the foregoing Confirmation of Agreement and Affidavit are true and correct and that he executed the same.


Sandra J. Reddy
Notary Public

My Commission Expires: June 26, 1990

AFFIDAVIT

I, Albert Forrester, after being duly sworn, do hereby depose, state, affirm and confirm that I was the initial Chairman and Assistant Treasurer of Alamo PAC; that I was Treasurer of Alamo PAC for the period March 17, 1981, through August 11, 1988; that I have read the foregoing Confirmation of Agreement; and that the matters set forth therein are true and correct.


Albert Forrester

STATE OF
COUNTY OF

Personally appeared before me, the undersigned Notary Public, Albert Forrester who after being duly sworn did depose, state and affirm that the matters set forth in the foregoing Confirmation of Agreement and Affidavit are true and correct and that he executed the same.


Alice K. Giardino
Notary Public
COMMISSIONED AS
ALICE KATHERINE SMITH

My Commission Expires: June 1, 1987

21040314212

ATTACHMENT B

21040814213

This mutual release, executed on the 30th day of November, 1981, between:
American Family Institute (AFI), 114 [redacted] Street, S.E., Washington, D.C.,
(1) Bruce W. Eberle & Associates, Inc., [redacted] Omega List Company; (3) Computer
Communications, Inc.; and (4) Graphics 440; all located at 8330 Old Courthouse
Road, Suite 700, Vienna, Virginia;

is intended to effect the extinguishment of rights and obligations under
their contracts of November 16, 1979 (Attachment A), and February 21, 1980
(Attachment B), copies of which are attached hereto and made a part hereof, and
any other rights and obligations between the parties.

Disputes and differences have arisen between the parties with respect to
the attached contracts entered into by the parties. The parties have agreed to
execute this mutual release in settlement of such disputes and differences.

In consideration of the mutual relinquishment of their respective legal
rights and obligations by each party to this mutual release, for itself and its
heirs and legal representatives, with reference to the above-mentioned disputes
and differences, and in consideration of the execution of this mutual release,
and in consideration of:

(1) the assumption of and payment by Bruce W. Eberle & Associates, Inc.,
Omega List Company, Computer Communications, Inc., and/or Graphics 440 of all
debts incurred by AFI with any other parties as a result of the above described
relationship, specifically including but not limited to the following debts:

Metro Printing — \$165.28; Sincerely Yours — \$168.00; and Washington
Intelligence Bureau — ~~\$2,510.90~~ ^{\$2,619.22}

(2) the extinguishment by Bruce W. Eberle & Associates, Inc., Omega List
Company, Computer Communications, Inc., and Graphics 440 of all debts owed by
AFI to any or all of them, arising from the execution of the the above
referenced relationship, specifically including but not limited to the following

debts: Bruce W. Eberle & Associates, Inc. — \$2,470.02; Omega List Company —
~~\$23,149.39~~ ^{\$23,149.39} ~~\$22,678.99~~ ^{\$6,556.22} Computer Communications, Inc. — ~~\$5,787.27~~ ^{\$6,556.22}; and Graphics 440 —
\$272.00; and

(3) the conveyance of sole and exclusive ownership of the AFI house list by
AFI to the Bruce W. Eberle & Associates, Inc., Omega List Company, Computer
Communications, Inc., and Graphics 440, subject to a right of use by AFI for the
Institute's own solicitation on a twice per year basis, with the cost of labels
to be paid by AFI and the names and addresses of future contributors to be the
property of AFI; Bruce W. Eberle & Associates, Inc. will provide to AFI's
accountant the names, addresses and donations for all AFI contributors for tax
reporting purposes, with no right of use by AFI.

All signatories to this agreement hereby expressly warrant that they have
authority to act on behalf of their respective corporations or unincorporated
organizations.

In witness whereof the parties have executed this mutual release on the day
and year first above written.

Bruce W. Eberle & Associates, Inc.
Omega List Company
Computer Communications, Inc.
Graphics 440

The American Family Institute

By: Carl A. Anderson
Carl A. Anderson, President

By: Bruce W. Eberle
Bruce W. Eberle, President

91040314914

BRUCE W. EBERLE & ASSOCIATES, INC., 8330 OLD COURTHOUSE ROAD, SUITE 700, VIENNA, VA. 22180

November 24, 1982

Mr. Edward E. McAteer, President
The Religious Roundtable
5911 Briardale Avenue
Memphis, Tennessee 38138

Dear Ed:

This will serve as a Letter Agreement between Bruce W. Eberle & Associates, Inc. and Religious Roundtable for termination of the existing Agreement (dated September 17, 1980) between the parties. The terms outlined in this Agreement parallel the "second option" outlined in my letter of September 20 of this year.

Upon culmination of the following actions, the Agreement between the parties will be terminated:

1. Religious Roundtable will pay to Bruce W. Eberle & Associates (the Agency) the sum of \$19,485.69. This total will be paid in the form of a \$10,000.00 check and a six month, non interest, note in the amount of \$9,485.69.
2. The Religious Roundtable does hereby assign all income currently in the Escrow Account as well as all income received by the Escrow Agent subsequent to October 31, 1982 to the Agency or its designees. Furthermore, the Religious Roundtable does hereby direct the Escrow Agent to disburse such funds received at the sole direction of the Agency.
3. The Religious Roundtable does hereby assign all outstanding list rental accounts receivable to the Agency or its designees.
4. The Religious Roundtable does hereby assign all list rental names owed to it to the Agency or its designees.
- ~~5. The Religious Roundtable does hereby agree to the mailing of the enclosed fund raising appeal~~

E. M. I.
AMR

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~~which shall be mailed on the 10th of January. Furthermore, the Religious Roundtable does hereby agree that all returns from this final mailing created by the Agency shall be provided to the Agency or its designees by the Escrow Agent.~~

Q.M.
[Signature]

- 6. From this date forward, no additional funds shall be transferred to the general treasury of the Religious Roundtable from the Escrow Account.
- 7. In consideration for such assignments, payments, notes, etc., the Agency does hereby agree to provide to the Religious Roundtable a complete masterfile copy on magnetic tape of the Religious Roundtable's donor file with the mutual understanding that this donor file will not be exchanged or rented by the Religious Roundtable subsequent to termination. If such rental or exchange does occur this Agreement shall become null and void and the Religious Roundtable shall be fully liable for all debts outstanding.
- 8. Providing that this Agreement is complied with, the Agency does hereby accept responsibility for the payment of all sums owed to the direct mail vendors as shown on the enclosed Accounts Payable sheet. Furthermore, the Agency accepts responsibility for the payback of all names owed by the Religious Roundtable.

Ed, the foregoing constitutes the best possible terms that I can offer to you for culmination of the Agreement between the parties. If you are in agreement with the terms specified, please indicate your acceptance by signing below.

Sincerely,

[Signature]
Bruce W. Eberle
President

RELIGIOUS ROUNDTABLE

BWE:sr

AGREED TO:

[Signature]

DATE:

12-16-82

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BRUCE W. EBERLE & ASSOCIATES, INC., 8330 OLD COURTHOUSE ROAD, SUITE 700, VIENNA, VA. 22180

November 24, 1983

Mr. Edward E. McAteer, President
Roundtable Issues and Answers
5911 Briardale Avenue
Memphis, Tennessee 38138

Dear Ed:

This will serve as a Letter Agreement between Bruce W. Eberle & Associates, Inc. and Roundtable Issues and Answers for termination of the existing Agreement (dated September 17, 1980) between the parties. The terms outlined in this Agreement parallel the "second option" outlined in my letter of September 20 of this year.

Upon culmination of the following actions, the Agreement between the parties will be terminated:

1. Roundtable Issues and Answers (RIA) will pay to Bruce W. Eberle & Associates (the Agency) the sum of \$20,413.39. This total will be paid in the form of a \$15,000.00 check and a six month, non interest, note in the amount of \$5,413.39.
2. Roundtable Issues and Answers (RIA) does hereby assign all income currently in the Escrow Account as well as all income received by the Escrow Agent subsequent to October 31, 1982 to the Agency or its designees. Furthermore, Roundtable Issues and Answers does hereby direct the Escrow Agent to disburse such funds received at the sole direction of the Agency.
3. Roundtable Issues and Answers does hereby assign all outstanding list rental accounts receivable to the Agency or its designees.
4. Roundtable Issues and Answers does hereby assign

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all list rental names owed to it to the Agency or its designees.

- ~~5. Roundtable Issues and Answers does hereby agree to the mailing of the enclosed fund raising appeal which shall be mailed on the 10th of January. Furthermore, Roundtable Issues and Answers does hereby agree that all returns from this final mailing created by the Agency shall be provided to the Agency or its designees by the Escrow Agent.~~
6. From this date forward, no additional funds shall be transferred to the general treasury of Roundtable Issues and Answers from the Escrow Account.
7. In consideration for such assignments, payments, notes, etc., the Agency does hereby agree to provide to Roundtable Issues and Answers a complete masterfile copy on magnetic tape of the Roundtable Issues and Answers donor file with the mutual understanding that this donor file will not be exchanged or rented by Roundtable Issues and Answers subsequent to termination. If such rental or exchange does occur this Agreement shall become null and void and Roundtable Issues and Answers shall be fully liable for all debts outstanding.
8. Providing that this Agreement is complied with, the Agency does hereby accept responsibility for the payment of all sums owed to the direct mail vendors as shown on the enclosed Accounts Payable sheet. Furthermore, the Agency accepts responsibility for the payback of all names owed by Roundtable Issues and Answers.

[Handwritten initials]

Ed, the foregoing constitutes the best possible terms that I can offer to you for culmination of the Agreement between the parties. If you are in agreement with the terms specified, please indicate your acceptance by signing below.

Sincerely,

[Handwritten signature]
Brude W. Eberle
President

BWE:sr ROUNDTABLE ISSUES + ANSWERS

AGREED TO *[Handwritten signature]*

DATE: 12-16-82

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BRUCE W. EBERLE & ASSOCIATES, INC., 8330 OLD COURTHOUSE ROAD, SUITE 700, VIENNA, VA. 22180

November 2, 1983

Mr. Eugene Delgaudio
Public Advocate
418 C Street, N.E.
Washington, D.C. 20002

Dear Eugene:

This will serve as a Letter Agreement between Public Advocate and Bruce W. Eberle & Associates, Inc. in regard to matters affecting both parties after the effective date of termination of the existing Agreement between the parties for direct mail fund raising.

It is therefore understood and agreed by both Public Advocate (the Client) and Bruce W. Eberle & Associates, Inc. (the Agency) that:

1. Any direct mail fund raising appeals created by the Agency on behalf of the Client shall become the sole property of the Client.
2. The Client shall have unlimited access to information on the Client masterfile by visiting the offices of Computer Communications, Inc. Such visits shall be during normal operating hours (8:00 a.m. to 4:30 p.m.) and reasonable prior notice of such visits shall be given to CCI.
3. The Client shall be informed on a monthly basis of the status of outstanding bills due the Agency and related companies and shall also be informed of the amount of list rental accounts receivable.
4. Continuing upon termination, the Client shall have the right to use the existing donor list up to twelve times per year and the Client shall have first choice of mail dates. The Client shall provide a list to Tom Robertson at Omega List Company of dates desired for calendar year 1984 prior to the end of calendar year 1983.

5. The Client shall be responsible for the payment of non-Agency related debts only, not to include bills owed to list owners.
6. The Agency shall be solely responsible for the payment of its debt as well as subsidiary corporations and such debts shall be retired through the application of list rental income generated from the rental of the Client's lists.
7. The existing Client donor file and related lists shall be maintained in a secure manner by the Agency and all uses of these lists by the Client shall be through Computer Communications, Inc. and Omni Direct Mail Services Limited, whose services to Client shall be provided in a timely fashion. New bills to CCI and Omni shall be at market competitive rates and shall be paid by the Client prior to incurring additional bills from these corporations.
8. Nevertheless, Client agrees to make a monthly payment (on the 1st of each month) to the Agency (or related companies) in an amount of \$250.00 each month for the months of February, March and April, 1984, and \$500.00 each month thereafter. This payment must be made prior to additional services being provided by CCI and Omni. The Agency and the Client may, upon joint written approval, change this amount at a future date.
9. The Agency will provide to Public Advocate a printout (or at additional charge, a magnetic tape) containing the names, addresses and complete donor history of all previous contributors of \$50 or higher within 15 days of Public Advocate's written request.
10. This Agreement shall take precedence over the Agreement between the parties of February 1, 1981, wherever there is a conflict.
11. Agency will present final invoices for work done by Agency and its subsidiaries under the terms of the February 1, 1981 agreement, no later than February 15, 1984, or within 30 days of any fund appeals mailed with the written approval of Public Advocate after January 15, 1984.
12. A final weekly Blue Book Report and Detail Analysis of the Public Advocate donor files, including all Former Donor files and supporter files, showing the amount of most recent contribution, date, etc., shall be provided to Public Advocate on or before February 1, 1984.

Please indicate your acceptance of the terms enumerated above by signing and dating both of the enclosed copies of this Agreement. Please retain one

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copy for your files and return one copy to us for our records.

Once again, I wish you the very best of success in the years ahead.

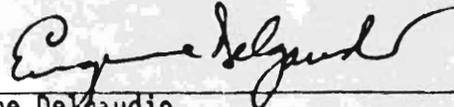
Sincerely,



Bruce W. Eberle
President

BWE:am

SEEN AND AGREED:



Eugene DeLgaudio
Public Advocate

DATE: NOV. 3 1983

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BRUCE W. EBERLE & ASSOCIATES, INC., 8330 OLD COURTHOUSE ROAD, SUITE 700, VIENNA, VA. 22180

May 14, 1984

Dr. N. M. Adiele, M.D., President
Association of African Physicians in North America, Inc.
5701 16th Street, N. W.
Washington, D. C. 20011

Dear Dr. Adiele:

During the past few days, I have received several inquiries from Channel 9 News, specifically from Lois Dyer and from Bruce Johnson. In fact, I have spoken with Lois on several occasions regarding the Association of African Physicians in North America, Inc.

I'll have to admit that I am somewhat puzzled. Unless I am mistaken, neither you nor any member of your group has made any inquiry of me or any member of my staff regarding the questions which she raised. In fact, I think that we have always been totally candid and above board regarding all costs and expenditures. Moreover, we have never failed to make a meeting nor to return telephone calls.

As you know, I was as disappointed as you and your colleagues were that our mailings sent out on your behalf were not successful. Not only was I sympathetic with your cause, but when a project like this fails, it costs my company money. The shortfall between expenses and income is being borne directly by Bruce W. Eberle & Associates. I don't believe that the Association of African Physicians in North America nor any individual director of your association has been asked to contribute any funds to pay off this debt.

I greatly regret that our mailings were not successful. After all, I cannot continue in business if the mailings which we send out don't work. But since there was a shortfall, obviously the funds were not available either to pay off the bills nor to



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service the goals of your organization.

As far as costs are concerned, I think that you are aware of the fact that we guarantee all of our services to be vendor competitive in the Washington, D. C. area. Moreover, all materials and services acquired from non-related vendors are solicited on a three bid basis. If you will recall, we have offered to sit down with your accountant to go over all of these numbers.

As provided for under the Agreement, we are renting the list of individuals who responded to your mailings in order to supplement our payment of your debt. Because your list is so small, the income generated is minimal. As of this date, I do not believe that we have received any request for you for a copy of your list of donors. I assure you that when and if you make such a request, it will be immediately forthcoming.

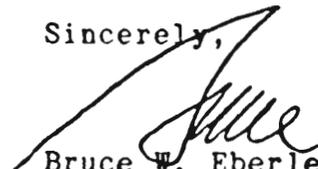
I must admit that you have occasionally received some statements and minor invoices from Bruce W. Eberle & Associates, as well as related companies after the date of termination. These invoices and statements simply slipped through the cracks, and as I understand it, you have not been contacted for any payment.

Let me make it absolutely clear that neither Bruce W. Eberle & Associates, nor any of its related companies (Omega List Company, Computer Communications, Omni Direct Mail Services, Ltd.) expects any payment whatsoever for the outstanding debt. As I indicated previously, this entire debt will be borne by Bruce W. Eberle & Associates.

Dr. Adiele, as you know, we are celebrating our tenth year in the direct marketing industry. We are members of the Direct Marketing Association, the Association of Direct Marketing Agencies as well as the Direct Marketing Association of Washington. We have twice been the recipient of the nation's highest direct marketing award from the Direct Marketing Association. Our good reputation is very important to us and I believe that we have the best reputation of any agency in the direct mail fund raising industry. It is our policy to always be candid and forthright regarding the strengths and weaknesses of direct mail fund raising.

If you have any further questions or requests in regard to our efforts on your behalf, I would appreciate it if you would contact me directly.

Sincerely,


Bruce W. Eberle
President

BWE:sr
xc: Lois Dyer

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BRUCE W. EBERLE & ASSOCIATES, INC., 8330 OLD COURTHOUSE ROAD, SUITE 700, VIENNA, VA. 22180

April 4, 1985

Mr. Bonn Clayton, President
Christians for Israel
422 Santa Fe Circle
Chanhassen, MN 55317

Dear Bonn:

After reviewing the current financial status and prospects for Christians for Israel with Deck Bransfield, I must regretably endorse his analysis. Under the current circumstances, I see no point in continuing.

Therefore, please accept this letter as official notice of termination of the Agreement (dated August 7, 1981) between the parties for direct mail fund raising. Under the terms of that Agreement (paragraph 7.b.) a written notice of 150 days is provided for. That means that the Agreement would expire on September 8, 1985.

Bonn, there really isn't any reason that we need to have such a long termination period, and I want you to know that I am wholly agreeable to accelerating the effective date. In fact, from our perspective, termination could be effective immediately.

As far as the remaining debt is concerned, we will simply rent the list in hopes that we can retire the debt. Believe me, I wish that I could see some future for Christians for Israel in terms of direct mail fund raising, but I do not at this time.

I look forward to hearing from you on this matter.

Sincerely,


Bruce W. Eberle
President

BWE:sr



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HEART TO HEART FOUNDATION

A NATIONAL HERITAGE FOUNDATION



105 East Annandale Road, Suite 200
Falls Church, Virginia 22046
703-241-9132

Joanna Shaker, R.N.
Chairman

August 3, 1983

Mr. Bruce Eberle
Bruce Eberle & Associates, Inc.
8330 Old Court House Road, Suite 700
Vienna, VA 22180

Dear Bruce,

This is in reply to your letter of June 30. Per your request, I met with Deck Bransfield to set up procedures and policy for transition. Since Deck was not able to provide specificity as to the particulars of the situation, other than as outlined in your June 30 letter, I was hoping that we could talk.

That is why I delayed writing until now. In all likelihood you are right; and it will be in our mutual interests to terminate the Agreement -- especially in light of your recent letter. However, we thought that the "uneasiness" of both sides had been resolved during the last meeting in your office. Items, such as the Eberle Company's unilateral opening of a Heart to Heart Foundation bank account and unilaterally arranging for DirecTec to perform cagging had been corrected. I know that Heart to Heart's cagging, keyboarding and file maintenance operations had been a concern, but we thought that that was no longer a concern, following our last meeting. I still would appreciate a call sometime.

As to the termination arrangement, you have proposed the following:

1. Bruce Eberle & Associates (BEA) will absorb all costs beyond the revenue generated from the current prospect mailing.
2. BEA will assume the liability for bills in excess of income from current prospect mailing.
3. BEA will waive all rights to names which it may have under the Agreement. Heart to Heart will have exclusive ownership of the list of names generated from the prospect mailing.

NATIONAL ADVISORY BOARD

THOMAS H. AINSWORTH, JR., M.D., F.A.C.S.
Author, Professor of Health Care Services
Carmel Valley, California

WILLIAM L. BATEMAN, Esq.
Attorney
Washington, D.C.

THOMAS McP. BROWN, M.D.
National Hospital
Arlington, Virginia

BRUCE W. EVERIST, M.D.
Professor of Public Health
Tulane University

H. HUGH FUDENBERG, M.D.
Professor and Chairman
Medical University of South Carolina

TERESA HEINZ
Trustee, Medical College of Pennsylvania
Washington, D.C.

ARIEL C. HOLLINSHEAD, Ph.D., D.Sc.
Director of Lab. for Virus and Cancer Research
George Washington University Medical Center

RITA Z. JOHNSON, R.N.
President, The Women's Institute
American University

HENRY G. MANNE, LL.D., Ph.D.
Director, Law and Economics Center
Emory University

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August 3, 1983

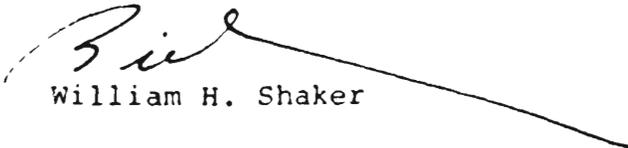
4. Additionally, you indicated in a telephone conversation prior to our last meeting that BEA would wave any rights that it may have to the current prospect package and that Heart to Heart may mail such package at its own expense without paying any fees to BEA.

The current prospect mail returns are virtually finished and I would propose that we close out the Escrow Account as of August 8, 1983. All monies received prior to that date to be forwarded to BEA and BEA shall wave any rights which it may have to those monies received by Heart to Heart from this mailing received by Heart to Heart after this date.

Please indicate your acceptance of this plan by signing the copy of this letter and returning it to Heart to Heart Foundation.

Both Jo and I are also sorry that we didn't get off to a smoother start. We remain convinced that Heart to Heart will be a great success and we were just disappointed that you have decided not to a a part of it.

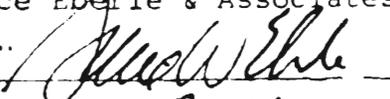
Coridally,


William H. Shaker

Accepted and agreed to:

Bruce Eberle & Associates, Inc

By: "


President

cc: Joanna Shaker

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BRUCE W. EBERLE & ASSOCIATES, INC., 8330 OLD COURTHOUSE ROAD, SUITE 700, VIENNA, VA. 22180

January 25, 1982

Dr. Victor Fediay, President
Foreign Affairs Council
325 Constitution Avenue, N. E.
Washington, D. C. 20002

Dear Victor:

I regret to tell you that the calls from direct mail vendors to our offices are increasing in intensity and frequency. The problem is that all direct mail suppliers are in a tight financial crunch this time, my companies included.

David Zukerberg (Tri-State Envelope) has called me to suggest a meeting of the FAC Board of Directors with the direct mail vendors to "find out what's going on". I recently sat in on a similar meeting with another of our clients and I think it was helpful to the parties concerned. It helped to clear the air, and it reassured the vendors that they would be paid.

Frankly, if something is not done in the very near future FAC will not be able to purchase any printing or envelopes in this area. Moreover, the prices paid will be exorbitant.

Personally, my situation is very tight therefore, I am forced to invoke paragraphs 5.d. and 5.e. Under paragraph 5.d. I will be using all list rental income on FAC to be applied directly against outstanding invoices. Under 5.e. I am designating Mark Noftsinger as the sole individual necessary to authorize payments from a new Escrow Account into which all returns will be placed from this date forward.

For your information, all vendors will be paid on an equal weighted basis proportionate to the amount of debt they have outstanding.

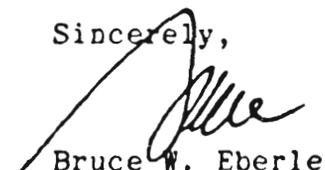
As you may be aware, I have provided two prospect packages to you some time ago, yet I do not have a signer as of today's date. The first package, for FAC was given to you in mid December, and the IAR prospect package was provided to you several weeks ago. If I can obtain approval on these packages, I believe we can turnaround the current situation in very rapid fashion.

As you know, I have provided FAC with credits in excess of \$38,000. I have done everything in my power to rectify current financial crisis. However, I cannot solve the problem alone. I am confident that 1982 will be a banner year for both FAC and IAR, but right now we are missing the best mailing season of the year.

To give you an example of just how bad the general situation is, I should point out that two of the largest printers in this area have gone out of business. Diversified Direct the largest direct mail printer in Northern Virginia, was forced into involuntary bankruptcy by petition filed by three creditors. Diversified Direct had been in business for nearly ten years. Blocher Reprographics had been in business for more than 30 years, and now it is down the tubes.

These vendors are desperate and they will take any steps that are necessary to recover sums due. I hope that you and the FAC Board of Directors will give this matter your immediate attention.

Sincerely,



Bruce W. Eberle
President

BWE:sr

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TERMINATION AGREEMENT

This agreement is made this 17th day of August, 1982 between Bruce W. Eberle & Associates, Inc., 8330 Old Courthouse Road, Suite 700, Vienna, Virginia 22180, hereinafter called the Agency, and the Council for Inter-American Security, 729 Eighth Street, S. E., Suite 200, Washington, D. C. hereinafter called CIS.

With the exceptions and under the terms and conditions cited below this termination agreement hereby supersedes and terminates all prior agreements between the Agency, its related companies and CIS.

1. The Agency shall make no further mailings on behalf of CIS either to the CIS house list or to other lists.

2. CIS shall be entitled to make ten (10) mailings per year to the existing CIS house list commencing on January 1, 1983. CIS is also entitled to mail on the remaining mail dates scheduled for 1982. These mailings shall be made by CIS, its agents and/or employees through CCI and Omni Direct Mail Services, Ltd. Costs for services provided by CCI and Omni shall be at then prevailing market rates. Payment for their services shall be due ^{of the invoice date} within 30 days and no further credit shall be extended. These services shall be provided only after receipt of detailed written Purchase Orders. The Agency will not be held responsible or liable for any aspect thereof other than the providing of the lists to CCI.

3. CIS shall in addition be entitled to make four (4) mailings of its publication West watch to the house list each year, providing that no fund raising appeal or BRE be enclosed and that no request for funds shall be included in the text of West Watch with the exception of advertisements offering CIS publications for sale. All computer and mailing services

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shall be performed by CCI and Omni Direct Mail Services, Ltd. Costs for services provided by CCI and Omni shall be at then prevailing market rates. Payment for their services shall be due within 30 days of the invoice date and no further credit shall be extended. These services shall be provided only after receipt of detailed written Purchase Orders.

4. CIS shall pay the Agency the sum of Three Thousand and 00/100 (\$3,000.00) Dollars per month commencing September 15, 1982, said payments to be for the sole purpose of retiring the CIS debts to the Agency and its related companies. In the event the payments called for in this paragraph and payments due CCI and Omni are not made during the 30 day period specified elsewhere in this Agreement, CIS shall have no further right or entitlement to the use of the lists until those payments are brought current.

5. Although not obligated to do so, the Agency agrees that it will apply list rental income received through rentals of the lists to the CIS debts owed the Agency and related companies. Once those CIS debts are paid, the Agency will provide CIS a copy of the lists which CIS, its officers and or representatives shall not rent, exchange, donate, sell or otherwise provide to any third party with the exception of the CIS Educational Institute for any reason whatsoever without the prior written approval of the Agency. The CIS Educational Institute shall agree that it shall not rent, exchange, donate, sell or otherwise provide the lists to any other party for any reason. The Agency will provide an Accounts Payable report on a monthly basis to CIS and a report to CIS on the list rental income received on a bi-monthly basis.

6. Any services of Omni or CCI used in the future by CIS shall be paid for within 30 days of invoice date.

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7. CIS acknowledges that it owes the following outside vendors these sums: Army Times -- \$15,655.00; Western Union Electronic Mail -- \$6,752.71; and Steve Idleman & Associates -- \$3,250.00.

8. All rights and obligations pertaining to names owed to CIS as a result of list exchanges shall remain with the Client. The Client shall have first priority to use the names but by mutual agreement unused names can be converted to rental to generate income to retire the CIS debt. All such transactions are to be coordinated and scheduled through Omega List Company. CIS is currently owed a net of approximately 315,000 names.

9. This termination agreement constitutes the entire continuing contract between the parties. No penalties of any kind shall be levied against either party due to any actions taken under the previous agreements, and violation of any portion of this termination agreement shall not reinstate any portion of any prior agreement.

10. Upon the bankruptcy of Bruce W. Eberle & Associates, Inc. either voluntary or involuntary, this agreement shall terminate.

BRUCE W. EBERLE & ASSOCIATES, INC.

By:

Bruce W. Eberle, PRESIDENT

COUNCIL FOR INTER AMERICAN SECURITY

By:

*L. Francis Boisjoly
Exec. Vice-President*

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ADDENDUM TO TERMINATION AGREEMENT

It is agreed between the parties, Bruce W. Eberle & Associates, Inc. and the Council for Inter-American Security (CIS) that CIS agrees that the sum of One Thousand Eight Hundred Forty and 84/100 (\$1,840.84) Dollars in its postage account be applied to outstanding and current Omni bills. It is further agreed that the funds currently in the escrow accounts be paid to CIS with the exception of One Thousand and 00/100 (\$1,000.00) Dollars which will be paid to Bruce W. Eberle & Associates as an advance on the September 15, 1982, payment due under the Termination Agreement.

BRUCE W. EBERLE & ASSOCIATES, INC.

By: *Bruce W. Eberle*, PRESIDENT

COUNCIL FOR INTER-AMERICAN SECURITY

By: *L. Francis Buckley*
Exec. Vice President

DATE: *17 August 1982*

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ADDENDUM TO TERMINATION AGREEMENT

It is agreed between the parties, Bruce W. Eberle & Associates, Inc., and the Council for Inter-American Security, that the Washington Intelligence Bureau is hereby instructed to transfer the balance in the CIS BRE account to the new CIS BRE account.

BRUCE W. EBERLE & ASSOCIATES, INC.

BY: *[Signature]*

COUNCIL FOR INTER-AMERICAN SECURITY

BY: *[Signature]*
Exec. Vice. Pres.

August 17, 1982

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TERMINATION AGREEMENT

THIS AGREEMENT is made as of the 8th day of February, 1985, between BRUCE W. EBERLE & ASSOCIATES, INC., 8330 Old Courthouse Road, Suite 700, Vienna, Virginia 22180 (hereinafter called the "Agency") and the COUNCIL OF VOLUNTEER AMERICANS, 418 C Street, N.E., Washington, D.C. 20002 (hereinafter called the "Client").

WHEREAS, the Agency and the Client have entered into agreements whereby the Agency carried out a direct response fundraising program for the Client; and

WHEREAS, the parties are desirous of entering into an agreement concerning the payment of sums due the Agency and its subsidiary companies or divisions for carrying out the programs and the release of materials, including lists; it is

NOW, THEREFORE, in consideration of mutual covenants herein contained, agreed as follows:

1. This Termination Agreement supersedes and terminates all prior agreements between the Agency, its related companies and the Client.

2. The Client hereby agrees to the application of past, current and future List rental income to payment of sums due the Agency and its subsidiary companies or divisions. The Agency shall continue to rent the List created pursuant to the Client's direct response fundraising program and said List rental income shall be applied to the payment of sums due the Agency and its subsidiary companies or divisions. The Agency shall provide the Client a monthly report on the List rental income billed.

When the List rental income billed equals the balance of the debt owed the Agency and its subsidiary companies or divisions, this sum totalling \$ 17,591.09 as of the above date after the application of all currently billed rental income, plus any future costs incurred in renting the List, the Agency and the Client shall each be an independent owner of the List.

FRED H. CODDING
ATTORNEY AT LAW
10343 MAIN STREET
FAIRFAX, VIRGINIA 22030
7031 591-1870

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Until such time as the List rental billed equals the sum owed, Omega List Company shall be the exclusive list broker for rentals of the List. The Client hereby agrees it will refer all List rentals to Omega until such time as the List rentals billed equals the amount owed.

3. The Agency shall provide the Client a copy of the List for its own direct mail program. The copy shall be provided upon receipt of a purchase order from the Client. The Client shall apply one-half of the net proceeds from its house mailings to the sum owed the Agency and its subsidiary companies or divisions. The Client shall provide a monthly report to the Agency as to the proceeds and costs for each house mailing.

4. The Client shall notify the Agency of its selected mail dates for house mailings through the end of July 1985. This notification shall be provided concurrently with the execution of this agreement.

5. The Client agrees that it will keep the List in a totally secure condition until the balance of the debt owed the Agency is paid pursuant to paragraph numbered 2. above. Until that time, the Client warrants and agrees that it shall not provide the List or make it available, in whole or in part, to any other organization or person for use through rental, exchange or gift.

6. This Termination Agreement resolves any and all disputes between the Agency and the Client, including the application of prior List rental income to outstanding debts.

7. Neither party may assign any rights or delegate any duties hereunder without the expressed written consent of the other.

8. No representations are made or relied upon by either party, other than those that are expressly set forth herein. No agent, employee or other representative of either party have the power to alter the terms hereof, unless done in writing and signed by an executive officer of the respective parties.

FRED H. CODDING
ATTORNEY AT LAW
10322 MAIN STREET
FAIRFAX, VIRGINIA 22030

(703) 581-870

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9. The validity, interpretation and performance of this agreement shall be controlled by and construed under the laws of the State of Virginia. The Client further agrees that any and all legal proceedings concerning this agreement shall be before a court in Northern Virginia and that such court shall have jurisdiction of the parties hereto.

10. The failure of either party to this agreement to object or take affirmative action with respect to any conduct by the other which is in violation of the terms of this agreement shall not be construed as a waiver thereof, or of any future breach or subsequent wrongful conduct.

11. All notices pertaining to this agreement shall be in writing and shall be transmitted either by personal hand delivery or through the facilities of the United States Postal Service by certified or registered mail. The addresses set forth above for the respective parties shall be the place where notices shall be sent, unless written notice of change of address is given.

The undersigned hereby personally warrant and affirm that they are authorized to execute and bind the parties hereto.

Dated: Feb. 8, 1985

BRUCE W. EBERLE & ASSOCIATES, INC.
By: [Signature]
President

Dated: Feb 8th 1985

COUNCIL OF VOLUNTEER AMERICANS
By: [Signature]

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Lee DUE

BRUCE W. EBERLE & ASSOCIATES, INC., 8330 OLD COURTHOUSE ROAD, SUITE 700, VIENNA, VA. 22180

October 8, 1986

Mr. Eugene Delgaudio
Council of Volunteer Americans
418 C Street, N.E.
Washington, D.C. 20002

Dear Eugene:

In my letter of September 26, I mentioned that at the time of termination, the total indebtedness of CVA totalled \$44,353.67. Most of that debt was owed to Omega List Company.

Also at the time of termination, a total of \$12,204.02 in list rental income had been billed, leaving a balance of \$32,149.65. Toward that balance of \$32,149.65, \$16,470.29 in list rental income has been billed, collected and applied toward outstanding CVA debts. An additional \$7,989.66 has been billed and collected, but not applied. That gives us a total of \$24,459.95 which has been billed and collected.

I've enclosed for your review a copy of the ledger which lists the list rental income and the amounts applied to various outstanding bills. In addition, I've included a copy of your August statement from Omega List Company which has \$21,013.77 remaining. If you apply the current balance of \$7,989.66 to that amount, it will show a remaining amount owed of \$13,024.11.

Finally, there is a CCI bill in the amount of \$262.91 remaining.

Eugene, I'm sorry to be the one to give you the bad news, but we're not quite there yet. On the brighter side, almost two-thirds of the debt has been paid off over the last eighteen months so, at the present rate, the entire amount would possibly be paid off in another nine months or so.

If you have questions regarding these figures, do not hesitate to contact me directly. I'll be more than happy to go over them with you.

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Mr. Eugene Delgaudio
page 2
October 8, 1986

With kind regards,

Sincerely,

Richard

Richard F. Norman
Chief Operating Officer

Enclosures

21 J 4 0 3 1 4 9 3 8

TERMINATION AGREEMENT

THIS AGREEMENT is made as of the 8th day of February, 1985, between BRUCE W. EBERLE & ASSOCIATES, INC., 8330 Old Courthouse Road, Suite 700, Vienna, Virginia 22180 (hereinafter called the "Agency") and the COUNCIL OF VOLUNTEER AMERICANS, 418 C Street, N.E., Washington, D.C. 20002 (hereinafter called the "Client").

WHEREAS, the Agency and the Client have entered into agreements whereby the Agency carried out a direct response fundraising program for the Client; and

WHEREAS, the parties are desirous of entering into an agreement concerning the payment of sums due the Agency and its subsidiary companies or divisions for carrying out the programs and the release of materials, including lists; it is

NOW, THEREFORE, in consideration of mutual covenants herein contained, agreed as follows:

1. This Termination Agreement supersedes and terminates all prior agreements between the Agency, its related companies and the Client.

2. The Client hereby agrees to the application of past, current and future List rental income to payment of sums due the Agency and its subsidiary companies or divisions. The Agency shall continue to rent the List created pursuant to the Client's direct response fundraising program and said List rental income shall be applied to the payment of sums due the Agency and its subsidiary companies or divisions. The Agency shall provide the Client a monthly report on the List rental income billed.

When the List rental income billed equals the balance of

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Until such time as the List rental billed equals the sum owed, Omega List Company shall be the exclusive list broker for rentals of the List. The Client hereby agrees it will refer all List rentals to Omega until such time as the List rentals billed equals the amount owed.

3. The Agency shall provide the Client a copy of the List for its own direct mail program. The copy shall be provided upon receipt of a purchase order from the Client. The Client shall apply one-half of the net proceeds from its house mailings to the sum owed the Agency and its subsidiary companies or divisions. The Client shall provide a monthly report to the Agency as to the proceeds and costs for each house mailing.

4. The Client shall notify the Agency of its selected mail dates for house mailings through the end of July 1985. This notification shall be provided concurrently with the execution of this agreement.

5. The Client agrees that it will keep the List in a totally secure condition until the balance of the debt owed the Agency is paid pursuant to paragraph numbered 2. above. Until that time, the Client warrants and agrees that it shall not provide the List or make it available, in whole or in part, to any other organization or person for use through rental, exchange or gift.

6. This Agreement resolves any and all disputes between the Agency and the Client, including the application of prior List rental income to outstanding debts.

7. Neither party may assign any rights or delegate any duties hereunder without the expressed written consent of the

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9. The validity, interpretation and performance of this agreement shall be controlled by and construed under the laws of the State of Virginia. The Client further agrees that any and all legal proceedings concerning this agreement shall be before a court in Northern Virginia and that such court shall have jurisdiction of the parties hereto.

10. The failure of either party to this agreement to object or take affirmative action with respect to any conduct by the other which is in violation of the terms of this agreement shall not be construed as a waiver thereof, or of any future breach or subsequent wrongful conduct.

11. All notices pertaining to this agreement shall be in writing and shall be transmitted either by personal hand delivery or through the facilities of the United States Postal Service by certified or registered mail. The addresses set forth above for the respective parties shall be the place where notices shall be sent, unless written notice of change of address is given.

The undersigned hereby personally warrant and affirm that they are authorized to execute and bind the parties hereto.

BRUCE W. EBERLE & ASSOCIATES, INC.

Dated: Feb 8, 1985

By: [Signature]
President

COUNCIL OF VOLUNTEER AMERICANS

Dated: Feb 8th 1985

By: [Signature]

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BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

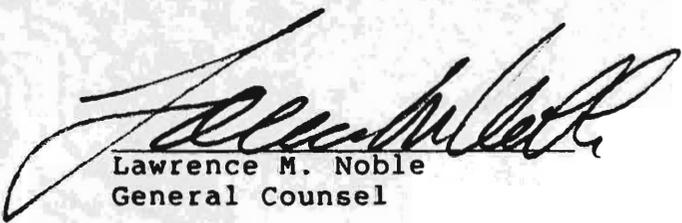
In the Matter of)	
)	
Alamo Political Action)	MUR 2762
Committee and James Meadows,)	
as treasurer)	
)	
Bruce W. Eberle)	
)	
Bruce W. Eberle & Associates,)	
Inc.)	
)	
Computer Communications, Inc.)	
)	
Omega List Company)	

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter as to Alamo Political Action Committee and James Meadows, as treasurer; Bruce W. Eberle; Bruce W. Eberle & Associates, Inc.; Computer Communications, Inc.; and Omega List Company, based on the assessment of the information presently available.

Date

2/20/90


Lawrence M. Noble
General Counsel

Staff Person: Jim Brown

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

February 28, 1990

MEMORANDUM

TO: The Commission
FROM: Lawrence M. Noble *LM*
General Counsel
SUBJECT: MUR 2762

Attached for the Commission's review are briefs stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. A copy of these briefs and letters notifying the respondents of the General Counsel's intent to recommend to the Commission findings of probable and no probable cause to believe were mailed on February 28, 1990. Following receipt of the respondents' replies to this notice, this Office will make a further report to the Commission.

Attachments

1. Briefs
2. Letters to respondents

Staff assigned: J. Albert Brown

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 28, 1990

Howard A. Hickman
Garcia, Kilgore & Hickman
Attorneys at Law, P.C.
2044 South Lamar
Austin, Texas 78704

RE: MUR 2762
Alamo PAC and James Meadows, as
treasurer

Dear Mr. Hickman:

Based on a complaint filed with the Federal Election Commission on November 2, 1988, and information supplied by your clients, Alamo PAC and James Meadows, as treasurer ("the Committee), the Commission, on July 8, 1989, found that there was reason to believe your clients, violated 2 U.S.C. § 434(b)(8), 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10, and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that violations of 2 U.S.C. § 434(b)(8) and 11 C.F.R. § 114.10 have occurred as a result of the actions of your clients.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing

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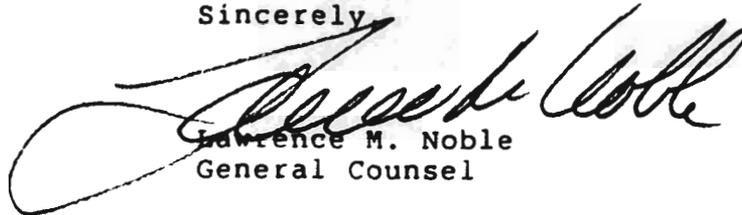
MUR 2762
Mr. Howard A. Hickman
page 2

five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

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

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Brief

21040814945

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Alamo Political Action)
Committee and James Meadows,) MUR 2762
as treasurer)
)
)

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

Charles H. Damron filed a complaint with the Commission alleging that Bruce Eberle, Bruce W. Eberle & Associates, Inc., Omega List Co., and Computer Communications, Inc. (collectively referred to as the "Eberle Creditors"), made in-kind corporate contributions to Alamo Political Action Committee (Alamo PAC), by extending credit to Alamo PAC outside the ordinary course of the corporation's business and without making a commercially reasonable attempt to collect the debts. On July 8, 1989, the Commission found reason to believe that Alamo Political Action Committee (Alamo PAC) and James Meadows, as treasurer, violated 2 U.S.C. § 434(b)(8), 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10. The bases for these findings were the apparent acceptance of prohibited corporate contributions resulting from unpaid corporate debts, as well as the reporting of such corporate debts.

Bruce W. Eberle & Associates, Inc. entered into an agreement on October 1, 1980, with Alamo PAC to conduct a direct mail fundraising program. Over the next few reporting periods

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Alamo PAC and the various Eberle Creditors were involved in this fundraising program. Despite partial payment of the bills that were accumulating, gradually Alamo PAC fell deeper in debt to the Eberle Creditors. By the end of 1983, Alamo PAC had incurred debts totaling \$72,741.78. Although Alamo PAC was inactive and did not receive any new contributions or make any disbursements between January 1, 1984 and June 30, 1988, it continually reported \$72,741.78 in outstanding debts on every report filed from the end of 1983 until the 1988 Year-End Report. After notification of the complaint in this matter, Alamo PAC dropped all mention of these debts in its subsequent reports.

Information obtained through discovery discloses that in 1988, James Meadows, the present treasurer, acquired the right to use the name Alamo PAC. It appears that Mr. Meadows had hoped to form his own political action committee and call it Alamo PAC. Finding that the name he hoped to use for his organization was already taken, he contacted Mr. Forrester, who was treasurer of Alamo PAC at that time. Mr. Forrester agreed to turn over the name of the basically defunct organization. Thus, Mr. Meadows proceeded to create a wholly new organization retaining only the name of the former committee.

As discussed below, this matter raises the following issues: whether the original extension of credit to Alamo PAC by the various Eberle Creditors was extended in the ordinary course of the corporation's business; whether the Eberle Creditors undertook all commercially reasonable efforts to

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satisfy the outstanding debt; whether Alamo PAC and the Eberle Creditors violated 11 C.F.R. § 114.10 by not filing a settlement statement; and whether Alamo PAC, in either of its incarnations, failed to meet its reporting obligations.

II. ANALYSIS

A. Corporate Contributions

A corporation may not use its treasury funds to make direct or indirect contributions to political candidates or committees. 2 U.S.C. § 441b(a). Commission regulations provide that credit extended for a length of time beyond normal business or trade practice by any person is considered a contribution, "unless the creditor has made a commercially reasonable attempt to collect the debt." 11 C.F.R. § 100.7(a)(4).

Commission regulations allow a corporation to extend credit to a candidate, political committee, or other person in connection with a Federal election provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extensions of credit to nonpolitical debtors which are of similar risk and size of obligation. 11 C.F.R. § 114.10. A corporation may lawfully forgive a debt or settle a debt for less than the full amount only if the corporate creditor has "treated the outstanding debt in a commercially reasonable manner." 11 C.F.R. § 114.10(c). Settlements will satisfy the standard of commercial reasonableness if three conditions are met:

- (1) The initial extension of credit was made [on terms substantially similar to nonpolitical debtor(s)];

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(2) the candidate or political committee or person has undertaken all commercially reasonable efforts to satisfy the outstanding debt; and

(3) the corporate creditor has pursued its remedies in a manner similar in intensity to that employed by the corporation in pursuit of a nonpolitical debtor, including lawsuits if filed in similar circumstances. 11 C.F.R. § 114.10(c)(1) - (3).

Based upon information obtained through discovery it seems that the extension of credit in the present situation amounted to an "arms-length," commercially reasonable transaction.

Bruce W. Eberle has never held any position with Alamo PAC, and neither James Meadows or Albert O. Forrester have any ownership or other interest in any of the corporate creditors. The Eberle Creditors customarily extended credit in the ordinary course of their business in 1980-1983, and currently continue that practice. Thus, in the ordinary course of its business Bruce W. Eberle & Associates, Inc. entered into an written agreement on October 1, 1980, to conduct a direct mail fundraising program that involved extending credit to Alamo PAC.

The real issue in this regard is whether the Eberle Creditors' collection efforts were sufficiently reasonable. According to responses to discovery requests, when Alamo PAC's payments for the work done by the Eberle Creditors became delinquent, repeated telephone calls demanding payment were made to the former treasurer of Alamo PAC, Albert O. Forrester. Subsequently, the Eberle Creditors held discussions with Mr. Forrester in an attempt to secure payment. During these discussions the Eberle Creditors learned that Alamo PAC had no assets other than the donor list created by the Eberle

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Creditors. It became evident that Alamo PAC was defunct and would be unable to pay the sums due; therefore various organizations under the Eberle organizational umbrella entered into a verbal agreement with Alamo PAC on August 3, 1983. This agreement purportedly settled debts owed by Alamo PAC to Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., Graphics 440, Direct Response Telecommunications, Inc., Omega List Company, and Omni Direct Mail Services Ltd. Pursuant to the terms of that agreement, Alamo PAC agreed to release any and all interest in the donor list developed by these Eberle Creditors in exchange for forgiveness of its debts. Thus, immediately after reaching this agreement all interest in and income derived from rental of the list was relinquished by Alamo PAC to Eberle & Associates.¹ In light of the foregoing, this Office recommends that the Commission find no probable cause to believe that Alamo Political Action Committee, and James Meadows, as treasurer, violated 2 U.S.C. § 441b(a) in relation to debts settled with the Eberle Creditors.

B. Violation of 11 C.F.R. § 114.10

Section 114.10(b) of the Commission regulations prohibits a corporation from forgiving or settling debts incurred by a candidate for less than the amount owed on the debt, except in situations of commercial reasonableness as discussed above in Section 114.10(c). The regulations also specify that once a

1. The rental income subsequently derived from the list amounted to about \$10,975.72, which was distributed amongst the various Eberle Creditors.

settlement is achieved, a settlement statement must be filed with the Commission and must include the initial terms of credit, the steps taken by the debtor to satisfy the debt, and the remedies pursued by the creditor. Such settlement statements must be filed prior to the termination of the reporting status of the debtor and are subject to Commission review. Id. In Commission Advisory Opinion 1989-2, the Commission recently reiterated that "when a corporate creditor and a political debtor have agreed upon a settlement, either or both parties to the settlement must file a Statement of Settlement with the Commission for the Commission to review." See AO 1989-2, page 3.

None of the parties involved here filed a statement of settlement with the Commission outlining the initial terms of credit, the steps the debtor took to satisfy the debt, or the remedies pursued by the creditor as required by 11 C.F.R. § 114.10(c). Accordingly, this Office recommends that the Commission find probable cause to believe that Alamo Political Action Committee, and James Meadows, as treasurer, violated 11 C.F.R. § 114.10 by not filing a statement of settlement.

C. Violation of 2 U.S.C. § 434(b)(8)

The Act at 2 U.S.C. § 434(b)(8) requires the treasurers of political committees to include in their periodic reports to the Commission the amount and nature of the political committee's outstanding debts and obligations. That section also provides that treasurers shall file a statement detailing the

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circumstances and conditions under which debts or obligations are settled, when they are settled for less than their reported amount or value, as well as the actual consideration for which such debts are settled.

As previously noted, Alamo PAC did not file a settlement statement as required under 11 C.F.R. § 114.10. Until the filing of such a statement, a political committee must continue to report all outstanding debts and obligations. Beginning with the 1988 Year-End Report, Alamo PAC stopped reporting \$72,741.78 in outstanding debts and obligations, even though no settlement statement had been filed with the Commission. Thus, this Office recommends that the Commission find probable cause to believe Alamo Political Action Committee violated 2 U.S.C. § 434(b)(8).

III. GENERAL COUNSEL'S RECOMMENDATIONS

1. Find no probable cause to believe that Alamo Political Action Committee, and James Meadows, as treasurer, violated 2 U.S.C. § 441b(a).

2. Find probable cause to believe that Alamo Political Action Committee, and James Meadows, as treasurer, violated 11 C.F.R. § 114.10.

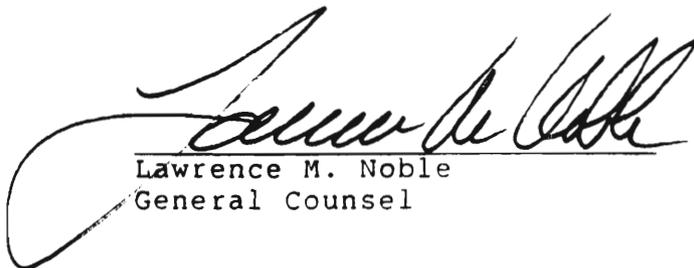
3. Find probable cause to believe Alamo Political Action Committee violated 2 U.S.C. § 434(b)(8).

Date

2/28/90

Lawrence M. Noble
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 28, 1990

Fred H. Coddling
10382 Main Street
Suite 200
The Coddling Building
P.O. Box 225
Fairfax, Virginia 22030

RE: MUR 2762
Bruce W. Eberle, Bruce W. Eberle &
Associates, Inc., Computer
Communications, Inc., Omega List
Company

Dear Mr. Coddling:

Based on a complaint filed with the Federal Election Commission on November 2, 1988, and information supplied by your clients, Bruce W. Eberle; Bruce W. Eberle & Associates, Inc.; Computer Communications, Inc.; and Omega List Company, the Commission, on July 8, 1989, found that there was reason to believe your clients, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10, and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that your clients violated the above referenced provisions.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing

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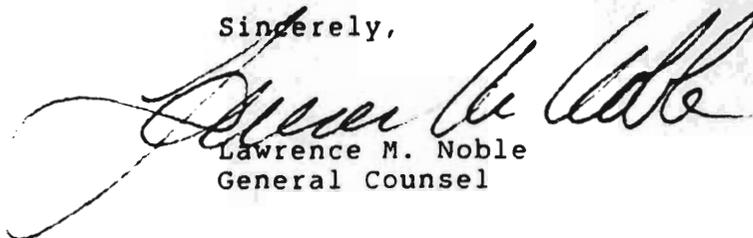
MUR 2762
Mr. Fred H. Coddling
page 2

five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Lawrence M. Noble".

Lawrence M. Noble
General Counsel

Enclosure
Brief

21040814954

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Bruce W. Eberle)
)
Bruce W. Eberle & Associates, Inc.) MUR 2762
)
Computer Communications, Inc.)
)
Omega List Company)

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

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Charles H. Damron filed a complaint with the Commission alleging that Bruce Eberle, Bruce W. Eberle & Associates, Inc., Omega List Co., and Computer Communications, Inc. (collectively referred to as the "Eberle Creditors"), made in-kind corporate contributions to Alamo Political Action Committee (Alamo PAC), by extending credit to Alamo PAC outside the ordinary course of the corporation's business and without making a commercially reasonable attempt to collect the debts. On July 8, 1989, the Commission found reason to believe that Bruce W. Eberle, Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., and Omega List Company, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10. The bases for these findings were the apparent making of prohibited corporate contributions resulting from unpaid corporate debts, as well as the reporting of such corporate debts.

Bruce W. Eberle & Associates, Inc. entered into an agreement on October 1, 1980, with Alamo PAC to conduct a direct mail fundraising program. Over the next few reporting periods Alamo PAC and the various Eberle Creditors were involved in this

fundraising program. Despite partial payment of the bills that were accumulating, gradually Alamo PAC fell deeper in debt to the Eberle Creditors. By the end of 1983, Alamo PAC had incurred debts totaling \$72,741.78. Although Alamo PAC was inactive and did not receive any new contributions or make any disbursements between January 1, 1984 and June 30, 1988, it continually reported \$72,741.78 in outstanding debts on every report filed from the end of 1983 until the 1988 Year-End Report. After notification of the complaint in this matter, Alamo PAC dropped all mention of these debts in its subsequent reports.

Information obtained through discovery discloses that in 1988, James Meadows, the present treasurer, acquired the right to use the name Alamo PAC. It appears that Mr. Meadows had hoped to form his own political action committee and call it Alamo PAC. Finding that the name he hoped to use for his organization was already taken, he contacted Mr. Forrester, who was treasurer of Alamo PAC at that time. Mr. Forrester agreed to turn over the name of the basically defunct organization. Thus, Mr. Meadows proceeded to create a wholly new organization retaining only the name of the former committee. Further complicating this matter, all three of the Respondent creditors have had severe financial problems and Computer Communications, Inc. was involved in Chapter 7 bankruptcy proceedings in the United State Bankruptcy Court for the Eastern Division of Virginia, Alexandria Division (Case No. 88-00113A), which resulted in discharge of its debts on August 30, 1989.

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As discussed below, this matter raises the following issues: whether the original extension of credit to Alamo PAC by the various Eberle Creditors was extended in the ordinary course of the corporation's business; whether the Eberle Creditors undertook all commercially reasonable efforts to satisfy the outstanding debt; whether Alamo PAC and the Eberle Creditors violated 11 C.F.R. § 114.10 by not filing a settlement statement; and whether Alamo PAC, in either of its incarnations, failed to meet its reporting obligations.

II. ANALYSIS

A. Corporate Contributions

A corporation may not use its treasury funds to make direct or indirect contributions to political candidates or committees. 2 U.S.C. § 441b(a). Commission regulations provide that credit extended for a length of time beyond normal business or trade practice by any person is considered a contribution, "unless the creditor has made a commercially reasonable attempt to collect the debt." 11 C.F.R. § 100.7(a)(4).

Commission regulations allow a corporation to extend credit to a candidate, political committee, or other person in connection with a Federal election provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extensions of credit to nonpolitical debtors which are of similar risk and size of obligation. 11 C.F.R. § 114.10. A corporation may lawfully forgive a debt or settle a debt for less than the full amount only if the corporate creditor has "treated the outstanding debt

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in a commercially reasonable manner." 11 C.F.R. § 114.10(c).
Settlements will satisfy the standard of commercial
reasonableness if three conditions are met:

(1) The initial extension of credit was made [on terms
substantially similar to nonpolitical debtor(s)];

(2) the candidate or political committee or person has
undertaken all commercially reasonable efforts to
satisfy the outstanding debt; and

(3) the corporate creditor has pursued its remedies in
a manner similar in intensity to that employed by the
corporation in pursuit of a nonpolitical debtor,
including lawsuits if filed in similar circumstances.
11 C.F.R. § 114.10(c)(1) - (3).

Based upon information obtained through discovery it seems
that the extension of credit in the present situation amounted
to an "arms-length," commercially reasonable transaction.
Bruce W. Eberle has never held any position with Alamo PAC, and
neither James Meadows or Albert O. Forrester have any ownership
or other interest in any of the corporate creditors. The Eberle
Creditors customarily extended credit in the ordinary course of
their business in 1980-1983, and currently continue that
practice. Thus, in the ordinary course of its business
Bruce W. Eberle & Associates, Inc. entered into an written
agreement on October 1, 1980, to conduct a direct mail
fundraising program that involved extending credit to Alamo PAC.

The real issue in this regard is whether the Eberle
Creditors' collection efforts were sufficiently reasonable.
According to responses to discovery requests, when Alamo PAC's
payments for the work done by the Eberle Creditors became
delinquent, repeated telephone calls demanding payment were made

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to the former treasurer of Alamo PAC, Albert O. Forrester. Subsequently, the Eberle Creditors held discussions with Mr. Forrester in an attempt to secure payment. During these discussions the Eberle Creditors learned that Alamo PAC had no assets other than the donor list created by the Eberle Creditors. It became evident that Alamo PAC was defunct and would be unable to pay the sums due; therefore various organizations under the Eberle organizational umbrella entered into a verbal agreement with Alamo PAC on August 3, 1983. This agreement purportedly settled debts owed by Alamo PAC to Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., Graphics 440, Direct Response Telecommunications, Inc., Omega List Company, and Omni Direct Mail Services Ltd. Pursuant to the terms of that agreement, Alamo PAC agreed to release any and all interest in the donor list developed by these Eberle Creditors in exchange for forgiveness of its debts. Thus, immediately after reaching this agreement all interest in and income derived from rental of the list was relinquished by Alamo PAC to Eberle & Associates.¹

Apparently, such settlement agreements are not an uncommon business practice for the Eberle Creditors. In its discovery responses, the Eberle Creditors delineate and document a series of instances where credit was extended and then eventually settled for less than the full amount with two (2) political

1. The rental income subsequently derived from the list amounted to about \$10,975.72, which was distributed amongst the various Eberle Creditors.

action committees, as well as thirty (30) other types of organizations. In at least one of those instances the Eberle Creditors were willing to terminate a contract with a client in exchange for a fundraising list like that in the present instance. The amounts involved in that matter are substantially similar to the amounts at issue here and represent a similar risk and size of obligation to that extended Alamo PAC. The creditors' own financial problems also apparently weighed in-favor of the resolution reached here. Given the circumstances presented here, it appears that the corporate Eberle Creditors pursued payment from Alamo PAC as intensely as prudent commercial sense and reason would dictate.²

In light of the above, the Office of the General Counsel recommends that the Commission find no probable cause to believe that Bruce W. Eberle, Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., Omega List Company or any of the organizations under the Eberle Corporate umbrella violated 2 U.S.C. § 441b(a) as it relates to the matters in this complaint.

B. Violation of 11 C.F.R. § 114.10

Section 114.10(b) of the Commission regulations prohibits a corporation from forgiving or settling debts incurred by a

2. The Eberle Creditors have operated on a cash basis for tax purposes since their formation, and therefore cannot take a tax write-off for uncollected or bad debts. Still, as an indication that the amount owed by Alamo PAC was treated as a bad debt, the fundraising list was capitalized in 1986 at the amount of the total remaining Eberle Creditors' debt for depreciation purposes.

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candidate for less than the amount owed on the debt, except in situations of commercial reasonableness as discussed above in Section 114.10(c). The regulations also specify that once a settlement is achieved, a settlement statement must be filed with the Commission and must include the initial terms of credit, the steps taken by the debtor to satisfy the debt, and the remedies pursued by the creditor. Such settlement statements must be filed prior to the termination of the reporting status of the debtor and are subject to Commission review. Id. In Commission Advisory Opinion 1989-2, the Commission recently reiterated that "when a corporate creditor and a political debtor have agreed upon a settlement, either or both parties to the settlement must file a Statement of Settlement with the Commission for the Commission to review." See AO 1989-2, page 3.

None of the parties involved here filed a statement of settlement with the Commission outlining the initial terms of credit, the steps the debtor took to satisfy the debt, or the remedies pursued by the creditor as required by 11 C.F.R. § 114.10(c). Given that Alamo PAC was obliged to maintain routine records and report these continuing debts and obligations, this Office recommends that the Commission find no probable cause to believe that Bruce W. Eberle; Bruce W. Eberle & Associates, Inc.; Computer Communications, Inc.; or Omega List Company violated 11 C.F.R. § 114.10.

III. GENERAL COUNSEL'S RECOMMENDATIONS

1. Find no probable cause to believe that Bruce W. Eberle, Bruce W. Eberle & Associates, Inc., Computer

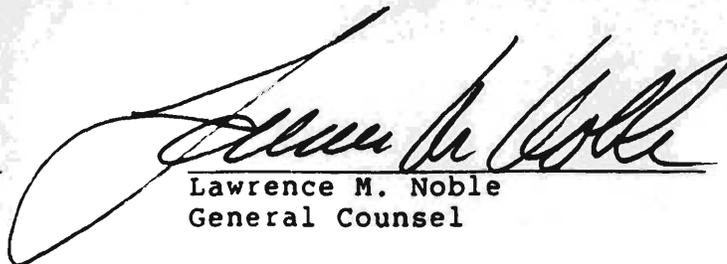
91040314261

Communications, Inc., Omega List Company or any of the organizations under the Eberle Corporate umbrella violated 2 U.S.C. § 441b(a).

2. Find no probable cause to believe that Bruce W. Eberle, Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., Omega List Company or any of the organizations under the Eberle Corporate umbrella violated 11 C.F.R. § 114.10.

Date

2/28/90


Lawrence M. Noble
General Counsel

21040314962

26C 56 22
RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

BEFORE THE FEDERAL ELECTION COMMISSION

90 MAR -7 AM 10:42

 IN THE MATTER OF)
)
 BRUCE W. EBERLE)
)
 BRUCE W. EBERLE & ASSOCIATES, INC.) MUR 2762
)
 COMPUTER COMMUNICATIONS, INC.)
)
 OMEGA LIST COMPANY)

90 MAR -7 AM 11:34

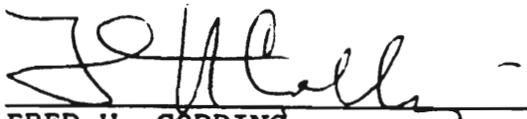
RECEIVED
FEDERAL ELECTION COMMISSION

BRIEF IN SUPPORT OF
GENERAL COUNSEL'S RECOMMENDATIONS

Bruce W. Eberle; Bruce W. Eberle & Associates, Inc.; Computer Communications, Inc.; and Omega List Company concur in the findings and recommendations set forth in the General Counsel's Brief dated February 28, 1990.

BRUCE W. EBERLE; BRUCE W. EBERLE & ASSOCIATES, INC.; COMPUTER COMMUNICATIONS, INC.; and OMEGA LIST COMPANY

BY: COUNSEL



 FRED H. CODDING
 COUNSEL FOR BRUCE W. EBERLE; BRUCE
 W. EBERLE & ASSOCIATES, INC.;
 COMPUTER COMMUNICATIONS, INC.;
 and OMEGA LIST COMPANY
 10382 MAIN STREET
 FAIRFAX, VA 22030
 (1-703-591-1870)

21040314953
10382 MAIN STREET • P.O. BOX 225 • FAIRFAX, VIRGINIA 22030 • (703) 591-1870
FRED H. CODDING • ATTORNEY AT LAW

06C 5759

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

GARCIA, KILGORE & HICKMAN
ATTORNEYS AT LAW, P.C.
2044 SOUTH LAMAR
AUSTIN, TEXAS 78704

90 MAR 12 AM 10: 59

(512) 447-4481

1214 SOUTH 31st
TEMPLE, TEXAS 76504

M. N. (RON) GARCIA
1921-1981
GARY L. KILGORE
HOWARD A. HICKMAN

817-773-0037
817-774-8025

March 8, 1990

Mr. James Brown
Federal Election Commission
Washington, D.C. 20463

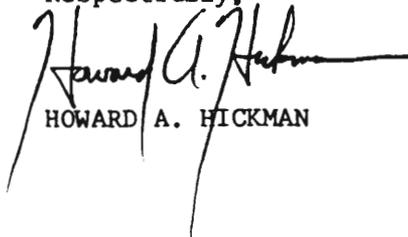
RE: MUR 2762
Alamo PAC and James Meadows, as Treasurer

Dear Mr. Brown:

Enclosed is a Response Brief in the above referenced cause.

Please contact me at the appropriate time frame to discuss a conciliation agreement.

Respectfully,


HOWARD A. HICKMAN

HAH/nrg
Enc.

90 MAR 12 PM 12: 39

FEDERAL ELECTION COMMISSION
OFFICE OF THE CLERK
WASHINGTON, D.C.

91040814964

BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF §
ALAMO POLITICAL ACTION § MUR 2762
COMMITTEE AND JAMES MEADOWS AS TREASURER §

RESPONSE BRIEF

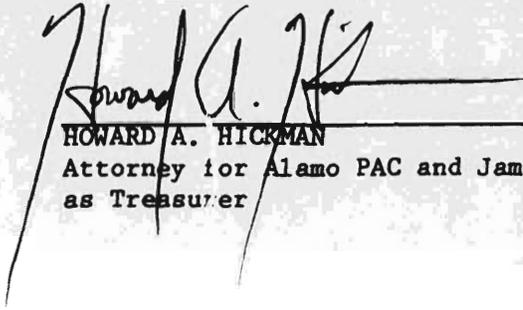
I. ADDITIONAL FACTS

21040314955
In reference to the violation of 11 C.F.R. §114.10 the settlement between Alamo Political Action Committee and Bruce W. Eberle & Associates occurred on August 3, 1983. James Meadows decided to use the name Alamo Political Action Committee in 1988 and incorporated that name in the State of Texas on July 28, 1988. The statement of settlement should have been filed in 1983, five years before James Meadows became associated with and decided to use the name of Alamo Political Action Committee.

In reference to the violation of 2 U.S.C. §434(6)(8), this violation occurred on the first report that James Meadows filed with the Commission. As a novice to the filing of reports with the Commission, James Meadows interpreted the instructions to mean that only debts incurred since the last report need be disclosed. This misinterpretation was corrected on all subsequent reports filed with the Commission.

II. CONCLUSION

The violation of 11 C.F.R. §114.10 and 2 U.S.C. §434(6)(8) were the result either of the failure of the previous treasurer of Alamo Political Action Committee or the non-faillarity of James Meadows with the Commissions forms and his misinterpretation of the instructions on those forms.



HOWARD A. HICKMAN
Attorney for Alamo PAC and James Meadows,
as Treasurer

21040314956

06C 5699

MANATT, PHELPS, ROTHENBERG & PHILLIPS

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

ATTORNEYS AT LAW

1200 NEW HAMPSHIRE AVENUE, N.W.

SUITE 200

WASHINGTON, D.C. 20036

TELEPHONE (202) 463-4300

FAX (202) 463-4394

(202) 463-4395

LOS ANGELES

11355 WEST OLYMPIC BOULEVARD

LOS ANGELES, CALIFORNIA 90084

(213) 312-4000

March 16, 1990

90 MAR 16 AM 10:52

Jim Brown, Esquire
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
6th Floor
Washington, D.C. 20463

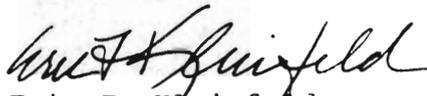
Re: MUR 2762, Alamo PAC and
James Meadow, as Treasurer

Dear Jim:

Enclosed, as we discussed, please find a Designation of
Counsel Statement in the above-captioned MUR.

Should you have any questions, please feel free to contact me.

Sincerely,



Eric F. Kleinfeld
Manatt, Phelps, Rothenberg
& Phillips

Enclosure

21040314967

FEDERAL ELECTION COMMISSION
COMMUNICATIONS SECTION

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2762
NAME OF COUNSEL: William C. Oldaker
Eric F. Kleinfeld
ADDRESS: Lyn Utrecht
Manatt, Phelps, Rothenberg & Phillips
Suite 200
1200 New Hampshire Avenue, N.W.
Washington, D.C. 20036
TELEPHONE: 463-4300

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.

3-15-90
Date


Signature

RESPONDENT'S NAME: Alamo PAC and James Meadows, Treasurer
ADDRESS: 317 Peoples Street
#405
Corpus Christ, Texas 78401
HOME PHONE: _____
BUSINESS PHONE: () 516-2526

91040314958

OGC 5755

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Alamo Political Action
Committee and James
Meadows, Jr., as treasurer

MUR 2762

90 MAR 22 PM 4:01

FEDERAL ELECTION COMMISSION

SUPPLEMENTAL BRIEF

Introduction

On March 16, 1990, respondent Alamo Political Action Committee ("Alamo PAC") and James Meadows, as treasurer, designated new counsel for representation in Matter Under Review ("MUR") 2762. On March 20, 1990, the Office of General Counsel granted respondent's request to file a supplemental brief in this matter.

Discussion

The Office of General Counsel, in its brief of February 28, 1990, relies upon two arguments as the basis for its recommendations to the Commission. As demonstrated below, these arguments are inapplicable to respondent, given the facts and circumstances of this case.

A. Debt Settlement Filing

First, the General Counsel's brief states "[n]one of the parties involved here filed a statement of settlement with the Commission outlining the initial terms of credit, the steps the debtor took to satisfy the debt, or the remedies pursued by the

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creditor as required by 11 C.F.R. § 114.10(c)" (emphasis added). Relying upon this statement, the General Counsel intends to recommend that the Commission find probable cause to believe that respondent failed to file a statement of settlement.

The debt settlement in question occurred in 1983. The General Counsel's statement as to "none of the parties involved here" is an attenuated attempt to bridge the seven year gap between 1983, when then-treasurer Albert Forrester should have filed a debt settlement statement, and the present. Current treasurer James Meadows had no involvement with this debt or its settlement. He had no connection with AlamoPAC when the debt was incurred and similarly had no connection with AlamoPAC when the purported settlement was agreed to. Simply put, Mr. Meadows had no connection to or involvement with AlamoPAC from 1983-1987.

In 1983, the then-treasurer should have filed the debt settlement with the Commission. Where a committee's treasurer enters into a settlement and continues to serve as treasurer for five years subsequent to that event, the burden for filing should be on that individual. At present, the General Counsel seeks to leap seven years into the future and recommend a violation by a treasurer in no way associated with the transaction in question. This attempt to shift responsibility seven years later is even more surprising given the General Counsel's recognition in its brief that in 1988 Mr. Meadows merely took "over the name of the basically defunct organization" and "proceeded to create a wholly new organization retaining only the name of the former committee" (emphasis added). Because Mr. Meadows simply acquired the name

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of a defunct group, with which to start a new organization, recommendation of a violation by him would appear to be misplaced.

Accordingly, due to the passage of seven years and because Mr. Meadows was not involved with the transaction in question seven years ago, respondent respectfully requests that the Commission find no probable cause to believe that respondent violated 11 C.F.R. § 114.10(c) or alternatively, for the same reasons, take no further action, and close the file, as it pertains to respondent.

B. Reporting of Debts.

Second, the General Counsel states, "[u]ntil the filing of such a statement, a political committee must continue to report all outstanding debts and obligations." This statement apparently serves as the basis for the General Counsel's recommendation that the Commission find probable cause to believe that respondent stopped reporting certain outstanding debts.

General Counsel's statement that a political committee must continue to report all outstanding debts and obligations until the filing of a settlement statement lacks a statutory basis. Nowhere does the Act or Commission regulations provide for such. The Act provides generally for the reporting of debts and for a "statement as to the circumstances under which such debts or obligations were extinguished..." 2 U.S.C. § 434(b)(8). The regulations provide that debts and obligations which remain outstanding shall be continuously reported until extinguished. 11 CFR § 104.11. See also 11 CFR §§ 104.3(d); 114.10(c). Nowhere

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does the Act or regulations state that debts which are settled, i.e., extinguished, must be reported after they are extinguished and no longer outstanding. Nowhere does the Act or regulations state that extinguished debts must be reported until a settlement is filed.^{1/} The debts which were inadvertently omitted from one report in 1988 were extinguished five years earlier and were no longer outstanding. Arguably, by the plain language of the law, such debts need not be reported beginning in 1983, notwithstanding the then-treasurer's failure to file a settlement.

More important, however, is the inadvertent nature of the omission which occurred. Based on a misunderstanding of the form's instructions, these extinguished debts were deleted. Upon notification of the omission, the information, which had been continuously disclosed for five years, was provided. General Counsel's assertion that respondent stopped reporting the debts is inaccurate and misleading. Subsequent reports have listed the debts.

In light of these circumstances, respondent respectfully requests that the Commission find no probable cause to believe that a violation of 2 U.S.C. § 434(b)(8) occurred or alternatively, for the same reasons, take no further action, and close the file as it pertains to respondent.

^{1/} General Counsel's statement leads to the conclusion that a committee may cease reporting extinguished debts following the filing of a debt settlement statement, rather than following Commission approval of such a statement.

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Conclusion

For the reasons stated above, respondent respectfully requests that the Commission find no probable cause to believe that any violations have occurred or alternatively, take no further action, and close the file as it pertains to respondent.

Respectfully Submitted,



Eric F. Kleinfeld
Manatt, Phelps, Rothenberg
& Phillips
Attorney for AlamoPAC and
James Meadows, Jr., as
treasurer

Dated: March 22, 1990

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90 JUL 25 PM 3:13

BEFORE THE FEDERAL ELECTION COMMISSION

**SENSITIVE
EXECUTIVE SESSION**

In the Matter of)
)
Alamo Political Action Committee)
and James Meadows, as treasurer)

MUR 2762

JUL 31 1990

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Charles H. Damron filed a complaint with the Commission alleging that Bruce Eberle, Bruce Eberle & Associates, Inc., Omega List Co., and Computer Communications, Inc. (collectively referred to as the "Eberle Creditors"), made in-kind corporate contributions to Alamo Political Action Committee (Alamo PAC), by extending credit to Alamo PAC outside the ordinary course of the corporation's business and without making a commercially reasonable attempt to collect the debts. On July 8, 1989, the Commission found reason to believe that Alamo Political Action Committee (Alamo PAC) and James Meadows, as treasurer, violated 2 U.S.C. § 434(b)(8), 2 U.S.C. § 441b(a) and 11 C.F.R. § 114.10. The Commission based these findings on the apparent acceptance of prohibited corporate contributions resulting from unpaid corporate debts, as well as the reporting of such corporate debts.

The General Counsel mailed briefs in this matter, which are incorporated herein, to the parties on February 28, 1990. The General Counsel recommended that the Commission find probable cause to believe that Alamo Political Action Committee, and James Meadows, as treasurer, violated 11 C.F.R. § 114.10 and 2 U.S.C. § 434(b)(8) and no probable cause to believe that 2 U.S.C.

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§ 441b(a) was violated. As to the Eberle Creditors the recommendation was that the Commission find no probable cause to believe with regard to a violation of 2 U.S.C. § 441b(a) or 11 C.F.R. § 114.10.

A response brief was filed by Howard Hickman, on behalf of Alamo Political Action Committee and James Meadows as treasurer, on March 12, 1990. On March 15, 1990, Alamo filed a designation of new Counsel statement with the Commission naming William C. Oldaker and Eric C. Kleinfeld as counsel. Alamo's new counsel filed a supplemental brief on Alamo's behalf on March 22, 1990. Bruce W. Eberle, Bruce W. Eberle & Associates, Inc., Computer Communications, Inc., and Omega List Company filed a brief stating only that the parties concurred with the findings and recommendations set forth in the General Counsel's brief.

II. ANALYSIS

In 1988, James Meadows, the present treasurer of Alamo Political Action Committee, acquired the right to use the name Alamo PAC. Mr. Meadows had hoped to form his own political action committee and call it Alamo. Upon discovering that the name was already taken, he proceeded to contact Alamo's former treasurer, Albert O. Forrester. Mr. Forrester agreed to release the name to Mr. Meadows. Prior to the transfer of the name Alamo to Mr. Meadows, the organization contracted with Bruce W. Eberle & Associates, Inc., to conduct a direct mail fundraising program. By 1983 Alamo PAC had incurred debts totaling \$72,741.78. This outstanding debt was continually reported by Alamo from the end of 1983 until the 1988 October Quarterly Report, when Mr. Meadows had

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taken over as treasurer. After notification of the complaint in this matter, Alamo dropped all mention of these debts in a subsequent report.¹

Alamo has not disputed the facts as presented in the General Counsel's brief. Alamo argues in its supplemental brief, however, that because its current treasurer "had no connection with Alamo PAC when the debt was incurred and similarly had no connection with Alamo PAC when the purported settlement was agreed to," he should bear no responsibility for Alamo's failure to file a debt settlement statement with the Commission. Attachment 3 at page 2. Respondents, however, point to no authority for their contention that a party acquiring a political committee is not responsible for the prior obligations of the committee.

Respondents apparently did not require that Alamo PAC file for termination with the Commission before acquiring the organization. Neither did respondents insist that Alamo extinguish all debts before respondents took over the group. Accordingly, when respondents acquired Alamo PAC, they acquired what was, for Commission purposes, an ongoing committee with ongoing debt responsibility.

With respect to the 2 U.S.C. § 434(b)(8) reporting violation, respondents acknowledge that debts have to be reported until extinguished. Further, respondents implicitly acknowledge that the Commission must approve all proposed debt settlements. Id. at

1. Specifically, Alamo did not report the debt in the 1988 Year-End Report. The debt was listed, but not itemized on Alamo's 1989 Mid-Year Report. Alamo filed an Amended Schedule D to the 1989 Mid-Year Report, itemizing the debt, in response to an RFAI.

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4 n.1. Respondents instead argue that the Act does not require extinguished debts to be reported continuously until a settlement statement is filed with the Commission. The Commission's regulations at 11 C.F.R. §§ 104.11 and 114.10, however, are unambiguous in their requirement that all debts be reported unless an organization has filed a settlement agreement with the Commission for approval. To the extent that Alamo argues that it can unilaterally extinguish a campaign debt, its argument must fail.

III. RECOMMENDATIONS

1. Find no probable cause to believe that Alamo Political Action Committee, and James Meadows, as treasurer, violated 2 U.S.C. § 441b(a).

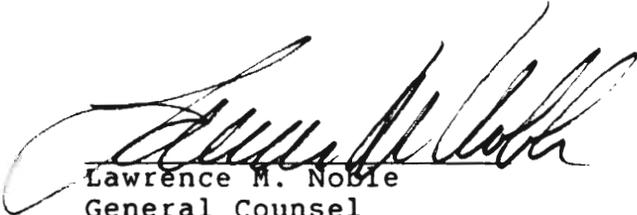
2. Find probable cause to believe that Alamo Political Action Committee, and James Meadows, as treasurer, violated 11 C.F.R. § 114.10 and and 2 U.S.C. § 434(b)(8).

3. Find no probable cause to believe that Bruce W. Eberle, Bruce W. Eberle and Associates, Inc., Computer Communications, Inc., Omega List Company or any of the organizations under the Eberle Corporate umbrella violated 2 U.S.C. § 441b(a) or 11 C.F.R. § 114.10.

4. Approve the attached conciliation agreement and appropriate letters.

Date

7/25/90


Lawrence M. Noble
General Counsel

Attachments

1. Brief submitted by Eberle Creditors.
2. Response Brief submitted by Alamo PAC
3. Supplemental Brief submitted by Alamo PAC
4. Proposed Conciliation Agreement.

21040814977

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Alamo Political Action Committee and) MUR 2762
James Meadows, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on July 31, 1990, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions in MUR 2762:

1. Find no probable cause to believe that Alamo Political Action Committee, and James Meadows, as treasurer, violated 2 U.S.C. § 441b(a).
2. Find probable cause to believe that Alamo Political Action Committee, and James Meadows, as treasurer, violated 11 C.F.R. § 114.10 and 2 U.S.C. § 434(b)(8).
3. Find no probable cause to believe that Bruce W. Eberle, Bruce W. Eberle and Associates, Inc., Computer Communications, Inc., Omega List Company or any of the organizations under the Eberle Corporate umbrella violated 2 U.S.C. § 441b(a) or 11 C.F.R. § 114.10, and close the file as to these respondents.

(continued)

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4. Approve the conciliation agreement and appropriate letters as recommended in the General Counsel's report dated July 25, 1990.

Commissioners Aikens, Josefiak, McDonald, and McGarry voted affirmatively for the decision; Commissioners Elliott and Thomas were not present.

Attest:

8-1-90
Date

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

91040314979



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 13, 1990

Eric F. Kleinfeld, Esq.
Manatt, Phelps, Rothenberg & Phillips
1200 New Hampshire Avenue, N.W.
Suite 200
Washington, D.C. 20036

RE: MUR 2762
Alamo Political Action Committee
and James Meadows, as treasurer

Dear Mr. Kleinfeld:

On July 31, 1990, the Federal Election Commission found that there is probable cause to believe your clients, Alamo Political Action Committee and James Meadows, as treasurer, violated 11 C.F.R. § 114.10 and 2 U.S.C. § 434(b)(8), a provision of the Federal Election Campaign Act of 1971, as amended. The Commission found no probable cause to believe that Alamo Political Action Committee and James Meadows, as treasurer, violated 2 U.S.C. § 441b(a).

The Commission has a duty to attempt to correct violations for a period of 30 to 90 days by informal methods of conference, conciliation, and persuasion, and by entering into a conciliation agreement with a respondent. If we are unable to reach an agreement during that period, the Commission may institute a civil suit in United States District Court and seek payment of a civil penalty.

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 within ten days. I will then recommend that the Commission accept the agreement. Please make your check for the civil penalty payable to the Federal Election Commission.

21040314980

Eric F. Kleinfeld, Esq.
Page 2

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

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Conciliation Agreement

21040314981



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 13, 1990

Fred Coddling, Esq.
10382 Main Street
Fairfax, Virginia 22030

RE: MUR 2762
Bruce W. Eberle,
Bruce W. Eberle and Associates, Inc.,
Computer Communications, Inc.
Omega List Company

Dear Mr. Coddling:

This is to advise you that on July 31, 1990, the Federal Election Commission found that there is no probable cause to believe your clients violated 2 U.S.C. § 441b(a) or 11 C.F.R. § 114.10. Accordingly, the file in this matter has been closed as it pertains to your clients.

The file will be made part of the public record within 30 days after it has been closed with respect to all other respondents involved. Should 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.

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. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

If you have any questions, please contact Cheryl S. Kornegay, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

21040314932



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

september 21, 1990

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Eric F. Kleinfeld, Esq.
Manatt, Phelps, Rothenberg & Phillips
1200 New Hampshire Avenue, N.W.
Suite 200
Washington, D.C. 20036

RE: MUR 2762
Alamo Political Action Committee
and James Meadows, as treasurer

Dear Mr. Kleinfeld:

On August 13, 1990, you were notified that the Federal Election Commission found probable cause to believe that your clients, Alamo Political Action Committee and James Meadows, as treasurer, violated 2 U.S.C. § 434 (b)(8), a provision of the Federal Election Campaign Act of 1971, as amended. The Commission found no probable cause to believe that Alamo Political Action Committee and James Meadows as treasurer, violated 2 U.S.C. § 441b(a). On that same date you were sent a conciliation agreement offered by the Commission in settlement of this matter.

The Commission has a duty to attempt to correct violations for a period of 30 to 90 days by informal methods of conference, conciliation, and persuasion, and by entering into a conciliation agreement with a respondent. To date, you have not responded to the proposed agreement. As it has now been over 30 days since the agreement was sent to you for review, we would appreciate a reply from you indicating whether your client is inclined to accept the agreement as proposed or if further negotiations will be necessary.

Should you have any questions, please contact Cheryl S. Kornegay, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Lisa E. Klein (JAB)

BY: Lisa E. Klein
Assistant General Counsel

21040314933

RECEIVED
90 DEC 11 AM 9:30

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Alamo Political Action Committee, and)
James Meadows, as treasurer)

MUR 2762

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by Eric Kleinfeld, counsel for Alamo Political Action Committee (the "Committee").

II. RECOMMENDATIONS

1. Approve the attached proposed conciliation agreement and the appropriate letter.
2. Close the file in this matter.

Lawrence M. Noble
General Counsel

Date 12/10/90

BY: 
Lois G. Lerner
Associate General Counsel

Attachments

1. Proposed Conciliation Agreement

Staff assigned: Cheryl S. Kornegay

21040314984

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2762
Alamo Political Action Committee,)
and James Meadows, as treasurer.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on December 13, 1990, the Commission decided by a vote of 6-0 to take the following actions in MUR 2762:

1. Approve the proposed conciliation agreement and the appropriate letter, as recommended in the General Counsel's Report dated December 10, 1990.
2. Close the file in this matter.

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

Attest:

12-13-90
Date

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

Received in the Secretariat: Tues., December 11, 1990 9:30 a.m.
Circulated to the Commission: Tues., December 11, 1990 11:00 a.m.
Deadline for vote: Thurs., December 13, 1990 11:00 a.m.

dh

91040314935



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 19, 1990

CLOSED

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Charles Hoadley Damron
One Elm Street
Leon, West Virginia 25123

RE: MUR 2762

Dear Mr. Damron:

This is in reference to the complaint you filed with the Federal Election Commission on November 2, 1988, concerning the Alamo Political Action Committee and James Meadows, as treasurer (the "Committee").

After conducting an investigation in this matter, the Commission found that there was probable cause to believe that the Committee violated 2 U.S.C. § 434(b)(8), a provision of the Federal Election Campaign Act of 1971, as amended, and 11 C.F.R. § 114.10, a provision of the Commission's Regulations. On December 13, 1990, a conciliation agreement signed by the respondents was accepted by the Commission, thereby concluding the matter. Accordingly, the Commission closed the file in this matter on that date. A copy of this agreement is enclosed for your information.

If you have any questions, please contact Cheryl S. Kornegay, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

21040314936



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 19, 1990

Eric F. Kleinfeld, Esq.
Manatt, Phelps, Rothenberg & Phillips
Suite 200
1200 New Hampshire Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2762
Alamo Political Action Committee
and James Meadows, as treasurer

Dear Mr. Kleinfeld:

On December 13, 1990, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your clients' behalf in settlement of a violation of 2 U.S.C. § 434(b)(8), a provision of the Federal Election Campaign Act of 1971, as amended, and 11 C.F.R. § 114.10, a provision of the Commission's Regulations. Accordingly, the file has been closed in this matter as it pertains to your clients.

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 Cheryl S. Kornegay, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2762
Alamo Political Action Committee, and)
James Meadows, as treasurer)

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Charles H. Damron. An investigation was conducted, and the Federal Election Commission ("Commission") found probable cause to believe that Alamo Political Action Committee and its treasurer ("Respondents"), violated 2 U.S.C. § 434(b)(8) and 11 C.F.R. § 114.10.

NOW, THEREFORE, the Commission and the Respondents, having duly entered into conciliation pursuant to 2 U.S.C. § 437g(a)(4)(A)(i), do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding.

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

III. Respondents enter voluntarily into this agreement with the Commission.

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

1. Alamo PAC is a political committee within the meaning of 2 U.S.C. § 431(4).

2. James Meadows is the treasurer of Alamo PAC and has been so since he acquired the organization in 1988.

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3. Section 114.10 of Title 11 of the Code of Federal Regulations provides that a corporation may forgive or settle an outstanding debt with a political committee if the creditor has treated the debt in a commercially reasonable manner. The committee must file a settlement statement with the Commission and must include the initial terms of credit, the steps taken by the debtor to satisfy the debt, and the remedies pursued by the creditor.

4. Respondents failed to file a settlement statement containing the the relevant information regarding a 1983 agreement which was entered into with various creditors in settlement of outstanding debts for less than the amount owed. Alamo PAC's Treasurer during that period and up until 1988 was Albert Forrester.

5. Section 434(b)(8) of Title 2 provides that political committee reports filed with the Commission shall disclose the amount and nature of outstanding debts and obligations owed by or to such political committee until such are paid, or a statement has been filed and reviewed by the Commission as to the circumstances and conditions under which such debts or obligations were extinguished and the consideration therefor.

6. Respondents did not report certain outstanding debts and obligations on the 1988 Year-End Report, despite the requirement to continue the reporting of such until a settlement statement is filed and reviewed by the Commission.

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V. Respondents violated 2 U.S.C. § 434(b)(8) by failing to report some \$72,741.78 in outstanding debts and obligations on the 1988 Year-End Report and 11 C.F.R. § 114.10 by failing to file a settlement statement delineating the initial terms of credit, the steps taken by the debtor to satisfy the debt, and the remedies pursued by the creditors.

VI. Respondents shall file a settlement statement regarding all outstanding debts and obligations which have been settled, but for which the Commission has not yet received a settlement statement, and pay a civil penalty to the Federal Election Commission in the amount of three hundred dollars (\$300), 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. Respondents shall have no more than 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
Associate General Counsel

12/19/90
Date

FOR THE RESPONDENTS:


Name: Eric F. Kleinfeld
Position: Counsel for Alamo PAC

11/30/90
Date

21040314991



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2762

DATE FILMED 1/16/91 CAMERA NO. 2

CAMERAMAN AS

21040814992



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THE FOLLOWING DOCUMENTATION IS ADDED TO
THE PUBLIC RECORD IN CLOSED MUR 2762.

21040325454

OGC 9948

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

91 JAN 28 AM 9:53

LAW OFFICES
MANATT, PHELPS & PHILLIPS
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

1200 NEW HAMPSHIRE AVENUE, N.W.
SUITE 200
WASHINGTON, D.C. 20036

TELEPHONE (202) 463-4300
FAX (202) 463-4394
(202) 463-4395

LOS ANGELES
11388 WEST OLYMPIC BOULEVARD
LOS ANGELES, CALIF.

CLOSED

RECEIVED
FEDERAL ELECTION COMMISSION
91 JAN 29 AM 10:32

January 25, 1991

Lawrence M. Noble, Esq.
General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: MUR 2762; Alamo PAC

Dear Mr. Noble:

Enclosed please find a check in the amount of \$300, which constitutes the civil penalty in the above-captioned MUR.

Sincerely,


Eric F. Kleinfeld
Manatt, Phelps & Phillips

Enclosures

cc: James Meadows

91040325455



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Jan. 28, 1991

TWO WAY MEMORANDUM

TO: Fabrae Brunson
OGC, Docket

FROM: Philomena Brooks *PB*
Accounting Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from James R. Meadow, check number 1540, dated Jan. 16, 1991, and in the amount of \$ 300.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

TO: Philomena Brooks
Accounting Technician

FROM: Fabrae Brunson *AB*
OGC, Docket

In reference to the above check in the amount of \$ 300.00, the MUR number is 2762 and in the name of James R. Meadow. The account into which it should be deposited is indicated below:

- Budget Clearing Account (OGC), 95F3875.16
- Civil Penalties Account, 95-1099.160
- Other: _____

Fabrae Brunson
Signature

1/29/91
Date

21040325456

JAMES R. MEADOWS, JR. 07/84 0 3 2 5 4 5 7
4637 BONNER PH. 852-2242
CORPUS CHRISTI, TEXAS 78411

1540

1-16 91

88-2224
1148

PAY TO THE
ORDER OF

Federal Election Commission

\$ 300.00

Three hundred dollars

DOLLARS



CITIZENS BANK
Port & Leopard - P.O. Box 4007
Corpus Christi, Texas 78469

FOR

James R. Meadows

⑆ 114922249⑆ 1540 ⑈ 5248617⑈ 0⑆