



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3371

DATE FILMED 7/1/92 CAMERA NO. 4

CAMERA MAN E.E.S.

92040905273

THIS IS THE BEGINNING OF MUR # 3371

92040905274

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: January 14, 1991

ANALYST: Edward Ryan

I. COMMITTEE: Americans United
(C00212554)
Ruth M. Stormant, Treasurer
(May 15, 1989 - Present)
Robert G. Stuber, Treasurer
(February 8, 1988 - May 14, 1989)
3478 Mildred Drive
Falls Church, VA 22042

II. RELEVANT STATUTE: 2 U.S.C. §461a(f)

III. BACKGROUND:

Receipt of an Apparent Excessive Contribution from an Individual

The 1990 April Quarterly Termination Report submitted by Americans United ("the Committee") disclosed the receipt of \$69,000 from Thomas A. DeWeese, on March 15, 1990, for the sale of a mailing list and other assets. The purpose of the sale was to reduce or extinguish the Committee's outstanding debts and obligations then terminate. Mr. DeWeese's name is the same name that appears in the name of two (2) vendors, DeWeese Co. and DeWeese List Co. to whom the Committee was indebted in the amount of \$49,516.03 (Attachment 2).

The Committee was sent a Request for Additional Information ("RFAI") on July 3, 1990 informing them that the Act precludes a committee from receiving contributions from a person in excess of \$5,000 per calendar year. The RFAI went on to explain the Commission's position on the use or sale of committee assets, resources, and equipment, etc., to raise funds to retire outstanding debts, and noted narrow exceptions to the general rule that the sale of committee assets results in a contribution by the purchaser. The RFAI requested the Committee provide a detailed list of all "assets" sold and an explanation as to how the usual and

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normal charge was arrived at. The RFAI also advised the Committee to refund the amount in excess of \$5,000 to the donor, if appropriate, or seek reattribution of the contribution pursuant to 11 CFR §110.1(K) (Attachment 3).

A Second Notice was sent to the Committee for failure to respond to the July 3, 1990 RFAI on July 26, 1990 (Attachment 4).

The Treasurer, Ruth M. Stormant, responded on August 6, 1990 by explaining that "after six attempts through mailings of debt reduction" they still had a large debt, and knowing they could not terminate the Committee with debts they decided to sell their assets. The only asset they had that could generate sufficient amount of money to pay their debts was their mailing list. The letter went on to say that announcements to fund raising businesses were sent out notifying them that the mailing list would be sold to the highest bidder in open bids. She said that after receiving bids they sold the list to the company that offered enough money to cover their debts (Attachment 5).

The Committee was sent another Request for Additional Information ("RFAI") on October 10, 1990 to explain how the mailing list and other assets were developed, acquired or paid for, and what criteria was used to value the mailing list at the amount disclosed (Attachment 6).

A Second Notice was sent to the Committee for failure to respond to the October 10, 1990 RFAI on November 1, 1990 (Attachment 7).

Ms. Stormant submitted a letter on November 26, 1990 to say that due to "an unavoidable family crisis" she had been unable to provide the requested information and would have it completed and delivered on or about December 17, 1990 (Attachment 8).

On December 13, 1990 the Reports Analysis Division analyst telephoned Ms. Stormant to remind her to submit the information requested in the RFAIs. She said she would mail them in by December 17, 1990 (Attachment 9).

As of this date, the response has not been submitted.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

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FEDERAL ELECTION COMMISSION
1989-1990
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 14DEC90

PAGE 1

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION	TYPE OF FILER
AMERICANS UNITED							
CONNECTED ORGANIZATION: NONE							ID #C00222554 NON-PARTY NON-QUALIFIED
	1989 STATEMENT OF ORGANIZATION - AMENDMENT			5OCT89	1	89FEC/611/1237	
	MID-YEAR REPORT	9,099	9,186	1JAN89 -30JUN89	9	89FEC/611/1041	
	MID-YEAR REPORT - AMENDMENT	9,099	9,186	1JAN89 -30JUN89	8	90FEC/621/3596	
	MID-YEAR REPORT - AMENDMENT	-	-	1JAN89 -30JUN89	3	90FEC/630/0455	
	NOTICE OF FAILURE TO FILE			1JAN89 -30JUN89	1	89FEC/608/1264	
	REQUEST FOR ADDITIONAL INFORMATION			1JAN89 -30JUN89	1	89FEC/617/4335	
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN89 -30JUN89	2	90FEC/619/0924	
	YEAR-END	-	-	1JUL89 -31DEC89	4	90FEC/623/2458	
	YEAR-END - AMENDMENT	-	-	1JUL89 -31DEC89	5	90FEC/630/2946	
	YEAR-END - AMENDMENT	-	-	1JUL89 -31DEC89	3	90FEC/651/2821	
	NOTICE OF FAILURE TO FILE			1JUL89 -31DEC89	1	90FEC/629/3232	
	REQUEST FOR ADDITIONAL INFORMATION			1JUL89 -31DEC89	1	90FEC/642/0028	
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JUL89 -31DEC89	2	90FEC/644/1697	
	1990 MISCELLANEOUS REPORT TO FEC			26NOV90	2	90FEC/671/2753	
	APRIL QUARTERLY - TERMINATED	69,098	69,120	1JAN90 -31MAR90	3	90FEC/638/2475	
	APRIL QUARTERLY - AMENDMENT	-	-	1JAN90 -31MAR90	2	90FEC/651/3238	
	REQUEST FOR ADDITIONAL INFORMATION			1JAN90 -31MAR90	18	90FEC/644/3109	
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN90 -31MAR90	19	90FEC/651/0073	
	REQUEST FOR ADDITIONAL INFORMATION			1JAN90 -31MAR90	1	90FEC/658/4881	
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN90 -31MAR90	2	90FEC/670/1671	
	JULY QUARTERLY - TERMINATED	0	0	1APR90 -30JUN90	3	90FEC/656/3634	
	NOTICE OF FAILURE TO FILE			1APR90 -30JUN90	1	90FEC/651/3791	
	TOTAL	78,197	0 78,306		0		94 TOTAL PAGES

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All reports have been reviewed :
Cash on hand as of 6/30/90 : \$17.39
Debts owed to the committee : \$0.00
Debts owed by the committee : \$0.00

NAME OF COMMITTEE (in Full)

Americans United

9 2 3 0 0 4 3 0 3 8 3 2 3 9

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Thomas A. DeWeese 12556 Garland Tree Cr. Fairfax, VA 22032	Sale of Mailing List and other Assets	3/15/90	\$69,000.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation	Aggregate Year-to-Date > \$	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation	Aggregate Year-to-Date > \$	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation	Aggregate Year-to-Date > \$	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation	Aggregate Year-to-Date > \$	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation	Aggregate Year-to-Date > \$	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation	Aggregate Year-to-Date > \$	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			

SUBTOTAL of Receipts This Page (optional)	69,000.00
TOTAL This Period (last page this line number only)	69,000.00

SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate sheet for
to each entry
Disbursements for

Any information concerning this Report and Statements may not be sold or used by any person for the purpose of raising funds for any political party or organization other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE TO FILE

Americans United

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Disbursement
Deweese List 4020 Williamsburg Sq. Falls Church, VA 22032	Pay Off List Rentals Disbursement for <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	1/20/90	827,299.80

B. Full Name, Mailing Address and ZIP Code Northeast Printing P.O. Box 5448 VA 22105	Purpose of Disbursement Pay Off Printing Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year) 3/20/90	Amount of Disbursement 19,492.65
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C. Full Name, Mailing Address and ZIP Code Deweese Co. 4020 Williamsburg Sq. Falls Church, VA 22032	Purpose of Disbursement Pay Off Creative Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year) 2/20/90	Amount of Disbursement 17,213.00
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D. Full Name, Mailing Address and ZIP Code Deweese Co. 4020 Williamsburg Sq. Falls Church, VA 22032	Purpose of Disbursement Pay Off Postage Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year) 3/20/90	Amount of Disbursement 5,008.53
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E. Full Name, Mailing Address and ZIP Code Solara Corp. Falls Church, VA 22046	Purpose of Disbursement Data Processing Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year) 3/17/90	Amount of Disbursement 104.40
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F. Full Name, Mailing Address and ZIP Code Creator Bank P.O. Box 179 Alex, VA 22012	Purpose of Disbursement Service Chg. Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year) 3/20/90	Amount of Disbursement 7.97
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G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Disbursement
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H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Disbursement
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I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Disbursement
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SUBTOTAL 69,120.95

69,120.95

Form of Credit (in Full)	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance or Flt of This Period
Americans Limited				
A Full Name, Mailing Address and Zip Code of Debtor or Creditor				
DeWeese List Co. 4020 Williamsburg Sq. Fairfax, VA 22032	\$7,299.50	C.C.	0.00	\$7,299.50
B Nature of Debt (Purpose)				
List Rental				
C Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Northeast Printing P.O. Box 5448 McLean, VA 22103	\$1,492.55	0.00	0.00	\$1,492.55
D Nature of Debt (Purpose)				
Printing				
E Full Name, Mailing Address and Zip Code of Debtor or Creditor				
DeWeese Co. 4020 Williamsburg Sq. Fairfax, VA 22032	\$17,213.00	0.00	0.00	\$17,213.00
F Nature of Debt (Purpose)				
Creative Management				
G Full Name, Mailing Address and Zip Code of Debtor or Creditor				
DeWeese Co. 4020 Williamsburg Sq. Fairfax, VA 22032	\$5,003.53	0.00	0.00	\$5,003.53
H Nature of Debt (Purpose)				
I Full Name, Mailing Address and Zip Code of Debtor or Creditor				
J Nature of Debt (Purpose)				
11 TOTALS This Period This Page (Incl. 10)				\$9,019.55
12 TOTALS This Period All Pages (Incl. 10)				
13 TOTAL OUTSTANDING LOANS from Schedule C (Incl. 10)				
14 A-1-2 (and 3 and 4) (Incl. 10)				



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20541

RO-3

Ruth M. Stormant, Treasurer
Americans United
3478 Mildred Drive
Falls Church, VA 22042

JUL 3 1990

Identification Number: C00223884

Reference: April Quarterly Termination Report (1/1/90-3/31/90)

Dear Ms. Stormant:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report discloses a receipt of \$69,000 for the sale of a mailing list and other assets, which ultimately was used to retire debts and obligations owed by your committee (pertinent portions attached). The Act precludes a committee from receiving contributions from another political committee or person in excess of \$5,000 per calendar year. (2 U.S.C. §441a(f) and 11 CFR §100.1(d))

The Act and Commission regulations define the term "contribution" to include a variety of payments or things of value made by any person for the purpose of influencing any election to federal office. 2 U.S.C. §431(8), 11 CFR §100.7(a). Under 2 U.S.C. §441b, which prohibits contributions or expenditures by corporations and labor organizations with regard to any election to federal office, the phrase "contribution or expenditure" includes any direct or indirect payment of money to any candidate for federal office or to any other political committee, in connection with a federal election. Also, the reporting provisions for categories of receipts which political committees must report, make it clear with few exceptions, that all receipts of a political committee are contributions under the Act and Regulations. The exceptions include: transfers between affiliated committees, bank loans made under specific conditions, rebates, refunds, other offsets to operating expenditures, dividends, interests, and other "forms of receipts." See 2 U.S.C. §434(b)(2), 11 CFR

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AMERICANS UNITED
PAGE 2

§104.3(a)(3). No exception, however, is made for funds designated to retire debts; nor is there an exception made for the proceeds received from business or commercial ventures conducted by political committees for fundraising purposes.

The Commission has concluded in past Advisory Opinions that the use or sale of committee assets, resources, and equipment, etc., to raise funds to retire outstanding debts may be allowed provided the funds received from the "purchasers" are treated as contributions for purposes of the Act and regulations. This means the prohibitions, limitations, and disclosure requirements of the Act apply to the same extent as if the committee was engaging in another form of political fundraising. See Advisory Opinion 1983-2.

The Commission has, however, recognized two narrow exceptions to the general rule that the sale of political committee assets results in a contribution by the purchaser. The first is that terminating committees who wish to liquidate assets for debt retirement purposes may do so provided the "usual and normal charge," is applied to the sale/purchase price. The cash proceeds would not be a contribution from the purchaser if no more than the "usual and normal charge," was paid for this asset. See Advisory Opinion 1985-1.

The second exception recognized by the Commission is when the asset was a political committee's mailing and contributor list, developed in the normal course of its operations and not used or sold to others for campaign fundraising activities. The list could be sold without it being considered a contribution provided the sale/purchase price paid to the political committee did not exceed the "usual and normal charge" as defined in Commission Regulations. (11 CFR §100.7(a)(1)(iii)(A) and (B)) See Advisory Opinions 1981-53 and 1979-18.

Please provide a detailed list of all "assets" sold in this transaction and an explanation as to how the usual and normal charge was arrived at.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information. If the contribution(s) you received exceeds the limits, you should either refund to the donor the amount in excess of \$5,000 or, if appropriate, seek reattribution of the contribution pursuant to 11 CFR §110.1(k).

9 0 0 3 6 4 4 3 1 1 0

AMERICANS UNITED
PAGE 3

Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests. (11 CFR §§103.3(b) and 110.2(k))

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. In the best interests of the committee, all refunds, reattributions and transfers-out should be made within sixty (60) days of the treasurer's receipt of the contribution. See 11 CFR §103.3(b). Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made. Reattributions are reported as memo entries on Schedule A of the report covering the period during which the authorization for the reattribution is received.

Although the Commission may take further legal steps regarding the acceptance of an excessive contribution(s), prompt action by you to refund, seek reattribution and/or transfer-out the excessive amount will be taken into consideration.

-Your report discloses payments on Schedule B to "pay off" debts and obligations owed by your committee that have not been recorded on Schedule D. Payments made to reduce or "pay off" the outstanding balance of debts and obligations must be disclosed on Schedule D continuously until the balance owed is reduced to zero. 2 U.S.C. §434(b)(4)

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,



Edward D. Ryan
Reports Analyst
Reports Analysis Division

3036443111

SCHEDULE B

ITEMIZED DISBURSEMENTS

Any amount reported from such Reports and Statements may not be used or used by any person for the purpose of obtaining contributions or for general disbursement other than using the name and address of any political committee to solicit contributions from such committee

Attachment 3
Page 5 of 5

NAME OF COMMITTEE IN FULL

Americans United

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A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
DeWeese Nat 4020 Williamsburg Sq. Falls Church, VA 22032	Pay Off List Rentals Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	4/20/90	637,299.50
B. Full Name, Mailing Address and ZIP Code Northeast Printing P.O. Box 5448 VA 22103	Pay Off Printing Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	3/20/90	19,492.65
C. Full Name, Mailing Address and ZIP Code DeWeese Co. 4020 Williamsburg Sq. Falls Church, VA 22032	Pay Off Creative Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	4/20/90	17,213.00
D. Full Name, Mailing Address and ZIP Code DeWeese Co. 4020 Williamsburg Sq. Falls Church, VA 22032	Pay Off Postage Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	3/20/90	5,002.53
E. Full Name, Mailing Address and ZIP Code Solara Corp. Falls Church, VA 22046	Data Processing Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	3/7/90	104.40
F. Full Name, Mailing Address and ZIP Code Creator Bank P.O. Box 179 Alex, VA 22304	Service Chg. Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	3/20/90	7.97
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional)	19,120.95
TOTAL This Period (use page one line number only)	19,120.95



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

RG-3

July 26, 1990

Ruth N. Stormant, Treasurer
Americans United
1478 Mildred Drive
Falls Church, VA 22042

Identification Number: C00222554

Reference: April Quarterly Termination Report (1/1/90-3/31/90)

Dear Ms. Stormant:

This letter is to inform you that as of July 25, 1990, the Commission has not received your response to our request for additional information, dated July 3, 1990. That notice requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Edward Ryan on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

John D. Gibson
John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

0073471073

Ruth N. Stormant
American United
3470 Mildred Dr.
Falls Church, VA 22042

Attachment 5
Page 1 of 2

Mr. Edward P. Ryan
Federal Election Commission
975 L Street, N.W.
Washington, D.C. 20463

Reference: ID Number C002222554, April Quarterly Report

Dear Mr. Ryan:

This letter is in response to your July 3, 1990 letter regarding the sale of our mailing list. I have tried unsuccessfully several times over the past three weeks to get in touch with you by phone but have been unable. Due to my schedule I have not been able to be reached myself. I am unclear on how to proceed with the response and justification of this process since this is my first experience in this manner.

After six attempts through mailings of debt reduction we still had a large debt and knowing we could not terminate the PAC with the debts we decided to sell our assets. The only asset we had that could generate that kind of money was our Mailing List compiled during our fund raising attempts. We sent out announcements to fund raising businesses that this would be sold to the highest bidder in open bids. After receiving bids we sold to the company that offered enough money to cover our debts. Please let me know how to report this transaction to the Commission and justify that it was sold for a "usual and normal charge". I will be glad to comply with what ever is required so we can complete this filing and terminate the PAC.

I will be out of town until August 18, 1990 but am looking forward to completing this matter upon my return. Thanking you in advance for your help and cooperation in this matter.

Sincerely,

Ruth Stormant

Ruth N Stormant, Treasurer

0 2 1 3 2 3 0

Ruth N. Stormant
American United
3478 Mildred Dr.
Falls Church, VA 22042

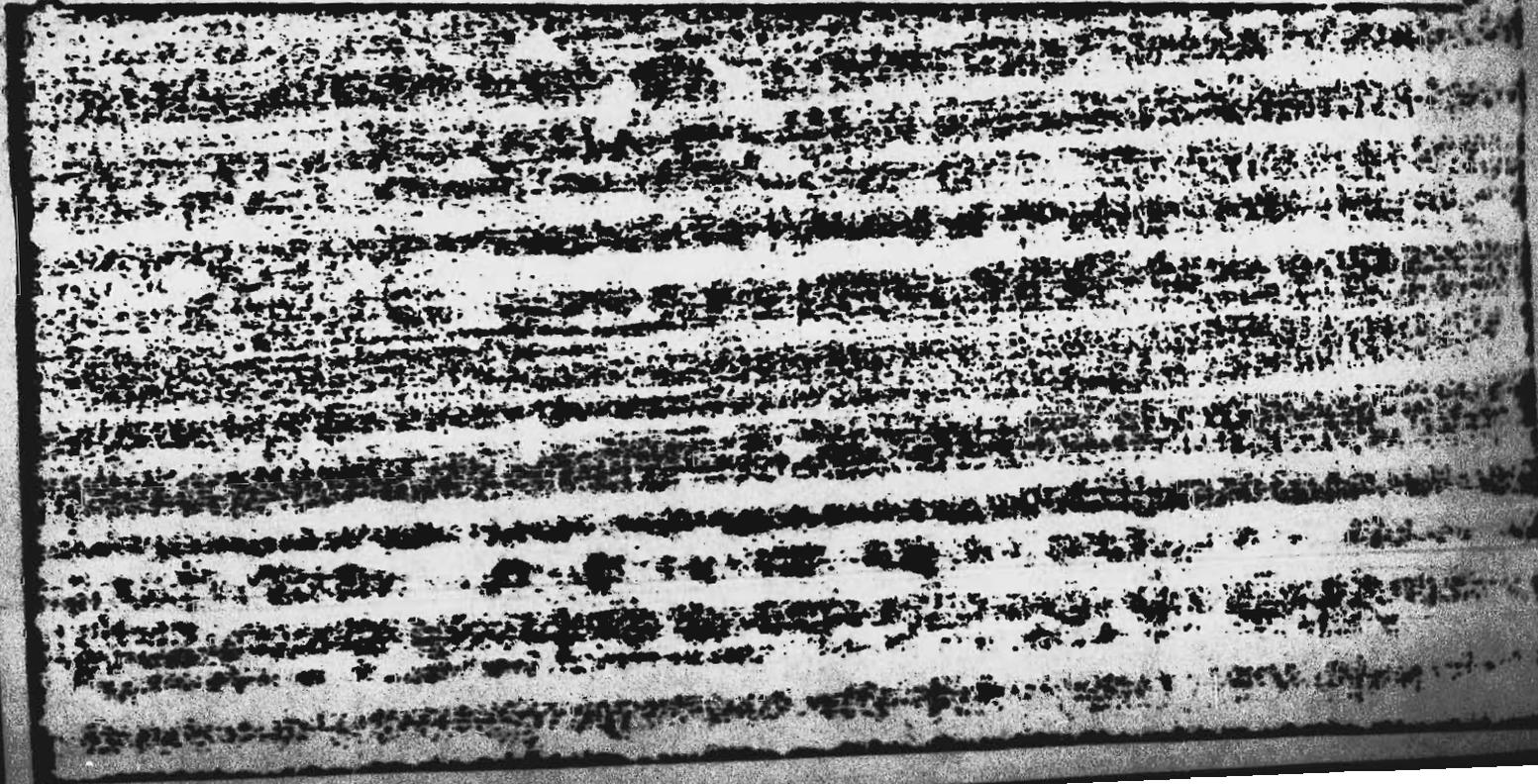


FEDERAL ELECTION COMMISSION
999 E Street, NW
Washington, D.C. 20463

ATTN: Edward D. Ryan

9547...

409052009
734:10237





FEDERAL ELECTION COMMISSION

Washington, DC 20543

Attachment 6

80-2

OCT 10 1990

Ruth M. Stornant, Treasurer
Americans United
3478 Mildred Drive
Falls Church, VA 22042

Identification Number: C00222556

Reference: April Quarterly Termination Report (1/1/90-3/31/90)

Dear Ms. Stornant:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses the sale of a mailing list and other assets to extinguish all outstanding debts. The value of the mailing list and other assets, however, does not appear to be supported by payments itemized for mailing list development. Please explain how the mailing list was developed, acquired or paid for, and what criteria was used to value the mailing list at the amount disclosed in your report.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

Edward D. Ryan
Reports Analyst
Reports Analysis Division

11136534331


FEDERAL ELECTION COMMISSION

WASHINGTON, DC 20543

90-9

November 1, 1990

Ruth N. Stormant, Treasurer
Americans United
3478 Mildred Drive
Falls Church, VA 22042

Identification Number: C00222554

Reference: April Quarterly Termination Report (1/1/90-3/31/90)

Dear Ms. Stormant:

This letter is to inform you that as of October 31, 1990, the Commission has not received your response to our request for additional information, dated October 10, 1990. That notice requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Edward Ryan on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

95036701671

5010 20 113 61

November 21, 1990

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

Attn: John D. Gibson
Assistant Staff Director
Reports Analysis Division

Ref: American United
ID #C00222954

Subj: Termination of Pact

Gentlemen:

This is to note that due to an unavoidable family crisis I have been unable to prepare the information requested to document the value of mailing list.

We expect to have the analysis complete for delivery on or about December 17, 1990.

Thank you for your forbearance on this matter.

Sincerely,

Ruth M. Storaant
Ruth M. Storaant
Treasurer

LDS/dcc

cc: Mr. Edward Hyatt

3 1 3 6 7 1 1 3 3

James United
2 Mildred Dr.
19 [unclear] Va. 22042
[unclear] Statement



Federal Reserve Bank
499 F Street, N.W.
Washington, D.C. 20540
Attn: [unclear]
[unclear]
[unclear]

ANALYST: Ed Ryan

CONVERSATION WITH: Ms. Ruth H. Stormant, Treasurer

COMMITTEE: Americans United (C00222554)

DATE: December 13, 1990

SUBJECT(S): Reports that have not been filed and responses to the 1990 April Quarterly-Termination notices.

I placed a telephone call to the residence of Ms. Ruth H. Stormant, Treasurer of Americans United. I advised her to file the 1990 October Quarterly and 30 Day Post-General Election Reports even though her committee had filed a termination report. I went on to explain that committees who file termination reports are still required to submit all subsequent reports until a valid termination notice is received from the Commission. She said she understood and that the reports would be zero -0- reports.

I also reminded her that we still had not received the information requested in the RFAI's and she said they had finally received and compiled all of the documentation and will have it in the mail on December 17, 1990.

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RECEIVED
F.E.C.
SECRETARIAT

91 AUG -5 PM 12:42

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

**RAD Referral # 91L-3
STAFF MEMBER Mark Allen**

SOURCE: INTERNALLY GENERATED

**RESPONDENTS: Americans United Committee and Ruth Stormant,
as treasurer
Thomas DeWeese**

**RELEVANT STATUTES: 2 U.S.C. § 431(8)
2 U.S.C. § 441a(a)(1)(C)
2 U.S.C. § 441a(f)**

**INTERNAL REPORTS CHECKED: disclosure reports
Advisory Opinions**

FEDERAL AGENCIES CHECKED: none

I. GENERATION OF MATTER

Reports Analysis Division (RAD) Referral 91L-3 involves activity of the Americans United Committee ("the Committee").¹ The Committee received \$69,000 from an individual, Thomas DeWeese, for the sale of the Committee's mailing list and other assets. The Committee's stated purpose of the sale was to extinguish all debts and obligations of the Committee so that it could terminate. DeWeese's purchase, however, may have constituted an excessive contribution to the Committee.

II. FACTUAL AND LEGAL ANALYSIS

The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make contributions to a

¹ The Committee signed a conciliation agreement and paid a civil penalty in MUR 3005 regarding its untimely filing of the 1989 Mid-Year Report.

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committee other than a party committee or an authorized committee in any calendar year which in the aggregate exceed \$5,000.

2 U.S.C. § 441a(a)(1)(C). No political committee shall knowingly accept a contribution that violates this provision. 2 U.S.C. § 441a(f).

The Act defines "contribution" as any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office. 2 U.S.C. § 431(8). Under 2 U.S.C. § 441b, which prohibits contributions or expenditures by corporations in connection with any election to federal office, the phrase "contribution or expenditure" includes any direct or indirect payment of money to any political committee in connection with a federal election.

The April 1990 Quarterly Termination Report submitted by the Committee disclosed the March 15, 1990 receipt of \$69,000 from Thomas A. DeWeese for the sale of a mailing list "and other assets" (Attachment 1, page 5). The Committee has not identified these other assets. The purpose of the sale was to reduce or extinguish the Committee's outstanding debts and obligations and then terminate. The name "DeWeese" also appears on that same report in the name of two vendors, DeWeese Co. and DeWeese List, to whom the Committee made three disbursements on March 20, 1990 totaling \$49,516.03.² The disclosed purposes for the disbursements are "pay off list rentals" (to DeWeese List) and

2. The addresses for the two vendors are the same, and are located in the same city as Thomas A. DeWeese.

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"pay off creative" and "pay off postage" (to DeWeese Co.). One additional disbursement, to an apparently unrelated creditor, brings the total debt payments to \$69,008.58, virtually the exact amount the Committee received from Thomas DeWeese.

On July 3, 1990, RAD sent the Committee a Request for Additional Information (RFAI) regarding the sale, and a Second Notice on July 26, 1990. The Committee responded on August 6, 1990, that it was selling the list in order to pay off its debts and terminate (Attachment 1, page 14). The letter also stated that the Committee had sent out announcements to fundraising businesses notifying them that the mailing list would be sold to the highest bidder. After receiving bids the Committee sold the list "to the company that offered enough money to cover [the Committee's] debts."

RAD sent the Committee another RFAI on October 10, 1990 asking for an explanation of how the mailing list and other assets were developed, acquired, or paid for, and what criteria were used to value the mailing list at \$69,000. A Second Notice was sent to the Committee on November 1, 1990 for failure to respond to the October 10 RFAI. On November 26, 1990, the treasurer submitted a letter stating that due to "an unavoidable family crisis" she had been unable to provide the requested information and would have it completed and delivered on or about December 17, 1990. On December 13, 1990, the treasurer stated in a phone call with RAD that she would mail the requested information by December 17. To date, no response has been submitted.

Under the Act, neither the receipt of funds designated to

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retire debts nor proceeds received from business or commercial ventures conducted by committees for fundraising purposes are exempted from the definition of "contribution." See 2 U.S.C. §§ 431(8), 434(b)(2), 441b; 11 C.F.R. § 104.3(a). Funds given to political committees are presumptively for the purpose of influencing federal elections. See Buckley v. Valeo, 424 U.S. 1 (1976). Generally, the Commission has viewed the sale or commercial use of committee assets to be fundraising for political purposes, resulting in contributions subject to the limitations and prohibitions of the Act. See A.O.s 1983-2; 1989-4.

The Commission in its Advisory Opinions has carved out two exceptions to the general rule that the sale of political committee assets results in a contribution by the purchaser. First, terminating committees that wish to liquidate assets for debt retirement purposes may do so provided the purchaser pays the usual and normal price for such an item. See A.O. 1985-1. Second, a committee, regardless of its ongoing or termination status, may sell a mailing list, if developed in the normal course of its operations and not used or sold to others for campaign fundraising activities. The list may be sold without it being considered a contribution provided the purchase price paid to the committee did not exceed the "usual and normal charge" as defined at 11 C.F.R. § 100.7(a)(1)(iii): the price of the item in the market from which it ordinarily would have been purchased at the time of the purchase. See A.O.s 1981-53, 1979-18. See also A.O.s

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1990-26; 1989-4.³

In the present case, the Committee's sale of its mailing list and other assets may fit under both exceptions. The Committee's stated purpose of the sale was to extinguish its debts and obligations so that it could terminate. Additionally, the Committee may have received the usual and normal charge for the list and not have sold it for fundraising purposes. However, questions remain regarding the identification of the assets other than the mailing list, the Committee's development or acquisition of these assets, and the criteria used to value the assets at \$69,000.⁴ RAD inquired into these issues but the Committee has not responded, other than stating in its August 6, 1990 letter that the mailing list was compiled during fundraising attempts (Attachment 1, page 14).

If the \$69,000 paid for the mailing list and other Committee assets exceeds the usual and normal charge for such items or otherwise falls outside of the Advisory Opinions' exceptions, the excess portion constitutes a contribution by DeWeese. Pursuant to 2 U.S.C. § 441a(a)(1)(C), Thomas DeWeese cannot contribute more

3. Under the Commission's regulations, a committee may also liquidate its assets through the debt settlement process. See 11 C.F.R. part 116.

4. The \$69,000 paid by DeWeese to the Committee very nearly matches the \$69,008.58 debt reported by the Committee at the start of the 1990 April Quarterly reporting period. Thomas DeWeese appears to be the principal of two of the creditor firms which received a total of \$49,516.03 in payments from the Committee shortly after his purchase of the list and other assets.

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than \$5,000 per year to the Committee.⁵ Thus, if the excess is greater than \$5,000, Thomas DeWeese has made, and the Committee received, an excessive contribution. In light of the question whether the \$69,000 payment to the Committee, or a portion thereof, constitutes an excessive contribution, this Office recommends that the Commission find reason to believe that Americans United and Ruth M. Stormant, as treasurer, violated 2 U.S.C. § 441a(f) and that Thomas DeWeese violated 2 U.S.C. § 441a(a)(1)(C).⁶

This Office also recommends that the Commission approve a subpoena to the Committee regarding its acquisition of the mailing list and the other assets sold to Thomas A. DeWeese and the criteria used to value these items. Although this Office does not ordinarily recommend a subpoena at the beginning of an investigation in this type of matter, the treasurer has not responded to RAD's repeated inquiries regarding the sale of the Committee assets. A subpoena will expedite the investigation of this matter.

An additional concern arises from one of the Committee's debts that was paid off with proceeds from the sale of the mailing list and other assets. The Committee's 1990 April Quarterly Report lists a \$5,003.53 disbursement to DeWeese Co. to "pay off

5. The Committee did not disclose any direct contributions from DeWeese.

6. In the event that DeWeese's payment or a portion thereof is considered a contribution, DeWeese may have violated his \$25,000 overall annual contribution limit under 2 U.S.C. § 441a(a)(3). This Office makes no recommendation at this time pending discovery.

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postage." The Committee disclosed this debt to DeWeese Co. on its 1988 Year End and 1989 Mid Year Reports for the purpose of a "postage advance."⁷ There is a question whether DeWeese Co. extended this credit in the usual course of business. Thus, the investigation will also seek to determine whether DeWeese Co. advanced postage costs in its ordinary course of business. This Office will seek this information from Thomas DeWeese.

III. Recommendations

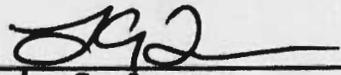
1. Open a MUR.
2. Find reason to believe that Americans United and Ruth N. Stormant, as treasurer, violated 2 U.S.C. § 441a(f).
3. Find reason to believe that Thomas DeWeese violated 2 U.S.C. § 441a(a)(1)(C).
4. Approve the attached Order to Submit Answers and Subpoena for Documents.
5. Approve the attached Factual and Legal Analyses and the appropriate letters.

Lawrence M. Noble
General Counsel

Date

8/2/91

BY:


Lois G. Lerner
Associate General Counsel

Attachments

1. Referral
2. Factual and Legal Analyses
3. Order and Subpoena

7. This debt was originally reported as incurred during the 1988 October Quarterly reporting period. On this report and the 1988 Pre-General and Post-General Reports, the debt was described as a "postage advance reimbursement."

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS / DONNA ROACH *DR*
COMMISSION SECRETARY

DATE: AUGUST 7, 1991

SUBJECT: RAD REFERRAL 91L-3 - FIRST GENERAL COUNSEL'S RPT.
DATED AUGUST 2, 1991

The above-captioned document was circulated to the Commission on MONDAY, AUGUST 5, 1991 at 4:00 P.M.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	<u>XXX</u>
Commissioner Elliott	<u> </u>
Commissioner Josefiak	<u>XXX</u>
Commissioner McDonald	<u> </u>
Commissioner McGarry	<u> </u>
Commissioner Thomas	<u> </u>

This matter will be placed on the meeting agenda for TUESDAY, AUGUST 13, 1991.

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

92040905301

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Americans United Committee and)
Ruth Stormant, as treasurer;)
Thomas DeWeese.)

RAD REFERRAL
91L-3

(MUR)
3371

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on August 13, 1991, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions with respect to RAD Referral #91L-3:

1. Open a MUR.
2. Find reason to believe that Americans United and Ruth M. Stormant, as treasurer, violated 2 U.S.C. § 441a(f).
3. Find reason to believe that Thomas DeWeese violated 2 U.S.C. § 441a(a)(1)(C).
4. Approve the Order to Submit Answers and Subpoena for Documents as recommended in the General Counsel's report dated August 2, 1991.

(continued)

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5. Direct the Office of General Counsel to amend the Factual and Legal Analyses as agreed during the meeting discussion.
6. Send appropriate letters as recommended in the General Counsel's report dated August 2, 1991.

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

Attest:

8-15-91
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 10, 1991

Ruth Stormant, Treasurer
Americans United Committee
3478 Mildred Drive
Falls Church, VA 22042

RE: NUR 3371

Dear Ms. Stormant:

On August 13, 1991, the Federal Election Commission found that there is reason to believe Americans United Committee ("Committee") and you, as treasurer, violated 2 U.S.C. § 441a(F), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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

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

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

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Ruth Stormant, Treasurer
Page 2

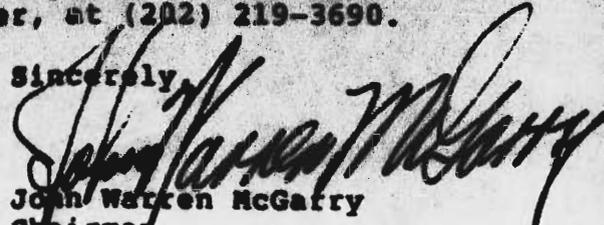
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

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.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Subpoena

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
)
)
)

NUR 3371

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Ruth Stormant, Treasurer
Americans United
3478 Mildred Drive
Falls Church, VA 22042

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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Subpoena and Order - Americans United
Page 2

WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 10th day
of September, 1991.


John Warren McGarty, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Enmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Americans United Committee
and Ruth Stormant, as treasurer

MUR 3371

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In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("Commission") has discovered that Americans United Committee and Ruth Stormant, as treasurer ("the Committee") may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). The Committee received \$69,000 from an individual, Thomas DeWeese, for the sale of the Committee's mailing list and other assets. The Committee's stated purpose of the sale was to extinguish all debts and obligations of the Committee so that it could terminate. DeWeese's purchase, however, may have constituted an excessive contribution to the Committee.

The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make contributions to a committee other than a party committee or an authorized committee in any calendar year which in the aggregate exceed \$5,000. 2 U.S.C. § 441a(a)(1)(C). No political committee shall knowingly accept a contribution that violates this provision. 2 U.S.C. § 441a(f). Pursuant to 2 U.S.C. § 441b(a), no committee may receive corporate contributions.

The Act defines "contribution" as any gift, subscription, loan, advance, or deposit of money or anything of value made by

any person for the purpose of influencing any election for federal office. 2 U.S.C. § 431(8). Under 2 U.S.C. § 441b, which prohibits contributions or expenditures by corporations in connection with any election to federal office, the phrase "contribution or expenditure" includes any direct or indirect payment of money to any political committee in connection with a federal election.

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The April 1990 Quarterly Termination Report submitted by the Committee disclosed the March 15, 1990 receipt of \$69,000 from Thomas A. DeWeese for the sale of a mailing list "and other assets." The Committee has not identified these other assets. The purpose of the sale was to reduce or extinguish the Committee's outstanding debts and obligations and then terminate. The name "DeWeese" also appears on that same report in the name of two vendors, DeWeese Co. and DeWeese List, to whom the Committee made three disbursements on March 20, 1990 totaling \$49,516.03.¹ The disclosed purposes for the disbursements are "pay off list rentals" (to DeWeese List) and "pay off creative" and "pay off postage" (to DeWeese Co.). One additional disbursement, to an apparently unrelated creditor, brings the total debt payments to \$69,008.58, virtually the exact amount the Committee received from Thomas DeWeese.

On July 3 and July 26, 1990, the Commission's Report's Analysis Division (RAD) wrote to the Committee regarding the sale. The Committee responded on August 6, 1990, that it was selling the

1. The addresses for the two vendors are the same, and are located in the same city as Thomas A. DeWeese.

list in order to pay off its debts and terminate. The letter also stated that the Committee had sent out announcements to fundraising businesses notifying them that the mailing list would be sold to the highest bidder. After receiving bids the Committee sold the list "to the company that offered enough money to cover [the Committee's] debts."

RAD wrote to the Committee again on October 10, 1990 asking for an explanation of how the mailing list and other assets were developed, acquired, or paid for, and what criteria were used to value the mailing list at \$69,000. RAD wrote to the Committee again on November 1, 1990 regarding its failure to respond to the October 10 letter. On November 26, 1990, the treasurer submitted a letter stating that due to "an unavoidable family crisis" she had been unable to provide the requested information and would have it completed and delivered on or about December 17, 1990. On December 13, 1990, the treasurer stated in a phone call with RAD that she would mail the requested information by December 17. To date, no response has been submitted.

Under the Act, neither the receipt of funds designated to retire debts nor proceeds received from business or commercial ventures conducted by committees for fundraising purposes are exempted from the definition of "contribution." See 2 U.S.C. §§ 431(8), 434(b)(2), 441b; 11 C.F.R. § 104.3(a). Funds given to political committees are presumptively for the purpose of influencing federal elections. See Buckley v. Valeo, 424 U.S. 1 (1975). Generally, the Commission has viewed the sale or commercial use of committee assets to be fundraising for political

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purposes, resulting in contributions subject to the limitations and prohibitions of the Act. See A.O.s 1983-2; 1989-4.

The Commission in its Advisory Opinions has carved out exceptions to the general rule that the sale of political committee assets results in a contribution by the purchaser. Terminating committees that wish to liquidate valuable campaign equipment or assets for debt retirement purposes may do so provided the purchaser pays the usual and normal price for such an item. See A.O. 1985-1. Regardless of a committee's ongoing or termination status, isolated sales of committee assets also are permissible if the assets were purchased for the committee's own use and were not used or sold to others for campaign fundraising activities. Specifically, a committee may sell a mailing list developed in the normal course of its operations, provided the purchase price paid to the committee did not exceed the "usual and normal charge" as defined at 11 C.F.R. § 100.7(a)(1)(iii): the price of the item in the market from which it ordinarily would have been purchased at the time of the purchase. See A.O.s 1981-53, 1979-18. See also A.O.s 1990-26; 1989-4.²

In the present case, the Committee's sale of its mailing list and other assets may fit under these exceptions. The Committee's stated purpose of the sale was to extinguish its debts and obligations so that it could terminate. Additionally, the Committee may have received the usual and normal charge for the

2. Under the Commission's regulations, a committee may also liquidate its assets through the debt settlement process. See 11 C.F.R. part 116.

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list and not have sold it for fundraising purposes. However, questions remain regarding the identification of the assets other than the mailing list, the Committee's development or acquisition of these assets, and the criteria used to value the assets at \$69,000. RAD inquired into these issues but the Committee has not responded, other than stating in its August 6, 1990 letter that the mailing list was compiled during fundraising attempts.³

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If the \$69,000 paid for the mailing list and other Committee assets exceeds the usual and normal charge for such items or otherwise falls outside of the Advisory Opinions' exceptions, the excess portion constitutes a contribution by DeWeese. Pursuant to 2 U.S.C. § 441a(a)(1)(C), Thomas DeWeese cannot contribute more than \$5,000 per year to the Committee.⁴ Thus, if the excess is greater than \$5,000, Thomas DeWeese has made, and the Committee received, an excessive contribution. In light of the question whether the \$69,000 payment to the Committee, or a portion thereof, constitutes an excessive contribution, there is reason to believe that Americans United and Ruth M. Stormant, as treasurer, violated 2 U.S.C. § 441a(f).

An additional concern arises from one of the Committee's debts that was paid off with proceeds from the sale of the mailing

3. The \$69,000 paid by DeWeese to the Committee very nearly matches the \$69,008.58 debt reported by the Committee at the start of the 1990 April Quarterly reporting period. Thomas DeWeese appears to be the principal of two of the creditor firms which received a total of \$49,516.03 in payments from the Committee shortly after his purchase of the list and other assets.

4. The Committee did not disclose any direct contributions from DeWeese during 1990.

list and other assets. The Committee's 1990 April Quarterly Report lists a \$5,003.53 disbursement to DeWeese Co. to "pay off postage." The Committee disclosed this debt to DeWeese Co. on its 1988 Year End and 1989 Mid Year Reports for the purpose of a "postage advance."⁵ There is a question whether DeWeese Co. extended this credit in the usual course of business. In light of this question, the Commission will conduct discovery on this issue regarding the Committee's possible violations of 2 U.S.C. §§ 441b(a) (receipt of corporate contribution) and 441a(f) (receipt of excessive contribution).

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5. This debt was originally reported as incurred during the 1988 October Quarterly reporting period. On this report and the 1988 Pre-General and Post-General Reports, the debt was described as a "postage advance reimbursement."

INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1989 to December 31, 1990.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. Identify all the Committee assets sold to Thomas DeWeese for \$69,000 on March 15, 1990. For each such asset, state when obtained by the Committee and price paid. For any assets not purchased, state how obtained.
2. State the dollar value of each asset listed in response to question 1. Describe the criteria used to value each item.
3. Provide copies of all documents generated by or otherwise involved in the March, 1990 transaction in which Thomas DeWeese purchased Committee assets for \$69,000.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 10, 1991

**Thomas A. DeWeese
DeWeese Company, Inc.
12556 Garland Tree Court
Fairfax, VA 22033**

RE: NUR 3371

Dear Mr. DeWeese:

On August 13, 1991, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(C), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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

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

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

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Thomas A. DeWeese
Page 2

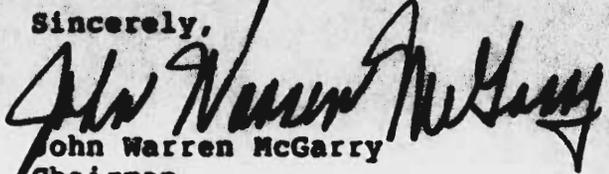
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

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.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

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FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Thomas DeWeese

MUR 3371

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In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("Commission") has discovered that Thomas DeWeese may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). Thomas DeWeese paid \$69,000 to Americans United, a federal committee ("the Committee"), on March 15, 1990 for the sale of the Committee's mailing list and other assets. The Committee disclosed the purpose of the sale as to extinguish all debts and obligations of the Committee so that it could terminate. DeWeese's purchase, however, may have constituted an excessive contribution to the Committee.

The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make contributions to a committee other than a party committee or an authorized committee in any calendar year which in the aggregate exceed \$5,000. 2 U.S.C. § 441a(a)(1)(C). The Act defines "contribution" as any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office. 2 U.S.C. § 431(8). Under 2 U.S.C. § 441b, which prohibits contributions or expenditures by corporations in connection with any election to federal office, the phrase "contribution or expenditure" includes any direct or

indirect payment of money to any political committee in connection with a federal election.

The April 1990 Quarterly Termination Report submitted by the Committee disclosed the March 15, 1990 receipt of \$69,000 from Thomas DeWeese for the sale of a mailing list "and other assets." The Committee has not identified these other assets. The purpose of the sale was to reduce or extinguish the Committee's outstanding debts and obligations and then terminate. The name "DeWeese" also appears on that same report in the name of two vendors, DeWeese Co. and DeWeese List, to whom the Committee made three disbursements on March 20, 1990 totaling \$49,516.03.¹ The disclosed purposes for the disbursements are "pay off list rentals" (to DeWeese List) and "pay off creative" and "pay off postage" (to DeWeese Co.). One additional disbursement, to an apparently unrelated creditor, brings the total debt payments to \$69,008.58, virtually the exact amount the Committee received from Thomas DeWeese.

Under the Act, neither the receipt of funds designated to retire debts nor proceeds received from business or commercial ventures conducted by committees for fundraising purposes are exempted from the definition of "contribution." See 2 U.S.C. §§ 431(8), 434(b)(2), 441b; 11 C.F.R. § 104.3(a). Funds given to political committees are presumptively for the purpose of influencing federal elections. See Buckley v. Valeo, 424 U.S. 1 (1975). Generally, the Commission has viewed the sale or

1. The addresses for the two vendors are the same, and are located in the same city as Thomas A. DeWeese.

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commercial use of committee assets to be fundraising for political purposes, resulting in contributions subject to the limitations and prohibitions of the Act. See A.O.s 1983-2; 1989-4.

The Commission in its Advisory Opinions has carved out exceptions to the general rule that the sale of political committee assets results in a contribution by the purchaser. Terminating committees that wish to liquidate valuable campaign equipment or assets for debt retirement purposes may do so provided the purchaser pays the usual and normal price for such an item. See A.O. 1985-1. Regardless of a committee's ongoing or termination status, isolated sales of committee assets also are permissible, if the assets were purchased for the committee's own use and were not used or sold to others for campaign fundraising activities. Specifically, a committee may sell a mailing list developed in the normal course of its operations, provided the purchase price paid to the committee did not exceed the "usual and normal charge" as defined at 11 C.F.R. § 100.7(a)(1)(iii): the price of the item in the market from which it ordinarily would have been purchased at the time of the purchase. See A.O.s 1981-53, 1979-18. See also A.O.s 1990-26; 1989-4.²

In the present case, the Committee's sale of its mailing list and other assets may fit under these exceptions. The Committee's stated purpose of the sale was to extinguish its debts and obligations so that it could terminate. Additionally, the

2. Under the Commission's regulations, a committee may also liquidate its assets through the debt settlement process. See 11 C.F.R. part 116.

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Committee may have received the usual and normal charge for the list and not have sold it for fundraising purposes. However, questions remain regarding the identification of the assets other than the mailing list, the Committee's development or acquisition of these assets, and the criteria used to value the assets at \$69,000.³

If the \$69,000 paid for the mailing list and other Committee assets exceeds the usual and normal charge for such items or otherwise falls outside of the Advisory Opinions' exceptions, the excess portion constitutes a contribution by DeWeese. Pursuant to 2 U.S.C. § 441a(a)(1)(C), Thomas DeWeese cannot contribute more than \$5,000 per year to the Committee.⁴ Thus, if the excess is greater than \$5,000, Thomas DeWeese has made, and the Committee received, an excessive contribution. In light of the question whether the \$69,000 payment to the Committee, or a portion thereof, constitutes an excessive contribution, there is reason to believe that Thomas DeWeese violated 2 U.S.C. § 441a(a)(1)(C).

3. The \$69,000 paid by DeWeese to the Committee very nearly matches the \$69,008.58 debt reported by the Committee at the start of the 1990 April Quarterly reporting period. Thomas DeWeese appears to be the principal of two of the creditor firms which received a total of \$49,516.03 in payments from the Committee shortly after his purchase of the list and other assets.

4. The Committee did not disclose any direct contributions from DeWeese during 1990.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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NUR 3371

INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: Thomas A. DeWeese
DeWeese Company, Inc.
12556 Garland Tree Court
Fairfax, VA 22033

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

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1988 to December 31, 1990.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document; the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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INTERROGATORIES AND DOCUMENT REQUESTS

1. Provide the legal status (i.e., corporation, partnership, sole proprietorship) of DeWeese Co. and DeWeese List Co. Do you own both these entities? If not, please identify all persons with ownership interests and specify the percentage of such interest.

2. Please describe the services provided to Americans United by you, DeWeese Co., DeWeese List, and all other businesses you control, and provide copies of all correspondence, contracts, notes, memoranda and other documents which refer or in any way relate to the provision of such services.

3. Americans United reported a \$5003.53 debt owed to DeWeese Co. for postage advance reimbursement, which debt was paid by Americans United on March 20, 1990.

a) Please list the amount of each advance of postage costs by DeWeese Co. on behalf of Americans United, the date of each such advance, and the date on which Americans United reimbursed DeWeese Co. for each such advance.

b) Does DeWeese Co. advance postage costs for its customers in the ordinary course of its business? If the answer is yes, identify at least three (3) nonpolitical customers for which DeWeese Co. has extended such credit, by name, address, and date on which and amount in which postage advances were made. If the answer is no, please explain why it was done for Americans United in 1988.

4. Americans United reported receiving \$69,000 from you on March 15, 1990, for "Sale of Mailing List and other Assets." Please describe the circumstances of this transaction, identify all the assets you purchased in this transaction, and state the dollar value of each such asset.

5. Provide copies of all documents that refer or in any way relate to the transaction described in response to question 4 or to the proposed sale of assets by Americans United, including all bids, offers, solicitations for bids, other correspondence, contracts, checks or other written instruments, notes of telephone conversations, internal memoranda, and all other such documents.

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THE
DEWEESE
COMPANY, INC.

September 27, 1991

RE: MUR 3271

Mr. Mark Allen
Federal Elections Commission
Washington D.C. 20463

Dear Mr. Allen:

I received Mr. McGarry's letter of September 10, 1991 on September 16, 1991, concerning my company's involvement with Americans United.

I believe the situation to be a misunderstanding and have enclosed the information you requested. First and foremost let me state that our dealing with Americans United was purely a professional relationship with my company, not a personal involvement by me. To that end I have enclosed a copy of the check used to purchase the donor files in question. Please note that it is a corporate check, not a personal one. Second, The DeWeese Company, Inc. had no interest whatsoever in making a contribution to Americans United or help them out of a difficult situation. We were simply vendors wanting to be paid for our services.

In response to your interrogatories:

1. The DeWeese Company, Inc. was incorporated July 10, 1986. Operating under the corporate structure are four divisions, The DeWeese Company (creative division), DeWeese List (list management and brokerage), Northeast Printing (printing brokerage), and Cash Count (caging and escrow). Thomas A. DeWeese is the sole stockholder and director.

2. Enclosed is a copy of the contract between The DeWeese Company, Inc. and Americans United, describing the services to be performed by The DeWeese Company, Inc. on behalf of the client, Americans United. This is a standard agreement used by The DeWeese Company, Inc. for fundraising clients.

The DeWeese Company, Inc. is a full service direct marketing company and thereby was contracted by Americans United to create a direct mail fundraising program for its project, The Goodbye Metzenbaum Club. Within that program The DeWeese Company, Inc. and its divisions created direct mail copy and package design; served as agent for the client to secure mail shop services, graphics and type setting, and all of the services as provided in Section 2 of the Agreement. DeWeese List served as broker for securing

DE WEESE COMPANY
4020 WILLIAMSBURG CT.
FAIRFAX, VA 22032
(703) 352-3700

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COUNSEL

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outside donor lists to be mailed by the client's direct mail prospecting program. Northeast Printing, through a competitive bid system, obtained printing of envelopes, letters and all package contents for the direct mail program. Cash Count opened all mail returns generated by the mail program and deposited them into a special client escrow account from which all direct mail generated vendor expenses were paid.

The enclosed copies of "Invoice Payment Authorization" sheets 1-12 represent all invoices generated for the Americans United mail program (The Goodbye Metzenbaum Club project). The sheets show each invoice, invoice number, date of the invoice, amount and date paid. If there is no date of payment marked, that means the invoice was unpaid until the list sale transaction in question was concluded. The only invoices left unpaid until that time (March 1990) were DeWeese Company, Inc. division invoices.

These Authorization sheets were generated each month, listing all invoices received from vendors, generated by the mail program. The Authorization was then signed by a representative of The DeWeese Company, Inc. indicating verification that the vendor charged the client the correct amount for the service rendered. It was then signed by a client representative indicating approval for payment. Payment was then made, based on available funds. This is standard operating procedure for all DeWeese Company, Inc. fund raising accounts.

Please note, these are working copies used frequently throughout the course of the mail program. Some notes and figures written on the sheets are from internal accounting procedures.

3. A. As indicated on the Authorization sheets with the red encircled PA (postage advance), postage advances were made to the Client on:

- a. 2/29/88 \$1800.00 Paid 3/30/88
- b. 4/29/88 \$12,468.90 Paid 5/24/88
- c. 6/30/88 \$15,003.50 Paid 8/15/88 (\$10,000) Bal.
due \$5003.50
- d. 7/29/88 \$3,385.97 Paid 10/24/88

3. B. It is standard operating procedure of The DeWeese

Company, Inc. to advance postage to the Client's mail program if needed. Postage loans have been provided to several DeWeese Company, Inc. clients, including:

- a. Centre For A Free Society Postage loans
1701 Pennsylvania Ave. N.W. various times
Washington, D.C. 20006 throughout 1986-
1989
- b. The Hale Foundation Postage loans
422 First Street S.E. various times
Washington, D.C. 20001 throughout 1987-
1989
- c. The Conservative Action Foundation
1326 G Street S.E. Postage Loans
Washington, D.C. 20069 various times
throughout 1985-
1988

4. The DeWeese Company, Inc. was owed a considerable sum for its creative, list, caging and printing services on behalf of the Clients mail program.

Americans United stated to The DeWeese Company, Inc. in repeated conversations throughout January to March, 1990 that there were no additional funds with which to pay those bills. It was discussed, however, by Robert Stuber to The DeWeese Company, Inc. that the Client's sole assets were its donor and supporter lists. Based on ten years of direct marketing and list brokerage experience, The DeWeese Company, Inc. determined that these two lists combined for a market value totaling approximately that of the debt owed.

It is The DeWeese Company's understanding that representatives of Americans United then contacted a representative of the Federal Elections Commission to discuss the situation and determine if such a sale could indeed be used to satisfy the debt. It is The DeWeese Company's understanding that such a conversation did take place and that the FEC representative suggested the proper course would be for the DeWeese Company to remit a check for approximately \$69,000 to Americans United to purchase the donor file and the supporter file. At the same time, Americans United would remit a check to The DeWeese Company, Inc. as payment for the total debt due. This action, suggested by the representative of the FEC, would effectively pay off Americans United's debt by transferring ownership of the donor and supporter files to

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The DeWeese Company, Inc. The supporter file represents those who responded to the mail program by signing petitions but did not enclose a check. The DeWeese Company, Inc. currently markets approximately 200,000 such supporter names.

The DeWeese Company, Inc. agreed to the procedure and it was carried out. As stated before, at no time was The DeWeese Company, Inc. interested in making a contribution to Americans United. Our sole concern was payment for services rendered. It was our understanding that the procedure was approved in advance by the FEC.

Our purchase of Americans United assets was as follows:

1. 12,503 active donor names @ \$2.50 per name =	\$31,257.50
2. 35,751 supporter names @ \$1.00 per names =	\$35,751.00
3. 100,004 #10 envelopes at \$20.00 per 1000 =	\$ 2,000.08

Total purchase	\$69,008.58

5. The lists were not put on the open market for bid simply because the sale was arranged as a solution to satisfy a debt owed to The DeWeese Company, Inc. It was The DeWeese Company's understanding that the transaction was arranged under a process agreed as acceptable to the FEC. To our knowledge, at no time was a public sale suggested by the FEC.

However, based on The DeWeese Company's experience as a seller of such donor files in the past, the prices paid for Americans United's donor and supporter files are within market price. In addition, enclosed is a copy of a letter to me discussing how the value of a mailing list is determined. The letter is from Richard Norman, president of the Richard Norman Company. The Norman Company is a full service direct mail agency which has regularly bought and sold direct mail lists. They are considered experts in the field.

Mr. Allen, I hope I've answered the questions to your satisfaction. If not, please let me know.

Sincerely,



Thomas A. DeWeese
President

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copy of check
used to purchase
Americans United
donor file

THE DWEISE COMPANY, INC.
400 WILLIAMSBURG CT.
FAIRFAX, VA 22032
PH. 703-552-0700

1466

3/90 \$ 90 ⁰⁰/₁₀₀

\$ 69000.58

Dollars

Pay to the order of American Land For
Supply Plus Howard Spill & Co

CHESTER
Chester Bank
Alexandria, Virginia

Gift purchase

Thomas D. Over
President

⑆00001466⑆ ⑆055001079⑆ 008071381⑆

⑆00000005900858⑆

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CITY OF RICHMOND
SIGNATURE SHEET
ALEXANDRIA, VA
22313

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
1092

X *for deposit only*

10913

Payment not for [unclear] as received
to the question #2



INVOICE PAYMENT AUTHORIZATION #1

TO: Stuber Group
 DATE: February 29, 1988
 CLIENT: Goodbye Metzbaum Club, Americans United
 AUTHORIZED BY: UCO [Signature] (FOR CLIENT)
 DeWeese Co. [Signature] (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
Horningside, Inc.	11220188	1/22/88	\$ 19.50	3/11/88
DeWeese List	604	1/25/88	\$ 581.84	3/11/88
Horningside, Inc.	19290188	1/29/88	31.50	3/14/88
VSE	02	1/29/88	132.72	3/14/88
Northeast	10520	2/02/88	899.87	3/14/88
DeWeese List	623	2/09/88	275.21	3/14/88
Northeast Printing	10530	2/15/88	1791.15	3/14/88
Northeast Printing	10525	2/15/88	1476.96	3/14/88
Northeast Printing	10526	2/15/88	1604.12	3/14/88
Northeast Printing	10527	2/15/88	1075.39	3/14/88
Northeast Printing	10523	2/15/88	48.25	3/14/88
VSE	04	2/24/88	343.83	3/14/88
WIB	00926	2/25/88	533.59	3/14/88
WIB	00925	2/25/88	268.72	3/14/88
Northeast Printing	10548	2/29/88	505.31	3/14/88
Northeast Printing	10543	2/29/88	2386.39	3/14/88
DeWeese Co.	495	2/29/88	5625.00	3/30/88
DeWeese Co. PA	504	2/29/88	1800.00	3/30/88
			Total	\$19,399.35

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2 of 13



INVOICE PAYMENT AUTHORIZATION #2

TO: Stuber Group

DATE: March 28, 1988

CLIENT: Goodbye Metzzenbaum Club, Americans United

AUTHORIZED BY: UCO [Signature] (FOR CLIENT)
 DeWeese Co [Signature] (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
Northeast Printing	10569	3/21/88	\$ 42.00	5/20/88 #1014
Northeast Printing	10568	3/21/88	\$ 14.00	6/20/88 #1014
DeWeese List	664	3/23/88	496.40	6/10/88 #1025
DeWeese List	665	3/23/88	390.88	8/25/88 #1055
DeWeese List	666	3/23/88	390.88	8/25/88 "
DeWeese List	685	3/23/88	452.48	8/25/88 "
DeWeese List	686	3/23/88	433.67	8/25/88 "
DeWeese List	687	3/23/88	512.16	8/25/88 "
DeWeese List	688	3/23/88	574.75	8/25/88 "
DeWeese List	689	3/28/88	458.29	8/25/88 H
Total			\$ 3765.51	

[Handwritten Signature]

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INVOICE PAYMENT AUTHORIZATION #3

3 of 13

TO: Stuber Group
 DATE: April 29, 1988
 CLIENT: Goodbye Metzzenbaum Club, Americans United
 AUTHORIZED BY: UCO Roger R. Higgins (FOR CLIENT)
 DeWeese Co. DeWeese (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
VSE	1	4/18/88	\$ 388.24	1038 7/27/88
McGinnis & Associates	20896	4/18/88	320.51	5/24/89 #1007
Northeast Printing	10590	4/27/88	73.25	5/24/89 1010
Northeast Printing	10591	4/27/88	3749.53	5/24/89 1010
Northeast Printing	10592	4/27/88	674.68	5/24/89 1010
Northeast Printing	10593	4/27/88	1550.15	5/24/89 1010
Northeast Printing	10595	4/27/88	2522.96	7/18/89 #1029
Northeast Printing	10596	4/27/88	1865.54	5/24/89 1010
Northeast Printing	10598	4/27/88	659.15	5/24/89 1010
Northeast Printing	10597	4/27/88	861.84	5/24/89 1010
Northeast Printing	10599	4/27/88	78.75	5/24/89 1010
Northeast Printing	10600	4/27/88	237.01	5/24/89 1010
Northeast Printing	10594	4/27/88	3220.26	6/22/89 #1018
Northeast Printing	10620	4/28/88	177.75	5/24/89 1010
DeWeese List	756	4/28/88	50.00	10/14/88 #1096
DeWeese Co.	563	4/29/88	53.62	5/24/89 1008
DeWeese Co.	546	4/29/88	660.00	5/24/89 1009
DeWeese Co.	547	4/29/88	296.00	5/24/89 1008
DeWeese Co.	548	4/29/88	200.00	5/24/89 1008

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DeWeese Co.	549	4/29/88	1116.00
DeWeese Co.	550	4/29/88	290.00
DeWeese Co.	555	4/29/88	313.00
DeWeese Co.	557	4/29/88	49.63
DeWeese Co. PA	559	4/29/88	12468.90
DeWeese Co.	562	4/29/88	500.00
DeWeese List	795 ✓	4/29/88	538.31
DeWeese List	792 ✓	4/29/88	369.63
DeWeese List	782 ✓	4/29/88	581.11
DeWeese List	783 ✓	4/29/88	581.11
DeWeese List	784 ✓	4/29/88	454.74
DeWeese List	785 ✓	4/29/88	555.90
DeWeese List	786 ✓	4/29/88	317.79
DeWeese List	787 ✓	4/29/88	555.30
DeWeese List	788 ✓	4/29/88	508.04
DeWeese List	789 ✓	4/29/88	487.03
DeWeese List	790 ✓	4/29/88	1422.88
DeWeese List	797 ✓	4/29/88	801.20
Total			\$39458.91

5/24/88 1008
5/24/88 1008
5/24/88 1008
5/24/88 1008
5/24/88 1008
5/24/88 1008
10/11/98 #1096
[Handwritten notes and a large scribble on the right side of the table]

list = 7222.14
pd in full

40612

INVOICE PAYMENT AUTHORIZATION #4

TO: Stuber Group

DATE: May 31, 1988

CLIENT: Goodbye Metzzenbaum Club, Americans United

AUTHORIZED BY: UCO [Signature] (FOR CLIENT)
 DeWeese Co. [Signature] (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

92040905337

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
VSE	2	4/29/88	\$1299.09	#1035 7/24/88
VSE	3	4/29/88	2415.67	1039 7/24/88
DeWeese List	808 ✓	5/10/88	440.11	1041/88 #1096
DeWeese List	817 ✓	5/10/88	97.54	[Large handwritten scribble]
DeWeese List	827 ✓	5/10/88	68.74	
DeWeese List	828 ✓	5/10/88	237.30	
DeWeese List	829 ✓	5/10/88	237.30	
DeWeese List	830 ✓	5/10/88	561.75	
DeWeese List	835 ✓	5/11/88	114.56	
DeWeese List	848 ✓	5/11/88	146.13	
DeWeese List	849 ✓	5/11/88	345.45	
DeWeese List	850 ✓	5/11/88	345.45	
DeWeese List	851 ✓	5/11/88	291.38	
DeWeese List	852 ✓	5/11/88	945.00	
WIB	1847	5/23/88	334.87	8/25/88 #1056
WIB	1848	5/23/88	90.00	" "
WIB	1849	5/23/88	79.99	" "
WIB	1850	5/23/88	90.92	" "

92040905338

WIB	1851	5/23/88	531.27	6/15/88 #1056
DeWeese Co.	575	5/31/88	220.00	6/2/88 #1023
DeWeese Co.	576	5/31/88	336.00	6/2/88 "
DeWeese Co.	577	5/31/88	250.00	6/20/88 "
DeWeese Co.	578	5/31/88	150.00	6/20/88 "
DeWeese Co.	579	5/31/88	250.00	6/20/88 "
DeWeese Co.	580	5/31/88	850.00	6/20/88 "
DeWeese Co.	586	5/31/88	742.50	6/20/88 "
DeWeese Co.	587	5/31/88	95.99	6/20/88 "
DeWeese Co.	598	5/31/88	125.00	6/20/88 "
DeWeese Co.	606	5/31/88	453.60	6/15/88 #1016
DeWeese Co.	607	5/31/88	74.93	6/15/88 #1016
DeWeese Co.	608	5/31/88	198.25	6/15/88 #1016
DeWeese Co.	609	5/31/88	58.95	6/15/88 #1016
	Total		\$12477.74	

419 ↑ ~~3830.71~~

pd in full

50913

INVOICE PAYMENT AUTHORIZATION #05

TO: Stuber Group
 DATE: June 30, 1988
 CLIENT: Goodbye Matzenbaum Club, Americans United
 AUTHORIZED BY: UCO Rose R. King (FOR CLIENT)
 DeWeese Co. DeWeese (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

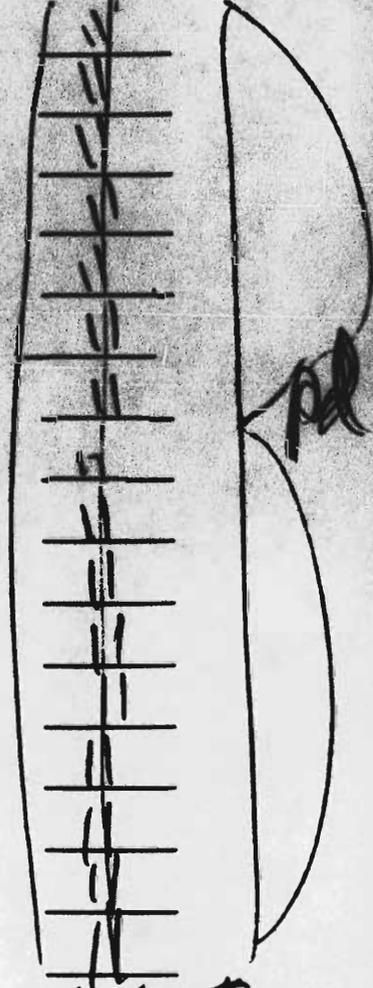
92040905359

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
WIB	1807	5/19/88	173.43	8/25/88 #1056
WIB	1806	5/19/88	221.51	8/25/88 #1056
VSE	4	5/27/88	120.20	8/25/88 #1057
VSE	5	5/31/88	630.21	8/25/88 #1057
Northeast Printing	10627	5/30/88	161.25	8/25/88 #1058
Northeast Printing	10628	5/30/88	97.25	" "
Northeast Printing	10633	5/30/88	42.50	" "
Northeast Printing	10665	5/30/88	2425.00	8/5/88 #1042
Northeast Printing	10666	5/30/88	24.75	8/25/88 #1058
Northeast Printing	10667	5/30/88	63.00	" "
Northeast Printing	10668	5/30/88	30.50	" "
DeWeese List	882	5/30/88	450.00	10/14/88 #1107
DeWeese List	883	5/30/88	375.00	" "
Graphic Expressions	262	6/21/88	80.00	8/14/88 #1079
VSE	7	6/28/88	351.60	8/14/88 #1071

92040905340

DeWeese List	939	6/29/88	232.00
DeWeese List	940	6/29/88	462.36
DeWeese List	941	6/29/88	484.36
DeWeese List	942	6/29/88	256.65
DeWeese List	943	6/29/88	404.12
DeWeese List	944	6/29/88	485.00
DeWeese List	945	6/29/88	775.00
DeWeese List	946	6/29/88	455.00
DeWeese List	947	6/29/88	401.53
DeWeese List	948	6/29/88	1895.00
DeWeese List	949	6/29/88	308.00
DeWeese List	950	6/29/88	460.00
DeWeese List	951	6/29/88	320.00
DeWeese List	952	6/29/88	153.00
DeWeese List	953	6/29/88	218.00
DeWeese List	CAF-954	6/29/88	2085.00
DeWeese List	CAF-955	6/29/88	540.00
DeWeese List	956	6/29/88	535.00
DeWeese List	958	6/29/88	150.00
DeWeese List	979	6/29/88	187.15
DeWeese List	989	6/29/88	32.00
DeWeese List	984	6/30/88	474.50
DeWeese List	985	6/30/88	190.22
Northeast Printing	10676	6/30/88	3578.90
Northeast Printing	10677	6/30/88	707.62
Northeast Printing	10678	6/30/88	707.62
Northeast Printing	10679	6/30/88	4520.58

10/11/88 #1107
 11
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 11
 11
 10/11/88 #1107
 10/31/88 R 1108



8/18/84 #1048
 8/18/84 #1048
 8/18/84 #1048
 8/18/84 #1048

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9

Northeast Printing	10680	6/30/88	893.80
Northeast Printing	10681	6/30/88	893.80
Northeast Printing	10682	6/30/88	1121.82
Northeast Printing	10683	6/30/88	926.89
Northeast Printing	10684	6/30/88	4093.61
Northeast Printing	10685	6/30/88	1240.47
Northeast Printing	10686	6/30/88	5976.81
Northeast Printing	10687	6/30/88	5931.70
Northeast Printing	10688	6/30/88	1172.81
Northeast Printing	10689	6/30/88	1172.81
Northeast Printing	10690	6/31/88	559.10
Northeast Printing	10691	6/31/88	559.10
Northeast Printing	10692	6/31/88	2827.78
DeWeese Co.	652	6/30/88	66.50
DeWeese Co.	653	6/30/88	727.50
DeWeese Co.	617	6/30/88	1605.00
DeWeese Co.	618	6/30/88	2565.00
DeWeese Co.	619	6/30/88	177.00
DeWeese Co. PA	620	6/30/88	18005.50
Directech	806094	6/30/88	609.49
Directech	806093	6/30/88	121.82
Directech	806118	6/30/88	764.48
Directech	806117	6/30/88	309.43
Directech	806116	6.30.88	155.73

8/10/88 #1048
8/15/88 #1048
8/25/88 1054
8/25/88 1054
9/12/88 #1072
9/12/88 #1072
10/10/88 #1094
10/21/88 #1103
8/25/88 #1055
11 - 11
9/12/88
9/12/88 ch #1072
9/12/88
2/24/89 #037
2/20/89 #037
2/29/89 #037
2/29/89 #037
2/24/89 #037
2/24/89 #037
18005.50
5.000000
5.000000
5.000000
9/12/88 #1047
9/12/88
9/12/88 ch #1070
9/12/88

Total \$75740.76

pd M Gull

6 of 13

INVOICE PAYMENT AUTHORIZATION #06

TO: Stuber Group
 DATE: July 31, 1988
 CLIENT: Goodbye Metzenbaum Club, Americans United
 AUTHORIZED BY: UCO [Signature] (FOR CLIENT)
 DeWeese Co. [Signature] (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the client in the sequence ordered by client, according to available funds and in accordance with Agent.

92040905342

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
Northeast Printing	10715 R	6/22/88	\$ 584.13	10/31/88 #109
Rush Delivery	880630	6/30/88	8.00	8/25/88 #1059
Northeast Printing	10713 R	7/06/88	3241.67	10/31/88 #109
Northeast Printing	10714 R	7/06/88	974.55	10/31/88 #109
Rush Delivery	880714	7/14/88	4.00	10/31/88 #1074
WIB	2353	7/20/88	1091.27	11/22/88 #93
DeWeese List	990	7/20/88	606.36	_____
DeWeese List	999	7/20/88	303.36	_____
DeWeese List	998	7/20/88	527.00	_____
DeWeese List	993	7/20/88	606.44	_____
DeWeese List	994	7/20/88	241.36	_____
DeWeese List	995	7/20/88	103.40	_____
DeWeese List	996	7/20/88	905.00	pp
DeWeese List	997	7/20/88	685.00	_____
Rush Delivery	880721	7/21/88	19.00	10/31/88 #1074

\$ 117,864.92

7 of 13

#7

INVOICE PAYMENT AUTHORIZATION #08

TO: Cash Count

DATE: August 31, 1988

CLIENT: Goodbye Metzzenbaum Club

AUTHORIZED BY: MET _____ (FOR CLIENT)

DeWeese Co. Jim DeWeese (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

92040905344

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
DeWeese List	1064	8/01/88	\$ 878.39	_____
DeWeese List	1062	8/01/88	402.27	_____
DeWeese List	1061	8/01/88	304.99	_____
DeWeese List	1063	8/01/88	1934.71	_____
DeWeese List	1077	8/02/88	959.53	_____
DeWeese List	1076	8/02/88	459.53	_____
DeWeese List	1075	8/02/88	988.65	_____
DeWeese List	1074	8/02/88	534.44	_____
DeWeese List	1071	8/02/88	248.68	_____
DeWeese List	1070	8/02/88	_____	_____
DeWeese List	1064	8/02/88	_____	_____
DeWeese List	1094	8/19/88	150.00	_____
DeWeese List	1096	8/19/88	2604.20	_____
DeWeese List	1097	8/19/88	1182.60	_____
DeWeese List	1098	8/19/88	2258.70	_____
DeWeese List	1099	8/19/88	775.00	_____

Invoice
Account
Added

pd 10/15/89

pd 10/15/88

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see [unclear] pd.

A.E. [unclear]

10/15/89

10/15/89

pd 10/15/89

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DeWeese List	1138 ^v	8/23/88	1625.05	_____
DeWeese List	1132 ^v	8/23/88	265.00	_____
DeWeese List	1137 ^v	8/23/88	335.98	_____
DeWeese List	1140 ^v	8/23/88	2609.25	_____
DeWeese List	1139 ^v	8/23/88	1933.50	_____

TOTAL DUE

~~21601.97~~
21609.65

92040905345

70913

78

INVOICE PAYMENT AUTHORIZATION #09

TO: Cash Count

DATE: September 30, 1988

CLIENT: Goodbye Metzbaum Club, Americans United

AUTHORIZED BY: SCO (FOR CLIENT) ^{10/7/88}

DeWeese Co. (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

92040905346

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
VSE	6	6/20/88	\$ 548.95	10/24/88 PA 1102
VSE	8	6/28/88	76.15	" "
VSE	9	6/28/88	170.29	" "
Northeast Printing	10820	8/26/88	100.00	
Northeast Printing	10838	8/29/88	3356.01	11/21/88 - PA 1-AD 26625
Northeast Printing	10837	8/29/88	3356.01	11/22/88 - PA 1-AD 672.51
Rush	880901	9/01/88	4.00	12/19/88 PA 2 663.50
Northeast Printing	10839	9/05/88	105.25	672.51
Rush	88908	9/08/88	8.00	NO 10/15/88
Northeast Printing	10796 ✓	9/09/88	3089.04	NO 10/14/88
Rush	880915	9/15/88	4.00	NO 10/14/88
Cash Count	9454	9/21/88	285.90	NO
Cash Count	9455	9/21/88	119.10	NO
Cash Count	9452	9/21/88	1910.86	NO
Rush	880922	9/22/88	16.00	NO 10/15/88

Cash Count - 705.00

12,354.17

Northeast Printing	10814	9/23/88	68.00	_____
Northeast Printing	10807	9/23/88	214.75	_____
WIB	3048	9/27/88	298.00 3688.56	_____
DeWeese List	1173	9/27/88	784.44	_____
DeWeese List	1175	9/27/88	1370.00	_____
DeWeese List	1176	9/27/88	1425.00	_____
DeWeese List	1181	9/27/88	825.00	_____
DeWeese Co.	753	9/30/88	314.26	_____
DeWeese Co.	743	9/30/88	2740.00	_____
DeWeese Co.	744	9/30/88	5800.00	_____
DeWeese Co.	745	9/30/88	500.00	_____
			Total \$30859.57	_____

*1809.44 and 9/27/88
Balance to be paid 10/12*

17910.01

T - 30064.18

20,936.30

92040905347

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FOO ET 530.25

29

INVOICE PAYMENT AUTHORIZATION

TO: Cash Count

DATE: October 31, 1988

CLIENT: Goodbye Metzrenbaum Club

AUTHORIZED BY: MET *Robert Zuber* (FOR CLIENT)

DeWeese Co. *[Signature]* (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

92040905348

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
DeWeese List	1172	9/27/88 ✓	\$ 3894.56	_____
Rush Delivery	880929	9/29/88 ✓	12.00	_____
Directech	41714	9/30/88 ✓	1788.12	<u>12/30/88 #1003</u>
Directech	41709	9/30/88 ✓	25.00	<u>12/30/88 #1003</u>
Northeast Print	10862 <i>R</i>	9/30/88 ✓	6950.60	_____
Northeast Print	10861 <i>R</i>	9/30/88 ✓	6189.95	_____
W.I.B.	0003164	9/30/88 ✓	2835.68	<u>12/30/88 LR</u>
Rush Delivery	881006	10/6/88 ✓	8.00	_____
Shaw Video	0478	10/6/88	130.00	<u>11/20/88 #199</u>
Shaw Video	0479	10/6/88	165.00	<u>11/20/88 #199</u>
Rush Delivery	881013	10/13/88 ✓	8.00	_____
Federal Express	58833940	10/15/88	71.00	<u>pd 11/22/88 #1</u>
Morningside	1019	10/18/88	35.70	<u>pd 11/22/88 #1</u>
McGinnis & Assoc	23387	10/18/88	4579.17	<u>pd</u>
McGinnis & Assoc	23402	10/19/88	185.97	<u>pd</u>

Directech - 10/12/88

GOODBYE METZENBAUM CLUB

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
Rush Delivery	881020	10/20/88 ✓	\$ 4.00	
Federal Exp	59426154	10/21/88 ✓	\$ 115.00	
Federal Exp	60042943	10/28/88 ✓	155.25	
Northeast Print	10879	10/31/88 ✓	6465.98	
Northeast Print	10880	10/31/88 ✓	6536.90	
DeWeese List	1201	10/31/88 ✓	1042.20	
DeWeese List	1202	10/31/88 ✓	1529.32	
DeWeese List	1203	10/31/88 ✓	1034.36	
DeWeese List	1204	10/31/88 ✓	1159.36	
DeWeese List	1205	10/31/88 ✓	1534.44	
DeWeese List	1206	10/31/88 ✓	1159.44	
DeWeese List	1207	10/31/88 ✓	1534.36	
DeWeese List	1208	10/31/88 ✓	508.57	
DeWeese List	1212	10/31/88 ✓	1920.00	
Cash Count	9459	10/31/88 ✓	129.15	
Cash Count	9460	10/31/88 ✓	477.25	
Cash Count	9458	10/31/88 ✓	2001.16	
DeWeese Co.	762	10/31/88 ✓	1000.00	
DeWeese Co.	763	10/31/88 ✓	1000.00	
DeWeese Co.	789	10/31/88 ✓	6.63	
DeWeese Co.	788	10/31/88 ✓	19.89	
DeWeese Co.	781	10/31/88 ✓	31.25	
DeWeese Co.	794	10/31/88 ✓	161.60	
Federal Exp	60643630	11/4/88	189.00	
TOTAL DUE			\$ 56593.86	

ad 10/15/88
pd 11/22/88
pd 11/29/88
ad 10
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ad 10

11/20/88
1801.16
500.00 pd 11/20/88

pd 11/21/88
ad 1

92040905349

49,176.24 \$2,000.66

13,690.27

10 of 13

INVOICE PAYMENT AUTHORIZATION #10

TO: Cash Count
 DATE: November 30, 1988
 CLIENT: Goodbye Metzbaum Club
 AUTHORIZED BY: MET [Signature] (FOR CLIENT)
 DeWeese Co. [Signature] (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

92040905350

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
Stuber Group	5911188	8/10/88	78.21	
Rush Delivery	881027	10/27/88	8.00	<u>pd 1/25/89</u>
Directech	42009	10/31/88	25.00	<u>pd 1/25/89</u>
Rush Delivery	881103	11/03/88	4.00	<u>pd 1/25/89</u>
Federal Express	61302337	11/12/88	440.00	<u>pd 2/6/89</u>
Rush Delivery	881117	11/17/88	12.00	<u>pd 1/25/89</u>
Federal Express	61926420	11/18/88	147.00	<u>pd 2/6/89</u>
DeWeese Co.	500	11/22/88	126.75	
DeWeese Co.	509	11/22/88	20.00	
Federal Express	62551637	11/26/88	57.50	<u>pd 2/6/89</u>
Directech	42355	11/30/88	25.00	<u>pd 1/25/89</u>
Directech	42373	11/30/88	125.00	<u>pd 1/25/89</u>
Directech	42372	11/30/88	30.00	<u>pd 1/25/89</u>
Directech	42371	11/30/88	62.77	<u>pd 1/25/89</u>
Directech	42366	11/30/88	40.00	<u>pd 1/25/89</u>
Directech	42365	11/30/88	40.00	<u>pd 1/25/89</u>

GOODBYE METZENBAUM CLUB

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
Directech	42367	11/30/88	\$ 40.00	<i>ad 1/23/89</i>
DeWeese Co.	819	11/30/88	176.53	_____
Cash Count	9464	11/30/88	39.60	_____
Cash Count	9462	11/30/88	687.69	_____
TOTAL DUE			\$ 2185.05	

92040905351

110813

INVOICE PAYMENT AUTHORIZATION #119

TO: Cash Count
 DATE: December 31, 1988
 CLIENT: Goodbye Metzzenbaum Club
 AUTHORIZED BY: MET [Signature] (FOR CLIENT)
 DeWeese Co. [Signature] (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

92040905352

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
Federal Express	82337	11/12/88	440.00 <i>Spent All</i>	pd
Federal Express	26420	11/18/88	147.00 <i>Spent All</i>	pd
Rush Delivery	881201	12/01/88	20.00	pd 2/15/89
Federal Express	04619	12/02/88	11.00	pd 2/16/89
Directech	42592	12/22/88	65.00	pd 1/25/89
Directech	42593	12/22/88	65.00	pd 1/25/89
Directech	42594	12/22/88	55.00	pd 1/25/89
Federal Express	83454	12/23/88	28.50	pd 2/16/89
TOTAL DUE			\$ 831.50	

120913

12
MET

INVOICE PAYMENT AUTHORIZATION

TO: Cash Count
 DATE: January 31, 1989
 CLIENT: Goodbye Metzbaum Club
 AUTHORIZED BY: MET [Signature] (FOR CLIENT)
 DeWeese Co [Signature] (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

92040905353

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
Federal Express	62551637	11/26/88	\$ 57.50	3/21/99 #1014
Federal Express	63104619	12/02/88	11.00	3/21/99 #1014
Rush Delivery	881229	12/29/88	4.00	3/31/99
Directech	42691	12/29/88	37.50	paid — paid per [Signature]
Cash Count	9469	1/05/89	92.14	_____
Cash Count	9470	1/05/89	10.20	_____
Directech	42809	1/19/89	308.35	paid
DeWeese List	1397	1/31/89	880.00	_____
Cash Count	9473	2/01/89	96.29	_____

TOTAL DUE \$ 1496.98

130513

13

INVOICE PAYMENT AUTHORIZATION

TO: Cash Count
 DATE: February 28, 1989
 CLIENT: Goodbye Metzbaum Club
 AUTHORIZED BY: MET Robert Metzbaum (FOR CLIENT)
 DeWeese Co. James A. DeWeese (FOR AGENCY)

The Escrowee is hereby authorized to pay the invoice listed below and/or transfer funds to the general treasury of the Client in the sequence ordered by Client, according to available funds and in accordance with Agent.

92040905354

INVOICE FROM	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DATE PAID
Directech	43035	1/31/89	\$ 216.51	5/31/99
Directech	43024	1/31/89	79.52	5/31/99
Directech	43026	1/31/89	40.00	5/31/99
Directech	43111	2/09/89	125.00	3/21/99
DeWeese List	1456	2/25/89	3419.33	_____
DeWeese Co.	1007	2/28/89	9.00	_____
TOTAL DUE			\$ 3889.36	

**The
Richard
Norman
Company**

Copy of list for donor list value - as interest to in question 5.

September 26, 1991

Mr. Tom DeWeese
The DeWeese Company, Inc.
4020 Williamsburg Court
Fairfax, VA 22032

Dear Tom,

In reference to our recent conversation regarding the value of mailing lists, I want to send along the following information on how we value mailing lists for purchase.

First, the value of a mailing list varies widely from one purchaser to another. In some cases, a brand new donor name may be worth only fifty or seventy-five cents per name to a purchaser while in other cases, it could be worth as much as three dollars per name. This depends upon how many other copies of the list are on the market and whether or not the organization is continuing to mail regular housefile mailings to the list. Other factors determining the value of a list may include market recognition of the list and average donation.

The most important fact, however, in valuing a mailing list is recency. Typically, last six month donors demand a much higher price than seven to twelve month or thirteen to eighteen month donors. We don't even purchase lists of donors beyond eighteen months in age. We have paid, in recent years, as much as two dollars per name for zero to eighteen month donors. A list of zero to six month donors may demand as much as three dollars per name. Again, all this depends on a number of factors. The list which you mentioned to me in our conversation, Goodbye Metzbaum Club Donors, seems to be the type of list which would command a higher than normal valuation for a number of reasons. First, the sale was an exclusive sale. No other copies of the list were available on the rental market. Second, the contribution dates were all fairly recent. It is my understanding that most of them were zero to six month donors and none of them were older than twelve months.

92040905355

A Direct Mail Creative Agency

297 Herndon Parkway • Suite 302 • Herndon, Virginia 22070 • (703) 787-9012 • FAX (703) 787-0169

The real test of value of a mailing list is how long it will take you to recoup your investment. Since mailing lists tend to have a shelf life of sixty to ninety weeks, you need to be able to recoup your investment plus return a nice profit during that time period. At a cost of three dollars a name, it would take you forty to fifty weeks to recoup your investment. After that, the net profits would be realized. Based upon that, I would say that your purchase price of three dollars a name was a fair and "market" price.

If you have any further questions regarding this, please do not hesitate to call.

Sincerely,



Richard F. Norman
President

92040905356

91 OCT -4 PM 2:24

September 26, 1991

AMERICAN UNITED
3478 Mildred Dr.
Falls Church, VA 22042
Ruth M. Stormant, Treasurer

MUR 3371

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

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
91 OCT -4 PM 3:34

Dear Mr. Allan,

Thank you for the opportunity to meet on Friday 9/20/91. I found the meeting to be mutually beneficial. Enclosed please find a copy of the "missing" Dec. '90 letter regarding the sale of the mailing list.

I have made arrangements to have my interrogatories taken on 10/10/91 and have requested all copies of information that i do not have in my possession. Due to my heavy teaching schedule and the delay of having the interrogatories done I would like to request an extension in this matter.

Thanking you in advance for your assistance.

Sincerely,



Ruth M. Stormant
Treasurer

92040905357

December 15, 1990

Ruth M. Stormant, Treasurer
AMERICANS UNITED
3478 Mildred Drive
Falls Church, VA 22042

Mr. John D. Gibson
FEDERAL ELECTION COMMISSION
999 E Street, NW
Washington, D.C. 20463

Re: ID #: C00222554 sale of mailing list.

Dear Sir,

This letter is in response to your letter of October 10, 1990 requesting details on the procedure in which the committee sold its mailing list to the Thomas A. DeWeese, Inc. for the price of \$69,000.00.

The price was based on the fair market value of conservative mailing list. Conservative mailing list prices range from \$3.00 per donor name and address to \$2.00 per donor and \$1.00 for all nondonor names and addresses. A price of \$2.50 per 12,500 donor names and addresses and \$1.00 per 35,000 nondonor names and addresses was set. The committee let the Washington area direct mail community know that the list was available for sale at a price representative of a new successful conservative list.

At this time the committee was in major debt to the DeWeese companies and Mr. DeWeese was eager to resolve the debts and acquire the list for his list company. He accepted the price of the list plus our few office assets at an price of \$69,000.00.

I hope this information will clarify any questions and allow us to terminate the committee.

Sincerely,

Ruth M. Stormant

92040905358



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 7, 1991

Ruth Stormant, Treasurer
Americans United
3478 Mildred Drive
Falls Church, VA 22042

RE: NUR 3371

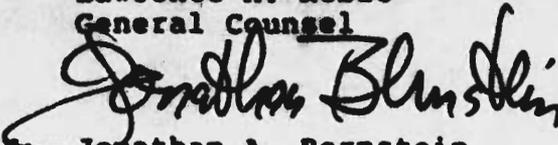
Dear Ms. Stormant:

This is in response to your letter dated September 26, 1991, which we received on October 4, 1991, requesting an extension of time in which to respond to the Commission's Subpoena and Order. 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 October 28, 1991.

If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel


By: Jonathan A. Bernstein
Assistant General Counsel

92040905359

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

96-3369

91 NOV -8 PM 3:22

October 31, 1991

MUR 3371

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE SERVICES BRANCH
91 NOV -8 AM 11:51

Mr. Johnathan Bernstein
FEDERAL ELECTION COMMISSION
999 E st., N.W.
Washington, D.C. 20463

Dear Mr. Bernstein;

Delay in response to Mr. McGarry's letter of September 10, 1991 has been occasioned by a number of unavoidable personal circumstances common to a working mother of two small children. Concurrence in this delay was given by Mr. Mark Allen of the F.E.C. However I truly regret the delay.

The scope of my personal knowledge limits my responses. Far more detailed information can be elicited from Mr. Robert Stuber of 3819 Plaza Dr., Fairfax, VA 22030 who was the principal in Americans United.

It is my understanding Mr. Stuber arranged Americans United on or about January 1, 1988 and contracted with the DeWeese Co., Inc. to manage a multi-media campaign. I was in no way associated with Robert Stuber nor Americans United at that time and have no knowledge of the operation, its assets nor contracts.

Starting on or about July 15, 1988 I was employed by the DeWeese Co. in a division known as Cash Count a caging and escrow operation. This was a parttime position and I was paid by what is known as "piece work" based upon the number of envelopes processed.

On or about December 15, 1988 I was asked by Robert Stuber to prepare F.E.C. reports for American United for a fee of \$50.00 per report. In no way was I privy to activities of Robert Stuber or Americans United. My function was to prepare F.E.C. reports and answer F.E.C. inquiries based on information furnished by Mr. Stuber. My position was essentially clerical in nature under the direction of Mr. Stuber. Accounting activities for Americans United done by me included writing checks for Americans United as an employee of Cash Count a division of The DeWeese Co., Inc.

The decision to terminate and the April Quarterly Report were made under the direction of Mr. Stuber. The transaction took place between the chairman and the purchaser. In early March I had contacted the F.E.C. several times to determine a way to terminate the PAC. In the early months of 1989 3 unsuccessful

92040905360

debt-reduction mailings were mailed this increased the debt rather than reducing it. After speaking with John Gibson of the F.E.C. a new book of regulations was mailed to the PAC and he advised that debts could not be written off but assets could be sold to raise cash if done in normal course of business and for fair market value. Mr. DeWeese was owed a tremendous amount of money and was anxious to purchase the list for his business. The transaction was negotiated between Mr. Stuber and Mr. DeWeese. Mr. Stuber was advised of requirements.

My employment and activities with Cash Count and Mr. DeWeese ended on August 1, 1989.

It is suggested that my letter of December 15, 1990 was not received by the F.E.C. A copy of said letter was sent to F.E.C. during September 1991.

Exceptions to the general rule seem to closely apply in this case. The sole purpose of this sale was to extinguish debts so the PAC could be terminated. The purchase price did not exceed the usual and normal price. Under no stretch of imagination could the sale be considered a contribution.

Attached you will find my responses to the Questions and Document Request under oath. If you need any further information I will be happy to comply and you know where to find me. I hope this information will be adequate. Let's get this over with!

Thank you,

Ruth M. Stormant

Ruth M. Stormant
Treasurer,
Americans United

9 2 0 4 0 9 0 5 3 6 1

Before the Federal Election Commission

In the matter of:

MUR 3371

State of Virginia
County of Fairfax

Now comes Seth Stormant, treasurer of Americans United in response to Subpoena to Produce Documents and Order to Submit Written Answers who under oath deposes and says:

1. Committee Assets sold to the DeWeese Co., Inc. on March 15, 1980:
 - a. A mailing list consisting of 47,500 names and addresses. More specifically 12,500 donor names and addresses and 35,000 non-donor names and addresses.
 - b. Solicitation supplies consisting of stationery and envelopes.
 - c. The mailing list nor the solicitation supplies were never in Depoant possession or under any control or supervision Robert Stuber maintained possession of the list. Depoant did not participate in any purchase or development of the mailing list and therefore is unable to respond from personal knowledge when such list were obtained by the committee. Upon information furnished by the principal Robert Stuber and upon analysis of invoices and approximation of cost of the mailing list can be arrived. Americans United's list was created not purchased, as is usual and customary in the direct fund raising procedures.

Direct Mail Fund Raising Campaign produces a list of respondents broken down into donors and non-donors. Such is developed through mass mailings from multiple rental list. Certain organizations have access to such rental list. These are vendors of such services and in this case DeWeese Co., Inc. provided such services for a fee. The DeWeese Co., Inc. provided the services of list rental and Directech and Saturn Corp. developed a computer list identifying donors and non-donors. The final products were the computerized list furnished to Americans United.

Computer processes provided by Directech and Saturn resulted in payment of \$7,710.51. Cost of Rental list provided by DeWeese Co., Inc. division known as DeWeese List amount to \$77,086.63. Rental lists provided responses and contributions and provided for the development of Americans United permanent list, the subject matter of this inquiry. Such copy was developed by the DeWeese Co., Inc. at a cost of approximately \$48,912.17. Mailings were required for list development but primarily to produce contributions. Total mailing costs were \$92,310.86. Mailings were conducted by Northeast Printing also a division of the DeWeese Co., Inc. Based upon the above total list development cost amounted to \$125,709.14. Fund raising and as a result list development continued through December, 1988. There was no further action after this date. Other than debt reduction in early 1989 the PAC has been inactive.

d: Solicitations materials including paper but primarily envelopes were purchased for the PAC through the DeWeese co., Inc. probably by Northeast printing. The value amounted to approximately \$2,000.0. Further detail might well be developed through Robert Stuber and Thomas DeWeese or their staff.

92040905362

#2: The dollar value of the assets of Americans United:

a: A 47,500 person mailing list that is new and active sells at \$2.50 per donor and \$1.00 per non-donor. It is my understanding from calling local list companies that this is an average and fair price. The list price was as follows:

12,500 X \$2.50 =	\$31,250.00
35,000 X \$1.00 =	35,000.00
Total :	\$66,250.00

In my opinion the market value of this list far exceeds the sales price. Such evaluation is based upon the financial response factor.

The additional \$2750.00 was to pay for stationery and primarily 100,000 bond envelopes that were purchased and billed to the PAC for future mailings.

#3: Information regarding the copies of documents generated.

a: To my knowledge there was no sales contract.

b: To my knowledge bids were solicited verbally by Mr. Stuber within the small local direct marketing circle.

c: The only document available is a copy of the DeWeese Co., Inc. check #1466 dated 3/30/90

Answers were prepared based upon recollection, invoices and discussion with Robert Stuber. Advice was given to me from time to time by my father W.L. Hillwood, Jr., Esq. who counseled me essentially as to form of response. He has no independent knowledge of any factual matter.

Further deponent saith not.


Ruth Stoussant
Treasurer, Americans United

Sworn to and subscribed to
before me this 6 day of November, 1991.


Notary Public
State of Virginia County of Fairfax
Commission Expires 10-19-93

92040905363

THE DEWESE COMPANY, INC.
400 WILLIAMSBURG CT.
FAIRFAX, VA. 22033
PH. 703-928-8700

1466

3/30 90 ²⁻¹⁷
80

Pay to the order of American United Pac \$ 69009.58
Sixty Nine Thousand Eight & 58/100 Dollars

CREDIT
Crestor Bank
Alexandria, Virginia

last purchase

Thomas Dewese
President

⑆00001466⑆ - ⑆056001079⑆ 008071381⑆ ⑆006900858⑆

9 2 0 4 0 9 0 5 3 6 4



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MAY 27 11:20

SENSITIVE

May 27, 1992

JUN 2 1992

MEMORANDUM

EXECUTIVE SESSION

TO: The Commission

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

SUBJECT: Matters Under Review and Exercise of
Prosecutorial Discretion

I. BACKGROUND

In April 1992 this Office circulated a memorandum to the Commission containing a list of cases which we believed warranted the exercise of prosecutorial discretion by the closing of the file. The memorandum also invited the Commission to suggest additional cases for consideration of such action. Presented below are the cases included in our memorandum as well as those suggested to us by a Commissioner for inclusion (as denoted by an asterick).

This report recommends closing certain matters, not closing others, and holding one matter in abeyance. This Office's recommendations as to whether the file should be closed in each matter reflect numerous factors including our present workload, the age of the case, the amount of financial activity involved, and the seriousness of the violation. Closing cases under these circumstances should not necessarily be seen as a decision on how to handle similar cases in the future.

92040905366

PAGES 2-16 AND 18-32 DO NOT PERTAIN TO THESE RESPONDENTS.

92040905367

8) NUR 3371 (I) Americans United (Opened 8-13-91)

This unconnected committee was active only in the 1988 cycle. Left with a debt to its direct mail vendor and others, it sold its mailing list to the vendor for the total debt it owed. The suggestion from the investigation is that the amount paid by the vendor in fact exceeded the value of the list and so could be viewed as a contribution to the committee. On the other hand, the committee is defunct, the transaction took place long after the election, and the clear intent was not to subsidize any political activities but just to allow the committee to terminate while giving the vendor the committee's valuable list. An admonishment to the treasurer and particularly to the vendor would suffice to deter future such transactions and obviate the need to spend further resources on this matter. Therefore, this Office recommends that the Commission take no further action and close the file in this matter.

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III. RECOMMENDATIONS

1. Take no further action and close the file in:

- a) NUR 3177
- b) NUR 3419
- c) NUR 2745
- d) NUR 2934
- e) NUR 3099
- f) NUR 3127
- g) NUR 3271
- h) NUR 3371
- i) NUR 3441
- j) NUR 3482
- k) NUR 3151
- l) NUR 3239

2. Decline to open a Matter Under Review in:

- a) RAD Referral 92NF-02
- b) RAD Referral 91L-76
- c) Pre-NUR 245

3.

4. Approve the appropriate letters containing admonishment language.

92040905369

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Matters Under Review and Exercise) Agenda Document
of Prosecutorial Discretion) 8X92-43

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on June 2, 1992, do hereby certify that the Commission took the following actions with respect to the above-captioned matters:

1. Decided by a vote of 5-0 to
 - a) Take no further action and close the file in NUR 3177, NUR 3419, NUR 2745, NUR 3099, NUR 3127, NUR 3271, NUR 3371, NUR 3441, NUR 3462, NUR 3151, and NUR 3239.
 - b) Decline to open a Matter Under Review in RAD Referral 92NF-02, RAD Referral 91L-76, and Pre-NUR 245.
 - c)
 - d) Approve the appropriate letters containing admonishment language, as recommended in the General Counsel's report dated May 27, 1992.

Commissioners Aikens, Elliott, McGarry, Potter, and Thomas voted affirmatively for the decision; Commissioner McDonald was not present at the meeting.

(continued)

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2. Decided by a vote of 4-0 to take no further action and close the file in NUR 2934.

Commissioners Aikens, Elliott, McGarry, and Thomas voted affirmatively for the decision. Commissioner McDonald was not present at the meeting. Commissioner Potter recused with respect to NUR 2934 and did not cast a vote.

Attest:

6-4-92
Date

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

92040905371



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CLOSED

June 26, 1992

Thomas A. DeWeese
DeWeese Company, Inc.
12556 Garland Tree Court
Fairfax, VA 22033

RE: MUR 3371

Dear Mr. DeWeese:

On September 10, 1991, you were notified that the Federal Election Commission found reason to believe you violated 2 U.S.C. § 441a(a)(1)(C). On September 27, 1991, you submitted a response to the Commission's reason to believe finding.

After considering all the circumstances of the matter, and in the exercise of its prosecutorial discretion, the Commission determined on June 2, 1992, to take no further action against you, and closed the file. The Commission reminds you, however, that the payment to a political committee of an amount greater than the value of the mailing list transferred constitutes a contribution to the committee, and as such may be a violation of 2 U.S.C. § 441a(a)(1)(C). You should take immediate steps to insure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at
(202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

92040905372



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 26, 1992

Ruth Stormant, Treasurer
Americans United
3478 Mildred Drive
Falls Church, VA 22042

RE: NUR 3371

Dear Ms. Stormant:

On September 10, 1991, you were notified that the Federal Election Commission found reason to believe that Americans United and you, as treasurer, violated 2 U.S.C. § 441a(f). On October 31, 1991, you submitted a response to the Commission's reason to believe finding.

After considering all the circumstances of the matter, and in the exercise of its prosecutorial discretion, the Commission determined on June 2, 1992, to take no further action against Americans United and you, as treasurer, and closed the file. The Commission reminds you, however, that the sale of the mailing list for an amount greater than the value of the list constitutes the receipt of a contribution from the purchaser, and as such may be a violation of 2 U.S.C. § 441a(f). You should take immediate steps to insure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at
(202) 219-3400.

Sincerely,

Mark Allen
Attorney

9204905373



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3371

DATE FILMED 7/6/72 CAMERA NO. 4

CAMERA MAN E.E.S.