FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3541 merged with/ per MUR 260

DATE FILMED 12-14-94 CAMERA NO. 2

CAMERAMAN JMH

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PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011 • (202) 628-6600

May 15, 1992

92 MAY 15 PM 1:07

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

Dear Mr. Noble:

The Citizens for Schoemehl (the "Committee") herewith requests that the Commission institute a Matter Under Review to determine whether a contribution to the Committee was lawfully made under Section 441e of the Federal Election Campaign Act of 1971 as amended. The facts and circumstances surrounding this request are set out below.

One of the Committee's supporters, Mr. John Suarez, sought last year to arrange a contribution to the campaign. Mr. Suarez asked the Committee about the permissibility of a contribution from a business concern located overseas. Committee representatives then requested advice from the Office of the Missouri Secretary of State which stated to the campaign that under Missouri law, which he believed to be controlling, the contribution was lawful.

The Committee thereafter received a contribution in the amount of $25,000.00, transmitted by wire from an account overseas apparently located in London, England. Upon inquiry, the Committee was advised that the contribution was made by Tippins Development Ltd., a business concern known to Mr. Suarez.

Subsequent press reports raised the same issue of the permissibility of the contribution with the Secretary whose conclusion, publicly reported, was unchanged. Questions were also directed to the Federal Election Commission, however, whose Press Office advised of the application of § 441e to this contribution. The Committee then determined that, although the propriety of accepting the contribution was unclear, it would put the matter to rest for all immediate purposes by refunding the contribution.

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TELEX 44-0277 PCSO UI • FACSIMILE (202) 434-1690
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The Committee still seeks to have all outstanding questions clarified for the electorate in the State of Missouri, and it therefore seeks by this letter the institution of Commission proceedings to determine whether, in fact, this contribution was properly made.

Very truly yours,

Robert F. Bauer /SPB

Robert F. Bauer
Counsel
Citizens for Schoemehl

RFB:smb

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 20, 1992

Robert F. Bauer
Counsel
Citizens for Schoemehl
Perkins Coie
607 Fourteenth Street, N.W.
Washington, D.C. 20005-2011

RE: Pre-MUR 260

Dear Mr. Bauer:

This is to acknowledge receipt of your letter dated May 15, 1992, pertaining to the acceptance of a possibly prohibited contribution by Citizens for Schoemehl ("Committee"). The Committee will be notified as soon as the Commission takes action on the submission.

If you have any questions, please call me at (202) 219-3400. For your information, we have attached a brief description of the Commission's procedures for handling matters such as this.

Sincerely,

Xavier K. McDonnell
Attorney

Enclosure
Procedures

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RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM
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BEFORE THE
FEDERAL ELECTION COMMISSION

MUR 3541

MARC S. FARINELLA, CARNAHAN FOR
GOVERNOR CAMPAIGN,
7751 Carondelet, Suite 600
St. Louis, MO 63105

Complainant,

vs.

VINCENT C. SCHOEMEHL, Jr.,
Room 200, City Hall
Tucker and Market Streets
St. Louis, MO 63103

STUART SYMINGTON, JR., Treasurer
CITIZENS FOR SCHOEMEHL,
122 Kenrick Plaza
St. Louis, MO 63119

CITIZENS FOR SCHOEMEHL COMMITTEE,
122 Kenrick Plaza
St. Louis, MO 63119

JOHN M. SUAREZ,
59 Fair Oaks
St. Louis, MO 63124

JOSE ANTONIO BOVEDA,
Bilbao, Spain

MIDCO INDUSTRIES,
700 S. Spring
St. Louis, MO 63110

CHEMETCO,
Rt. 3 and Oldenberg Rd.
Hartford, IL 62048

CONCORDE TRADING COMPANY,
Rt. 3 and Oldenbert Rd.
Hartford, IL 62048

AND UNNAMED "FOREIGN NATIONALS"

Respondents,

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JUN 15 PM 3:21

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FORMAL COMPLAINT

Based on information and belief, the above complainant asserts the following:

1. Vincent C. Schoemehl, Jr. is presently serving as the Mayor of the City of St. Louis and is a candidate for the Democratic nomination for Governor of Missouri in the August 4, 1992 primary election.

2. Citizens for Schoemehl is the Missouri Campaign Finance Committee for said campaign registered with the Missouri Secretary of State's Office. Stuart Symington, Jr. is the designated treasurer of the Citizens for Schoemehl Committee. Respondent's campaign disclosure report for the period January 1, 1991 through December 31, 1991 was filed with the Missouri Secretary of State's office on January 15, 1992.

3. The report shows a $25,000.00 contribution from Tippins Development Ltd., London, England on April 29, 1991. Copies of the pertinent part of the campaign disclosure report are attached as Exhibit 1.

4. Because of the large amount of this contribution and the foreign address of the donor, the contribution became a target of investigation by newspaper reporters with the Kansas City Star and St. Louis Post Dispatch. Copies of these investigative reports are attached were appropriate as exhibits.

5. Prior to a May 10, 1992 Kansas City Star article, Catherine Behan, press spokesman for Schoemehl, repeatedly said that the campaign believed the contribution was legal. See Exhibit

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6. However, on May 13, 1992, the Schoemehl campaign announced that they would return the Tippins contribution. See Exhbit 3.

7. A spokesman for the campaign said the contribution would be returned to John M. Suarez, a St. Louis businessman who admitted to arranging the contribution. See Exhibit 4.

8. According to a story published in the May 21, 1992 St. Louis Post Dispatch, Suarez says the money did not come from him. Instead, Suarez says it came from Jose Boveda, a Spanish national. See Exhibit 5.

9. Boveda claims that he is the sole owner of Tippins Development, Ltd. However, extensive investigations by the St. Louis Post Dispatch, the Kansas City Star, as well as our own investigation have failed to reveal any evidence that the company now exists or has ever existed. See Exhibits 6A and 6B.

10. Additionally, in the May 21 story Suarez stated, "I asked Boveda how much he could raise. He raised $25,000, and I think some was from some other people." See Exhibit 7.

11. Based on the finance disclosure report as filed by the Schoemehl campaign and the statements of Suarez and Boveda, this is clearly laundered money.

12. John M. Suarez is also associated with three other contributions to Citizens for Schoemehl. These three contributions, each in the amount of $5000, came from Concorde Trading, Co. on January 13, 1992; Chemetco on January 10, 1992;

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and Midco Industries on January 13, 1992. A May 23, 1992 Kansas City Star article stated that all three of these companies are owned by a company in Belgium. See Exhibits 8A through 8D.

13. In the same article Suarez is noted as the chairman of Concorde and Chemetco. Suarez denies association with Midco, however, records from 1988 at the Secretary of State's office listed Suarez as a member of Midco's Board of Directors. See Exhibit 9.

14. Since Concorde, Chemetco, and Midco Industries are controlled by a Belgian holding company, these contributions as well as the Tippins contribution are in violation of the Federal Election Campaign Act 2 USC 441 (e,f,g), 432 (c)(2).

15. Complainant believes the contributions and course of conduct described above are unlawful pursuant to:

(a) Title 2, Section 441(e):

> "It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution in connection with an election to any political office or in connection with any primary election, convention or caucus held to select candidates for any political office, or for any person to solicit, accept or receive any such contribution from a foreign national".

(b) 11 CFR 110.4(a):

> (i) "A foreign national shall not directly, or through any other person, make a contribution, or an expenditure or expressly or impliedly promise to make a contribution, or an expenditure, in connection with a convention, a caucus, or a primary, general, special, or runoff election in connection with any local, State or Federal public office."

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(ii) "No person shall solicit, accept or receive a contribution as set out above from a foreign national."

(c) 11 CFR 110.4(b):

(1) No person shall:

(i) Make a contribution in the name of another;

(ii) Knowingly permit his of her name to be used to effect that contribution;

(iii) Knowingly help or assist any person in making a contribution in the name of another; or

(iv) Knowingly accept a contribution made by one person in the name of another.

16. As shown by Mr. Schoemehl's Campaign Disclosure Report, Mr. Schoemehl knowingly accepted a $25,000 contribution from Tippins Development Ltd. Mr. Schoemehl also knew Tippins principal place of business was in London, England, not in the United States. Mr. Schoemehl therefore had knowledge of the facts that establish a violation of the statute and is knowingly in violation of the statute.

17. Based on the description of the transactions by Suarez and Boveda as related in news accounts, the true source of the $25,000 contribution appears to have been cloaked in secrecy by a series of laundering transactions. In several news stories, Suarez has stated that the $25,000 consisted of bundled contributions presumably from various foreign nationals which was passed through Boveda, subsequently passed through an untraceable company called Tippins Development Ltd. and then on to the Schoemehl campaign. These transactions violate the prohibitions on making, assisting and accepting a contribution given in the name of another, as well

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as the provisions against soliciting, accepting, or receiving a contribution from a foreign national. The facts as set forth establish a violation of the statute.

18. Given the foreign ownership and control of Concorde Trading Co., Chemetco, and Midco Industries, the contributions from these companies violate Sec. 110.4 (a)(3), the statute prohibiting contributions from foreign nationals or entities over which foreign nationals "direct, dictate, control, or directly or indirectly participate in the decision-making process" of any person or corporation "with regard to such person's Federal or nonfederal election related activities."

WHEREFORE, Complainant requests the FEC:

1. Investigate the violations described above.

2. Order Respondent to refund all unlawful contributions immediately.

3. Take all such actions as are necessary to enforce the Federal Election Campaign Act and the Commissions's regulations, including collections of fines, civil penalties and injunctions.

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4. Given the fact that the above contributions impact an on-going primary election campaign which will end on August 4, 1992, the complainant respectfully requests that the Commission conduct its investigation and make its determinations as quickly as the relevant statutes permit.

Respectfully submitted,

By: _____

Marc S. Farinella
Carnahan for Governor Campaign
7751 Carondelet, Suite 600
St. Louis, MO 63105

VERIFICATION

STATE OF MISSOURI)
) ss:
COUNTY OF ST. LOUIS)

I, Marc S. Farinella, do state under oath that the facts set out in the above Formal Complaint are true and correct according to my best information, knowledge and belief.

_____

Subscribed and sworn to before me this 12th day of June, 1992.

_____
Notary Public

My Commission Expires: 11-11-93

MARY JANE WALLACE
NOTARY PUBLIC - STATE OF MISSOURI
CITY OF ST. LOUIS
MY COMMISSION EXPIRES NOVEMBER 11, 1993

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CITIZENS FOR SCHOEMEHL
MONETARY CONTRIBUTIONS RECEIVED OVER $100

CONTRIBUTOR	DATE	AMOUNT	AGGREGATE
Mr. & Mrs. Joseph L. Thompson, III	08/19/91	200.00	200.00
2951 Flame Light Court	/ /	0.00	
	/ /	0.00	
Mehville, MO 63129	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
H. Rick & Diane M. Tinucci	05/24/91	250.00	250.00
15906 Craddock Way	/ /	0.00	
	/ /	0.00	
Chesterfield, MO 63005	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Tippins Development Ltd.	04/29/91	25,000.00	25000.00
London, England	/ /	0.00	
	/ /	0.00	
,	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Ms. Karen Tokarz	10/02/91	50.00	550.00
4434 Laclede	11/20/91	500.00	
	/ /	0.00	
St. Louis, MO 63108	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Trans States Airlines, Inc.	05/24/91	500.00	500.00
D/B/A Trans World Express	/ /	0.00	
3990 Fee Fee Rd.	/ /	0.00	
Bridgeton, MO 63044	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	

Exhibit 1

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THE KANSAS CITY
UNDAY, May 10, 1992 MID-AMERICA EDITION

Gift to Schoemehl scrutinized

$25,000 donation seems to violate U.S. election law.

By RICH HOOD
Political Correspondent

St. Louis Mayor Vince Schoemehl accepted a campaign contribution of $25,000 last year from a company in England in apparent violation of federal law, an investigation by *The Kansas City Star* has found.

Schoemehl, a Democrat who is seeking his party's nomination for Missouri governor this year, listed in state reports that he received a contribution of $25,000 on April 29, 1991, from Tippins Development Ltd. of London.

Federal law prohibits campaign contributions by foreign nationals or foreign companies "in connection with a convention, a caucus, or a primary, general, special, or runoff election in connection with any local, state or federal public office."

The Schoemehl contribution showed up in a computer-assisted study of out-of-state contributions to the five major gubernatorial candidates.

Catherine Behan, press spokesman for Schoemehl, repeatedly said last week that the campaign thinks the Tippins contribution is legal. But on Saturday she said that because questions have been raised they will put the money in

See SCHOEMEHL, A-18, Col. 1

Schoemehl gift may violate law

Continued from A-1

escrow.

"The law we operate under is the Missouri campaign finance law," she said. "This contribution is legal, fully disclosed and completely reported under the Missouri finance law. Missouri law clearly says it is illegal if it is an anonymous source. This is not anonymous."

Fred Eiland, a spokesman for the Federal Election Commission, said the commission had jurisdiction in such cases.

He said typically the commission would wait for someone to file a complaint and then investigate. If the commission determines the contribution was illegal, it could require repayment of the contribution and a fine equivalent to the contribution.

On Friday, Behan said Schoemehl campaign officials questioned whether federal law would apply in this case.

The FEC provided documents to back Eiland's contention, including a report from the FEC's general counsel in a California case involving a contribution to a member of the San Francisco Board of Supervisors. In that case the counsel declared that federal law "extends to local and state elections as well as to federal elections."

Schoemehl

On Saturday, after repeated claims that the Tippins contribution was legal, the Schoemehl campaign altered its stance.

Behan said: "We have believed for over a year that this contribution was legal. Since it appears it raises questions, we will set this money aside. And we will seek an advisory opinion from the FEC.

"Under no circumstances will we take it as a personal income."

The Schoemehl camp insisted that the Tippins contribution was linked to St. Louis businessman John Suarez, but a spokesman said Suarez was traveling in Thailand and unavailable to give more details.

Behan said that if Suarez owns Tippins, his contribution would be legal as a U.S. citizen.

But she said no one in the campaign knew if Suarez does own or have an investment in Tippins.

"We don't know the exact information," Behan said. "When we received the money, we knew it was from a company associated with John Suarez, who is a major supporter of Rural 2000, which encourages trash-to-energy recycling and energy use."

The Star was unable to locate the Tippins company in London. It is not listed in the London telephone directory. The *Financial Times of London* could find no record of the company in its archives or in United Kingdom business directories.

Computerized checks of international business directories also showed no listings for Tippins Development Ltd.

Behan said last week that Tippins was associated with Concorde Co. and Chemetco Inc., both of Hartford, Ill. Suarez has invested in both companies, she said.

Later Behan read from a St. Louis business directory that identified Suarez as president of Concorde, a commercial division of Chemetco Inc.

"All I can tell you is that Tippins is affiliated with these companies," Behan said. Concorde and Chemetco each contributed $5,000 to Schoemehl last year.

Behan said Schoemehl's internal campaign documents provided no details on principals in Tippins. Only Suarez could provide that information, she said.

The Star's study also raised questions about a contribution of $8,500 to Lt. Gov. Mel Carnahan, the other major Democratic candidate for governor.

In January, Carnahan reported an $8,500 contribution to his campaign from the Korean Foreign Trade Association, which is made up of Korean nationals based in Washington.

Carnahan moved weeks ago to head off trouble. He amended his disclosure records on March 12 to delete the campaign contribution, which he said consisted of the association paying his expenses for a trade mission to Korea last November.

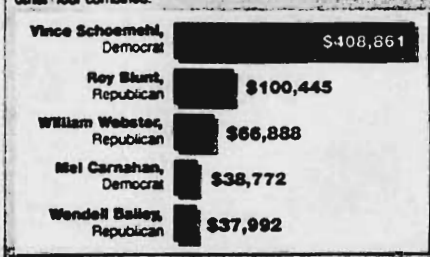
On April 28, Carnahan reported the $8,500 on his personal disclosure statement as a personal gift.

Carnahan said Friday that he discovered the mistake in his campaign disclosure as he was preparing to file his personal financial statement in April.

Computer analysis for this article was provided by Gregory S. Reeves, a member of the staff.

Beyond the borders

The five major candidates for Missouri governor raised $652,958 in 1991 from sources outside Missouri. St. Louis Mayor Vince Schoemehl, a Democrat, collected more than the other four combined.



These are itemized contributions. Generally they do not include contributions of services or items to help in campaign events or in raising funds.

Source: Campaign disclosure reports filed by candidates with the secretary of state.

The Star

Exhibit 2

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The Kansas City Star Wednesday, May 13, 1992

Schoemehl will give back questionable contribution

English company's gift appears to violate election law.

By RICH HOOD
Political Correspondent

St. Louis Mayor Vince Schoemehl decided Tuesday to return a $25,000 campaign contribution from an English company to halt questions about the legality of the gift.

Schoemehl's gubernatorial campaign had at first decided to seek an advisory opinion from the Federal Election Commissio after *The Kansas City Star* raised questions about the contribution in an article Sunday, said Catherine Behan, press spokesman for the campaign.

But that option was too costly, she said.

"The campaign decided to return the $25,000 by check," Behan said Tuesday night. "It's too expensive in terms of time and legal fees to fight this. We still believe it's a legal contribution."

Schoemehl, a Democrat who is seeking his party's nomination for Missouri governor this year, listed in state reports that he received a contribution of $25,000

See SCHOEMEHL, A-8, Col. 5

Schoemehl will return questionable donation

Continued from A-1

on April 29, 1991, from Tippins Development Ltd. of London.

Federal law prohibits campaign contributions by foreign nationals or foreign companies "in connection with a convention, a caucus, or a primary, general, special, or runoff election in connection with any local, state or federal public office."

The Star was unable to locate Tippins in a series of computerized searches of international business directories. The campaign was unable to provide information about the ownership of Tippins, although the campaign said it was somehow connected to John Suarez, a St. Louis businessman interested in waste-to-energy recycling plans proposed by Schoemehl.

A spokesman for Schoemehl said the check would be given to Suarez, who would then be instructed to return it to Tippins because the campaign itself does not know who or what Tippins is.

"We will not be able to determine the ownership situation until Friday," Behan said.

A secretary at Suarez's Hartford, Ill., company said Suarez would not be back in his office until Monday. Behan said Suarez had been in Thailand and had since traveled to another country.

Marc Farinella, campaign manager for Lt. Gov. Mel Carnahan, the other major Democratic candidate for governor, sneered at the Schoemehl decision to return the money.

"Schoemehl is clearly trying to hide something here," Farinella said. "There needs to be an investigation into this matter, and I think it's becoming increasingly apparent that there will be one. If Schoemehl thinks he is going to avoid an investigation by returning this contribution, he is wrong."

Farinella said it appears Schoemehl filed false information on his disclosure report.

"State law requires him to disclose where it came from, and on his last financial disclosure report he claimed it came from a company called Tippins," Farinella said. "But now no one has been able to prove that Tippins even exists. The voters of Missouri have a right to know what is going on."

Behan said Farinella's comments were ridiculous.

"FEC officials have said they do not think this is an illegal contribution . . . We are without doubt going to find out exactly what happened. We are trying to keep this from distracting the campaign unduly. We have more important work to do."

Commission spokesman Fred Eiland has told *The Star*, however, that the contribution appears questionable.

If the agency found that the contribution was illegal, it could force refunding of the contribution and assess a penalty of up to $25,000.

Exhibit 3

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ST. LOUIS POST-DISPATCH
LOUIS/WEDNESDAY
• WEDNESDAY, MAY 13, 1992

Schoemehl Says He'll Return $25,000 Contribution

By Jo Mannies
and Charlotte Grimes
Of the Post-Dispatch Staff

St. Louis Mayor Vincent C. Schoemehl Jr. says he's returning a $25,000 campaign contribution from Tippins Development Ltd. of London because of questions raised about its legality.

But a spokesman for the Federal Elections Commission said Tuesday that the contribution might be legal after all, because the firm appears to be headed and run solely by a Ladue businessman, John M. Suarez.

According to the FEC, federal law bars a foreign corporation or foreign nationals from contributing to any political campaigns in the U.S. — including state and local elections normally not under the jurisdiction of the FEC.

According to Britain's Department of Trade and Industry, no company under the name of Tippins is registered to do business in England, Wales, Scotland or Northern Ireland. A check of records going back 20 years revealed no registration under that name, said a department official.

That does not mean the company does not exist, the official said. Both American and British companies are expected to register, the official said, unless the company is a one-person operation called a "sole trader."

If Tippins is a one-person operation, it might not show up in the registry.

Tippins also is not listed in the London business directory. The company also could not be traced through the U.S. Department of Commerce.

If Suarez, an American citizen, runs Tippins as a private business unincorporated overseas, his firm's campaign contributions are legal, regardless of its address, the FEC spokesman said.

The spokesman, Fred Eiland, emphasized that the FEC would not issue a formal opinion on the Tippins contribution unless a formal complaint was filed. He said he was barred from saying whether a complaint had been filed regarding the Tippins contribution; Schoemehl and a spokesman Missouri election officials said Tuesday that they understood that no complaint had been filed.

Schoemehl, a Democratic hopeful for governor, said he was sending the money back to Suarez to end any dis-

See SCHOEMEHL, Page 13

Schoemehl

From page one

pute over the issue. He said he was asking the businessman — a longtime contributor — to make future donations from his U.S. companies.

"This is simply to clarify any questions," the mayor said. "We've always disclosed everything."

The contribution, first reported by the Post-Dispatch in January, made the front page last Sunday in the Kansas City Star. The newspaper contended that the contribution might violate federal law.

A spokesman for Secretary of State Roy Blunt, the state's top elections official, has maintained since February that the contribution is legal under Missouri law.

Jackson County Democratic Chairman Mike Martin said the story had damaged Schoemehl's campaign efforts in the Kansas City area. "He's going to have to do some damage control," Martin said, explaining that area [illegible] on foreign [illegible]

[illegible] contribution [illegible] Schoemehl's [illegible] in the [illegible] report [illegible]

The firms are:

- Chemetco Inc. of Hartford, Ill., a copper wholesaler and refiner, which gave $5,000. Suarez is on the firm's board of directors.
- Concorde Trading Co., a subsidiary of Chemetco and headed by Suarez. Concorde, which also gave $5,000 to the mayor's campaign, deals in metals trading, according to Sorkins Business Directory.
- Tippins Development Ltd. of London, which gave $25,000. The mayor's campaign report does not list officers, but Schoemehl contends that Suarez is the firm's president.

Industry directories indicate that all of the firms are involved in the recycling of metals. Schoemehl says Suarez supports the mayor's proposal for rural economic development, which centers on the creation of recycling plants around the state.

The Post-Dispatch has been unable to reach Suarez for comment. A spokeswoman for Concorde said he was out of the country.

The campaign manager for Schoemehl's chief Democratic opponent, Lt. Gov. Mel Carnahan, contended that questions remained and that returning the Tippins contribution was not enough.

"There's something fishy going on, and the voters have a right to know," said Mark Farinella, the campaign manager.

He contended that Schoemehl "either lied on his report, or the report is true and it is an illegal contribution, or the money has been laundered through a third party. Those are the only possibilities."

Exhibit 4

ST. LOUIS POST-DISPATCH

Copyright 1992 THURSDAY, MAY 21, 1992 (1) 5-STAR 50¢

Donation To Mayor Is Traced

Spanish Businessman Contributed $25,000

By Tim O'Neil
Of the Post-Dispatch Staff

A Spaniard whose company donated $25,000 to Mayor Vincent C. Schoemehl Jr.'s gubernatorial campaign said Wednesday that he made the contribution as a personal favor to a business partner in St. Louis.

Jose Boveda of Bilbao, Spain, said he did not understand until later from the partner — John M. Suarez of Ladue — that the money was for a political candidate.

Boveda said in a telephone interview from Spain that he and Suarez have been friends for a "very, very long" time.

He said he didn't know the money was for a political candidate. "I was told to do it, and I did," he said. "If it was for good ends, I don't mind."

Boveda says he is the sole owner of Tippins Development Ltd. of London.

Suarez said during a separate, earlier interview Wednesday that he had persuaded Boveda to donate the money because Boveda owed him a favor and they both are in the metals recycling business, an industry that Schoemehl is proposing to develop if he is elected governor.

Their explanations provide the latest twist in a running political spat

Vincent C. Schoemehl Jr.
Seeking FEC advisory opinion

over the $25,000 that Schoemehl's campaign reported having received on April 29, 1991, from Tippins.

The money trail is significant because federal election law prohibits foreign corporations or foreign nationals from contributing to American political campaigns. Missouri law has no such prohibition, but a spokesman for the Federal Election Commission said that federal restriction covers all state and local races as well.

The FEC's opinion now is shared by the office of Missouri Secretary of State Roy Blunt, the state's chief elections official, following recent discussions between the two agencies.

Schoemehl says he has returned the money to Suarez, who in turn said he planned to send it back to Boveda. In a letter dated May 14, the mayor also has asked the FEC for an advisory opinion on the contribution.

The campaign of Lt. Gov. Mel Carnahan, the mayor's chief rival for the Democratic nomination for governor

SCHOEMEHL, Page 17

Exhibit 5

Schoemehl

From page one

in the primary Aug. 4, calls the episode a scandal and accuses Schoemehl of trying to "bury the issue."

Carnahan had announced plans to file a formal complaint Tuesday with the FEC. But on Wednesday, a campaign aide said that Carnahan had postponed his request for an FEC investigation until the campaign had completed its own investigation.

Last week, Schoemehl's campaign aides said they believed that Suarez was the sole owner of Tippins. An FEC spokesman said then that if Suarez, an American, owned Tippins, the contribution was legal. Boveda's ownership, since he is a foreigner, would appear to make the contribution illegal under federal law.

Schoemehl said his campaign received the contribution through a wire transfer from Tippins in London, but said he knew nothing about Boveda or Boveda's dealings with Suarez.

Schoemehl described Suarez as a friend and supporter and said their wives also know each other socially.

Boveda said Tippins is a trading company and one of his many enterprises in the recycling trade.

Suarez and Boveda are owners of a company in Spain that recycles metals in that country. But they said that firm is not connected with Tippins.

Suarez's explanation of the contribution is as follows:

"Schoemehl asked me to raise some money for his campaign. I asked him, 'Could I get the money from Europe?' He said he checked with somebody and said it was all right.

"I asked Boveda how much he could raise. He raised $25,000, and I think some was from some other people. I do business in Europe and have done these guys a lot of favors. I asked them to do this."

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Schoemehl said Wednesday, "I receive contributions that other people raise for me all the time. I can't possibly know the interrelations of all the people involved in that. I don't know Boveda; I've never met him."

Suarez has donated to Schoemehl's campaigns since 1988, when he met the mayor through Rep. Jerry Costello, D-Ill., who at that time was St. Clair County, Ill., Board chairman. In 1990, Suarez informally advised Schoemehl on the city's longstanding effort to build a plant to generate steam or electricity by burning trash.

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Suarez, 47, says he is chairman of Concorde Trading Co. and Chemetco Inc., both of Hartford, Ill. Chemetco processes scrap metal for sale, and Concorde buys and sells metal. Suarez said a holding company in France owns both companies.

Suarez and the two companies have donated $10,000 to Schoemehl's campaigns. In 1989, Suarez and other company employees donated money to Peter Percich's unsuccessful campaign for comptroller. Many city politicians said that Schoemehl put Percich in the race to help Comptroller Virvus Jones defeat another challenger, alderman Stephen J. Conway, D-8th Ward. Schoemehl and Percich have denied that.

Suarez said he supports Schoemehl's political career because "he's 100 percent for recycling and because he is very interested in minority issues. I like his approach."

Suarez said he was born in the Carondelet area of St. Louis and moved to East St. Louis when he was 5. He said he went to the old Assumption High School and graduated from the University of Missouri at Rolla in 1967 with a degree in metallurgical engineering.

He said he worked for Laclede Steel Co. after graduation and then got into the recycling business about 15 years ago. He apparently has done well. In November 1991, he and his wife, Lee, bought a second home in Ladue for $1.8 million, according to St. Louis County property records.

"I hate this" flap over the contribution, Suarez said. "I'm real apologetic to Vince."

Jo Mannies of the Post-Dispatch staff contributed information for this story.

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Exhibit 5

9 4 0 4 3 5 9 5 4 9 2

ST. LOUIS POST-DISPATCH

OUIS/WEDNESDAY

• WEDNESDAY, MAY 13, 1992

Schoemehl Says He'll Return $25,000 Contribution

By Jo Mannies
and Charlotte Grimes
Of the Post-Dispatch Staff

St. Louis Mayor Vincent C. Schoemehl Jr. says he's returning a $25,000 campaign contribution from Tippins Development Ltd. of London because of questions raised about its legality.

But a spokesman for the Federal Elections Commission said Tuesday that the contribution might be legal after all, because the firm appears to be headed and run solely by a Ladue businessman, John M. Suarez.

According to the FEC, federal law bars a foreign corporation or foreign nationals from contributing to any political campaigns in the U.S. — including state and local elections normally not under the jurisdiction of the FEC.

According to Britain's Department of Trade and Industry, no company under the name of Tippins is registered to do business in England, Wales, Scotland or Northern Ireland. A check of records going back 20 years revealed no registration under that name, said a department official.

That does not mean the company does not exist, the official said. Both American and British companies are expected to register, the official said, unless the company is a one-person operation called a "sole trader."

If Tippins is a one-person operation, it might not show up in the registry.

Tippins also is not listed in the London business directory. The company also could not be traced through the U.S. Department of Commerce.

If Suarez, an American citizen, runs Tippins as a private business unincorporated overseas, his firm's campaign contributions are legal, regardless of its address, the FEC spokesman said.

The spokesman, Fred Eiland, emphasized that the FEC would not issue a formal opinion on the Tippins contribution unless a formal complaint was filed. He said he was barred from saying whether a complaint had been filed regarding the Tippins contribution; Schoemehl and a spokesman Missouri election officials said Tuesday that they understood that no complaint had been filed.

Schoemehl, a Democratic hopeful for governor, said he was sending the money back to Suarez to end any dis-

See SCHOEMEHL, Page 13

Schoemehl

From page one

pute over the issue. He said he was asking the businessman — a longtime contributor — to make future donations from his U.S. companies.

"This is simply to clarify any questions," the mayor said. "We've always disclosed everything."

The contribution, first reported by the Post-Dispatch in January, made the front-page last Sunday in the Kansas City Star. The newspaper contended that the contribution might violate federal law.

A spokesman for Secretary of State Roy Blunt, the state's top elections official, has maintained since February that the contribution is legal under Missouri law.

Jackson County Democratic Chairman Mike Martin said the story had damaged Schoemehl's campaign efforts in the Kansas City area. "He's going to have to do some damage control," Martin said, explaining that area voters frown on foreign campaign contributions.

[illegible] contributed [illegible] to Schoemehl's campaign last year, according to the mayor's campaign finance report filed in January.

The firms are:

- Chemelco Inc. of Hartford, Ill., a copper wholesaler and refiner, which gave $5,000. Suarez is on the firm's board of directors.
- Concorde Trading Co., a subsidiary of Chemelco and headed by Suarez. Concorde, which also gave $5,000 to the mayor's campaign, deals in metals trading, according to Sorkins Business Directory.
- Tippins Development Ltd. of London, which gave $25,000. The mayor's campaign report does not list officers, but Schoemehl contends that Suarez is the firm's president.

Industry directories indicate that all of the firms are involved in the recycling of metals. Schoemehl says Suarez supports the mayor's proposal for rural economic development, which centers on the creation of recycling plants around the state.

The Post-Dispatch has been unable to reach Suarez for comment. A spokeswoman for Concorde said he was out of the country.

The campaign manager for Schoemehl's chief Democratic opponent, Lt. Gov. Mel Carnahan, contended that questions remained and that returning the Tippins contribution was not enough.

"There's something fishy going on, and the voters have a right to know," said Mark Farinella, the campaign manager.

He contended that Schoemehl "either lied on his report, or the report is true and it is an illegal contribution, or the money has been laundered through a third party. Those are the only possibilities."

Exhibit 6a

OPINION

A $25,000 question

The response of the Vince Schoemehl campaign to revelations of a $25,000 contribution from a London company — a company no one can find — is very peculiar. Schoemehl, the St. Louis mayor who is a Democratic candidate for Missouri governor, reported the contribution on his state campaign finance reports.

The donation may be illegal because of federal law which bans candidates from taking contributions by foreign companies or nationals. The Schoemehl campaign contended that acceptance of the money is proper.

But campaign managers have been unable to verify that the company exists, who its principal owners are, or what their connection to Schoemehl is.

An independent checking, *The Star*, which revealed the donation, couldn't find any information such as location of the company through normal sources such as the telephone directory and business directories.

Now, in an about-face, Schoemehl's campaign managers decided to give the money back. Trouble is, they don't know who to return it to. They are going to send it back through a St. Louis businessman, John Suarez, who supposedly arranged for the contribution to Schoemehl from the company, Tippins Development Ltd. of London.

All this goes beyond believable. A candidate for governor accepts $25,000 from someone and doesn't know anything about the contributor? Or what is expected in return for a donation this size? Come on. The FEC should investigate this very thoroughly. Return of this money does not absolve the campaign of any questions of impropriety — or illegality.

The Schoemehl camp should come clean with the voters. When a person who wants to run the state of Missouri starts dealing with a $25,000 contributor from across the ocean with nebulous ties to Missouri, alarm bells should go off. Particularly when the candidate professes little knowledge of this donation's origins.

Schoemehl should answer why he would take that much money from a single source and then claim to know nothing about who gave it to him.

Exhibit 6B

ST. LOUIS POST-DISPATCH

Copyright 1992 THURSDAY, MAY 21, 1992 (1) 5-STAR 50¢

Donation To Mayor Is Traced

Spanish Businessman Contributed $25,000

By Tim O'Neil
Of the Post-Dispatch Staff

A Spaniard whose company donated $25,000 to Mayor Vincent C. Schoemehl Jr.'s gubernatorial campaign said Wednesday that he made the contribution as a personal favor to a business partner in St. Louis.

Jose Boveda of Bilbao, Spain, said he did not understand until later from the partner — John M. Suarez of Ladue — that the money was for a political candidate.

Boveda said in a telephone interview from Spain that he and Suarez have been friends for a "very, very long" time.

He said he didn't know the money was for a political candidate. "I was told to do it, and I did," he said. "If it was for good ends, I don't mind."

Boveda says he is the sole owner of Tippins Development Ltd. of London.

Suarez said during a separate, earlier interview Wednesday that he had persuaded Boveda to donate the money because Boveda owed him a favor and they both are in the metals recycling business, an industry that Schoemehl is proposing to develop if he is elected governor.

Their explanations provide the latest twist in a running political spat

Vincent C. Schoemehl Jr.
Seeking FEC advisory opinion

over the $25,000 that Schoemehl's campaign reported having received on April 29, 1991, from Tippins.

The money trail is significant because federal election law prohibits foreign corporations or foreign nationals from contributing to American political campaigns. Missouri law has no such prohibition, but a spokesman for the Federal Election Commission said that federal restriction covers all state and local races as well.

The FEC's opinion now is shared by the office of Missouri Secretary of State Roy Blunt, the state's chief elections official, following recent discussions between the two agencies.

Schoemehl says he has returned the money to Suarez, who in turn said he planned to send it back to Boveda. In a letter dated May 14, the mayor also has asked the FEC for an advisory opinion on the contribution.

The campaign of Lt. Gov. Mel Carnahan, the mayor's chief rival for the Democratic nomination for governor

See SCHOEMEHL, Page 17

Exhibit 7

Schoemehl

From page one

in the primary Aug. 4, calls the episode a scandal and accuses Schoemehl of trying to "bury the issue."

Carnahan had announced plans to file a formal complaint Tuesday with the FEC. But on Wednesday, a campaign aide said that Carnahan had postponed his request for an FEC investigation until the campaign had completed its own investigation.

Last week, Schoemehl's campaign aides said they believed that Suarez was the sole owner of Tippins. An FEC spokesman said then that if Suarez, an American, owned Tippins, the contribution was legal. Boveda's ownership, since he is a foreigner, would appear to make the contribution illegal under federal law.

Schoemehl said his campaign received the contribution through a wire transfer from Tippins in London, but said he knew nothing about Boveda or Boveda's dealings with Suarez.

Schoemehl described Suarez as a friend and supporter and said their wives also know each other socially.

Boveda said Tippins is a trading company and one of his many enterprises in the recycling trade.

Suarez and Boveda are owners of a company in Spain that recycles metals in that country. But they said that firm is not connected with Tippins.

Suarez's explanation of the contribution is as follows:

"Schoemehl asked me to raise some money for his campaign. I asked him, 'Could I get the money from Europe?' He said he checked with somebody and said it was all right.

"I asked Boveda how much he could raise. He raised $25,000, and I think some was from some other people. I do business in Europe and have done these guys a lot of favors. I asked them to do this."

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Suarez has donated to Schoemehl's campaigns since 1985, when he met the mayor through Rep. Jerry Costello, D-Ill,. who at that time was St. Clair County, Ill., Board chairman. In 1990, Suarez informally advised Schoemehl on the city's longstanding effort to build a plant to generate steam or electricity by burning trash.

Schoemehl said he called Suarez back then about the possibility of extracting scrap metal from the trash prior to burning. Suarez said he eventually would like to bid on that business if the city — or Missouri — ever gets into it.

"I feel my companies are well positioned for that business," Suarez said.

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Suarez and the two companies have donated $10,000 to Schoemehl's campaigns. In 1989, Suarez and other company employees donated money to Peter Percich's unsuccessful campaign for comptroller. Many city politicians said that Schoemehl put Percich in the race to help Comptroller Virvus Jones defeat another challenger, alderman Stephen J. Conway, D-8th Ward. Schoemehl and Percich have denied that.

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"I hate this" flap over the contribution, Suarez said. "I'm real apologetic to Vince."

Jo Mannies of the Post-Dispatch staff contributed information for this story.

Exhibit 7

CITIZENS FOR SCHOEMEHL
MONETARY CONTRIBUTIONS RECEIVED OVER $100

CONTRIBUTOR	DATE	AMOUNT	AGGREGATE
Complete Medical Care, Inc.	05/25/91	500.00	500.00
1031 Bellevue No. 300	/ /	0.00	
	/ /	0.00	
St. Louis, MO 63117	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Ms. Gail Compton	09/16/91	30.00	300.00
1230 Sidney	11/18/91	250.00	
	01/10/92	20.00	
St. Louis, MO 63104	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Mr. William F. Compton	11/18/91	250.00	250.0C
06 Horseshoe Ridge	/ /	0.00	
	/ /	0.00	
Chesterfield, MO 63005	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Mr. Emmett Concannon	01/09/92	750.00	750.0C
2350 Market	/ /	0.00	
	/ /	0.00	
St. Louis, MO 63110	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Concorde Trading Company	01/13/92	5,000.00	5000.0
P. O. Box 8	/ /	0.00	
	/ /	0.00	
Hartford, IL 62048	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	

CITIZENS FOR SCHOEMEHL
MONETARY CONTRIBUTIONS RECEIVED OVER $100

CONTRIBUTOR	DATE	AMOUNT	AGGREGATE
Ms. Carmen D. Cervantes	06/12/91	500.00	500.00
52 Maryland Plaza	/ /	0.00	
	/ /	0.00	
St. Louis, MO 63108	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Earl S. Changar, O.D., F.A.A.O., P.C.	05/09/91	250.00	250.00
35 No. Central	/ /	0.00	
	/ /	0.00	
Clayton, MO 63105	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Mart Imports, Inc.	05/24/91	250.00	500.00
616 No. McKnight Rd.	01/09/92	250.00	
	/ /	0.00	
St. Louis, MO 63132	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Chemetco	01/10/92	5,000.00	5000.0
P. O. Box 67	/ /	0.00	
	/ /	0.00	
Hartford, IL 62048	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Mr. & Mrs. David Childers	05/20/91	50.00	350.0
Route 8, Box 8261	10/25/91	300.00	
	/ /	0.00	
Ozark, MO 65721	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	

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CITIZENS FOR SCHOEMEHL
MONETARY CONTRIBUTIONS RECEIVED OVER $100

CONTRIBUTOR	DATE	AMOUNT	AGGREGATE
Mid America Health Network, Inc.	12/11/91	200.00	200.00
2300 Main, Suite 1090	/ /	0.00	
	/ /	0.00	
Kansas City, MO 64108	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Mid Continent Marco, Inc.	10/25/91	500.00	500.00
3403 W. Mt. Vernon	/ /	0.00	
	/ /	0.00	
Springfield, MO 65802	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Midco Industries	01/13/92	5,000.00	5000.00
700 S. Spring	/ /	0.00	
	/ /	0.00	
St. Louis, MO 63110	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Midcoast Aviation, Inc.	01/09/92	500.00	500.00
P. O. Box 10056	/ /	0.00	
	/ /	0.00	
St. Louis, MO 63145	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Midland Development Group, Inc.	09/25/91	500.00	500.00
12655 Olive Boulevard, Suite 200	/ /	0.00	
	/ /	0.00	
St. Louis, MO 63141	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	

Big supporter of Schoemehl shies away from attention

John M. Suarez has amassed a fortune in recycling business

By PRINGLE PIPKIN and RICH HOOD
Staff Writers

ST. LOUIS — John Manuel Suarez is proud of rising from poverty on St. Louis' east side to his present status as a globe-trotting engineer who made his fortune in recycling and reclaiming usable metals from scrap.

Suarez

Suarez has been a major campaign contributor to St. Louis Mayor Vince Schoemehl since 1985, but he has preferred to maintain a low profile while doing it.

At the University of Missouri-Rolla, where he earned a degree in metallurgy while working as a caddy at the Rolla Country Club, Suarez chose not to have a picture or biography included in his senior yearbook in 1967. Instead, only his name and major were printed in a list of graduates.

Even at home, Suarez doesn't give out much information about his business. A woman who lived next door to the Suarez family for several years in an affluent Ladue neighborhood said that, although the families were friends, she didn't even know what type of business John Suarez was in.

Suarez was hesitant when asked by *The Star* about his business associations declining to explain his ties to several metal recycling companies in the St. Louis area and saying only that what had been previously reported was correct.

Suarez said he had been a longtime contributor to Schoemehl. But disclosure documents show that he has filtered the loans or contributions through friends or companies, so that the donations rarely appear in his name. For instance, Concorde Trading Co., of which Suarez is president, gave $2,500 to Schoemehl's mayoral campaign in 1989.

On Schoemehl's campaign financial report, which listed donors in alphabetical order, Concorde was listed with the "Su's" — where Suarez would have been — instead of the "C's."

Suarez, who has been interviewed in trade magazines for his successes in claiming usable metals from scrap, received an honorary degree from the University of Missouri-Rolla in 1984 for his business accomplishments.

After graduating from the university at Rolla he worked at Laclede Steel in Alton, Ill. In 1969 he joined Chemetco in Hartford, Ill., as a laboratory supervisor. Later, he worked up to plant manager and president before becoming chairman of the company.

The *Alton Telegraph* reported that Suarez was head of all North American activities of Chemetco, a Belgian company.

Schoemehl said Suarez frequently travels overseas as part of his business, which appears to have done well. Last winter, Suarez and his wife, Lee, sold their large, gingerbread-style house in Ladue for $300,000, paid off the mortgage and bought a sprawling English estate-type home for $1.8 million in an even more affluent section of Ladue. No deed of trust showed up for the new home at the St. Louis County Recorder of Deeds office. Officials in the office said that meant the house probably was paid for in cash.

Companies that contributed have questionable histories

Continued from A-1

program known as "Rural 2000," a plan to create jobs, establish recycling and create waste-to-energy centers in the state.

If he is successful, Suarez said, "I am well-positioned to take some kind of profit from it."

Suarez denies having problems with environmental laws but said "I don't believe in all the rules of the environment."

The largest contribution was $23,000 that Suarez obtained for Schoemehl from Tippins Development Ltd. of London, England, that appears to violate the federal ban on foreign nationals or companies making contributions to U.S. candidates at the local, state or federal level. Tippins is owned by a Spaniard who is a friend and business partner in Spain with Suarez.

Sharon Snyder, a spokeswoman for the Federal Election Commission, said contributions to American candidates from foreign companies are illegal.

The three other companies, although located in the United States, are owned by a company in Belgium. Under some interpretations of election laws, Snyder said, that could mean their contributions could have the same legal problem as the Tippins contribution.

Bob Bauer, a lawyer for the Schoemehl campaign in Washington, said the Federal Election Commission questions were stretching the interpretation of law.

"It is assumed, absent evidence to the contrary, as long as the company making the contribution is a U.S.-incorporated subsidiary, then the contribution is lawful. That assumption applies on all the facts that are known in this matter."

The companies that made contributions:

- **Chemetco**, a metal recycling company in Hartford, Ill., contributed $5,000 to Schoemehl Jan. 10 this year during the mayor's last-minute fund-raising drive before filing his Jan. 15 disclosure report.

Illinois and federal officials said Chemetco is owned by a Belgian company, Chemetco, of which Suarez is chairman, has a long history of environmental violations and is under investigation by the Environmental Protection Agency.

- **Midco Industries**, a smelting operation in St. Louis, contributed $5,000 to Schoemehl on Jan. 13. Suarez was listed in Missouri records from 1988 as a member of the board of directors of Midco.

Correspondence in St. Louis' air pollution agency files indicate Midco is owned by the same Belgian company that owns Concorde Trading Co. and Chemetco. Efforts to reach Midco officials to comment on the contribution were unsuccessful.

The company's charter to operate in Missouri was canceled in 1989 because it failed to file proper reports with the state.

Midco officials say they refine metals purchased by Concorde Trading Co., a Hartford, Ill., company that has offices with Chemetco in Hartford.

- **Concorde Trading Co.**, of Hartford, Ill., contributed $5,000 to Schoemehl on Jan. 13, the same day as the Midco contribution. Suarez is listed as chairman of Concorde, which acts as a commodities broker for Chemetco.

Suarez has said a foreign company owns Concorde, but he did not identify the company.

A Concorde spokesman said on

See BUSINESSMAN, A-21

Doubt hangs over gifts to Schoemehl

Contributor with foreign ties creates legal questions for candidate

By RICH HOOD and PRINGLE PIPKIN
Staff Writers

ST. LOUIS — An additional $15,000 in campaign contributions to St. Louis Mayor Vince Schoemehl has been linked to a St. Louis businessman who wants to install and operate waste-to-energy parks if Schoemehl is elected governor.

John M. Suarez, 47, who has ties to a $25,000 contribution from an English company that previously was called into question, also is associated with three companies that contributed $5,000 each.

- John M. Suarez, a major campaign contributor to St. Louis Mayor Vince Schoemehl since 1985 prefers to maintain a low profile. A-20

One of those three companies has had problems with environmental laws, one is not legally certified to do business in the state and questions have been raised about the legality of contributions from all three under some interpretations of election laws.

The Schoemehl campaign insists the contributions are legal and that Suarez has not profited as a result of them.

Schoemehl, a Democrat, has said that if he is elected one of his priorities will be to establish a

See COMPANIES, A-20, Col. 1

Exhibit 6D

9 4 0 4 3 5 9 5 5 0 0

Businessman says Schoemehl told him donations were legal

Continued from A-20

Friday that he was not authorized to comment about the legality of the contribution.

St. Louis businessmen and Missouri and Illinois officials said the foreign company is Metallo-Chimique, the same Belgian company linked to Chemetco and Suarez.

An official of Metallo-Chimique in Belgium refused to give details about the company's relationship to Chemetco and Suarez. However, the official said Suarez was meeting that afternoon with the Belgian company's board of directors.

Suarez, who talked with *The Kansas City Star* on Monday, did not return telephone calls Tuesday, Thursday or Friday.

Robert Fitzgerald of Alton, an attorney for Chemetco, refused comment Friday.

Mayor's request

Suarez said he arranged for the $25,000 contribution from Tippins for Schoemehl at the mayor's request. Suarez referred to other contributions to the mayor by noting, "I wanted to do whatever I could for Schoemehl for two reasons. One of them is the recycling. I have made all my money in that. The recycling program will bring a lot more things into the economy."

Suarez said his second reason for supporting Schoemehl is that he believes Schoemehl would be good for assisting minorities to gain an economic foothold in the state.

Suarez said he had no idea that any of the contributions to Schoemehl might be illegal. He said Schoemehl said his campaign had checked the legality of contributions from foreign nationals and told him there was no legal problem.

After *The Star* disclosed problems with the Tippins contribution, Schoemehl returned it to Suarez and sought an advisory opinion from the Federal Election Commission on the legality of the contribution.

Lt. Gov. Mel Carnahan, the other major Democratic candidate for governor, announced he would file an official complaint against Schoemehl for accepting the Tippins contribution in the first place.

Environmental problems

Chemetco, a metal recycling company, has a long record of environmental offenses and of dragging its feet in getting them cleaned up, according to the Illinois Environmental Protection Agency.

Chemetco has violated air, land and water pollution laws over the last decade.

The company has paid $80,000 in EPA penalties, has a $50,000 penalty pending and has received notification from the EPA that the agency is investigating the plant.

Since 1982, investigators have found numerous problems at Chemetco. Among them:

- Improper storage of hazardous waste.
- Leaching of toxic substances, such as lead and cadmium into soil and ground water.
- Pollution of a nearby tributary of the Mississippi River by dumping too many metals in its waste water and not telling the state of the company's breach of its effluent permit.
- Excessive lead particles being discharged into the air.
- Operation of metal-burning furnaces without a permit. Chemetco could not meet the air pollution standards to receive permits so it has run the furnaces without them, according to Mike Grant, an environmental protection specialist with the EPA's regional office in Collinsville.

Kendall Magnuson, an environmental scientist in Chicago with the federal EPA, said his agency recently got involved because the violations were serious and Chemetco "has a history" of being uncooperative with environmental regulators.

One major concern, Magnuson said, is lead pollution, which can damage the liver, central nervous system and potentially cause cancer in people exposed to the contaminated air.

EPA officials said the agency is negotiating with Chemetco to install $2 million worth of equipment to trap the lead pollutants.

Suarez also is a former partner in another company at the Chemetco site, Triangle Metallurgical. Triangle paid a $50,000 federal penalty after the EPA found that it had illegally shipped toxic waste to Spain in 1989. Jose Bovoda, the Spaniard who gave Suarez the $25,000 Tippins contribution for Schoemehl's campaign, runs the company that received the waste.

Another company Suarez is connected to has a problem. The Missouri secretary of state revoked Midco's right to run a business in the state in 1989. Technically, a business should not be operating without a certificate of authority, yet the plant is still running. Suarez was listed as a Midco director in a report filed with the secretary of state's office in 1988.

Exhibit 80

Big supporter of Schoemehl shies away from attention

John M. Suarez has amassed a fortune in recycling business

By PRINGLE PIPKIN and RICH HOOD
Staff Writers

ST. LOUIS — John Manuel Suarez is proud of rising from poverty on St. Louis' east side to his present status as a globe-trotting engineer who made his fortune in recycling and reclaiming usable metals from scrap.

Suarez

Suarez has been a major campaign contributor to St. Louis Mayor Vince Schoemehl since 1985, but he has preferred to maintain a low profile while doing it.

At the University of Missouri-Rolla, where he earned a degree in metallurgy while working as a caddy at the Rolla Country Club, Suarez chose not to have a picture or biography included in his senior yearbook in 1967. Instead, only his name and major were printed in a list of graduates.

Even at home, Suarez doesn't give out much information about his business. A woman who lived next door to the Suarez family for several years in an affluent Ladue neighborhood said that, although the families were friends, she didn't even know what type of business John Suarez was in.

Suarez was hesitant when asked by *The Star* about his business associations, declining to explain his ties to several metal recycling companies in the St. Louis area and saying only that what had been previously reported was correct.

Suarez said he had been a longtime contributor to Schoemehl. But disclosure documents show that he has filtered the loans or contributions through friends or companies, so that the donations rarely appear in his name. For instance, Concorde Trading Co., of which Suarez is president, gave $2,500 to Schoemehl's mayoral campaign in 1989.

On Schoemehl's campaign financial report, which listed donors in alphabetical order, Concorde was listed with the "Su's" — where Suarez would have been — instead of the "C's."

Suarez, who has been interviewed in trade magazines for his successes in claiming usable metals from scrap, received an honorary degree from the University of Missouri-Rolla in 1984 for his business accomplishments.

After graduating from the university at Rolla he worked at Laclede Steel in Alton, Ill. In 1969 he joined Chemetco in Hartford, Ill., as a laboratory supervisor. Later, he worked up to plant manager and president before becoming chairman of the company.

The *Alton Telegraph* reported that Suarez was head of all North American activities of Chemetco, a Belgian company.

Schoemehl said Suarez frequently travels overseas as part of his business, which appears to have done well. Last winter, Suarez and his wife, Lee, sold their large, gingerbread-style home in Ladue for $500,000, paid off the mortgage and bought a sprawling English estate-type house for $1.8 million in an even more affluent section of Ladue. No deed of trust showed up for the new home at the St. Louis County Recorder of Deeds office. Officials in the office said that meant the house probably was paid for in cash.

Companies that contributed have questionable histories

Continued from A-1

program known as "Rural 2000," a plan to create jobs, establish recycling and create waste-to-energy centers in the state.

If he is successful, Suarez said, "I am well-positioned to take some kind of profit from it."

Suarez denies having problems with environmental laws but said "I don't believe in all the rules of the environment."

The largest contribution was $25,000 that Suarez obtained for Schoemehl from Tippins Development Ltd. of London, England, that appears to violate the federal ban on foreign nationals or companies making contributions to U.S. candidates at the local, state or federal level. Tippins is owned by a Spaniard who is a friend and business partner in Spain with Suarez.

Sharon Snyder, a spokeswoman for the Federal Election Commission, said contributions to American candidates from foreign companies are illegal.

The three other companies, although located in the United States, are owned by a company in Belgium. Under some interpretations of election laws, Snyder said that could mean their contributions could have the same legal problem as the Tippins contribution.

Bob Bauer, a lawyer for the Schoemehl campaign in Washington, said the Federal Election Commission questions were stretching the interpretation of law.

"It is assumed, absent evidence to the contrary, so long as the company making the contribution is a U.S.-incorporated subsidiary, then the contribution is lawful. That assumption applies on all the facts that are known in this matter."

The companies that made contributions.

■ Chemetco, a metal recycling company in Hartford, Ill., contributed $5,000 to Schoemehl Jan. 10 this year during the mayor's last-minute fund-raising drive before filing his Jan. 15 disclosure report.

Illinois and federal officials said Chemetco is owned by a Belgian company. Chemetco, of which Suarez is chairman, has a long history of environmental violations and is under investigation by the Environmental Protection Agency.

■ Midco Industries, a smelting operation in St. Louis, contributed $5,000 to Schoemehl on Jan. 13. Suarez was listed in Missouri records from 1988 as a member of the board of directors of Midco.

Correspondence in St. Louis' air pollution agency files indicate Midco is owned by the same Belgian company that owns Concorde Trading Co. and Chemetco. Efforts to reach Midco officials to comment on the contribution were unsuccessful.

The company's charter to operate in Missouri was canceled in 1989 because it failed to file proper reports with the state.

Midco officials say they refine metals purchased by Concorde Trading Co., a Hartford, Ill., company that has offices with Chemetco in Hartford.

■ Concorde Trading Co., of Hartford, Ill., contributed $5,000 to Schoemehl on Jan. 13, the same day as the Midco contribution. Suarez is listed as chairman of Concorde, which acts as a commodities broker for Chemetco.

Suarez has said a foreign company owns Concorde, but he did not identify the company.

A Concorde spokesman said on

See COMPANIES, A-21

Doubt hangs over gifts to Schoemehl

Contributor with foreign ties creates legal questions for candidate

By RICH HOOD and PRINGLE PIPKIN
Staff Writers

ST. LOUIS — An additional $15,000 in campaign contributions to St. Louis Mayor Vince Schoemehl has been linked to a St. Louis businessman who wants to install and operate waste-to-energy parks if Schoemehl is elected governor.

John M. Suarez, 47, who has ties to a $25,000 contribution from an English company that previously was called into question, also is associated with three companies that contributed $5,000 each.

■ John M. Suarez, a major campaign contributor to St. Louis Mayor Vince Schoemehl since 1985, prefers to maintain a low profile. A-20

One of these three companies has had problems with environmental laws, one is not legally certified to do business in the state and questions have been raised about the legality of contributions from all three under some interpretations of election laws.

The Schoemehl campaign insists the contributions are legal and that Suarez has not profited as a result of them.

Schoemehl, a Democrat, has said that if he is elected one of his priorities will be to establish a

See COMPANIES, A-20, Col. 1

Exhibit 2

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9 4 0 4 3 5 9 5 5 0 2

Businessman says Schoemehl told him donations were legal

Continued from A-20

[illegible] that he was not authorized to comment about the legality of the contribution.

[illegible] Louis businessmen and [illegible] and Illinois officials said the [illegible]gian company is Metallo-C[illegible]que, the same Belgian [illegible]y linked to Chemetco and [illegible].

[illegible] official of Metallo-C[illegible]que in Belgium refused to [illegible] details about the company's [illegible]ship to Chemetco and C[illegible]da. However, the official said Suarez was meeting that afternoon with the Belgian company's board of directors.

[illegible]rez, who talked with *The [illegible] City Star* on Monday, did not return telephone calls [illegible]day, Thursday or Friday.

[illegible]et Fitzgerald of Alton, an [illegible]y for Chemetco, refused comment Friday.

Mayor's request

[illegible]rez said he arranged for the $25,000 contribution from Tippins for Schoemehl at the mayor's request. Suarez referred to other contributions to the mayor by noting, "I wanted to do whatever I could for Schoemehl for two reasons. One of them is the recycling. I have made all my money in that. The recycling program will bring a lot more things into the economy."

Suarez said his second reason for supporting Schoemehl is that he believes Schoemehl would be good for assisting minorities to gain an economic foothold in the state.

Suarez said he had no idea that any of the contributions to Schoemehl might be illegal. He said Schoemehl said his campaign had checked the legality of contributions from foreign nationals and told him there was no legal problem.

After *The Star* disclosed problems with the Tippins contribution, Schoemehl returned it to Suarez and sought an advisory opinion from the Federal Election Commission on the legality of the contribution.

Lt. Gov. Mel Carnahan, the other major Democratic candidate for governor, announced he would file an official complaint against Schoemehl for accepting the Tippins contribution in the first place.

Environmental problems

Chemetco, a metal recycling company, has a long record of environmental offenses and of dragging its feet in getting them cleaned up, according to the Illinois Environmental Protection Agency.

Chemetco has violated air, land and water pollution laws over the last decade.

The company has paid $80,000 in EPA penalties, has a $50,000 penalty pending and has received notification from the EPA that the agency is investigating the plant.

Since 1982, investigators have found numerous problems at Chemetco. Among them:

- Improper storage of hazardous waste.
- Leaching of toxic substances, such as lead and cadmium into soil and ground water.
- Pollution of a nearby tributary of the Mississippi River by dumping too many metals in its waste water and not telling the state of the company's breach of its effluent permit.
- Excessive lead particles being discharged into the air.
- Operation of metal-burning furnaces without a permit. Chemetco could not meet the air pollution standards to receive permits so it has run the furnaces without them, according to Mike Grant, an environmental protection specialist with the EPA's regional office in Collinsville.

Kendall Magnuson, an environmental scientist in Chicago with the federal EPA, said his agency recently got involved because the violations were serious and Chemetco "has a history" of being uncooperative with environmental regulators.

One major concern, Magnuson said, is lead pollution, which can damage the liver, central nervous system and potentially cause cancer in people exposed to the contaminated air.

EPA officials said the agency is negotiating with Chemetco to install $2 million worth of equipment to trap the lead pollutants.

Suarez also is a former partner in another company at the Chemetco site, Triangle Metallurgical. Triangle paid a $50,000 federal penalty after the EPA found that it had illegally shipped toxic waste to Spain in 1989. Jose Bovada, the Spaniard who gave Suarez the $25,000 Tippins contribution for Schoemehl's campaign, runs the company that received the waste.

Another company Suarez is connected to has a problem. The Missouri secretary of state revoked Midco's right to run a business in the state in 1989. Technically, a business should not be operating without a certificate of authority, yet the plant is still running. Suarez was listed as a Midco director in a report filed with the secretary of state's office in 1988.

Exhibit 9

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

June 19, 1992

Marc S. Farinella
Carnahan for Governor Campaign
7751 Carondelet, Suite 600
St. Louis, MO 63105

RE: MUR 3541

Dear Mr. Farinella:

This letter acknowledges receipt on June 15, 1992, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by the Honorable Vincent C. Schoemehl, Jr., Citizens for Schoemehl Committee, and Stuart Symington, Jr., as treasurer, John M. Suarez, Concorde Trading Company, Chemetco, Inc., Midco Industries, Jose Antonio Boveda, and unnamed "Foreign Nationals". The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 3541. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lisa E. Klein
Assistant General Counsel

Enclosure
Procedures

2404359503

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 19, 1992

The Honorable Vincent C. Schoemehl, Jr.
Room 200, City Hall
Tucker and Market Streets
St. Louis, MO 63103

RE: MUR 3541

Dear Mayor Schoemehl:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3541. Please refer to this number in all future correspondence.

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

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

2 4 0 4 3 5 9 5 5 0 4

If you have any questions, please contact Xavier McDonnell, the attorney assigned to this matter, at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lisa E. Klein
Assistant General Counsel

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

24043595505

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 19, 1992

Stuart Symington, Jr., Treasurer
Citizens for Schoemehl Committee
122 Kenrick Plaza
St. Louis, MO 63119

RE: MUR 3541

Dear Mr. Symington:

The Federal Election Commission received a complaint which indicates that Citizens for Schoemehl Committee ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3541. Please refer to this number in all future correspondence.

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

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

2404359550 6

If you have any questions, please contact Xavier McDonnell, the attorney assigned to this matter, at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lisa E. Klein
Assistant General Counsel

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

24043595507

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

June 19, 1992

John M. Suarez
59 Fair Oaks
St. Louis, MO 63124

RE: MUR 3541

Dear Mr. Suarez:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3541. Please refer to this number in all future correspondence.

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

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2 4 0 4 3 5 9 5 5 0 8

If you have any questions, please contact Xavier McDonnell, the attorney assigned to this matter, at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lisa E. Klein
Assistant General Counsel

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

24043595509

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

June 19, 1992

Thomas McRaven, Registered Agent
Midco Industries
700 S. Spring Street
St. Louis, MO 63110

RE: MUR 3541

Dear Mr. McRaven:

The Federal Election Commission received a complaint which indicates that Midco Industries may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3541. Please refer to this number in all future correspondence.

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

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

2 4 0 4 3 5 9 5 5 1 0

If you have any questions, please contact Xavier McDonnell, the attorney assigned to this matter, at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lisa E. Klein
Assistant General Counsel

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

24043595511

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 19, 1992

Jose Antonio Boveda
Tippins Development, Ltd.
Blas de Odelo
#3 114
Bilbao, Spain 48014

RE: MUR 3541

Dear Mr. Boveda:

The Federal Election Commission received a complaint which indicates that Tippins Development, Ltd. and you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3541. Please refer to this number in all future correspondence.

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

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

2 4 0 4 3 5 9 5 5 1 2

If you have any questions, please contact Xavier McDonnell, the attorney assigned to this matter, at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lisa E. Klein
Assistant General Counsel

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

9404359513

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

June 19, 1992

Thomas McRaven, Registered Agent
Concorde Trading Company
Rt. 3 and Oldenberg Road
Hartford, IL 62048

RE: MUR 3541

Dear Mr. McRaven:

The Federal Election Commission received a complaint which indicates that Concorde Trading Company and John M. Suarez, as President, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3541. Please refer to this number in all future correspondence.

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

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

2 4 0 4 3 5 9 5 5 1 4

If you have any questions, please contact Xavier McDonnell, the attorney assigned to this matter, at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lisa E. Klein
Assistant General Counsel

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

24043959515

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 19, 1992

Thomas McRaven, Registered Agent
Chemetco, Inc.
Rt. 3 and Oldenberg Road
Hartford, IL 62048

RE: MUR 3541

Dear Mr. McRaven:

The Federal Election Commission received a complaint which indicates that Chemetco, Inc. and John M. Suarez, as President, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3541. Please refer to this number in all future correspondence.

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

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9 4 0 4 3 5 9 5 5 1 6

If you have any questions, please contact Xavier McDonnell, the attorney assigned to this matter, at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lisa E. Klein
Assistant General Counsel

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

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COMMISSION
MAIL ROOM

JUL 6 4 14 PM '92

Law Offices
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P. O. Box 130
Alton, Illinois 62002
(618) 465-7745
Fax No. (618) 465-3744

William H. Hoagland
R. Emmett Fitzgerald
Donald L. Smith
Al J. Pranaitis
Stephen J. Maassen **
Robert G. Raleigh *
Richard W. Gibson *
C. Raymond Bell *
Scott D. Bjorseth *

Of Counsel:
Charles B. Godfrey *
Karl K. Hoagland, Jr.
Robert B. Maucker

* Also Licensed in Missouri
** Also Licensed in Indiana

July 1, 1992

VIA FAX 202-219-3923
AND U.S. MAIL

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JUL -7 AM 10: 42

Federal Election Commission
Washington, D.C. 20463

Attention Xavier McDonnell, Esquire

Re: Farinella vs. Schoemehl, Jr., et al.,
No. MUR 3541

Dear Mr. McDonnell:

This will confirm and supplement our telephone conversations of June 29 in regard to the above.

Enclosed are Statements of Designation of Counsel for Midco Industries Inc., Chemetco Inc. and Concorde Trading Company; each of which is a Delaware corporation; and each designating the undersigned as legal counsel.

My respective clients apparently received the letters from the Federal Election Commission on or about June 22 and June 23, 1992, requiring responses to your office by July 7, 1992. Because I did not receive these documents in my office until about June 29, I respectfully request an extension of time to July 16, 1992 to mail our responses. I will telephone you tomorrow to verify the granting of the requested extension of time to respond.

My clients do not want this matter to be made public. They want to remain confidential under 2 USC §437.

Thank you.

Very truly yours,

R. Emmett Fitzgerald

R. Emmett Fitzgerald

REF:ue
enclosures

2404359551 3

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3541

NAME OF COUNSEL: R. Emmett Fitzgerald

ADDRESS: 401 Market Street
Post Office Box 130
Alton, Illinois 62002

TELEPHONE: 618-465-7745

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

MIDCO INDUSTRIES, INC.,
a Delaware corporation,

June 30, 1992
Date

By: Chung-Ping Chung
Signature Its President

RESPONDENT'S NAME: MIDCO INDUSTRIES, INC., a Delaware corporation,

ADDRESS: 700 South Spring Street
St. Louis, Missouri 63110

HOME PHONE:

BUSINESS PHONE: 1-800-344-3134

9 4 0 4 3 5 9 5 5 1 9

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3541

NAME OF COUNSEL: R. Emmett Fitzgerald

ADDRESS: 401 Market Street
P. O. Box 130
Alton, Illinois 62002

TELEPHONE: 618-465-7745

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

June 30, 1992
Date

CONCORDE TRADING COMPANY, a Delaware corporation,
By: [signature]
Signature Its CFO

RESPONDENT'S NAME: CONCORDE TRADING COMPANY, a Delaware corporation,

ADDRESS: Illinois Route 3 and Oldenburg Road
Hartford, Illinois 62048

HOME PHONE:

BUSINESS PHONE: 618-254-0190

2404359552 0

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3541

NAME OF COUNSEL: R. Emmett Fitzgerald

ADDRESS: 401 Market Street
Post Office Box 130
Alton, Illinois 62002

TELEPHONE: 618-465-7745

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

CHEMETCO, INC., a Delaware corporation,

June 30, 1992
Date

By: [signature]
Signature Its President

RESPONDENT'S NAME: CHEMETCO, INC., a Delaware corporation,

ADDRESS: Illinois Route 3 and Oldenburg Road
Hartford, Illinois 62048

HOME PHONE:

BUSINESS PHONE: 618-254-4381

24043595521

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 2, 1992

Emmett Fitzgerald, Esquire
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P.O. Box 130
Alton, Illinois 62002

RE: MUR 3541
Concorde Trading Co.
Chemetco, Inc.
Midco Industries, Inc.

Dear Mr. Fitzgerald:

This acknowledges receipt of your letter dated July 1, 1992, in which you have requested an extension until July 16, 1992, to mail your response to the Commission's notification letters in the above-captioned matter. After considering the circumstances presented in your letter, the Office of General Counsel has granted the requested extension. Accordingly, your response should be postmarked no later than July 16, 1992.

Thank you for your cooperation in this matter. If you have any questions, please call me at (202) 219-3400.

Sincerely

Xavier K. McDonnell
Attorney

2404359552 2

FLYNN & GUYMON
ATTORNEYS
BOATMEN'S BANK BUILDING, SUITE 440
20 PUBLIC SQUARE
BELLEVILLE, ILLINOIS 62220
618-233-0601
FAX 618-233-0621

PATRICK M. FLYNN
DAVID E. GUYMON
CARLA J. SHILDS

OF COUNSEL
R. W. McGOVERN

HAROLD BALTZ (1906-1979)
OTTO E. GUYMON (1909-1971)

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JUL -2 PM 4:01

July 2, 1992

SENT BY FAX.

Mr. Xavier McDonnell
Attorney at Law
Federal Election Commission
Washington, D.C. 20463

In re: Marc S. Farinolla, Carnahan for Governor Campaign
vs. Schoemehl, et al
No. MUR 3541

Dear Mr. McDonnell:

This letter is a follow up to our telephone conversation this morning in which I advised you that I will be representing John M. Suarez in reference to the above matter. I have not as yet had Mr. Suarez complete the Statement of Designation of Counsel, but I will have it signed shortly and forward it to you.

In the meantime, this letter is also to confirm that I am requesting an extension of time to and including July 20, 1992 within which to file a response in this proceeding on behalf of Mr. Suarez.

Thank you.

Sincerely yours,

Patrick M. Flynn

Patrick M. Flynn

PMF:ek

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 6, 1992

Patrick M. Flynn, Esquire
Flynn & Guymon
Boatmen's Bank Building, Suite 440
28 Public Square
Belleville, Illinois 62220

RE: MUR 3541
John M. Suarez

Dear Mr. Flynn:

This is in response to your letter dated July 2, 1992, requesting an extension until July 20, 1992 to respond to the complaint in the above-captioned matter. After considering the circumstances presented in your letter, the Office of General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on July 20, 1992.

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

Sincerely,

Xavier K. McDonnell
Attorney

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PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011 • (202) 628-6600

July 2, 1992

Xavier McDonnell, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: MUR 3541

Dear Mr. McDonnell:

On behalf of Citizens for Schoemehl and Stuart Symington, Jr., as Treasurer, we request an extension of time to respond to the complaint filed by the Carnahan for Governor campaign. Due to the recent designation of Perkins Coie as counsel (attached), we do not have an adequate opportunity to respond. An extension of time is necessary in order to review the record, have an adequate opportunity to discuss the issues with our client, collect factual information, and prepare a comprehensive response. Therefore we are requesting an extension until July 22.

Very truly yours,

Robert F. Bauer
B. Holly Schadler

Attachment

BHS:mah

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FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JUL -7 AM 10: 42

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ANCHORAGE • BELLEVUE • LOS ANGELES • PORTLAND • SEATTLE • SPOKANE

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3541

NAME OF COUNSEL: Robert F. Bauer
B. Holly Schadler

ADDRESS: Perkins Coie
607 14th Street, NW, Suite 800
Washington, DC 20005

TELEPHONE: (202) 628-6600

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

6-29-92
Date

E.C. Walker
Signature
Citizens for Schoemehl

RESPONDENT'S NAME: Citizens for Schoemehl, Stuart Symington, Jr., Treasurer

ADDRESS: 122 Kenrick Plaza
St. Louis, MO 63119

HOME PHONE: (314) 893-4495 or 241-7006

BUSINESS PHONE: (314) 963-9200

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 10, 1992

Robert F. Bauer, Esquire
B. Holly Schadler, Esquire
Perkins Coie
607 Fourteenth Street, N.W.
Washington, D.C. 20005-2011

RE: MUR 3541
Citizens for Schoemehl
Stuart Symington, Jr.,
as treasurer

Dear Mr. Bauer and Ms. Schadler:

This is in response to your letter dated July 2, 1992, which we received on July 6, 1992, in which you enclosed a completed designation of counsel form for your clients in the above-captioned matter and requested an extension until July 22, 1992, to submit a response. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on July 22, 1992.

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

Sincerely,

Xavier K. McDonnell

Xavier K. McDonnell
Attorney

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COMMISSION
MAIL ROOM

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Law Offices
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P. O. Box 130
Alton, Illinois 62002
(618) 465-7745
Fax No. (618) 465-3744

William H. Hoagland
R. Emmett Fitzgerald
Donald L. Smith
Al J. Pranaitis
Stephen J. Maassen **
Robert G. Raleigh *
Richard W. Gibson *
C. Raymond Bell *
Scott D. Bjorseth *

Of Counsel:
Charles B. Godfrey *
Karl K. Hoagland, Jr.
Robert B. Maucker

* Also Licensed in Missouri
** Also Licensed in Indiana

July 16, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Federal Election Commission
Office of General Counsel
Washington, D.C. 20463

Attention Xavier McDonnell, Esquire

Re: Farinella vs. Schoemehl, Jr., et al.,
No. MUR #%$L 3541

Dear Mr. McDonnell:

Enclosed are separate Responses of Midco Industries, Inc., Concorde Trading Company and Chemetco, Inc. to the Complaint filed in the above matter. Attached to each Response are an Affidavit and a Certificate of Good Standing from the State of Delaware.

If you require further or other specific information, please contact the undersigned.

Very truly yours,

R. Emmett Fitzgerald

R. Emmett Fitzgerald

REF:ue

enclosures

cc: Midco Industries, Inc.
cc: Concorde Trading Company
cc: Chemetco, Inc.

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JUL 20 PM 3:30

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BEFORE THE
FEDERAL ELECTION COMMISSION

MARC S. FARINELLA, CARNAHAN FOR GOVERNOR CAMPAIGN 7751 Carondelet, Suite 600 St. Louis, MO 63105 Complainant, vs. VINCENT C. SCHOEMEHL, Jr., et al., Respondents.	)	No. MUR 3541

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JUL 20 PM 3:30

2404359552 9

RESPONSE OF RESPONDENT CHEMETCO, INC. TO COMPLAINT

Comes now the Respondent CHEMETCO, INC., by R. Emmett Fitzgerald, its attorney, and for its Response to the Complaint filed herein alleges:

1. That CHEMETCO, INC., is a Delaware corporation licensed to transact business in the State of Illinois; has its principal and only place of business located in Madison County, Illinois; and is a corporation in good standing in the State of Delaware.

2. That attached hereto, marked "EXHIBIT A", and made a part hereof is a Certificate of the State of Delaware, Office of Secretary of State, dated July 2, 1992, relative to the "good standing" status of the Respondent, CHEMETCO, INC. under the laws of the State of Delaware.

3. That also attached hereto, marked "EXHIBIT B", and made a part hereof is an Affidavit of David Hoff, the President of the Respondent, CHEMETCO, INC., in regard to the status of the corporation and stating under oath that no "foreign national" was involved, directly or indirectly, in the decision of

CHEMETCO, INC. to make the $5,000 political contribution to the Citizens for Schoemehl Committee in January, 1992.

4. That the $5,000 political contribution made by CHEMETCO, INC. to the citizens for Schoemehl Committee in January, 1992, did not violate any of the provisions of the Federal Elections Act.

5. That the Respondent, CHEMETCO, INC. expressly requests that this matter remain confidential and not be disclosed to the public.

WHEREFORE, CHEMETCO, INC., respectfully requests that the Complaint filed herein be dismissed insofar as it pertains to the Respondent, CHEMETCO, INC.

CHEMETCO, INC., a Delaware corporation,
Respondent,

By R. Emmett Fitzgerald

R. Emmett Fitzgerald, #823902
Its Attorney
401 Market Street, P. O. Box 130
Alton, Illinois 62002
Telephone: 618-465-7745

2 4 0 4 3 5 9 5 5 3 0

State of Delaware

Office of Secretary of State

I, MICHAEL RATCHFORD, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY CHEMETCO, INC. IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE DATE SHOWN BELOW.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

* * * * * * * * * * *

2404359553 1

DEPARTMENT OF STATE
OFFICE OF THE SECRETARY OF STATE
DELAWARE

Michael Ratchford, Secretary of State

AUTHENTICATION: *3507555

DATE: 07/02/1992

722184110

"EXHIBIT A"

BEFORE THE
FEDERAL ELECTION COMMISSION

MARC S. FARINELLA, CARNAHAN FOR GOVERNOR CAMPAIGN 7751 Carondelet, Suite 600 St. Louis, MO 63105 Complainant,	)	
vs.	)	No. MUR 3541
VINCENT C. SCHOEMEHL, Jr., et al., Respondents.	)	

AFFIDAVIT

STATE OF ILLINOIS)
) SS.
COUNTY OF MADISON)

DAVID HOFF, being first duly sworn, deposes and says:

1. That your Affiant is an adult resident of Madison County, Illinois, and is employed by Chemetco, Inc., a Delaware corporation, at its industrial plant and office located on Illinois Route 3 near Hartford, in Madison County, Illinois, as president and general manager of the corpration, and has been so employed for more than five years.

2. That Chemetco,Inc., is a Delaware corporation licensed to transact business in the State of Illinois; was incorporated more than 15 years ago; has its principal and only place of business located in Madison County, Illinois; and is presently in good standing in the State of Delaware.

3. That your Affiant made the corporate decision to contribute to the Citizens For Schoemehl Committee in January, 1992 and executed the payment of

"EXHIBIT B"

2 4 0 4 3 5 9 5 5 5 3 2

the political contribution in the sum of $5,000 to said Political Committee.

4. That John M. Suarez of St. Louis County, Missouri, is a member of the Board of Directors of Chemetco, Inc. but is not an officer of the corporation and is not directly involved in the supervision of the daily operation of Chemetco, Inc.

5. That no foreign national was involved, directly or indirectly, in the decision of Chemetco, Inc. to make the said $5,000 political contribution to the Citizens for Schoemehl Committee in January, 1992.

6. That legal counsel for Chemetco, Inc. has informed your Affiant that said political contribution by Chemetco, Inc. did not violate the Federal Election Act of 1971, 2 U.S.C.A. 441e, for the reasons that Chemetco, Inc. is a corporation created under the laws of the United States or any State, is subject to the jurisdiction of the United States, has its principal place of business located in the United States, and is not a "foreign national" under the Federal Election Act.

7. That further your Affiant sayeth not.

David Hoff

Subscribed and sworn to before me a Notary Public this 15th day of July, 1992.

Ursula Emde
Notary Public

My Commission Expires:
September 22, 1993

"OFFICIAL SEAL"
URSULA EMDE
Notary Public, State Of Illinois
Madison County
My Commission Expires 9/22/93

2 4 0 4 3 5 9 5 5 5 3

BEFORE THE
FEDERAL ELECTION COMMISSION

MARC S. FARINELLA, CARNAHAN FOR GOVERNOR CAMPAIGN 7751 Carondelet, Suite 600 St. Louis, MO 63105 Complainant, vs. VINCENT C. SCHOEMEHL, Jr., et al., Respondents.	)	No. MUR 3541

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JUL 20 PM 3:30

2 4 0 4 3 5 9 5 5 3 4

RESPONSE OF RESPONDENT MIDCO INDUSTRIES, INC. TO COMPLAINT

Comes now the Respondent MIDCO INDUSTRIES, INC., by R. Emmett Fitzgerald, its attorney, and for its Response to the Complaint filed herein alleges:

1. That MIDCO INDUSTRIES, INC., is a Delaware corporation licensed to transact business in the State of Missouri; has its principal and only place of business located in St. Louis, Missouri; and is a corporation in good standing in the State of Delaware.

2. That attached hereto, marked "EXHIBIT A", and made a part hereof is a Certificate of the State of Delaware, Office of Secretary of State, dated July 2, 1992, relative to the "good standing" status of the Respondent, MIDCO INDUSTRIES, INC. under the laws of the State of Delaware.

3. That also attached hereto, marked "EXHIBIT B", and made a part hereof is an Affidavit of C. P. Chang, the President of the Respondent, MIDCO INDUSTRIES, INC., in regard to the status of the corporation and stating under oath that no "foreign national" was involved, directly or indirectly, in the

decision of MIDCO INDUSTRIES, INC. to make the $5,000 political contribution to the Citizens for Schoemehl Committee in January, 1992.

4. That the $5,000 political contribution made by MIDCO INDUSTRIES, INC. to the citizens for Schoemehl Committee in January, 1992, did not violate any of the provisions of the Federal Elections Act.

5. That the Respondent, MIDCO INDUSTRIES, INC. expressly requests that this matter remain confidential and not be disclosed to the public.

WHEREFORE, MIDCO INDUSTRIES, INC., respectfully requests that the Complaint filed herein be dismissed insofar as it pertains to the Respondent, MIDCO INDUSTRIES, INC.

MIDCO INDUSTRIES, INC., a Delaware corporation, Respondent,

By R. Emmett Fitzgerald

R. Emmett Fitzgerald, #823908
Its Attorney
401 Market Street, P. O. Box 130
Alton, Illinois 62002
Telephone: 618-465-7745

>4043595535

State of Delaware

Office of Secretary of State

I, MICHAEL RATCHFORD, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY MIDCO INDUSTRIES, INC. IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE DATE SHOWN BELOW.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

* * * * * * * * * * *

2404359553 6

DEPARTMENT OF STATE
OFFICE OF THE SECRETARY OF STATE
DELAWARE

Michael Ratchford, Secretary of State

AUTHENTICATION: *3507540

DATE: 07/02/1992

722184108

"EXHIBIT A"

BEFORE THE
FEDERAL ELECTION COMMISSION

MARC S. FARINELLA, CARNAHAN FOR GOVERNOR CAMPAIGN 7751 Carondelet, Suite 600 St. Louis, MO 63105 Complainant,	)	
vs.	)	No. MUR 3541
VINCENT C. SCHOEMEHL, Jr., et al., Respondents.	)	

AFFIDAVIT

STATE OF ILLINOIS)
) SS.
COUNTY OF MADISON)

C. P. CHANG, being first duly sworn, deposes and says:

1. That your Affiant is an adult resident of St. Louis County, Missouri, and is employed by Midco Industries, Inc., a Delaware corporation, at its industrial plant and office located at 700 South Spring Street, St. Louis, Missouri, as president and general manager of the corporation, and has been so employed for more than five years.

2. That Midco Industries, Inc., is a Delaware corporation licensed to transact business in the State of Missouri; was incorporated more than 5 years ago; has its principal and only place of business located in St. Louis, Missouri; and is presently in good standing in the State of Delaware.

3. That your Affiant made the corporate decision to contribute to the Citizens For Schoemehl Committee in January, 1992 and executed the payment of

"EXHIBIT B"

>40435955537

the political contribution in the sum of $5,000 to said Political Committee.

4. That John M. Suarez of St. Louis County, Missouri, is neither a director, nor an officer, nor an employee of Midco Industries, Inc.

5. That no foreign national was involved, directly or indirectly, in the decision of Midco Industries, Inc. to make the said $5,000 political contribution to the Citizens for Schoemehl Committee in January, 1992.

6. That legal counsel for Midco Industries, Inc. has informed your Affiant that said political contribution by Midco Industries, Inc. did not violate the Federal Election Act of 1971, 2 U.S.C.A. 441e, for the reasons that Midco Industries, Inc. is a corporation created under the laws of the United States or any State, is subject to the jurisdiction of the United States, has its principal place of business located in the United States, and is not a "foreign national" under the Federal Election Act.

7. That further your Affiant sayeth not.

C. P. Chang

Subscribed and sworn to before me a Notary Public this 15th day of July, 1992.

Ursula Emde
Notary Public

My Commission Expires:

September 22, 1993

"OFFICIAL SEAL"
URSULA EMDE
Notary Public, State Of Illinois
Madison County
My Commission Expires 9/22/93

>40435955 8

BEFORE THE
FEDERAL ELECTION COMMISSION

MARC S. FARINELLA, CARNAHAN FOR GOVERNOR CAMPAIGN 7751 Carondelet, Suite 600 St. Louis, MO 63105 Complainant, vs. VINCENT C. SCHOEMEHL, Jr., et al., Respondents.	)	No. MUR 3541

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JUL 20 PM 3:30

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RESPONSE OF RESPONDENT CONCORDE TRADING COMPANY TO COMPLAINT

Comes now the Respondent CONCORDE TRADING COMPANY, by R. Emmett Fitzgerald, its attorney, and for its Response to the Complaint filed herein alleges:

1. That CONCORDE TRADING COMPANY is a Delaware corporation licensed to transact business in the State of Illinois; has its principal place of business located in Madison County, Illinois; and is a corporation in good standing in the State of Delaware.

2. That attached hereto, marked "EXHIBIT A", and made a part hereof is a Certificate of the State of Delaware, Office of Secretary of State, dated July 2, 1992, relative to the "good standing" status of the Respondent, CONCORDE TRADING COMPANY, under the laws of the State of Delaware.

3. That also attached hereto, marked "EXHIBIT B", and made a part hereof is an Affidavit of Thomas McRaven, the Secretary-Treasurer of the Respondent, CONCORDE TRADING COMPANY in regard to the status of the corporation and

stating under oath that no "foreign national" was involved, directly or indirectly, in the decision of CONCORDE TRADING COMPANY to make the $5,000 political contribution to the Citizens for Schoemehl Committee in January, 1992.

4. That the $5,000 political contribution made by CONCORDE TRADING COMPANY to the citizens for Schoemehl Committee in January, 1992, did not violate any of the provisions of the Federal Elections Act.

5. That the Respondent, CONCORDE TRADING COMPANY, expressly requests that this matter remain confidential and not be disclosed to the public.

WHEREFORE, CONCORDE TRADING COMPANY respectfully requests that the Complaint filed herein be dismissed insofar as it pertains to the Respondent, CONCORDE TRADING COMPANY.

CONCORDE TRADING COMPANY, a Delaware corporation, Respondent,

By R. Emmett Fitzgerald

R. Emmett Fitzgerald, #828902
Its Attorney
401 Market Street, P. O. Box 130
Alton, Illinois 62002
Telephone: 618-465-7745

2404359540

State of Delaware

Office of Secretary of State

I, MICHAEL RATCHFORD, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY CONCORDE TRADING COMPANY IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE DATE SHOWN BELOW.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

* * * * * * * * * * *

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DEPARTMENT OF STATE
OFFICE OF THE SECRETARY OF STATE
DELAWARE

Michael Ratchford, Secretary of State

AUTHENTICATION: *3507548

DATE: 07/02/1992

722184109

"EXHIBIT A"

BEFORE THE
FEDERAL ELECTION COMMISSION

MARC S. FARINELLA, CARNAHAN FOR GOVERNOR CAMPAIGN 7751 Carondelet, Suite 600 St. Louis, MO 63105 Complainant,	)	
vs.	)	No. MUR 3541
VINCENT C. SCHOEMEHL, Jr., et al., Respondents.	)	

AFFIDAVIT

STATE OF ILLINOIS)
) SS.
COUNTY OF MADISON)

THOMAS McRAVEN, being first duly sworn, deposes and says:

1. That your Affiant is an adult resident of St. Louis County, Missouri, and is employed by Concorde Trading Company, a Delaware corporation, at its office located on Illinois Route 3 near Hartford, in Madison County, Illinois, as secretary-tresurer of the corporation, and has been so employed for more than five years.

2. That Concorde Trading Company is a Delaware corporation licensed to transact business in the State of Illinois; was incorporated more than 5 years ago; has its principal place of business located in Madison County, Illinois; and is presently in good standing in the State of Delaware.

3. That your Affiant made the corporate decision to contribute to the Citizens For Schoemehl Committee in January, 1992 and executed the payment of

"EXHIBIT B"

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the political contribution in the sum of $5,000 to said Political Committee.

4. That no foreign national was involved, directly or indirectly, in the decision of Concorde Trading Company to make the said $5,000 political contribution to the Citizens for Schoemehl Committee in January, 1992.

5. That legal counsel for Concorde Trading Company has informed your Affiant that said political contribution by Concorde Trading Company did not violate the Federal Election Act of 1971, 2 U.S.C.A. 441e, for the reasons that Concorde Trading Company is a corporation created under the laws of the United States or any State, is subject to the jurisdiction of the United States, has its principal place of business located in the United States, and is not a "foreign national" under the Federal Election Act.

6. That further your Affiant sayeth not.

Thomas McRaven

Subscribed and sworn to before me a Notary Public this 15th day of July, 1992.

Ursula Emde
Notary Public

"OFFICIAL SEAL"
URSULA EMDE
Notary Public, State Of Illinois
Madison County
My Commission Expires 9/22/93

My Commission Expires:

September 22, 1993

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JUL 20 10 34 AM '92

OGC 5243

FLYNN & GUYMON
ATTORNEYS
BOATMEN'S BANK BUILDING, SUITE 440
23 PUBLIC SQUARE
BELLEVILLE, ILLINOIS 62220
618-233-0480
FAX 618-233-0601

PATRICK M. FLYNN
DAVID E. GUYMON
CARLA J. EHLERS

OF COUNSEL
R. W. McGOVERN

HAROLD BALTZ (1904-1970)
OTIS E. GUYMON (1908-1971)

July 16, 1992

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JUL 20 PM 3:29

Mr. Xavier K. McDonnell
Attorney at Law
Federal Election Commission
Washington, D.C. 20463

In re: MUR 3541
John M. Suarez

Dear Mr. McDonnell:

I enclose herewith Statement of Designation of Counsel executed by John Suarez and dated July 10, 1992.

Please accept this letter as the response of John M. Suarez to the above matter.

Mr. Suarez is a friend and supporter of Vincent C. Schoemehl, Jr., who is a candidate for the Democratic nomination for Governor of Missouri. Over the years Mr. Suarez has developed numerous business contacts and asked the Schoemehl Campaign if he could help by seeking contributions. He was told that such assistance would be appreciated and was lawful.

Thereafter, Mr. Suarez contacted a friend and business partner, Jose Boveda, and asked him to make a contribution. Mr. Boveda responded by making a $25,000 contribution through his privately-owned company, Tippins Development. While Mr. Suarez owns other business interests with Mr. Boveda, he does not have and never has had any ownership interest in Tippins. It is Mr. Suarez' present understanding that Tippins is a sole proprietorship owned by Mr. Boveda. At the time the contribution was made, Mr. Suarez had no particular understanding as to the nature of the Tippins ownership and, thus, indicated to one reporter that others may have been involved in the contribution. Since giving that indication, Mr. Suarez has been advised by Mr. Boveda that there are no other owners of Tippins and that Mr. Boveda is the sole owner.

The allegation that Mr. Suarez is somehow guilty of illegal conduct is totally unfounded. The fact is that Mr. Suarez

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always had the belief that his fundraising efforts on behalf of his friend, Vincent C. Schoemehl, Jr., were proper and lawful. He has subsequently answered all questions posed by numerous reporters and others and has never attempted to shield anyone from the truth. If the contribution by Mr. Boveda was not proper, it was there for the world to see and the only wrong committed by Mr. Suarez is the notoriety that he has brought to his friend, Jose Boveda.

There are also false allegations in the Complaint concerning Concorde Trading Company, Chemetco and Midco Industries. These companies are all corporations organized and existing under Delaware law. It is our understanding that the attorney for the corporations is obtaining the evidence of the Delaware incorporation and will be submitting it to you. There is, however, an allegation in the Complaint pertaining to Midco Industries that requires a response. Paragraph 10 of the Complaint makes reference to an alleged statement made by Mr. Suarez that he had denied association with Midco. The allegation is a misrepresentation. No such question was ever asked of Mr. Suarez. The fact is that he was formerly on the Board of Directors of Midco and that Midco has a business relationship with Concorde Trading Company and Chemetco. Mr. Suarez has never had an ownership interest in Midco or Concorde Trading Company or Chemetco. He has never been an officer of Midco.

I am in the process of attempting to obtain a statement from Jose Boveda concerning his sole ownership of Tippins. I therefore ask that the Record in this case be kept open so that it can be supplemented with that statement as well as any additional information that may be required. If you desire any specific additional information, please advise and we will make every effort to comply.

Sincerely yours,

Patrick M. Flynn

Patrick M. Flynn

PMF:ek
Enc.

2 4 0 4 3 5 9 5 5 4 5

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3541

NAME OF COUNSEL: Patrick M. Flynn

ADDRESS: 23 Public Square, Ste. 440
Belleville, IL 62220

TELEPHONE: 618-233-0480

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

July 10, 1992
Date

Signature

RESPONDENT'S NAME: John M. Suarez

ADDRESS: c/o Patrick M. Flynn
23 Public Square, Ste. 440
Belleville, IL 62220

HOME PHONE:

BUSINESS PHONE:

2404359554 6

OGC 5267

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011 • (202) 628-6600

July 22, 1992

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JUL 22 PM 2:31

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

Attention: Xavier McDonnell, Esq.

Re: MUR 3541 - Vincent C. Schoemehl, Jr., Citizens for Schoemehl Committee and Stuart Symington, Jr., as Treasurer

Dear Mr. Noble:

This letter constitutes the response of Vincent C. Schoemehl, Jr., Citizens for Schoemehl Committee (the "Committee") and Stuart Symington, Jr., as Treasurer ("Respondents"), to the complaint filed by Marc S. Farinella of the Carnahan for Governor Campaign. Complainant makes a number of allegations based on newspaper accounts that, in many cases, are incomplete and inaccurate. Moreover, contrary to the facts in this case, Mr. Farinella also alleges that the Committee intended to accept illegal contributions and somehow veil them in secrecy. There is no basis for these accusations. Not only has the Committee fully disclosed the source of each contribution it received, it has consulted authorities about the legality of receipts, whenever a question arose, and promptly taken steps to address related issues.

<u>Tippins Development, Ltd. Contribution</u>

First, Complainant raises questions regarding a contribution from Tippins Development, Ltd. ("Tippins"). The facts surrounding this contribution have already been related to the Commission by a letter dated May 15, 1992 on behalf of the Committee. See Exhibit 1. In keeping with the Committee's efforts to ensure full compliance with all applicable laws, the Committee sought formal clarification from the Commission by requesting the initiation of a pre-Matter Under Review about the acceptance of this contribution.[1]

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[1]We ask at this time that MUR 3541 and pre-MUR 260 be consolidated.

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As the letter to the Commission stated, the Committee received a contribution from Tippins by wire transfer from London. Mr. Suarez, a long-time supporter of Mr. Schoemehl, asked his colleague, Mr. Boveda, to make a contribution to Mayor Schoemehl. Mr. Boveda made the contribution from Tippins, his privately held company. Nancy Rice, Treasurer of the Committee, checked with the Office of Missouri Secretary of State to determine whether a contribution from Europe was permissible. See Exhibit 2, Rice Affidavit ¶ 3. Ms. Rice was told that such a contribution was legal. See Rice Affidavit ¶ 4. Also see Exhibit 3. The Committee relied on this advice. Almost a year later when a St. Louis Post-Dispatch reporter asked the same question, a spokesperson from the Secretary of State's office gave the same answer. See Exhibit 4. Nevertheless, as soon as questions arose about the advice from the Secretary of State's office, the Committee sought clarification from the FEC. The Committee then returned the contribution to put the matter to rest.

Contrary to Complainant's allegations, no other individuals were involved in the contribution. Nor was there any attempt whatsoever to "cloak it in secrecy" by a "series of laundering transactions". Mr. Boveda was solely responsible for the contribution from his company. And the Committee fully disclosed it.

Mr. Suarez never said, as the complaint suggests, that the $25,000 consisted of "bundled contributions". Paragraph 17. He simply reflected, prior to any opportunity to review the facts surrounding a contribution made over one year before, that others may have been involved. Upon checking with Mr. Boveda, Mr. Suarez confirmed that the contribution was made by Tippins. Moreover, Tippins is not "untraceable". Tippins is solely owned by Mr. Boveda. Respondents understand that Mr. Boveda will be providing a sworn statement confirming these facts.

<u>Contributions from Concorde Trading Company, Chemetco and Midco Industries</u>

The complaint also alleges that contributors Concorde Trading Company, Chemetco and Midco Industries are foreign owned and controlled, and are, therefore, prohibited under the Federal Election Campaign Act ("FECA") from contributing to a state election. Once again he has his facts wrong. These three companies are not owned or controlled by a Belgian holding company. They are corporations organized and in good standing under Delaware State law. Certificates of Good

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Standing for the companies are attached as Exhibits 5, 6, and 7. Concorde and Chemetco are licensed to do business in, and have as their principal place of business, Illinois. Midco is licensed in, and has as its principal place of business, Missouri.

While Section 441e of the FECA prohibits foreign nationals from contributing to federal, state or local elections, none of these companies qualify as a foreign national. The definition of "foreign national" expressly excludes a person, including a corporation, organized under or created by the laws of the United States or of any state . . . and has its principal place of business within the United States. 2 U.S.C. § 441e(b)(1); 22 U.S.C. § 661(b). Therefore, none of these corporations are prohibited from giving contributions to a state candidate.

Based on the facts as described above, Respondents respectfully request that the Commission take no further action on this matter. The confusion over the Tippins contribution was the result of a misunderstanding of the applicable rules governing contributions to state candidates. The Committee made every effort to ensure full compliance but, due to its reliance on incorrect advice from state authorities, temporarily held the contribution. That situation has now been corrected. Complainants other allegations are entirely groundless.

Very truly yours,

Robert F. Bauer
B. Holly Schadler

BHS:mah

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EXHIBIT 1

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A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011 • (202) 628-6600

May 15, 1992

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

Dear Mr. Noble:

The Citizens for Schoemehl (the "Committee") herewith requests that the Commission institute a Matter Under Review to determine whether a contribution to the Committee was lawfully made under Section 441e of the Federal Election Campaign Act of 1971 as amended. The facts and circumstances surrounding this request are set out below.

One of the Committee's supporters, Mr. John Suarez, sought last year to arrange a contribution to the campaign. Mr. Suarez asked the Committee about the permissibility of a contribution from a business concern located overseas. Committee representatives then requested advice from the Office of the Missouri Secretary of State which stated to the campaign that under Missouri law, which he believed to be controlling, the contribution was lawful.

The Committee thereafter received a contribution in the amount of $25,000.00, transmitted by wire from an account overseas apparently located in London, England. Upon inquiry, the Committee was advised that the contribution was made by Tippins Development Ltd., a business concern known to Mr. Suarez.

Subsequent press reports raised the same issue of the permissibility of the contribution with the Secretary whose conclusion, publicly reported, was unchanged. Questions were also directed to the Federal Election Commission, however, whose Press Office advised of the application of § 441e to this contribution. The Committee then determined that, although the propriety of accepting the contribution was unclear, it would put the matter to rest for all immediate purposes by refunding the contribution.

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The Committee still seeks to have all outstanding questions clarified for the electorate in the State of Missouri, and it therefore seeks by this letter the institution of Commission proceedings to determine whether, in fact, this contribution was properly made.

Very truly yours,

Robert F. Bauer /SPB

Robert F. Bauer
Counsel
Citizens for Schoemehl

RFB:smb

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EXHIBIT 2

BEFORE THE FEDERAL ELECTION COMMITTEE

MUR 3541

Respondents: Vincent C. Schoemehl, Jr., Citizens for Schoemehl Committee and Stuart Symington, Jr., as Treasurer

AFFIDAVIT OF NANCY RICE

County of St. Louis
State of Missouri ss.

I, Nancy Rice, being duly sworn according to law, hereby depose and say, as follows:

1. I have personal knowledge of the facts set forth herein, and if called to testify in this matter, I would testify as set forth herein.

2. At the time the contribution from Tippens Development, Ltd. was given, I was the Treasurer of the Citizens for Schoemehl Committee (hereinafter referred to as "the Committee").

3. I contacted the Office of the Missouri Secretary of State to ask whether the Committee was permitted to accept a contribution from a European resident or entity.

4. A staff person in the Office told me that the Committee may accept a contribution from a European entity or individual.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 21st day of July, 1992.

Nancy Rice

Nancy Rice

EXHIBIT 3

Businessman says Schoemehl told him donations were legal

Continued from A-20

[illegible] that he was not authorized [illegible] comment about the legality of [illegible] contribution.

[illegible] businessman and [illegible] said Illinois officials said [illegible] company is Metallo-[illegible] Belgium, the same Belgian [illegible] linked to Chemetco and [illegible]

[illegible] official of Metallo-[illegible] in Belgium refused to [illegible] about the company's [illegible] to Chemetco and [illegible]. However, the official [illegible] Suarez was meeting that [illegible] afternoon with the Belgian [illegible]'s board of directors.

[illegible], who talked with *The [illegible] City Star* on Monday, did [illegible] return telephone calls [illegible], Thursday or Friday.

[illegible] Fitzgerald of Alton, an [illegible] for Chemetco, refused [illegible] Friday.

[illegible]'s request

[illegible] said he arranged for the $25,000 contribution from Tippins for Schoemehl at the mayor's request. Suarez referred to other contributions to the mayor by noting, "I wanted to do whatever I could for Schoemehl for two reasons. One of them is the recycling. I have made all my money in that. The recycling program will bring a lot more things into the economy."

Suarez said his second reason for supporting Schoemehl is that he believes Schoemehl would be good for assisting minorities to gain an economic foothold in the state.

Suarez said he had no idea that any of the contributions to Schoemehl might be illegal. He said Schoemehl said his campaign had checked the legality of contributions from foreign nationals and told him there was no legal problem.

After *The Star* disclosed problems with the Tippins contribution, Schoemehl returned it to Suarez and sought an advisory opinion from the Federal Election Commission on the legality of the contribution.

Lt. Gov. Mel Carnahan, the other major Democratic candidate for governor, announced he would file an official complaint against Schoemehl for accepting the Tippins contribution in the first place.

Environmental problems

Chemetco, a metal recycling company, has a long record of environmental offenses and of dragging its feet in getting them cleaned up, according to the Illinois Environmental Protection Agency.

Chemetco has violated air, land and water pollution laws over the last decade.

The company has paid $80,000 in EPA penalties, has a $50,000 penalty pending and has received notifications from the EPA that the agency is investigating the plant.

Since 1982, investigators have found numerous problems at Chemetco. Among them:

- Improper storage of hazardous waste.
- Leaching of toxic substances, such as lead and cadmium into soil and ground water.
- Pollution of a nearby tributary of the Mississippi River by dumping too many metals in its waste water and not telling the state of the company's breach of its effluent permit.
- Excessive lead particles being discharged into the air.
- Operation of metal-bursing furnaces without a permit. Chemetco could not meet the air pollution standards to receive permits so it has run the furnaces without them, according to Mike Gaunt, an environmental protection specialist with the EPA's regional office in Collinsville.

Kendall Magnuson, an environmental scientist in Chicago with the federal EPA, said his agency recently got involved because the violations were serious and Chemetco "has a history" of being uncooperative with environmental regulators.

One major concern, Magnuson said, is lead pollution, which can damage the liver, central nervous system and potentially cause cancer in people exposed to the contaminated air.

EPA officials said the agency is negotiating with Chemetco to install $2 million worth of equipment to trap the lead pollutants.

Suarez also is a former partner in another company at the Chemetco site, Triangle Metallurgical. Triangle paid a $50,000 federal penalty after the EPA found that it had illegally shipped toxic waste to Spain in 1989. Jose Boveda, the Spaniard who gave Suarez the $25,000 Tippins contribution for Schoemehl's campaign, runs the company that received the waste.

Another company Suarez is connected to has a problem. The Missouri secretary of state revoked Midco's right to run a business in the state in 1989. Technically, a business should not be operating without a certificate of authority, yet the plant is still running. Suarez was listed as a Midco director in a report filed with the secretary of state's office in 1988.

Exhibit 30

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ST. LOUIS POST-DISPATCH

OUIS/WEDNESDAY

WEDNESDAY, MAY 13, 1992

Schoemehl Says He'll Return $25,000 Contribution

by Jo Mannies
and Charlotte Grimm
Of the Post-Dispatch Staff

St. Louis Mayor Vincent C. Schoemehl Jr. says he's returning a $25,000 campaign contribution from Tippins Development Ltd. of London because of questions raised about its legality.

But a spokesman for the Federal Elections Commission said Tuesday that the contribution might be legal after all, because the firm appears to be headed and run solely by a London businessman, John M. Stacey.

According to the FEC, federal law bars a foreign corporation or foreign nationals from contributing to any political campaign in the U.S. — including state and local elections normally not under the jurisdiction of the FEC.

According to Britain's Department of Trade and Industry, no company under the name of Tippins is registered to do business in England, Wales, Scotland or Northern Ireland. A check of records, going back 20 years revealed no registration under that name, a state department official.

That does not mean the company does not exist, the official said. Both American and British companies are expected to register, the official said, unless the company is a one-person operation called a "sole trader."

If Tippins is a one-person operation, it might not show up in the registry.

Tippins also is not listed in the London business directory. The company also could not be found through the U.S. Department of Commerce.

If Stacey, an American citizen, runs Tippins as a private business unincorporated overseas, his firm's campaign contribution may be legal, regardless of its address, the FEC spokesman said.

The spokesman, Fred Eiland, emphasized that the FEC would not issue a formal opinion on the Tippins contribution unless a formal complaint is filed. He said he was barred from stating whether a complaint had been filed regarding the Tippins contribution. Schoemehl and a spokesman for Channel 4 election officials said Tuesday that they understood that no complaint had been filed.

Jamieson, a Democratic hopeful for governor, said he was sending money back to Stacey and any

See SCHOEMEHL, Page

Schoemehl

From page one

point over the issue. He said he was asking the businessman — a longtime contributor — to make future donations from his U.S. corporation.

"This is simply to clarify any questions," the mayor said. "We've always disclosed everything."

The contribution, first reported by the Post-Dispatch in January, made the front page last Sunday in the Kansas City Star. The newspaper contended that the contribution might violate federal law.

A spokesman for Secretary of State Roy Blunt, the state's top elections official, has maintained since February that the contribution is legal under Missouri law.

Jackson County Democratic Chairman Mike Sheehan said the story had damaged Schoemehl's campaign efforts in the Kansas City area. "He's going to have to do some damage control," Sheehan said, emphasizing that state laws govern issues on foreign campaign contributions.

[illegible] contribution of [illegible] Democratic [illegible] according to the most recent Federal Election Commission report [illegible]

The firms are:

- Chemetco Inc. of Hartford, Ill., a copper wholesaler and refiner, which gave $5,000. Stacey is on the firm's board of directors.
- Concorde Trading Co., a subsidiary of Chemetco and headed by Stacey. Concorde, which also gave $5,000 to the mayor's campaign, deals in metals trading, according to Dun & Bradstreet Directory.
- Tippins Development Ltd. of London, which gave $15,000. The mayor's campaign report does not list officers, but Schoemehl contends that Stacey is the firm's president.

Industry directories indicate that all of the firms are involved in the recycling of metals. Schoemehl says Stacey supports the mayor's proposal for rural economic development, which centers on the creation of recycling plants around the state.

The Post-Dispatch has been unable to reach Stacey for comment. A spokesperson for Concorde said he was out of the country.

The campaign manager for Schoemehl's chief Democratic opponent, Lt. Gov. Mel Carnahan, contended that questions remained and that returning the Tippins contribution was not enough.

"There's something fishy going on, and the voters have a right to know," said Mark Farinella, the campaign manager.

He contended that Schoemehl "either had an his request, or the respondent fine and returns illegal contribution, or the money has been laundered through a third party. These are the only possibilities."

EXHIBIT 4

Exhibit 4

State of Delaware

Office of Secretary of State

I, MICHAEL RATCHFORD, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY CHEMETCO, INC. IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE DATE SHOWN BELOW.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

* * * * * * * * * * *

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Michael Ratchford, Secretary of State

AUTHENTICATION: *3507555

DATE: 07/02/1992

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"EXHIBIT A"

State of Delaware

Office of Secretary of State

I, MICHAEL RATCHFORD, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY MIDCO INDUSTRIES, INC. IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE DATE SHOWN BELOW.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

* * * * * * * * * * *

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DEPARTMENT OF STATE
OFFICE OF THE SECRETARY OF STATE
DELAWARE

Michael Ratchford, Secretary of State

AUTHENTICATION: *3507540

DATE: 07/02/1992

722184108

"EXHIBIT A"

State of Delaware

Office of Secretary of State

I, MICHAEL RATCHFORD, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY CONCORDE TRADING COMPANY IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE DATE SHOWN BELOW.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

* * * * * * * * * * *

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Michael Ratchford, Secretary of State

AUTHENTICATION: *3507548

DATE: 07/02/1992

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"EXHIBIT A"

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

FIRST GENERAL COUNSEL'S REPORT **SENSITIVE**

PRE MUR 260/MUR 3541
DATES RECEIVED BY OGC:
Sua Sponte: May 15, 1992
Complaint: June 15, 1992
DATE OF NOTIFICATION TO
RESPONDENTS: May 20, 1992
June 19, 1992
STAFF MEMBER: Xavier K. McDonnell

COMPLAINANTS: Marc S. Farinella
Carnahan for Governor Campaign
Citizens for Schoemehl Committee, and
Stuart Symington, Jr., as treasurer

RESPONDENTS: Vincent C. Schoemehl, Jr.
Citizens for Schoemehl Committee, and
Stuart Symington, Jr., as treasurer
John M. Suarez
Jose Antonio Boveda
Tippins Development, Ltd.
Chemetco, Incorporated
Concorde Trading Company
Midco Industries, Incorporated

RELEVANT STATUTES: 2 U.S.C. § 441e
11 C.F.R. § 110.4(a)

INTERNAL REPORTS CHECKED: None

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was generated by a sua sponte submission by Citizens for Schoemehl Committee ("Schoemehl Committee" or "Committee"), and Stuart Symington, Jr., as treasurer, and by a complaint filed by Marc S. Farinella and the Carnahan for Governor Campaign ("complainants")[1/]. Both submissions indicate that the

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1/ Schoemehl, a Democratic candidate in Missouri's 1992 gubernatorial primary election, was defeated by Mel Carnahan.

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Schoemehl Committee accepted a $25,000 contribution from Tippins Development, Ltd., from London, England ("Tippins"). The Schoemehl Committee also accepted $5,000 contributions from three entities which the Carnahan complaint alleges are domestic subsidiaries of a foreign national. Responses have been received from all Respondents except Tippins and Jose Antonio Boveda. Attachments 2-5.

II. FACTUAL AND LEGAL ANALYSIS

A. THE LAW

The Federal Election Campaign Act of 1971, as amended (the "Act") provides that:

> It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

2 U.S.C. § 441e.[2/]

The prohibition is also included in the Commission's Regulations at 11 C.F.R. § 110.4(a)(1) which states:

> A foreign national shall not directly or through any other person make a contribution, or an expenditure, or expressly or impliedly promise to make a contribution, or an expenditure, in connection with a convention, a caucus, or a primary, general, special, or runoff election in connection with any local, State, or Federal public office.

2/ Unlike most provisions of the Act, section 441e applies to any election for any political office, including state and local offices.

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The regulations provide further that no person shall solicit, accept, or receive a contribution as set out in 11 C.F.R. § 110.4(a)(1) from a foreign national. 11 C.F.R. § 110.4(a)(2).

As defined in the Act, the term "person" includes a corporation. 2 U.S.C. § 431(11). The term "foreign national" is defined at 2 U.S.C. § 441e(b)(1) as, inter alia, a "foreign principal" as that term is defined at 22 U.S.C. § 611(b), except that the term shall not include any individual who is a citizen of the United States; or an individual who is not a citizen of the United States and who is lawfully admitted for permanent residence. 2 U.S.C. § 441e(b)(2). Under 22 U.S.C. § 611(b), a "foreign principal" includes:

> (1) a government of a foreign country and a foreign political party;
>
> (2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and
>
> (3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

Under 22 U.S.C. § 611(b), a corporation organized under the laws of any state within the United States, with a principal place of business within the United States, is not a foreign principal and accordingly would not be a foreign national under 2 U.S.C. § 441e.

Section 441e, however, also prohibits contributions by a

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foreign national through any other person. In its advisory opinions ("AO"s), the Commission has addressed the issue of whether a corporation that is not a foreign national, but is a domestic subsidiary of a foreign national parent may make contributions in connection with state and local campaigns for political office. In addressing this issue the Commission has looked to two factors: the source of the funds used to make the contributions and the status of the decision makers. Regarding the source of funds, the Commission has not permitted such contributions by a domestic subsidiary where the source of funds is the foreign national parent, reasoning that this essentially permits the foreign national to make contributions indirectly when it could not do so directly. See, e.g., AOs 1992-16, 1989-20, 1985-3 and 1981-36. The Commission has prohibited contributions by a domestic subsidiary that was predominantly funded by a foreign national parent, and which was not generating income. See AOs 1992-16, 1989-20 and 1985-3.

Thus, in order to make contributions, a subsidiary funded by a foreign parent must be able to demonstrate through a reasonable accounting method that it has sufficient funds in its account, other than funds given or loaned by its foreign national, from which the contribution is made. See AO 1992-16, citing 11 C.F.R. § 102.5(b)(1)(ii). Additionally, the foreign parent must consider the political contributions of its subsidiary when granting further subsidies to or further capitalization of the subsidiary. AO 1992-16. The amount that the foreign parent distributes to the subsidiary cannot replenish all or any portion of the subsidiary's

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political contributions during the period since the preceding subsidy payment.

Moreover, even if the funds in question are from a domestic subsidiary, the Commission also requires that the status of the decision makers be examined. The Commission has conditioned its approval of contributions by domestic subsidiaries of foreign nationals by requiring that no director or officer of the company or its parent who is a foreign national may participate in any way in the decision making process regarding the proposed contributions. This, in turn, requires an examination of the citizenship of the decision makers, specifically the officers and directors in instances where a corporation is implicated. See AOs 1992-16, 1989-29, 1989-20, 1985-3 and 1982-10. Finally, Commission regulation at 11 C.F.R. § 110.4(a)(3) states that:

> A foreign national shall not direct, dictate, control or directly or indirectly participate in the decision making process of any person, such as a corporation, labor organization, or political committee, with regard to such person's Federal or nonfederal election-related activities, such as decisions concerning the making of contributions or expenditures in connection with elections for any local, State, or Federal office or decisions concerning the administration of a political committee.

B. SUMMARY OF THE COMPLAINTS

Both the complaint and the sua sponte submission indicate that the Schoemehl Committee accepted a $25,000 contribution from Tippins, an alleged foreign national. Attachment 1 at page 1; Attachment 2 at pages 2, 8-16; Attachment 3 at pages 1-2. The Schoemehl Committee also accepted contributions of $5,000 each from three Delaware corporations: Concorde Trading Company,

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Chemetco, Incorporated and Midco Industries, Incorporated. It is alleged that all three corporations are owned by Belgian or French holding companies. Attachment 2 at pages 4, 18-22.

C. **ANALYSIS**

Tippins Contribution

The Schoemehl campaign received by wire transfer from London, England a $25,000 contribution from Tippins on April 29, 1991. Attachment 1 at page 1; Attachment 2 at page 8; Attachment 3 at pages 1-2. The responses indicate that the $25,000 contribution from Tippins was solicited by John Suarez, a businessman who is a "friend" and "long time supporter" of Schoemehl. Attachment 3 at pages 1-2; Attachment 5 at page 1. According to press reports, Suarez is a U.S. Citizen. Attachment 2 at page 13. Suarez, who states that he has no interest in Tippins, solicited the contribution from his business partner Jose Boveda, an alleged Spanish National. Attachment 2 at page 3; Attachment 3 at page 2; Attachment 5 at page 1.

The complaint calls into question the existence of Tippins, noting that it is not registered to do business in the United Kingdom. Attachment 2 at pages 3 and 14. In addition, the Committee's disclosure reports do not contain the street or mailing address of Tippins, and it cannot be located in business

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directories. Attachment 2 at page 8.[3/] The complainants also note that Suarez was quoted in the press as saying that the $25,000 may have included money Boveda solicited "from some other people" in Europe. They therefore assert that the prohibited $25,000 may have been bundled from various other unknown foreign nationals and "cloaked in secrecy." Attachment 2 at pages 3, 5, and 17.[4/]

Suarez, as well as the Schoemehl campaign, assert that to their knowledge Boveda is the sole owner of Tippins. Attachment 3 at page 2; Attachment 5 at page 1. They also explain that at the time the contribution was made Suarez thought that others may have had an interest in Tippins, and thus the $25,000 may have included contributions from other foreign nationals. They further state that the quoted press statement was made before Boveda informed Suarez that the former is the sole owner of Tippins. Attachment 3 at page 2; Attachment 5 at page 1. The Suarez response also indicates that counsel is attempting to obtain a statement from

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3/ The complaint and accompanying press reports indicate that Tippins is not registered to do business in the United Kingdom, that it is not registered in London's business directory and could not be traced through the U.S. Department of Commerce. Attachment 2 at pages 3 and 14. However, the report says that if it is a "sole trader", Tippins would not need to be listed with the U.K. registry. Id. at page 14.

4/ The complainants also specifically state that there is a violation of 11 C.F.R. § 110.4(b) at issue here because others are alleged to have made the contributions reportedly made by Tippins. See Attachment 2 at page 5. However, the prohibitions of that regulation, and the corresponding portion of the Act set out at 2 U.S.C. § 441f, do not apply to state elections. Missouri election law also prohibits the making of contributions in the names of others but because the responses here appear to negate the allegations, this Office makes no recommendation at this time with regard to reporting the matter to state election authorities. See 2 U.S.C. § 437d(a)(9).

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Boveda indicating that he is the sole owner of Tippins. Attachment 5 at page 2. Moreover, Boveda responded to a call from this Office, supplied his address in Bilboa, Spain, and indicated during a call that he might submit a response to the complaint. However, no response was submitted.

The Committee does not deny that Tippins is a foreign national. The campaign, however, asserts that it was informed on two occasions by state authorities that it was permissible under Missouri law to accept the contribution. Attachment 3 at page 2. The Committee also claims that it was informed by state authorities that state law was controlling. Attachment 1 at page 2. The Committee has provided the affidavit of Nancy Rice, who was treasurer when the $25,000 contribution was received, who avers that she was informed by the Missouri Secretary of State's Office that it was lawful to accept such a contribution. Attachment 3 at pages 6-7. Newspaper accounts supplied with the complaint also indicate that state officials maintained it was legal under Missouri Law to accept the $25,000 from Tippins. Attachment 2 at pages 12-14. The Schoemehl campaign further asserts that once more questions arose about the contribution it sought clarification from the FEC, and then in May of 1992, after being informed that the Act prohibited such a contribution, it returned the funds and filed the sua sponte submission. Attachment 3 at pages 2, 4 and 5.[5/]

5/ A press report states that the campaign returned the $25,000 to Suarez, rather than Boveda. Suarez in turn indicated that he intended to return the money to Boveda. Attachment 2 at pages 10 and 16.

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Although the information at hand does not identify Tippins and disclose the type of entity it is, the responses suggest that Tippins is owned by Jose Boveda and that the contribution was made by Boveda/Tippins. In addition, it is clear that Tippins is a foreign principal; either a person or a sole proprietorship, association, partnership, corporation, organization, or some other combination of persons, organized under the laws of or having its principal place of business in a foreign country. See 22 U.S.C. §§ 611(b)(2),(3). Moreover, Jose Boveda is an individual who is not a citizen of the United States, but rather appears to be a Spanish National. 2 U.S.C. § 441e(b)(2). Therefore, Tippins and Jose Boveda appear to be "foreign nationals," prohibited by Section 441e of the Act and by the Commission's regulation from making contributions in connection with any election. Accordingly, the Office of the General Counsel recommends that the Commission find reason to believe that Jose Antonio Boveda and Tippins Development, Ltd., violated 2 U.S.C. § 441e.

John Suarez solicited the $25,000 from Boveda/Tippins and it appears that the Schoemehl Committee and its treasurer accepted the contribution. In fact, an article attached to the complaint indicates that the candidate informed Suarez the campaign could accept contributions Suarez solicited and obtained in Europe, presumably because state authorities told the Committee that such contributions were permissible under Missouri law. Attachment 2 at page 13. However, Federal law governs here, and section 441e and the Commission's regulations also prohibit the solicitation and acceptance of contributions from foreign nationals.

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Accordingly, the Office of the General Counsel recommends that the Commission find reason to believe that John Suarez, Vincent C. Schoemehl, Jr., Citizens for Schoemehl and Stuart Symington, Jr., as treasurer violated 2 U.S.C. § 441e.[6/]

Contributions from Chemetco, Concorde Trading and Midco.

In January of 1992, the Schoemehl Committee accepted contributions in the sum of $5,000 each from three metal recycling firms: Concorde Trading Company, Chemetco, Inc., and Midco Industries, Inc. The complainants, citing newspaper articles for support, allege that the three corporations are owned by a Belgian company. Attachment 2 at pages 3 and 4. Complainants assert that, given the foreign ownership and control of the three domestic subsidiaries, it appears that the Act's prohibition on contributions from foreign nationals has also been violated by the making and acceptance of these three contributions. They further claim that John Suarez is "also associated" with the three $5,000 contributions, although they offer no specific evidence to support the contention. Attachment 2 at page 3.

The three corporations, all represented by the same counsel, have provided evidence that they are incorporated in the State of Delaware, and are in good standing. Attachment 4 at pages 2, 4, 7, 9, 12, 14. Chemetco and Concorde Trading have their principal place of business in Illinois, while Midco has its principal place

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6/ Given that there is evidence that Boveda, through Tippins, made the $25,000 contribution, this Office makes no recommendations against any unknown foreign nationals whose contributions are alleged to have been bundled and mis-reported as a contribution from Tippins.

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of business in St. Louis, Missouri. Attachment 4 at pages 2, 7 and 12. Chemetco, Concorde Trading and Midco have each presented affidavits in which their President or Secretary/Treasurer avers that he or she "made the corporate decision to contribute" to the Schoemehl Committee, "executed the payment" of the $5,000 contributions, and that "no foreign national was involved, directly or indirectly, in the decision" of the three corporations to make the contributions at issue. Attachment 4 at pages 5,6, 10,11, 15, 16. They also indicate that their corporate counsel informed them that making such a contribution was legal. Id. at pages 6, 11, 16.[7/]

The responses of the three corporations, however, do not indicate one way or the other whether they are the domestic subsidiaries of a foreign national. The only response which addresses this question is that of the Schoemehl Committee, which denies that the three corporations are owned by a Belgian holding company. Attachment 3 at page 2. Other publicly available information does not entirely eliminate the ambiguity surrounding the ownership of these companies, although it does suggest foreign interest in them. One press report, attached to the complaint, indicates that some local businessman and state and federal officials who have had dealings with these respondents believe

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7/ The responses from Chemetco, Concorde Trading and Midco state that each was incorporated from between five and fifteen years ago. It also appears that the estimated annual sales volume for each of the corporations is substantial. As the attached listings indicate, Chemetco's estimated sales volume is 25 million, Concorde's is 100 million, and Midco's is 25 million. Attachment 7.

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that the three corporations are owned by a Belgian company, identified as Metallo-Chiminque. Attachment 2 at pages 21-22. However, in a press interview, John Suarez, who has ties with the three corporations, is alleged to have said that a holding company in France owns Chemetco and Concorde Trading. Attachment 2 at page 17.[8/] Moreover, a book which discloses information on corporate identities indicates that Midco Industries is a subsidiary of Crescenta, Inc., which may be a foreign national. See Attachment 7 at page 3.

Under 22 U.S.C. § 611(b), a corporation organized under the laws of any state within the United States, with a principal place of business with the United States, is not a foreign principal, and accordingly would not be a foreign national under 2 U.S.C. § 441e. As all three of these corporations are incorporated under the laws of Delaware with their principal places of business in either Missouri or Illinois, each falls outside the definition of a foreign national.

Section 441e, however, also prohibits contributions by foreign nationals through any other person, which includes a domestic subsidiary of a foreign principal. AOs 1992-16, 1989-20. It is unclear whether any of the three subsidiary corporations were being

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8/ The affidavit submitted by Chemetco indicates that Suarez is on the Board of Directors, but is not an officer. Attachment 4 at page 6. Press reports indicate that Suarez was also on the Board at Concorde. Suarez' response indicates that he was formerly on the Board of Midco, and that all three corporations have a business relationship. Attachment 5 at page 2. Concorde's response does not address whether Suarez was also on its Board, as indicated in the news article. Attachment 2 at 17; Attachment 4 at pages 15-16. A corporate listing for Concorde, however, lists Suarez (misspelled Swarez) as Chairman of the Board. Attachment 7 at page 2.

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directly or indirectly funded by the alleged parents, and if so, whether the parents' funds were the predominant source of funding for that subsidiary. AO 1989-20. If there was any such funding, the subsidiary would have to demonstrate through a reasonable accounting method that it had sufficient funds in its account, other then funds given or loaned by its foreign national parent, from which the contribution was made to Schoemehl. AO 1992-16.

Moreover, although the responses from the three domestic corporations contain broad denials of involvement by foreign nationals, i.e., "no foreign national was involved, directly or indirectly," they leave several crucial questions unanswered. For instance, it is unclear whether foreign nationals were on the Board of any of these corporations, and if so, whether they participated in any discussions regarding the making of the contributions. See AO 1992-16. Although the affiants each state that they "executed the payment" of the $5,000 contributions, it is unclear whether any foreign national was involved in any way in authorizing the release of the funds. Also unknown is whether foreign nationals voted on the selection of the persons who are vested with the power to make political contributions. AO 1990-8.

In light of the foregoing, the Office of the General Counsel recommends that the Commission find reason to believe that Midco Industries, Incorporated, Concorde Trading Company and Chemetco, Incorporated, violated 2 U.S.C. § 441e. In addition, this Office recommends that the Commission find reason to believe that the recipient committee, Citizens for Schoemehl, and Stuart Symington, Jr., as treasurer, violated 2 U.S.C. § 441e.

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III. RECOMMENDATIONS

1. Merge Pre MUR 260 into MUR 3541, and hereafter refer to this matter as MUR 3541.

2. Find reason to believe that Jose Antonio Boveda and Tippins Development, Ltd., violated 2 U.S.C. § 441e.

3. Find reason to believe that Citizens for Schoemehl, and Stuart Symington, Jr., as treasurer, violated 2 U.S.C. § 441e.

4. Find reason to believe that Vincent C. Schoemehl, Jr. violated 2 U.S.C. § 441e.

5. Find reason to believe that John M. Suarez violated 2 U.S.C. § 441e.

6. Find reason to believe that Midco Industries, Incorporated, Concorde Trading Company and Chemetco, Incorporated, violated 2 U.S.C. § 441e.

7. Approve the attached factual and legal analyses (6) and appropriate letters.

Lawrence M. Noble
General Counsel

2/8/93
Date

BY: Lois G. Lerner
Associate General Counsel

Attachments
1. Sua Sponte Complaint
2. Complaint by Carnahan Committee
3. Response from Schoemehl Committee
4. Responses from three corporations
5. Response from John M. Suarez
6. Factual and legal analyses (6)
7. Excerpts from Million Dollar Directory: America's Leading Public And Private Companies, (1992), pages 821, 973 and 3157.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	PRE MUR 260/
Vincent C. Schoemehl, Jr.;	)	MUR 3541
Citizens for Schoemehl Committee,	)	
and Stuart Symington, Jr., as	)	
treasurer;	)	
John M. Suarez;	)	
Jose Antonio Boveda;	)	
Tippins Development, Ltd.;	)	
Chemetco, Incorporated;	)	
Concorde Trading Company;	)	
Midco Industries, Incorporated	)	

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CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on February 23, 1993, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions with respect to Pre MUR 260 and MUR 3541:

1. Merge Pre MUR 260 into MUR 3541 and hereafter refer to this matter as MUR 3541.

2. Find reason to believe that Jose Antonio Boveda and Tippins Development, Ltd., violated 2 U.S.C. § 441e.

3. Find reason to believe that Citizens for Schoemehl, and Stuart Symington, Jr., as treasurer, violated 2 U.S.C. 441e.

(continued)

4. Find reason to believe that Vincent C. Schoemehl, Jr. violated 2 U.S.C. § 441e.

5. Find reason to believe that John M. Suarez violated 2 U.S.C. § 441e.

6. Find reason to believe that Midco Industries, Incorporated, Concorde Trading Company, and Chemetco, Incorporated violated 2 U.S.C. § 441e.

7. Approve the Factual and Legal Analyses (6) and appropriate letters as recommended in the General Counsel's report dated February 8, 1993.

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

Attest:

2-23-93
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 8, 1993

R. Emmett Fitzgerald, Esquire
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P.O. Box 130
Alton, Illinois 62002

RE: MUR 3541
Chemetco, Incorporated
Concorde Trading Company
Midco Industries, Inc.

Dear Mr. Fitzgerald:

On June 19, 1992, Chemetco, Incorporated, Concorde Trading Company and Midco Industries, Incorporated ("your clients") were notified of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). Copies of the complaint were forwarded to your clients at that time.

Upon further review of the allegations contained in the complaint and information supplied by your clients, the Commission, on February 22, 1993, found that there is reason to believe that they violated 2 U.S.C. § 441e, a provision of the Act. The Factual and Legal Analyses, which formed the bases for the Commission's findings, are attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against your clients. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office, along with answers to the enclosed questions, within 30 days of 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 your clients, the Commission may find probable cause to believe that violations have 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

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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 respondents.

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

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

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

Sincerely,

Scott E. Thomas
Chairman

Enclosures:

Factual and Legal Analyses/Discovery Requests (3)

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

MUR: 3541

RESPONDENT: Chemetco, Incorporated

I. GENERATION OF MATTER

This matter was generated by a complaint filed by Marc S. Farinella and the Carnahan for Governor Campaign ("complainants") which indicates the Schoemehl Committee accepted a $5,000 contribution from Chemetco, Incorporated, which is alleged to be owned by a foreign national.

II. FACTUAL AND LEGAL ANALYSIS

A. THE LAW

The Federal Election Campaign Act of 1971, as amended (the "Act") provides that:

> It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

2 U.S.C. § 441e.[1]

The prohibition is also included in the Commission's Regulations at 11 C.F.R. § 110.4(a)(1) which states:

> A foreign national shall not directly or through any other person make a contribution, or an

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1. Unlike most provisions of the Act, section 441e applies to any election for any political office, including state and local offices.

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> expenditure, or expressly or impliedly promise to make a contribution, or an expenditure, in connection with a convention, a caucus, or primary, general, special, or runoff election in connection with any local, State, or Federal public office.

As defined in the Act, the term "person" includes a corporation. 2 U.S.C. § 431(11). The term "foreign national" is defined at 2 U.S.C. § 441e(b)(1) as, inter alia, a "foreign principal" as that term is defined at 22 U.S.C. § 611(b), except that the term shall not include any individual who is a citizen of the United States; or an individual who is not a citizen of the United States and who is lawfully admitted for permanent residence. 2 U.S.C. § 441e(b)(2). Under 22 U.S.C. § 611(b), a "foreign principal" includes:

> (1) a government of a foreign country and a foreign political party;
>
> (2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and
>
> (3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

Under 22 U.S.C. § 611(b), a corporation organized under the laws of any state within the United States, with a principal place of business within the United States, is not a foreign principal and accordingly would not be a foreign national under 2 U.S.C. § 441e.

Section 441e, however, also prohibits contributions by a

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foreign national through any other person. In its advisory opinions ("AO"s), the Commission has addressed the issue of whether a corporation that is not a foreign national, but is a domestic subsidiary of a foreign national parent may make contributions in connection with state and local campaigns for political office. In addressing this issue the Commission has looked to two factors: the source of the funds used to make the contributions and the status of the decision makers. Regarding the source of funds, the Commission has not permitted such contributions by a domestic subsidiary where the source of funds is the foreign national parent, reasoning that this essentially permits the foreign national to make contributions indirectly when it could not do so directly. See, e.g., AOs 1992-16, 1989-20, 1985-3 and 1981-36. The Commission has prohibited contributions by a domestic subsidiary that was predominantly funded by a foreign national parent, and whose projects were not generating income. See AOs 1992-16, 1989-20, 1985-3.

Thus, in order to make contributions, a subsidiary funded by a foreign parent must be able to demonstrate through a reasonable accounting method that it has sufficient funds in its account, other than funds given or loaned by its foreign national, from which the contribution is made. See AO 1992-16, citing 11 C.F.R. § 102.5(b)(1)(ii). Additionally, the foreign parent must consider the political contributions of its subsidiary when granting further subsidies to or further capitalization of the subsidiary. AO 1992-16. The amount that the foreign parent distributes to the subsidiary cannot replenish all or any portion of the subsidiary's

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political contributions during the period since the preceding subsidy payment.

Moreover, even if the funds in question are from a domestic subsidiary, the Commission also requires that the status of the decision makers be examined. The Commission has conditioned its approval of contributions by domestic subsidiaries of foreign nationals by requiring that no director or officer of the company or its parent who is a foreign national may participate in any way in the decision making process regarding the proposed contributions. This, in turn, requires an examination of the citizenship of the decision makers, specifically the officers and directors in instances where a corporation is implicated. See AOs 1992-16, 1989-29, 1989-20, 1985-3 and 1982-10. Finally, Commission regulation at 11 C.F.R. § 110.4(a)(3) states that:

> A foreign national shall not direct, dictate, control or directly or indirectly participate in the decision making process of any person, such as a corporation, labor organization, or political committee, with regard to such person's Federal or nonfederal election-related activities, such as decisions concerning the making of contributions or expenditures in connection with elections for any local, State, or Federal office or decisions concerning the administration of a political committee.

B. **ANALYSIS**

In January of 1992, the Schoemehl Committee accepted a contribution in the sum of $5,000 from Chemetco, Inc. The complainants, citing newspaper articles for support, allege that the corporation is owned by a Belgian company. Complainants assert that, given the foreign ownership and control of the domestic subsidiary, it appears that the Act's prohibition on

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contributions from foreign nationals has been violated by the making of the contribution.

Counsel for the corporation provided evidence that it is incorporated in the State of Delaware, that it is in good standing, and that its principal place of business is in Illinois. Chemetco's President/General Manager avers that he "made the corporate decision to contribute" to the Schoemehl Committee, "executed the payment" of the $5,000 contribution and that "no foreign national was involved, directly or indirectly, in the decision" to make the contribution at issue. He also indicates that corporate counsel informed him that making such a contribution was legal.

The response does not indicate, one way or the other, whether Chemetco is a domestic subsidiary of a foreign national. Other publicly available information does not entirely eliminate the ambiguity surrounding the ownership of the company, although it does suggest a foreign parent owns Chemetco. One press report, attached to the complaint, indicates that some local businessman and state and federal officials who have had dealings with these respondents believe that the corporation is owned by a Belgian company, identified as Metallo-Chiminque. However, in a press interview, John Suarez, who has ties to the corporation, is alleged to have said that a holding company in France owns Chemetco.

Under 22 U.S.C. § 611(b), a corporation organized under the laws of any state within the United States, with a principal place of business with the United States, is not a foreign principal,

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and accordingly would not be a foreign national under 2 U.S.C. § 441e. As an entity incorporated under the laws of Delaware with its principal places of business in Illinois, Chemetco falls outside the definition of a foreign national.

Section 441e, however, also prohibits contributions by foreign nationals through any other person, which would include a domestic subsidiary of a foreign principal. AOs 1992-16, 1989-20. It is unclear whether Chemetco was or is directly or indirectly funded by the alleged parent, and if so, whether the parent's funds were the predominant source of funding for that subsidiary. AO 1989-20. If there was any such funding, the subsidiary will have to demonstrate through a reasonable accounting method that it had sufficient funds in its account, other then funds given or loaned by its foreign national parent, from which the contribution was made to Schoemehl. See AO 1992-16.

Moreover, although the response from Chemetco contains a broad denial of involvement by a foreign national, i.e., "no foreign national was involved, directly or indirectly," it leaves several crucial questions unanswered. For instance, it is unclear whether any foreign national was on the Board of the corporation, and if so, whether such Board member participated in any discussions regarding the making of the contribution. See AO 1992-16. Although the affiant states that he "executed the payment" of the $5,000 contribution, it is unclear whether any foreign national was involved in any way in authorizing the release of the funds. Also unknown is whether foreign nationals voted on the selection of the person vested with the power to make

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political contributions. See AO 1990-8.

In light of the foregoing, there is reason to believe that Chemetco, Incorporated, violated 2 U.S.C. § 441e.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 3541
	)	
	)	

QUESTIONS AND REQUESTS
FOR PRODUCTION OF DOCUMENTS

Chemetco, Incorporated
c/o R. Emmett Fitzgerald, Esquire
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P.O. Box 130
Alton, Illinois 62002

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 30 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 requests 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 requests shall refer to the time period from January 1, 1992 to the present.

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 respondents 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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"Nationality status" with respect to individuals shall mean country of citizenship and the country of permanent residence, if other than the country of citizenship.

"Nationality status" with respect to corporations shall mean the country of incorporation.

QUESTIONS AND DOCUMENT REQUESTS

1. Identify Chemetco, Incorporated, and provide the place of incorporation.

2. Identify all officers and directors.

3. Identify all management personnel.

4. Identify all persons and entities, including their nationality status, which directly or indirectly have ownership rights in Chemetco. Describe the interest held by each. Describe the relationship between/among these persons and/or entities.

5. State whether Chemetco, Inc. is a subsidiary of another entity. If you are a subsidiary of another entity, have you received any transfers of funds from your parent? If so, describe in detail.

6. State your approximate or actual gross and net profits (If 1992 figures are not available, provide them for the last available year).

7. List all contributions (by date, amount, and recipient) made by you to federal, state, and local elections since January 1, 1992. List all refunds made of such contributions, and the date of the refund(s). State whether you are required to file reports with any state election board.

8. Describe each step of the process by which you made each contribution noted above, including the identification (including nationality status) of the persons who made and participated in the decision to make the contribution and the persons who carried out the contribution. In addition, identify the person(s) who signed the contribution checks and identify any person(s) who could have overrode such contribution decision made by the persons identified above.

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9. State the source of funds used to make the contributions noted above, including from which account the contributions were made and the sources of funds for this account. State whether any contribution funds were provided directly or indirectly by a foreign national.

10. State whether you maintain a political action committee. If so, specify the source of funds used by such committee. Identify all persons associated with the operation of such political action committee.

11. If your answer to question number 10 is in the negative, state whether you maintain a pool of funds specified for election activity. If so, identify the procedure under which such pool was established, state how it is currently operated, and identify those persons who determine under which circumstances funds are available for the pool.

12. Identify the persons who supervise, manage, review, or are vested with the power to vote on the selection of, those persons within the corporation with the authority to make contributions. Include the nationality status of each person identified.

13. Describe the circumstances surrounding the $5,000 contribution made to Citizens for Schoemehl, including but not limited to: a) the identity of the person(s) who solicited the contribution and determined to make the contribution, and; b) the manner in which it was transmitted to the Schoemehl Committee.

14. Identify each person answering these questions, the length of time he or she has been associated with you, and all positions held with you.

15. Please identify and produce documents related to contributions you have made, including but not limited to: copies of contribution checks, correspondence related to contributions, election reports required to be filed with any government agency, etc.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

MUR: 3541

RESPONDENT: Concorde Trading Company

I. GENERATION OF MATTER

This matter was generated by a complaint filed by Marc S. Farinella and the Carnahan for Governor Campaign ("complainants") which indicates the Schoemehl Committee accepted a $5,000 contribution from the Concorde Trading Company, which is alleged to be owned by a foreign national.

II. FACTUAL AND LEGAL ANALYSIS

A. THE LAW

The Federal Election Campaign Act of 1971, as amended (the "Act") provides that:

> It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

2 U.S.C. § 441e.[1]

The prohibition is also included in the Commission's Regulations at 11 C.F.R. § 110.4(a)(1) which states:

> A foreign national shall not directly or through any other person make a contribution, or an

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1. Unlike most provisions of the Act, section 441e applies to any election for any political office, including state and local offices.

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> expenditure, or expressly or impliedly promise to make a contribution, or an expenditure, in connection with a convention, a caucus, or a primary, general, special, or runoff election in connection with any local, State, or Federal public office.

As defined in the Act, the term "person" includes a corporation. 2 U.S.C. § 431(11). The term "foreign national" is defined at 2 U.S.C. § 441e(b)(1) as, inter alia, a "foreign principal" as that term is defined at 22 U.S.C. § 611(b), except that the term shall not include any individual who is a citizen of the United States; or an individual who is not a citizen of the United States and who is lawfully admitted for permanent residence. 2 U.S.C. § 441e(b)(2). Under 22 U.S.C. § 611(b), a "foreign principal" includes:

> (1) a government of a foreign country and a foreign political party;
>
> (2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and
>
> (3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

Under 22 U.S.C. § 611(b), a corporation organized under the laws of any state within the United States, with a principal place of business within the United States, is not a foreign principal and accordingly would not be a foreign national under 2 U.S.C. § 441e.

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Section 441e, however, also prohibits contributions by a foreign national through any other person. In its advisory opinions ("AO"s), the Commission has addressed the issue of whether a corporation that is not a foreign national, but is a domestic subsidiary of a foreign national parent may make contributions in connection with state and local campaigns for political office. In addressing this issue the Commission has looked to two factors: the source of the funds used to make the contributions and the status of the decision makers. Regarding the source of funds, the Commission has not permitted such contributions by a domestic subsidiary where the source of funds is the foreign national parent, reasoning that this essentially permits the foreign national to make contributions indirectly when it could not do so directly. See, e.g., AOs 1992-16, 1989-20, 1985-3 and 1981-36. The Commission has prohibited contributions by a domestic subsidiary that was predominantly funded by a foreign national parent, and whose projects were not generating income. 1992-16, 1989-20, 1985-3.

Thus, in order to make contributions, a subsidiary funded by a foreign parent must be able to demonstrate through a reasonable accounting method that it has sufficient funds in its account, other than funds given or loaned by its foreign national, from which the contribution is made. See AO 1992-16, citing 11 C.F.R. § 102.5(b)(1)(ii). Additionally, the foreign parent must consider the political contributions of its subsidiary when granting further subsidies to or further capitalization of the subsidiary. AO 1992-16. The amount that the foreign parent distributes to the

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subsidiary cannot replenish all or any portion of the subsidiary's political contributions during the period since the preceding subsidy payment.

Moreover, even if the funds in question are from a domestic subsidiary, the Commission also requires that the status of the decision makers be examined. The Commission has conditioned its approval of contributions by domestic subsidiaries of foreign nationals by requiring that no director or officer of the company or its parent who is a foreign national may participate in any way in the decision making process regarding the proposed contributions. This, in turn, requires an examination of the citizenship of the decision makers, specifically the officers and directors in instances where a corporation is implicated. See AOs 1992-16, 1989-29, 1989-20, 1985-3 and 1982-10. Finally, Commission regulation at 11 C.F.R. § 110.4(a)(3) states that:

> A foreign national shall not direct, dictate, control or directly or indirectly participate in the decision making process of any person, such as a corporation, labor organization, or political committee, with regard to such person's Federal or nonfederal election-related activities, such as decisions concerning the making of contributions or expenditures in connection with elections for any local, State, or Federal office or decisions concerning the administration of a political committee.

B. ANALYSIS

In January of 1992, the Schoemehl Committee accepted a contribution in the sum of $5,000 from the Concorde Trading Company. The complainants, citing newspaper articles for support, allege that the corporation is owned by a Belgian company. Complainants assert that, given the foreign ownership and control

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of the domestic subsidiary, it appears that the Act's prohibition on contributions from foreign nationals has been violated by the making of the contribution.

Counsel for the corporation provided evidence that it is incorporated in the State of Delaware, that it is in good standing, and that its principal place of business is in Illinois. The Secretary-Treasurer of Concorde Trading avers that he "made the corporate decision to contribute" to the Schoemehl Committee, "executed the payment" of the $5,000 contribution and that "no foreign national was involved, directly or indirectly, in the decision" to make the contribution at issue. He also indicates that corporate counsel informed him that making such a contribution was legal.

The response does not indicate, one way or the other, whether Concorde Trading Company is a domestic subsidiary of a foreign national. Other publicly available information does not entirely eliminate the ambiguity surrounding the ownership of the company, although it does suggest a foreign parent owns Concorde. One press report, attached to the complaint, indicates that some local businessman and state and federal officials who have had dealings with the respondent believe that the corporation is owned by a Belgian company, identified as Metallo-Chiminque. However, in a press interview, John Suarez, who has ties with the corporation, is alleged to have said that a holding company in France owns Concorde.

Under 22 U.S.C. § 611(b), a corporation organized under the laws of any state within the United States, with a principal place

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of business with the United States, is not a foreign principal, and accordingly would not be a foreign national under 2 U.S.C. § 441e. As an entity incorporated under the laws of Delaware with its principal places of business in Illinois, Concorde falls outside the definition of a foreign national.

Section 441e, however, also prohibits contributions by foreign nationals through any other person, which would include a domestic subsidiary of a foreign principal. AOs 1992-16, 1989-20. It is unclear whether Concorde was or is directly or indirectly funded by the alleged parent, and if so, whether the parent's funds were the predominant source of funding for that subsidiary. If there was any such funding, the subsidiary will have to demonstrate through a reasonable accounting method that it had sufficient funds in its account, other then funds given or loaned by its foreign national parent, from which the contribution was made to Schoemehl. AO 1992-16.

Moreover, although the response from Concorde contains a broad denial of involvement by a foreign national, i.e., "no foreign national was involved, directly or indirectly," it leaves several crucial questions unanswered. For instance, it is unclear whether any foreign national was on the Board of the corporation, and if so, whether such Board member participated in any discussions regarding the making of the contribution. See AO 1992-16. Although the affiant states that he "executed the payment" of the $5,000 contribution, it is unclear whether any foreign national was involved in any way in authorizing the release of the funds. Also unknown is whether foreign nationals

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voted on the selection of the person vested with the power to make political contributions. AO 1990-8.

In light of the foregoing, there is reason to believe Concorde Trading Company, Incorporated, violated 2 U.S.C. § 441e.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 3541
	)	
	)	

QUESTIONS AND REQUESTS
FOR PRODUCTION OF DOCUMENTS

Concorde Trading Company
c/o R. Emmett Fitzgerald, Esquire
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P.O. Box 130
Alton, Illinois 62002

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 30 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 requests 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 requests shall refer to the time period from January 1, 1992 to the present.

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 respondents 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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"Nationality status" with respect to individuals shall mean country of citizenship and the country of permanent residence, if other than the country of citizenship.

"Nationality status" with respect to corporations shall mean the country of incorporation.

QUESTIONS AND DOCUMENT REQUESTS

1. Identify Concorde Trading Company, and provide the place of incorporation.

2. Identify all officers and directors.

3. Identify all management personnel.

4. Identify all persons and entities, including their nationality status, which directly or indirectly have ownership rights in Concorde Trading Company. Describe the interest held by each. Describe the relationship between/among these persons and/or entities.

5. State whether you are a subsidiary of another entity. If Concorde Trading Company is a subsidiary of another entity, have you received any transfers of funds from your parent? If so, describe in detail.

6. State your approximate or actual gross and net profits (If 1992 figures are not available, provide them for the last available year).

7. List all contributions (by date, amount, and recipient) made by you to federal, state, and local elections since January 1, 1992. List all refunds made of such contributions, and the date of the refund(s). State whether you are required to file reports with any state election board.

8. Describe each step of the process by which you made each contribution noted above, including the identification (including nationality status) of the persons who made and participated in the decision to make the contribution and the persons who carried out the contribution. In addition, identify the person(s) who signed the contribution checks and identify any person(s) who could have overrode such contribution decision made by the persons identified above.

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9. State the source of funds used to make the contributions noted above, including from which account the contributions were made and the sources of funds for this account. State whether any contribution funds were provided directly or indirectly by a foreign national.

10. State whether you maintain a political action committee. If so, specify the source of funds used by such committee. Identify all persons associated with the operation of such political action committee.

11. If your answer to question number 10 is in the negative, state whether you maintain a pool of funds specified for election activity. If so, identify the procedure under which such pool was established, state how it is currently operated, and identify those persons who determine under which circumstances funds are available for the pool.

12. Identify the persons who supervise, manage, review, or are vested with the power to vote on the selection of, those persons within the corporation with the authority to make contributions. Include the nationality status of each person identified.

13. Describe the circumstances surrounding the $5,000 contribution made to Citizens for Schoemehl, including but not limited to: a) the identity of the person(s) who solicited the contribution and determined to make the contribution, and; b) the manner in which it was transmitted to the Schoemehl Committee.

14. Identify each person answering these questions, the length of time he or she has been associated with you, and all positions held with you.

15. Please identify and produce documents related to contributions you have made, including but not limited to: copies of contribution checks, correspondence related to contributions, election reports required to be filed with any government agency, etc.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

MUR: 3541

RESPONDENT: Midco Industries, Inc.

I. GENERATION OF MATTER

This matter was generated by a complaint filed by Marc S. Farinella and the Carnahan for Governor Campaign ("complainants") which indicates the Schoemehl Committee accepted a $5,000 contribution from Midco Industries, Incorporated, which is alleged to be owned by a foreign national.

II. FACTUAL AND LEGAL ANALYSIS

A. THE LAW

The Federal Election Campaign Act of 1971, as amended (the "Act") provides that:

> It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

2 U.S.C. § 441e.[1]

The prohibition is also included in the Commission's Regulations at 11 C.F.R. § 110.4(a)(1) which states:

> A foreign national shall not directly or through any other person make a contribution, or an

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1. Unlike most provisions of the Act, section 441e applies to any election for any political office, including state and local offices.

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> expenditure, or expressly or impliedly promise to make a contribution, or an expenditure, in connection with a convention, a caucus, or a primary, general, special, or runoff election in connection with any local, State, or Federal public office.

As defined in the Act, the term "person" includes a corporation. 2 U.S.C. § 431(11). The term "foreign national" is defined at 2 U.S.C. § 441e(b)(1) as, inter alia, a "foreign principal" as that term is defined at 22 U.S.C. § 611(b), except that the term shall not include any individual who is a citizen of the United States; or an individual who is not a citizen of the United States and who is lawfully admitted for permanent residence. 2 U.S.C. § 441e(b)(2). Under 22 U.S.C. § 611(b), a "foreign principal" includes:

> (1) a government of a foreign country and a foreign political party;
>
> (2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and
>
> (3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

Under 22 U.S.C. § 611(b), a corporation organized under the laws of any state within the United States, with a principal place of business within the United States, is not a foreign principal and accordingly would not be a foreign national under 2 U.S.C. § 441e.

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Section 441e, however, also prohibits contributions by a foreign national through any other person. In its advisory opinions ("AO"s), the Commission has addressed the issue of whether a corporation that is not a foreign national, but is a domestic subsidiary of a foreign national parent may make contributions in connection with state and local campaigns for political office. In addressing this issue the Commission has looked to two factors: the source of the funds used to make the contributions and the status of the decision makers. Regarding the source of funds, the Commission has not permitted such contributions by a domestic subsidiary where the source of funds is the foreign national parent, reasoning that this essentially permits the foreign national to make contributions indirectly when it could not do so directly. See, e.g., AOs 1992-16, 1989-20, 1985-3 and 1981-36. The Commission has prohibited contributions by a domestic subsidiary that was predominantly funded by a foreign national parent, and whose projects were not generating income. See AO 1992-16, 1989-20, 1985-3.

Thus, in order to make contributions, a subsidiary funded by a foreign parent must be able to demonstrate through a reasonable accounting method that it has sufficient funds in its account, other than funds given or loaned by its foreign national, from which the contribution is made. See AO 1992-16, citing 11 C.F.R. § 102.5(b)(1)(ii). Additionally, the foreign parent must consider the political contributions of its subsidiary when granting further subsidies to or further capitalization of the subsidiary. AO 1992-16. The amount that the foreign parent distributes to the

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subsidiary cannot replenish all or any portion of the subsidiary's political contributions during the period since the preceding subsidy payment.

Moreover, even if the funds in question are from a domestic subsidiary, the Commission also requires that the status of the decision makers be examined. The Commission has conditioned its approval of contributions by domestic subsidiaries of foreign nationals by requiring that no director or officer of the company or its parent who is a foreign national may participate in any way in the decision making process regarding the proposed contributions. This, in turn, requires an examination of the citizenship of the decision makers, specifically the officers and directors in instances where a corporation is implicated. See AOs 1992-16, 1989-29, 1989-20, 1985-3 and 1982-10. Finally, Commission regulation at 11 C.F.R. § 110.4(a)(3) states that:

> A foreign national shall not direct, dictate, control or directly or indirectly participate in the decision making process of any person, such as a corporation, labor organization, or political committee, with regard to such person's Federal or nonfederal election-related activities, such as decisions concerning the making of contributions or expenditures in connection with elections for any local, State, or Federal office or decisions concerning the administration of a political committee.

B. ANALYSIS

In January of 1992, the Schoemehl Committee accepted a contribution in the sum of $5,000 from Midco Industries, Incorporated. The complainants, citing newspaper articles for support, allege that the corporation is owned by a Belgian company. Complainants assert that, given the foreign ownership

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and control of the domestic subsidiary, it appears that the Act's prohibition on contributions from foreign nationals has been violated by the making of the contribution.

Counsel for the corporation provided evidence that it is incorporated in the State of Delaware, that it is in good standing, and that its principal place of business is in Missouri. Midco's President avers that he or she "made the corporate decision to contribute" to the Schoemehl Committee, "executed the payment" of the $5,000 contribution and that "no foreign national was involved, directly or indirectly, in the decision" to make the contribution at issue. Midco's President also indicates that corporate counsel informed him/her that making such a contribution was legal.

The response does not indicate, one way or the other, whether Midco is a domestic subsidiary of a foreign national. Other publicly available information does not entirely eliminate the ambiguity surrounding the ownership of the company, although it does suggest a foreign parent owns Midco. One press report, attached to the complaint, indicates that some local businessman and state and federal officials who have had dealings with the respondent believe that the corporation is owned by a Belgian company, identified as Metallo-Chiminque.

Under 22 U.S.C. § 611(b), a corporation organized under the laws of any state within the United States, with a principal place of business with the United States, is not a foreign principal, and accordingly would not be a foreign national under 2 U.S.C. § 441e. As an entity incorporated under the laws of Delaware with

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its principal places of business in Missouri, Midco falls outside the definition of foreign national.

Section 441e, however, also prohibits contributions by foreign nationals through any other person, which would include a domestic subsidiary of a foreign principal. AOs 1992-16, 1989-20. It is unclear whether Midco was or is directly or indirectly funded by the alleged parent, and if so, whether the parent's funds were the predominant source of funding for that subsidiary. AO 1989-20. If there was any funding, the subsidiary will have to demonstrate through a reasonable accounting method that it had sufficient funds in its account, other then funds given or loaned by its foreign national parent, from which the contribution to Schoemehl was made. See AO 1992-16.

Moreover, although the response from Midco contains a broad denial of involvement by a foreign national, i.e., "no foreign national was involved, directly or indirectly," it leaves several crucial questions unanswered. For instance, it is unclear whether any foreign national was on the Board of the corporation, and if so, whether the Board member participated in any discussions regarding the making of the contribution. Although the affiant states that he/she "executed the payment" of the $5,000 contribution, it is unclear whether any foreign national was involved in any way in authorizing the release of the funds. Also unknown is whether foreign nationals voted on the selection of the

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person vested with the power to make political contributions. AO 1990-8.

In light of the foregoing, there is reason to believe that Midco Industries, Incorporated violated 2 U.S.C. § 441e.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 3541
	)	
	)	

QUESTIONS AND REQUESTS
FOR PRODUCTION OF DOCUMENTS

Midco Industries, Incorporated
c/o R. Emmett Fitzgerald, Esquire
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P.O. Box 130
Alton, Illinois 62002

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 30 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 requests 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 requests shall refer to the time period from January 1, 1992 to the present.

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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"Nationality status" with respect to individuals shall mean country of citizenship and the country of permanent residence, if other than the country of citizenship.

"Nationality status" with respect to corporations shall mean the country of incorporation.

QUESTIONS AND DOCUMENT REQUESTS

1. Identify Midco Industries, Inc., and provide the place of incorporation.

2. Identify all officers and directors.

3. Identify all management personnel.

4. Identify all persons and entities, including their nationality status, which directly or indirectly have ownership rights in Midco Industries, Inc. Describe the interest held by each. Describe the relationship between/among these persons and/or entities.

5. State whether you are a subsidiary of another entity. If you are a subsidiary of another entity, have you received any transfers of funds from your parent? If so, describe in detail.

6. State your approximate or actual gross and net profits (If 1992 figures are not available, provide them for the last available year).

7. List all contributions (by date, amount, and recipient) made by you to federal, state, and local elections since January 1, 1992. List all refunds made of such contributions, and the date of the refund(s). State whether you are required to file reports with any state election board.

8. Describe each step of the process by which you made each contribution noted above, including the identification (including nationality status) of the persons who made and participated in the decision to make the contribution and the persons who carried out the contribution. In addition, identify the person(s) who signed the contribution checks and identify any person(s) who could have overrode such contribution decision made by the persons identified above.

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9. State the source of funds used to make the contributions noted above, including from which account the contributions were made and the sources of funds for this account. State whether any contribution funds were provided directly or indirectly by a foreign national.

10. State whether you maintain a political action committee. If so, specify the source of funds used by such committee. Identify all persons associated with the operation of such political action committee.

11. If your answer to question number 10 is in the negative, state whether you maintain a pool of funds specified for election activity. If so, identify the procedure under which such pool was established, state how it is currently operated, and identify those persons who determine under which circumstances funds are available for the pool.

12. Identify the persons who supervise, manage, review, or are vested with the power to vote on the selection of, those persons within the corporation with the authority to make contributions. Include the nationality status of each person identified.

13. Describe the circumstances surrounding the $5,000 contribution made to Citizens for Schoemehl, including but not limited to: a) the identity of the person(s) who solicited the contribution and determined to make the contribution, and; b) the manner in which it was transmitted to the Schoemehl Committee.

14. Identify each person answering these questions, the length of time he or she has been associated with you, and all positions held with you.

15. Please identify and produce documents related to contributions you have made, including but not limited to: copies of contribution checks, correspondence related to contributions, election reports required to be filed with any government agency, etc.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 8, 1993

Patrick M. Flynn, Esquire
Flynn & Guymon
28 Public Square
Belleville, Illinois 62220

RE: MUR 3541
John M. Suarez

Dear Mr. Flynn:

On June 15, 1992, John M. Suarez ("your client") was notified of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your client at that time.

Upon further review of the allegations contained in the complaint and information supplied by your client, the Commission, on February 22, 1993, found that there is reason to believe that John M. Suarez violated 2 U.S.C. § 441e, a provision of 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 your client. 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 30 days of 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 your client, 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

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

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

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

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

Sincerely,

Scott E. Thomas
Chairman

Enclosures
Factual & Legal Analysis
Questions and Document Request

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

MUR: 3541

RESPONDENT: John M. Suarez

I. GENERATION OF MATTER

This matter was generated by a sua sponte submission by Citizens for Schoemehl Committee ("Schoemehl Committee" or "Committee"), and Stuart Symington, Jr., as treasurer, and by a complaint filed by Marc S. Farinella and the Carnahan for Governor Campaign ("complainants"). The Schoemehl Committee accepted a $25,000 contribution from Tippins Development, Ltd., from London, England ("Tippins"), which appears to have been solicited by John M. Suarez.

II. FACTUAL AND LEGAL ANALYSIS

A. THE LAW

The Federal Election Campaign Act of 1971, as amended (the "Act") provides that:

> It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

2 U.S.C. § 441e.[1]

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1. Unlike most provisions of the Act, section 441e applies to any election for any political office, including state and local offices.

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The prohibition is also included in the Commission's Regulations at 11 C.F.R. § 110.4(a)(1) which states:

> A foreign national shall not directly or through any other person make a contribution, or an expenditure, or expressly or impliedly promise to make a contribution, or an expenditure, in connection with a convention, a caucus, or a primary, general, special, or runoff election in connection with any local, State, or Federal public office.

The regulations provide further that no person shall solicit, accept, or receive a contribution as set out in 11 C.F.R. § 110.4(a)(1) from a foreign national. 11 C.F.R. § 110.4(a)(2).

B. **ANALYSIS**

The Schoemehl campaign received by wire transfer from London, England a $25,000 contribution from Tippins on April 29, 1991. It appears that the $25,000 contribution from Tippins was solicited by John Suarez, a businessman who is a "friend" and "long time supporter" of Schoemehl. According to press reports, Suarez is a U.S. Citizen. Suarez apparently he has no interest in Tippins, solicited the contribution from his business partner Jose Boveda, an alleged Spanish National.

The complaint calls into question the existence of Tippins, noting that it is not registered to do business in the United Kingdom. In addition, the Committee's disclosure reports do not contain the street or mailing address of Tippins, and it cannot be located in business directories. The complainants also note that Suarez was quoted in the press as saying that the $25,000 may have included money Boveda solicited "from some other people" in Europe. They therefore assert that the prohibited $25,000 may

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have been bundled from various other unknown foreign nationals and "cloaked in secrecy."

Suarez asserts that to his knowledge Boveda is the sole owner of Tippins. The response explains that at the time the contribution was made Suarez thought that others may have had an interest in Tippins, and thus the $25,000 may have included contributions from other foreign nationals. It asserts that the quoted press statement was made before Boveda informed Suarez that the former is the sole owner of Tippins. The Suarez response also indicates that counsel is attempting to obtain a statement from Boveda indicating that he is the sole owner of Tippins.

Although the information at hand does not identify Tippins and disclose the type of entity it is, the responses suggest that Tippins is owned by Jose Boveda and that the contribution was made by Boveda/Tippins. In addition, it appears that Tippins is a foreign principal; either a person or a sole proprietorship, association, partnership, corporation, organization, or some other combination of persons, organized under the laws of or having its principal place of business in a foreign country. See 22 U.S.C. §§ 611(b)(2),(3). Moreover, Jose Boveda is an individual who is not a citizen of the United States, but rather appears to be a Spanish National. 2 U.S.C. § 441e(b)(2). Therefore, Tippins and Jose Boveda appear to be "foreign nationals," prohibited by Section 441e of the Act and by the Commission's regulations from making contributions in connection with any election.

John Suarez solicited the $25,000 from Boveda/Tippins and, as noted, Section 441e and the Commission's regulations prohibit the

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solicitation of contributions from foreign nationals. Accordingly, there is reason to believe that John M. Suarez violated 2 U.S.C. § 441e.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 3541
	)	
	)	

INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

John M. Suarez
c/o Patrick M. Flynn, Esquire
Flynn & Guymon
28 Public Square
Belleville, Illinois 62220

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 30 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 requests 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 requests shall refer to the time period from January 1, 1991 to the present.

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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"Nationality status" with respect to individuals shall mean country of citizenship and the country of permanent residence, if other than the country of citizenship.

"Nationality status" with respect to corporations shall mean the country of incorporation.

QUESTIONS AND DOCUMENT REQUESTS

1. Identify yourself, and all your businesses. State the nationality status of each. If any of your businesses is a subsidiary, state the nationality status of the parent.

Questions 2-4 relate to the $25,000 contribution reportedly from Tippins Development, Inc. ("Tippins"), received by Citizens for Schoemehl ("Committee") on April 30, 1991 by wire transfer.

2. State whether you solicited the contribution. If the answer to this question is in the affirmative:

a. Identify the person(s) from whom you solicited the contribution and the person(s) who made the contribution, i.e., Tippins, Jose Boveda, etc., and state the nationality status of each.

b. Describe your role in obtaining the contribution;

3. State whether you communicated with any person(s) from the Committee regarding the contribution either before or after the date the contribution was received. If so:

a. Identify the person(s) from the campaign (including the candidate) with whom you communicated;

b. Describe the method(s) by which you communicated and give the dates the communication(s) occurred;

c. Summarize the substance of the communication(s); and

d. Identify and produce all documents relating to the communications.

4. State whether you were involved in arranging to have the contribution transmitted from the contributor to the Committee. If the answer to this question is in the affirmative, provide the details, including but not limited to:

a. How the contribution was transmitted;

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b. Who made the arrangements and sent the contribution by wire;

c. Identify and produce all documents related to the wire transfer.

Citizens for Schoemehl's disclosure reports indicate that during January of 1992, it received contributions of $5,000 each from Chemetco, Inc., Concorde Trading, and Midco Industries, Incorporated ("corporations"). Questions 5-8 pertain to those three $5,000 contributions.

5. State whether you were involved, directly or indirectly, in solicitating, making or transmitting the three contributions. If so, identify which contributions you were involved with and describe your role.

6. State whether you communicated with any person(s) associated with the Schoemehl Committee about any of these three contributions. If the answer to this question is in the affirmative:

a. Identify the person(s) from the campaign (including the candidate) with whom you communicated;

b. Describe the method(s) by which you communicated, and give the dates the communication(s) occurred;

c. Summarize the substance of the communication(s); and

d. Identify and produce all documents relating to the communications.

7. Describe your relationship with each of the corporations, and indicate whether you have any financial interest or official or unofficial role in the corporations. If so, describe your interest(s) and role(s).

8. State whether any of the three corporations is a subsidiary. If so, identify the parent, and state the its nationality status.

9. State whether you are a partner or have any business relationship with Jose Boveda. If so, identify the businesses, state their nationality status and describe the roles and financial interests of each of you. Indicate whether any of the entities are doing business in the United States.

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10. State whether you had any official or unofficial role in the Schoemehl Committee. If the answer to this question is in the affirmative, describe your role.

11. State whether you solicited and/or obtained any other contributions on behalf of Citizens for Schoemehl, Vincent c. Schoemehl. If the answer to this question is in the affirmative:

a. Identify all persons and entities you solicited and indicate whether they made a contribution;

b. State the amount that was contributed, and identify the recipient of each of the contributions;

c. State the nationality status of each of the contributing persons and entities. Indicate whether any of those solicited is a subsidiary. If so, identify the parent, and provide its nationality status.

12. State whether you solicited and/or obtained contributions on behalf of any other candidate or state, local or federal political committee. If the answer to this question is in the affirmative:

a. Identify all persons and entities you solicited and indicate whether they made a contribution;

b. State the amount that was contributed, and identify the recipient of each contribution;

c. State the nationality status of each of the contributing persons and/or entities. Indicate whether any of those solicited is a subsidiary. If so, identify the parent, and provide its nationality status.

13. State whether you, either directly, indirectly, i.e., through any of your businesses, made contributions to any candidate or state, local or federal political committee. If the answer to this question is in the affirmative:

a. Identify the entity through which you made the contribution (if applicable);

b. State the amount that was contributed, and identify the recipient of each of the contributions;

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c. State the nationality status of each of the contributing persons and/or entities. Indicate whether any of those solicited is a subsidiary. If so, identify the parent, and provide its nationality status.

14. Identify and produce all documents relating to any of the contributions at issue or referred to answering these questions, including but not limited to copies of correspondence, checks, statements, etc.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 8, 1993

Robert F. Bauer, Esquire
B. Holly Schadler, Esquire
Perkins Coie
607 Fourteenth Street, N.W.
Washington, D.C. 20005-2011

RE: MUR 3541
Vincent C. Schoemehl, Jr.
Citizens for Schoemehl and
Stuart Symington, Jr., as treasurer

Dear Mr. Bauer and Ms. Schadler:

On May 15, 1992, you submitted a request that the Federal Election Commission institute a matter under review on behalf of Citizens for Schoemehl ("the Committee"), and Stuart Symington, Jr., as treasurer ("your clients"). You were notified by letter dated May 20, 1992 that your clients' submission was designated Pre-MUR 260. On June 15, 1992, your clients were notified of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint, MUR 3541, was forwarded to your clients at that time.

Upon further review of the allegations contained in your clients' submission and the complaint, the Commission, on February 22, 1993, found that there is reason to believe that Citizens for Schoemehl, Stuart Symington, Jr., as treasurer, and Vincent C. Schoemehl, Jr., violated 2 U.S.C. § 441e, a provision of the Act. In addition, the Commission merged Pre-MUR 260 into MUR 3541, and hereafter this matter shall be referred to as MUR 3541. The Factual and Legal Analysis, which formed the bases for the Commission's findings, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against your clients. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office, along with answers to

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the enclosed questions, within 30 days of 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 your clients, 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.

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

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

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

Sincerely,

Scott E. Thomas
Chairman

Enclosures
Factual & Legal Analysis
Questions and Document Request

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RE: MUR 3541

RESPONDENTS: Vincent C. Schoemehl, Jr.
Citizens for Schoemehl Committee, and
Stuart Symington, Jr., as treasurer

I. GENERATION OF MATTER

This matter was generated by a sua sponte submission by Citizens for Schoemehl Committee ("Schoemehl Committee" or "Committee"), and Stuart Symington, Jr., as treasurer, and by a complaint filed by Marc S. Farinella and the Carnahan for Governor Campaign ("complainants"). Both submissions indicate that the Schoemehl Committee accepted a $25,000 contribution from Tippins Development, Ltd., from London, England ("Tippins"). The Schoemehl Committee also accepted $5,000 contributions from three entities which the Carnahan complaint alleges are domestic subsidiaries of a foreign national.

II. FACTUAL AND LEGAL ANALYSIS

A. THE LAW

The Federal Election Campaign Act of 1971, as amended (the "Act") provides that:

> It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

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2 U.S.C. § 441e.[1]

The prohibition is also included in the Commission's Regulations at 11 C.F.R. § 110.4(a)(1) which states:

> A foreign national shall not directly or through any other person make a contribution, or an expenditure, or expressly or impliedly promise to make a contribution, or an expenditure, in connection with a convention, a caucus, or a primary, general, special, or runoff election in connection with any local, State, or Federal public office.

The regulations provide further that no person shall solicit, accept, or receive a contribution as set out in 11 C.F.R. § 110.4(a)(1) from a foreign national. 11 C.F.R. § 110.4(a)(2).

As defined in the Act, the term "person" includes a corporation. 2 U.S.C. § 431(11). The term "foreign national" is defined at 2 U.S.C. § 441e(b)(1) as, inter alia, a "foreign principal" as that term is defined at 22 U.S.C. § 611(b), except that the term shall not include any individual who is a citizen of the United States; or an individual who is not a citizen of the United States and who is lawfully admitted for permanent residence. 2 U.S.C. § 441e(b)(2). Under 22 U.S.C. § 611(b), a "foreign principal" includes:

> (1) a government of a foreign country and a foreign political party;
>
> (2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its

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1. Unlike most provisions of the Act, section 441e applies to any election for any political office, including state and local offices.

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principal place of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

Under 22 U.S.C. § 611(b), a corporation organized under the laws of any state within the United States, with a principal place of business within the United States, is not a foreign principal and accordingly would not be a foreign national under 2 U.S.C. § 441e.

Section 441e, however, also prohibits contributions by a foreign national through any other person. In its advisory opinions ("AO"s), the Commission has addressed the issue of whether a corporation that is not a foreign national, but is a domestic subsidiary of a foreign national parent may make contributions in connection with state and local campaigns for political office. In addressing this issue the Commission has looked to two factors: the source of the funds used to make the contributions and the status of the decision makers. Regarding the source of funds, the Commission has not permitted such contributions by a domestic subsidiary where the source of funds is the foreign national parent, reasoning that this essentially permits the foreign national to make contributions indirectly when it could not do so directly. See, e.g., AOs 1992-16, 1989-20, 1985-3 and 1981-36. The Commission has prohibited contributions by a domestic subsidiary that was predominantly funded by a foreign national parent, and whose projects were not generating income. See AO 1992-16, 1989-20 and AO 1985-3.

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Thus, in order to make contributions, a subsidiary funded by a foreign parent must be able to demonstrate through a reasonable accounting method that it has sufficient funds in its account, other than funds given or loaned by its foreign national, from which the contribution is made. See AO 1992-16, citing 11 C.F.R. § 102.5(b)(1)(ii). Additionally, the foreign parent must consider the political contributions of its subsidiary when granting further subsidies to or further capitalization of the subsidiary. AO 1992-16. The amount that the foreign parent distributes to the subsidiary cannot replenish all or any portion of the subsidiary's political contributions during the period since the preceding subsidy payment.

Moreover, even if the funds in question are from a domestic subsidiary, the Commission also requires that the status of the decision makers be examined. The Commission has conditioned its approval of contributions by domestic subsidiaries of foreign nationals by requiring that no director or officer of the company or its parent who is a foreign national may participate in any way in the decision making process regarding the proposed contributions. This, in turn, requires an examination of the citizenship of the decision makers, specifically the officers and directors in instances where a corporation is implicated. See AOs 1992-16, 1989-29, 1989-20, 1985-3 and 1982-10. Finally, Commission regulation at 11 C.F.R. § 110.4(a)(3) states that:

> A foreign national shall not direct, dictate, control or directly or indirectly participate in the decision making process of any person, such as a corporation, labor organization, or political committee, with regard to such person's Federal or nonfederal election-related activities, such as

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decisions concerning the making of contributions or expenditures in connection with elections for any local, State, or Federal office or decisions concerning the administration of a political committee.

B. **SUMMARY OF THE COMPLAINTS**

Both the complaint and the sua sponte submission indicate that the Schoemehl Committee accepted a $25,000 contribution from Tippins, an alleged foreign national. The Schoemehl Committee also accepted contributions of $5,000 each from three Delaware corporations: Concorde Trading Company, Chemetco, Incorporated and Midco Industries, Incorporated. It is alleged that all three corporations are owned by Belgian or French holding companies.

C. **ANALYSIS**

Tippins Contribution

The Schoemehl campaign received by wire transfer from London, England a $25,000 contribution from Tippins on April 29, 1991. The responses indicate that the $25,000 contribution from Tippins was solicited by John Suarez, a businessman who is a "friend" and "long time supporter" of Schoemehl. According to press reports, Suarez is a U.S. Citizen. It appears that Mr. Suarez has no interest in Tippins, and that he solicited the contribution from his business partner Jose Boveda, an alleged Spanish National.

The complaint calls into question the existence of Tippins, noting that it is not registered to do business in the United Kingdom. In addition, the Committee's disclosure reports do not contain the street or mailing address of Tippins, and it cannot be located in business directories. The complainants also note that Suarez was quoted in the press as saying that the $25,000 may have

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included money Boveda solicited "from some other people" in Europe. They therefore assert that the prohibited $25,000 may have been bundled from various other unknown foreign nationals and "cloaked in secrecy."

The Schoemehl campaign asserts that to their knowledge Boveda is the sole owner of Tippins. The campaign also explains that at the time the contribution was made Suarez thought that others may have had an interest in Tippins, and thus the $25,000 may have included contributions from other foreign nationals. It further state that the quoted press statement was made before Boveda informed Suarez that the former is the sole owner of Tippins.

The Committee does not deny that Tippins is owned by a foreign national. The campaign, however, asserts that it was informed on two occasions by state authorities that it was permissible under Missouri law to accept the contribution. The Committee also claims that it was informed by state authorities that state law was controlling. The Committee has provided the affidavit of Nancy Rice, who was treasurer when the $25,000 contribution was received, who avers that she was informed by the Missouri Secretary of State's Office that it was lawful to accept such a contribution. Newspaper accounts supplied with the complaint also indicate that state officials maintained it was legal under Missouri Law to accept the $25,000 from Tippins. The Schoemehl campaign further asserts that once more questions arose about the contribution it sought clarification from the FEC, and then in May of 1992, after being informed that the Act prohibited such a contribution, it returned the funds and filed the sua

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sponte submission.

Although the information at hand does not identify Tippins and disclose the type of entity it is, the responses suggest that Tippins is owned by Jose Boveda and that the contribution was made by Boveda/Tippins. In addition, it is clear that Tippins is a foreign principal; either a person or a sole proprietorship, association, partnership, corporation, organization, or some other combination of persons, organized under the laws of or having its principal place of business in a foreign country. See 22 U.S.C. §§ 611(b)(2),(3). Moreover, Jose Boveda is an individual who is not a citizen of the United States, but rather appears to be a Spanish National. 2 U.S.C. § 441e(b)(2). Therefore, Tippins and Jose Boveda appear to be "foreign nationals," prohibited by Section 441e of the Act and by the Commission's regulation from making contributions in connection with any election.

An article attached to the complaint indicates that the candidate informed Suarez the campaign could accept contributions Suarez solicited and obtained in Europe, presumably because state authorities told the Committee that such contributions were permissible under Missouri law. Attachment 2 at page 13. However, Federal law governs here, and section 441e and the Commission's regulations prohibit the acceptance of contributions from foreign nationals. Accordingly, there is reason to believe that Vincent C. Schoemehl, Jr., Citizens for Schoemehl, and Stuart Symington, Jr., as treasurer violated 2 U.S.C. § 441e.

Contributions from Chemetco, Concorde Trading and Midco.

In January of 1992, the Schoemehl Committee accepted

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contributions in the sum of $5,000 each from three metal recycling firms: Concorde Trading Company, Chemetco, Inc., and Midco Industries, Inc. The complainants, citing newspaper articles for support, allege that the three corporations are owned by a Belgian company. Complainants assert that, given the foreign ownership and control of the three domestic subsidiaries, it appears that the Act's prohibition on contributions from foreign nationals has also been violated by the making and acceptance of these three contributions. They further claim that John Suarez is "also associated" with the three $5,000 contributions, although they offer no specific evidence to support the contention.

The three corporations are apparently incorporated in the State of Delaware, and are in good standing. Chemetco and Concorde Trading have their principal place of business in Illinois, while Midco has its principal place of business in St. Louis, Missouri. The Schoemehl Committee denies that the three corporations are owned by a Belgian holding company. Other publicly available information does not entirely eliminate the ambiguity surrounding the ownership of these companies, although it does suggest foreign interest in them. One press report, attached to the complaint, indicates that some local businessman and state and federal officials who have had dealings with these respondents believe that the three corporations are owned by a Belgian company, identified as Metallo-Chiminque. However, in a press interview, John Suarez, who has ties with the three corporations, is alleged to have said that a holding company in France owns Chemetco and Concorde Trading. Moreover, a book which

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discloses information on corporate identities indicates that Midco Industries is a subsidiary of Crescenta, Inc., which may be a foreign national.

Under 22 U.S.C. § 611(b), a corporation organized under the laws of any state within the United States, with a principal place of business with the United States, is not a foreign principal, and accordingly would not be a foreign national under 2 U.S.C. § 441e. As all three of these corporation are incorporated under the laws of Delaware with their principal places of business in either Missouri or Illinois, each falls outside the definition of foreign national.

Section 441e, however, also prohibits contributions by foreign nationals through any other person, which includes a domestic subsidiary of a foreign principal. AOs 1992-16, 1989-20. It is unclear whether any of the three subsidiary corporations were being directly or indirectly funded by the alleged parents, and if so, whether the parents' funds were the predominant source of funding for that subsidiary. AO 1989-20. If there was any such funding, the subsidiaries would have to demonstrate through a reasonable accounting method that it had sufficient funds in its account, other then funds given or loaned by its foreign national parent, from which the contribution to Schoemehl was made as set forth in AO 1992-16.

The response leaves other crucial questions unanswered. For instance, it is unclear whether foreign nationals were on the Board of any of these corporations, and if so, whether they participated in any discussions regarding the making of the

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contributions. See AO 1992-16. Also unknown is whether foreign nationals voted on the selection of the persons who are vested with the power to make political contributions. AO 1990-8. In light of the foregoing, there is reason to believe that Citizens for Schoemehl, and Stuart Symington, Jr., as treasurer, violated 2 U.S.C. § 441e.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 3541
	)	
	)	

INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Vincent C. Schoemehl, Jr.
Citizens for Schoemehl
Stuart Symington, Jr., as treasurer
c/o Robert F. Bauer, Esq.
B. Holly Schadler, Esq.
Suite 800
607 Fourteenth Street, N.W.
Washington, D.C. 20005-2011

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 30 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 requests 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 requests shall refer to the time period from January 1, 1991 to the present.

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 respondents 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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"Nationality status" with respect to individuals shall mean country of citizenship and the country of permanent residence, if other than the country of citizenship.

"Nationality status" with respect to corporations shall mean the country of incorporation.

QUESTIONS AND DOCUMENT REQUESTS

Questions 1-2 pertain to the $25,000 contribution from Tippins Development, Inc. ("Tippins"), received by the Committee on April 30, 1991. The Committee indicates that the $25,000 contribution from Tippins was "transmitted by wire."

1. State whether John M. Suarez communicated with any person associated with the Committee, including Vincent C. Schoemehl and/or any treasurer or agent of the Committee, in connection with the contribution. If the answer to this question is in the affirmative:

a. Identify the person(s) from the campaign with whom Mr. Suarez communicated;

b. Summarize the substance of the communication(s);

c. Describe the method of the communication(s); and

d. Produce all documents relating to the communications.

2. Explain how the $25,000 contribution was transmitted by wire, and specifically:

a. Identify the banks and bank accounts involved in the transaction;

b. Identify the persons from the Committee and from Tippins involved in the transaction, and describe their roles;

c. Identify and produce all documents related to the Tippins contribution.

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Questions 3-4 pertain to the $5,000 contributions from Chemetco, Inc., Concorde Trading, and Midco Industries, Incorporated received by the Committee in January of 1992.

3. Indicate whether John M. Suarez was directly or indirectly involved in soliciting these contributions or arranging to have them sent to the Committee. If so, identify which contributions he was involved in soliciting and describe Mr. Suarez' role.

4. State whether John M. Suarez or any person connected with the three corporations identified above communicated with the Committee about these contributions prior to or at the time of receipt. If so:

a. Identify the person(s) involved, including those from the Committee; and

b. Summarize the substance of the communication(s).

5. State whether John M. Suarez had any official or unofficial role within the Committee. If the answer to this question is in the affirmative, describe his role and his duties.

6. State whether John M. Suarez solicited or obtained any other contributions on behalf of the Committee. If the answer to this question is in the affirmative:

a. Identify each of the persons he solicited;

b. Identify each of the persons who contributed to the Committee, and provide the date of receipt, the amount received, and indicate if refunds were made.

7. State whether John M. Suarez directly or indirectly, i.e., through any other person or entity, made any contribution to the Committee. If the answer to this question is in the affirmative:

a. Identify the contributor;

b. State the date the contribution was received, indicate the amount received, and indicate if refunds were made.

8. Identify and produce all documents related to any of the contributions discussed within these questions, including but not limited to copies of checks, correspondence and all documents related to the wire transfer, i.e., bank receipts, statements, etc.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 8, 1993

Jose Antonio Boveda
Tippins Development, Ltd.
Blas de Odelo
#3 114
Bilboa, Spain 48014

RE: MUR 3541

Dear Mr. Boveda:

By letter dated June 19, 1992, you were notified of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, the Commission, on February 22, 1993, found that there is reason to believe that you and Tippins Development, Ltd. violated 2 U.S.C. § 441e, a provision of 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 and Tippins. 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 30 days of 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 and Tippins, 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

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

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

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 matter 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 Xavier K. McDonnell, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Scott E. Thomas
Chairman

Enclosures
Factual & Legal Analysis
Questions and Document Request
Designation of Counsel
Procedures

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

MUR: 3541

RESPONDENTS: Jose Antonio Boveda
Tippins Development, Ltd.

I. GENERATION OF MATTER

This matter was generated by a sua sponte submission by Citizens for Schoemehl Committee ("Schoemehl Committee" or "Committee"), and Stuart Symington, Jr., as treasurer, and by a complaint filed by Marc S. Farinella and the Carnahan for Governor Campaign ("complainants"). Both submissions indicate that the Schoemehl Committee accepted a $25,000 contribution from Tippins Development, Ltd., from London, England ("Tippins").

II. FACTUAL AND LEGAL ANALYSIS

A. THE LAW

The Federal Election Campaign Act of 1971, as amended (the "Act") provides that:

> It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

2 U.S.C. § 441e.[1]

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1. Unlike most provisions of the Act, section 441e applies to any election for any political office, including state and local offices.

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The prohibition is also included in the Commission's Regulations at 11 C.F.R. § 110.4(a)(1) which states:

> A foreign national shall not directly or through any other person make a contribution, or an expenditure, or expressly or impliedly promise to make a contribution, or an expenditure, in connection with a convention, a caucus, or a primary, general, special, or runoff election in connection with any local, State, or Federal public office.

The regulations provide further that no person shall solicit, accept, or receive a contribution as set out in 11 C.F.R. § 110.4(a)(1) from a foreign national. 11 C.F.R. § 110.4(a)(2).

As defined in the Act, the term "person" includes a corporation. 2 U.S.C. § 431(11). The term "foreign national" is defined at 2 U.S.C. § 441e(b)(1) as, inter alia, a "foreign principal" as that term is defined at 22 U.S.C. § 611(b), except that the term shall not include any individual who is a citizen of the United States; or an individual who is not a citizen of the United States and who is lawfully admitted for permanent residence. 2 U.S.C. § 441e(b)(2). Under 22 U.S.C. § 611(b), a "foreign principal" includes:

> (1) a government of a foreign country and a foreign political party;
>
> (2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and
>
> (3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

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B. **ANALYSIS**

The Schoemehl campaign received by wire transfer from London, England a $25,000 contribution from Tippins on April 29, 1991. The $25,000 contribution from Tippins was solicited by John Suarez, a businessman who is a "friend" and "long time supporter" of Schoemehl. According to press reports, Suarez is a U.S. Citizen. Suarez apparently has no interest in Tippins, and he solicited the contribution from his business partner Jose Boveda, an alleged Spanish National.

The complaint calls into question the existence of Tippins, noting that it is not registered to do business in the United Kingdom. In addition, the Committee's disclosure reports do not contain the street or mailing address of Tippins, and it cannot be located in business directories. The complainants also note that Suarez was quoted in the press as saying that the $25,000 may have included money Boveda solicited "from some other people" in Europe. They therefore assert that the prohibited $25,000 may have been bundled from various other unknown foreign nationals and "cloaked in secrecy."

It is unclear whether Boveda owns Tippins, and whether any other individuals have an interest in that company. Mr. Boveda responded to a call from the Office of the General Counsel, supplied his address in Bilboa, Spain, and indicated during a call that he might submit a response to the complaint. However, he has not yet submitted any response to this matter.

Although the information at hand does not identify Tippins

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and disclose the type of entity it is, there is some evidence Tippins is owned by Jose Boveda and that the contribution was made by Boveda/Tippins. Moreover, it is clear that Tippins is a foreign principal; either a person or a sole proprietorship, association, partnership, corporation, organization, or some other combination of persons, organized under the laws of or having its principal place of business in a foreign country. See 22 U.S.C. §§ 611(b)(2),(3). In addition, Jose Boveda is an individual who is not a citizen of the United States, but rather appears to be a Spanish National. 2 U.S.C. § 441e(b)(2). Therefore, Tippins and Jose Boveda appear to be "foreign nationals," prohibited by Section 441e of the Act and by the Commission's regulation from making contributions in connection with any election. Accordingly, there is reason to believe that Jose Antonio Boveda and Tippins Development, Ltd., violated 2 U.S.C. § 441e.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 3541
	)	
	)	

INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Jose Antonio Boveda
Tippins Development, Ltd.
Blas de Odelo
#3 114
Bilboa, Spain 48014

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 30 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 requests 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 requests shall refer to the time period from January 1, 1991 to the present.

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 respondents 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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"Nationality status" with respect to individuals shall mean country of citizenship and the country of permanent residence, if other than the country of citizenship.

"Nationality status" with respect to corporations shall mean the country of incorporation.

QUESTIONS AND DOCUMENT REQUESTS

1. Identify yourself, and state your nationality status.

2. Identify Tippins Development, Inc. ("Tippins"). State the nationality status of Tippins, and indicate whether it does business in the United States.

3. Identify the owners, board of directors and management of Tippins. State the nationality status of each.

4. Identify John M. Suarez. Indicate whether you have any partnership or business relationship with him. If so, identify such partnerships and businesses, and describe each of your roles and financial interests in such businesses. State the location and nationality status of each business, and indicate whether any of the businesses identified are doing business within the United States.

Questions 5-9 relate to the $25,000 contribution from Jose Antonio Boveda/Tippins received by Citizens for Schoemehl ("Committee") on April 30, 1991 by wire transfer.

5. Identify the person or entity which made the $25,000 contribution to the Committee. Identify the source of the funds, and state whether the contribution consisted of funds from any other person or entity (in addition to Boveda/Tippins). If so, identify such persons, including their nationality status.

6. Explain the circumstances which lead to the making of the $25,000 contribution to the Committee. In your response to this question:

a. Identify the person(s) who solicited the contribution, the person(s) who made the decision to contribute, the person(s) who authorized the release of the funds, and the person(s) who arranged to have it transmitted;

b. Describe your role, if any, in making and arranging the contribution and in transmitting the contribution to the Committee.

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7. State whether you communicated with John M. Suarez or any person(s) from the Committee regarding the contribution (either before or after the date the contribution was sent or received). If so:

a. Describe the method of the communication(s);

b. Identify the person(s) with whom you communicated;

c. Summarize the substance of the communication(s); and

d. Identify and produce all documents relating to the communications.

8. Explain the circumstances related to the wire transfer by which the contribution was transmitted. In your response to this question;

a. Identify the persons from Tippins and persons from the Committee who were involved in transmitting the contribution to the Committee;

b. Identify the banks and bank accounts involved in the transaction; and

c. Identify and produce all documents related to the wire transfer.

9. State whether you or Tippins, directly or indirectly, solicited, obtained or made any other contributions to Citizens for Schoemehl, Vincent C. Schoemehl or any other candidate or state, local or federal political committee located within the United States. If the answer to this question is in the affirmative:

a. Identify all persons and entities solicited and indicate whether they made a contribution;

b. If a contribution was made, state the date and amount that was contributed, identify the recipient of each contribution and indicate whether any refund has been made;

c. Indicate whether any of the entities is a subsidiary. If so, provide its national status.

10. Identify and produce all documents related to any of the contributions made to persons or committees within the United States, including but not limited to copies of correspondence, checks, receipts, documents evidencing the wire transfer, etc.,

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PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011 • (202) 628-6600

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March 30, 1993

Mr. Xavier K. McDonnell
Office of the General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: MUR 3541

Dear Mr. McDonnell:

On behalf of Vincent C. Schoemehl, Jr., Citizens for Schoemehl, and Stuart Symington, as Treasurer, we request an extension of time to respond to the Commission's letter of March 8, 1993. An extension of time is necessary in order to review the record, have an adequate opportunity to discuss the issues with our client, collect factual information, and prepare a comprehensive response. Therefore we are requesting an extension until May 3.

Very truly yours,

B. Holly Schadler

BHS:mah

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

APRIL 5, 1993

B. Holly Schadler
Perkins Coie
607 Fourteenth Street, N.W.
Washington, D.C. 20005-2011

RE: MUR 3541
Vincent C. Schoemehl, Jr.,
Citizens for Schoemehl, and
Stuart Symington, Jr., as treasurer

Dear Ms. Schadler:

This is in response to your letter dated March 30, 1993, which we received on April 2, 1993, requesting an extension until May 3, 1993, to respond to the Commission's findings in the above-captioned matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your clients' response is due by the close of business on May 3, 1993.

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

Sincerely,

Xavier K. McDonnell

Xavier K. McDonnell
Attorney

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OGC 8868

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* Also Licensed in Missouri
** Also Licensed in Indiana

April 6, 1993

VIA FAX 202-219-3923

RECEIVED
FEDERAL ELECTION COMMISSION
93 APR -6 PM 2:52

Federal Election Commission
Washington, D.C. 20463

Attention Xavier K. McDonnell, Esquire

Re: Marc S. Farinella etc. v. Vincent C. Schoemehl, Jr., et al.
No. MUR 3541

Dear Mr. McDonnell:

Your file in the above matter will indicate that we represent the Respondents, Chemetco, Inc., Concorde Trading Company and Midco Industries, Inc., and in their behalf we hereby respectfully request an extension of time of 20 days, to May 1, 1993, to mail our response to the Questions and Requests we received from your office on March 11, 1993. My principal reason for requesting the extension of time is that I spend substantial time on income tax matters and am totally occupied with those matters through April 15, 1993.

A favorable consideration of our request for an extension of time will be appreciated.

Sincerely,

R. Emmett Fitzgerald

R. Emmett Fitzgerald

REF:ue

2404359556

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 9, 1993

BY TELEFAX

R. Emmett Fitzgerald, Esquire
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P.O. Box 130
Alton, Illinois 62002

RE: MUR 3541
Chemetco, Incorporated
Concorde Trading Company
Midco Industries, Inc.

Dear Mr. Fitzgerald:

This is in response to your letter dated April 6, 1993, which we received on April 6, 1993, requesting an extension of 20 days, until May 1, 1993, to respond to the Commission's discovery requests. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on May 1, 1993. If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Xavier K. McDonnell

Xavier K. McDonnell
Attorney

2 4 0 4 3 5 9 5 6 5 7

OGC 8910

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

APR 12 9 57 AM '93

FLYNN & GUYMON
ATTORNEYS
BOATMEN'S BANK BUILDING, SUITE 440
23 PUBLIC SQUARE
BELLEVILLE, ILLINOIS 62220
618-233-0480
FAX 618-233-0601

PATRICK M. FLYNN
DAVID E. GUYMON
CARLA J. EHLERS

OF COUNSEL
R. W. McGOVERN

HAROLD BALTZ (1904-1970)
OTIS E. GUYMON (1908-1971)

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

93 APR 12 AM 10: 56

April 6, 1993

Mr. Xavier K. McDonnell
Attorney at Law
Federal Election Commission
Washington, D.C. 20463

In re: Marc S. Farinella, Carnahan for Governor Campaign
vs. Schoemehl, et al
No. MUR 3541

Dear Mr. McDonnell:

This letter is a follow-up to our telephone conversation of March 23, 1993.

I hereby request an extension of twenty days within which to respond to the Interrogatories and Request for Production of Documents which I have received in reference to the above matter. I calculate the due date to be May 3, 1993.

Thank you.

Sincerely yours,

Patrick M. Flynn

Patrick M. Flynn

PMF:ek

24043595658

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 14, 1993

Patrick M. Flynn, Esquire
Flynn & Guymon
23 Public Square
Belleville, Illinois 62220

RE: MUR 3541
John M. Suarez

Dear Mr. Flynn:

This is in response to your letter dated April 6, 1993, which we received on April 12, 1993, requesting an extension of 20 days, until May 3, 1993, to respond to the Commission's discovery requests. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on May 3, 1993. If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Xavier K. McDonnell

Xavier K. McDonnell
Attorney

9404359659

APRIL, 8th 1993

TO: FEDERAL ELECTION COMMISSION
WASHINGTON, D.C 20463
AT. Mr. XAVIER K. MACDONNELL.

RE: MUR 3541

93 APR 21 AM 11:21

Dear Sir,

Following our phone conversation carried out yesterday, April, 7th 1993, I have to CERTIFY:

I'm JOSE ANTONIO BOVEDA OTEGUI, citizen of Spain, born in Bilbao on December 1st 1956 with Merchant Marine MASTER LICENSE, and under OATH I DECLARE:

1) I'm JOSE ANTONIO BOVEDA OTEGUI, living in Bilbao. C/ BLAS DE OTERO Nº 3-11 C.

2) I have not any relation with Tipping Development, Ltd., company unknow for me.

3) I dont know JOSE SUAREZ and never met this person

4) Studing reading the letter sent by Federal ELECTION COMMISSION, I get the final conclussion that you made some mistake and sent all information to me instead of another person named BOVEDA, but is clear that I'm not the person (Boveda) that you are looking for.

.../...

9404359566 0

.../...

5) I'm really very surprised because of I think that your investigations before sending to me both letters (June 19, 1992 and March 8, 1993) are not very rigorous in concerning about the real person Mr. BOVEDA.

6) Because of letters notifying facts against me, I and my family, we are very worried until everything is clarified.

7) For your guidance, I know one BOVEDA JOSE A that lives in Guecho (City near Bilbao) that is a famous businessman in charge of metal recycling matters that probably he is the person you are looking for.

Having all this information will help to you in your investigations and looking forward to hear from you soonest due to me and my family want to clarify this matter. Please, reply IS URGENT.

Yours faithfully

JOSÉ A. BOVEDA

NOTE: IN CASE ANY DOUBT DON'T HESITATE TO CONTACT TO ME.

ENCLOSURE: - IDENTIFICATION CARD
- OFFICE PHONE NUMBER
- HOME PHONE NUMBER.

2 4 0 4 3 5 9 5 6 6 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MAY 4, 1993

Jose Antonio Boveda
Tippins Development, Ltd.
Blas de Otero
#3 114
Bilbao, Spain 48014

RE: MUR 3541

Dear Mr. Boveda:

This is in response to your letter dated April 8, 1993, which was received by the Commission on April 21, 1993, and a follow up to our recent telephone conversation. After reviewing your letter and the documents you supplied which evidence your identification, the Office of the General is satisfied that you are not the Jose Antonio Boveda against whom the Commission has made its findings. I apologize for your inconvenience.

The Federal Election Campaign Act, of 1971 as amended (the "Act"), prohibits the Commission or any person from making public any notification or investigation by the Commission without the written consent of the person receiving such notification or the person with respect to whom such investigation is made. 2 U.S.C. § 437g(a)(12). Please note that no consent has been given in this matter, so that it must remain confidential. Thank you for your cooperation.

Sincerely,

Xavier K. McDonnell

Xavier K. McDonnell
Attorney

2 4 0 4 3 5 9 5 6 6 2

OGC 8631

RECEIVED
FEDERAL ELECTION COMMISSION

93 MAY -4 PM 10: 31

Law Offices
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P. O. Box 130
Alton, Illinois 62002
(618) 465-7745
Fax No. (618) 465-3744

William H. Hoagland
R. Emmett Fitzgerald
Donald L. Smith
Al J. Pranaitis
Stephen J. Maassen **
Robert G. Raleigh *
Richard W. Gibson *
C. Raymond Bell *
Scott D. Bjorseth *

Of Counsel:
Charles B. Godfrey *
Karl K. Hoagland, Jr.
Robert B. Maucker

* Also Licensed in Missouri
** Also Licensed in Indiana

MAY 4 9 36 AM '93

May 1, 1993

FEDERAL EXPRESS

Federal Election Commission
Washington, D.C. 20463

Attention Xavier K. McDonnell, Esquire

Re: MUR 3541
Chemetco, Inc.
Concorde Trading Company
Midco Industries, Inc.

Dear Mr. McDonnell:

Enclosed please find the respective Responses of Chemetco, Inc., Concorde Trading Company and Midco Industries, Inc. to the Questions and Requests for Production of Documents. Attached to each Response is the copy of political contribution check which also shows the reverse side endorsement and cancellation.

My clients have no other documents than the cancelled checks.

If you require anything further, or believe that I may have misunderstood your questions, please advise.

Sincerely,

R. Emmett Fitzgerald

R. Emmett Fitzgerald

REF:ue

enclosures

24043595663

RECEIVED
FEDERAL ELECTION COMMISSION
93 MAY -4 PM 10: 31

BEFORE THE
FEDERAL ELECTION COMMISSION

MARC S. FARINELLA, CARNAHAN FOR GOVERNOR CAMPAIGN 7751 Carondelet, Suite 600 St. Louis, MO 63105 Complainant, vs. VINCENT C. SCHOEMEHL, Jr., et al., Respondents.	)	No. MUR 3541

RESPONSE OF RESPONDENT CHEMETCO, INC. TO

QUESTIONS AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Comes now the Respondent, CHEMETCO, INC., by R. Emmett Fitzgerald, its attorney, and for its Response to the Questions and Requests for Production of Documents states:

1. Chemetco, Inc.'s answer to Question 1 is that Chemetco, Inc. is a Delaware corporation authorized to transact business in the State of Illinois. Its only place of business is located in Madison County, Illinois.

2. The Board of Directors of Chemetco,Inc. are: John Suarez and Eloy Cueto. The corporate officers of Chemetco, Inc. are: David Hoff, President; William Cassidy, Controller; and R. Emmett Fitzgerald, Assistant Secretary.

3. The management personnel of Chemetco, Inc. is: David Hoff, general manager. There are other supervisors, but all report to David Hoff. No supervisor has any authority to make decisions with regard to political campaign contributions.

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4. Chemetco, Inc. is owned by La Societe de Geston et de Participation S.A., a Luxemburg corporation, its only shareholder. The shareholder, or shareholders, of said Luxemburg corporation are unknown to David Hoff.

5. Chemetco, Inc. is a wholly owned subsidiary of said La Societe de Geston et de Participation S.A. Chemetco, Inc. has not received any transfers of funds from its parent in more than five years.

6. Chemetco's "net profit" for 1992 was a LOSS of $980,000..

7. The only political contributions made by Chemetco, Inc. since January 1, 1992 are: (1) $5,000 to the Citizens for Schoemehl Committee; and (2) $5,000 to Nelson Hagnauer's Committee.

8. John Suarez solicited David Hoff as President of Chemetco, Inc. to make a campaign contribution to the Citizens for Schoemehl Committee. As President of Chemetco, David Hoff has the authority to make the decision to make such a political campaign contribution. David Hoff made the decision to contribute $5,000. It might be said John Suarez participated in the decision in his capacity as a director of Chemetco, Inc. The check was "signed" by facsimile signatures of David Hoff and Bill Cassidy. Bill Cassidy prepared the check. The only persons who could have overrode the decision to make such a political campaign contribution were John Suarez and Eloy Cueto acting as Members of the Board of Directors of Chemetco, Inc. David Hoff, John Suarez and Bill Cassidy are citizens and residents of the United States. The other political campaign contribution was for $5,000 to the Nelson Hagnauer Committee. Nelson Hagnauer is, and has been for many years, the Chairman of the Madison County (Illinois) County Board, the legislative body of Madison

2 4 0 4 3 5 9 5 6 6 5

County, Illinois, where Chemetco's plant is located. David Hoff made the decision to make the $5,000 campaign contribution.

9. The source of the funds used to make the contributions was the general operating funds of Chemetco, Inc. No part of the contributions was provided directly or indirectly by a foreign national.

10. Chemetco, Inc. does not have a political action committee.

11. Chemetco, Inc. does not maintain a pool of funds specified for election activity.

12. The only persons vested with the authority to supervise political contributions is the Board of Directors of Chemetco, Inc., i.e., John Suarez and Eloy Cueto, both of whom are citizens and residents of the United States. To the best of David Hoff's knowledge, Eloy Cueto was probably not informed of the decisions to make the contributions.

13. John Suarez solicited the $5,000 contribution made to Citizens for Schoemehl. David Hoff, President of Chemetco, Inc., made the decision to make the contribution, and to the best of David Hoff's knowledge the contribution, in the form of a Company check, was mailed to the Citizens for Schoemehl Committee in St. Louis, Missouri. Bill Cassidy prepared the check.

14. These questions are being answered primarily by David Hoff, President of Chemetco, Inc. David Hoff has been employed by Chemetco, Inc. for approximately six years, the last five years as president. Legal counsel for Chemetco, Inc. discussed the questions with John Suarez.

15. David Hoff knows of no documents other than the two cancelled checks in regard to the political contribution of $5,000 made to Citizens for

2 4 0 4 3 5 9 5 6 6 6

Schoemehl and the $5,000 made to the Nelson Hagnauer Committee.

Respectfully submitted,

CHEMETCO, INC.,

By R. Emmett Fitzgerald
R. Emmett Fitzgerald, Its Attorney
Registration No. 823902
401 Market Street, P. O. Box 130
Alton, Illinois 62002
Telephone: 618-465-7745

STATE OF ILLINOIS)
) SS.
COUNTY OF MADISON)

DAVID HOFF, being first duly sworn, deposes and says that he is the President of Chemetco, Inc., a Delaware corporation, and that he has read the foregoing Response and that the statements therein contained are true and correct to the best of his knowledge.

Dated this 28th day of April, 1993.

David Hoff
David Hoff

Subscribed and sworn to before me a Notary Public this 28th day of April, 1993.

Ursula Emde
Notary Public

OFFICIAL SEAL
URSULA EMDE
NOTARY PUBLIC STATE OF ILLINOIS
MADISON COUNTY
My Commission Expires 9/22/93

2404359567

J. HENRY SCHRODER BANK
& TRUST COMPANY
New York, New York

Chemetco
PEOPLE — QUALITY — SERVICE
P.O. BOX 67 • HARTFORD, ILLINOIS 62048

1-782
260

No. 73093

DATE January 10, 1992

PAY TO THE ORDER OF *****5,000.00*****

DOLLARS $ ***5,000.00

CITIZENS FOR SCHOEMEHL

OPERATING ACCOUNT

AUTHORIZED SIGNATURE

⑈073093⑈ ⑆026007825⑆ 2673510 2⑈ ⑈0000500000⑈

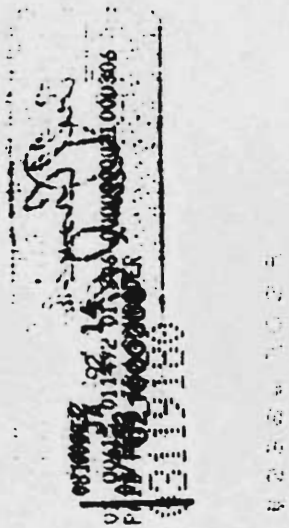
9404359568

FEDERAL RESERVE BANK
OF CHICAGO

PAY TO THE ORDER OF
LINDELL TRUST CO.
ST. LOUIS, MO
▶ 081001078 ◀
FOR DEPOSIT ONLY
CITIZENS FOR SCHOEMEHL
01780832 06

2222 99414

JUN 13 92



9 5 6 6 9 5 9 3 4 0

976

CHEMETCO
P.O. BOX 67 PH. 618-254-4361
HARTFORD, IL 62048

Rel. By 70-410

☐ Inst. ☐ Miscell. Fds. ☐ Acct. Stand.
☐ Bud. ☒ Co. [illegible]

December [illegible] 92

NOT AS DRAWN

PAY TO THE ORDER OF NELLIE'S BIRTHDAY PARTY $ *5,000.00

FIVE THOUSAND AND 00/100********** DOLLARS

NOT PAID MARK TWAIN BANK OCT EXCP 15

MARK TWAIN BANK EDWARDSVILLE
MARK TWAIN ILLINOIS BANK
Edwardsville, Illinois 62025

Bill Gass

FOR

⑈000976⑈ ⑆081004106⑆471400 2143⑈ ⑈0000500000⑈

2 4 0 4 3 5 9 5 6 7 0

93 MAY -4 10:10 36

Nellie's Birthday Party

N H. COMMITTEE 30441020
04 STATE STREET
BOX D
MADISON, ILLINOIS 62060

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE

0703 78396

[redacted]

DEC 11 92

[redacted]

FEDERAL RESERVE BOARD OF GOVERNORS

30441020

RECEIVED
FEDERAL ELECTION COMMISSION

93 MAY -4 PM 10: 32

BEFORE THE
FEDERAL ELECTION COMMISSION

MARC S. FARINELLA, CARNAHAN FOR GOVERNOR CAMPAIGN 7751 Carondelet, Suite 600 St. Louis, MO 63105 Complainant, vs. VINCENT C. SCHOEMEHL, Jr., et al., Respondents.	)	No. MUR 3541

RESPONSE OF RESPONDENT MIDCO INDUSTRIES, INC. TO QUESTIONS AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Comes now the Respondent, MIDCO INDUSTRIES, INC., by R. Emmett Fitzgerald, its attorney, and for its Response to the Questions and Requests for Production of Documents states:

1. Midco Industries Inc.'s answer to Question 1 is that Midco Industries, Inc. is a Delaware corporation authorized to transact business in the State of Missouri. Its principal place of business is located in St. Louis, Missouri.

2. The Board of Directors of Midco Industries, Inc. are: Cheng P. Chang, and Thomas McRaven. The corporate officers of Midco Industries, Inc. are: Cheng P. Chang, President; Thomas McRaven, Secretary-Treasurer; and R. Emmett Fitzgerald, Assistant Secretary.

3. The management personnel of Midco Industries, Inc. is: Cheng P. Chang, general manager. There are other supervisors, but all report to Cheng P. Chang. No supervisor has any authority to make decisions with regard to political campaign contributions.

2 4 0 4 3 5 9 5 6 7 2

4. Midco Industries, Inc. is owned by Crescenta, Inc., a Delaware corporation. Crescenta, Inc. is owned by Gecopar S.A., a Luxemburg corporation.

5. Midco Industries, Inc. is a wholly owned subsidiary of said Crescenta, Inc. Midco Industries, Inc has not received any transfer of funds from its parent to be used for political campaign contributions, either directly or indirectly.

6. Midco Industries, Inc.'s "net profit" for 199_ was $ a loss CPC.

7. The only political contribution made by Midco Industries, Inc. since January 1, 1992 is: $5,000 to the Citizens for Schoemehl Committee.

8. John Suarez solicited Cheng P. Chang as President of Midco Industries, Inc. to make a campaign contribution to the Citizens for Schoemehl Committee. As President of Midco Industries, Inc., Cheng P. Chang has the authority to make the decision to make such a political campaign contribution. Cheng P. Chang made the decision to contribute $5,000. The check was signed by H. Widjaja, Controller. It is believed that H. Widjaja prepared the check. The only persons who could have overrode the decision to make such a political campaign contribution were Cheng P. Chang, and Thomas McRaven acting as Members of the Board of Directors of Midco Industries, Inc. Cheng P. Chang and Thomas McRaven are citizens and residents of the United States.

9. The source of the funds used to make the contributions was the general operating funds of Midco Industries, Inc. No part of the contributions was provided directly or indirectly by a foreign national.

>4043596673

10. Midco Industries, Inc. does not have a political action committee.

11. Midco Industries, Inc. does not maintain a pool of funds specified for election activity.

12. The only persons vested with the authority to supervise political contributions is the Board of Directors of Midco Industries, Inc., i.e. Cheng P. Chang and Thomas McRaven, both of whom are residents of the United States. Both Cheng P. Chang and Thomas McRaven were aware of the decision to make the contribution.

13. John Suarez solicited the $5,000 contribution made to Citizens for Schoemehl. Cheng P. Chang, President of Midco Industries, Inc. made the decision to make the contribution, and to the best of Cheng P. Chang's knowledge the contribution, in the form of a Company check, was mailed to the Citizens for Schoemehl Committee in St. Louis, Missouri. H. Widjaja probably prepared the check.

14. These questions are being answered primarily by Cheng P. Chang, President of Midco Industries, Inc. Cheng P. Chang has been employed by Midco Industries, Inc. for approximately six years as its president. Legal counsel for Midco Industries, Inc. discussed the questions with John Suarez.

15. Cheng P. Chang knows of no documents other than the cancelled check in regard to the political contribution of $5,000 made to Citizens for Schoemehl.

2 4 0 4 3 5 9 5 6 7 4

Respectfully submitted,

MIDCO INDUSTRIES, INC.,

By R. Emmett Fitzgerald

R. Emmett Fitzgerald, Its Attorney
Registration No. 823902
401 Market Street, P. O. Box 130
Alton, Illinois 62002
Telephone: (618) 465-7745

STATE OF ILLINOIS)
) SS.
COUNTY OF MADISON)

Cheng P. Chang, being first duly sworn, deposes and says that he is the Secretary-Treasurer of Concorde Trading Company, a Delaware corporation, and that he has read the foregoing Response and that the statements therein contained are true and correct to the best of his knowledge.

Dated this 29th day of April, 1993.

Cheng P. Chang

Cheng P. Chang

Subscribed and sworn to before me a Notary Public this 29th day of April, 1993.

Ursula Emde

Notary Public

OFFICIAL SEAL
URSULA EMDE
NOTARY PUBLIC, STATE OF ILLINOIS
MADISON COUNTY
My Commission Expires 9/22/93

04435956 75

PAY TO THE ORDER OF
LINDELL TRUST CO.
ST. LOUIS, MO
⑆ 081000073 ⑆
FOR DEPOSIT ONLY
CITIZENS FOR SCHOEMEHL
0178083 2 03

3333 0212 1

FEDERAL ELECTION COMMISSION
93 MAY -4 PM 10:32

MIDCO INDUSTRIES 700 S. SPRING • ST. LOUIS, MO 63110

1-782
260

I.B.J. SCHRODER BANK AND TRUST COMPANY
1 STATE STREET
NEW YORK, NY 10004

No. 10473

DATE Jan 10, 1992

PAY
TO THE ORDER OF $$ 5,000.00

DOLLARS $ $$ 5,000.00

Citizen for Schoemehl

H. Widgy

AUTHORIZED SIGNATURE

⑈005376⑈ ⑆026007825⑆ 6501230 5⑈ ⑈0000500000⑈

RECEIVED
FEDERAL ELECTION COMMISSION
93 MAY -4 PM 10: 32

BEFORE THE
FEDERAL ELECTION COMMISSION

MARC S. FARINELLA, CARNAHAN FOR GOVERNOR CAMPAIGN 7751 Carondelet, Suite 600 St. Louis, MO 63105 Complainant, vs. VINCENT C. SCHOEMEHL, Jr., et al., Respondents.	)	No. MUR 3541

RESPONSE OF RESPONDENT CONCORDE TRADING COMPANY TO QUESTIONS AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Comes now the Respondent, Concorde Trading Company, by R. Emmett Fitzgerald, its attorney, and for its Response to the Questions and Requests for Production of Documents states:

1. Concorde Trading Company's answer to Question 1 is that Concorde Trading Company is a Delaware corporation authorized to transact business in the State of Illinois. Its principal place of business is located in Madison County, Illinois.

2. The Board of Directors of Concorde Trading company are: Denis Feron, Patrice Feron and Thomas McRaven. The corporate officers of Concorde Trading Company are: John Suarez, President; Thomas McRaven, Secretary-Treasurer; and R. Emmett Fitzgerald, Assistant Secretary.

3. The management personnel of Concorde Trading Company are: John Suarez, general manager, and Thomas McRaven, chief financial officer. There are other supervisors, but all report to John Suarez or Thomas McRaven. No supervisor has any authority to make decisions with regard to political campaign contributions.

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4. Concorde Trading Company is owned by P-E Services, Inc., a Delaware corporation. P-E Services is owned by Cadogan S.A., a corporation. The shareholder, or the shareholders, of Cadogan S.A. are unknown to Thomas McRaven.

5. Concorde Trading Company is a wholly owned subsidiary of said P-E Services, Inc. Concorde Trading Company had not received any transfers of funds from its parent to be used for political campaign contributions, either directly or indirectly.

6. Concorde Trading Company's "net profit" for 1992 was $ ~ loss .

7. The only political contribution made by Concorde Trading Company since January 1, 1992 is: $5,000 to the Citizens for Schoemehl Committee.

8. John Suarez solicited Thomas McRaven as Treasurer of Concorde Trading Company to make a campaign contribution to the Citizens for Schoemehl Committee. As Treasurer of Concorde Trading Company, Thomas McRaven has the authority to make the decision to make such a political campaign contribution. Thomas McRaven made the decision to contribute $5,000. It might also be said John Suarez participated in the decision in his capacity as President of Concorde Trading Company. The check was "signed" by the facsimile signature of Bill Faulkner, Controller. Bill Faulkner prepared the check. The only persons who could have overrode the decision to make such a political campaign contribution were Denis Feron, Patrice Feron and Thomas McRaven acting as Members of the Board of Directors of Concorde Trading Company. Thomas McRaven is a citizen and resident of the United States. Denis Feron is a foreign national. Patrice Feron is a resident alien with a residence for more than five years in St. Louis, Missouri.

9. The source of the funds used to make the contributions was the general operating funds of Concorde Trading Company. No part of the contributions was provided directly or indirectly by a foreign national.

10. Concorde Trading Company does not have a political action committee.

11. Concorde Trading Company does not maintain a pool of funds specified for election activity.

12. The only persons vested with the authority to supervise political contributions is the Board of Directors of Concorde Trading Company. To the best of Thomas McRaven's knowledge, Denis Feron was probably not informed of the decision to make the contribution.

13. John Suarez solicited the $5,000 contribution made to Citizens for Schoemehl. Thomas McRaven, Treasurer of Concorde Trading Company made the decision to make the contribution, and to the best of Thomas McRaven's knowledge the contribution, in the form of a Company check, was mailed to the Citizens for Schoemehl Committee in St. Louis, Missouri. Bill Faulkner prepared the check.

14. These questions are being answered primarily by Thomas McRaven, Treasurer of Concorde Trading Company. Thomas McRaven has been employed by Concorde Trading Company and its predecessor, for approximately 15 years, the last six years as Treasurer. Legal counsel for Concorde Trading Company discussed the questions with John Suarez.

15. Thomas McRaven knows of no documents other than the cancelled check in regard to the political contribution of $5,000 made to Citizens for Schoemehl.

2 4 0 4 3 5 9 5 6 7 9

Respectfully submitted,

CONCORDE TRADING COMPANY

By R. Emmett Fitzgerald

R. Emmett Fitzgerald, Its Attorney
Registration No. 823902
401 Market Street, P. O. Box 130
Alton, Illinois 62002
Telephone: (618) 465-7745

STATE OF ILLINOIS)
) SS.
COUNTY OF MADISON)

Thomas McRaven, being first duly sworn, deposes and says that he is the Secretary-Treasurer of Concorde Trading Company, a Delaware corporation, and that he has read the foregoing Response and that the statements therein contained are true and correct to the best of his knowledge.

Dated this 30 day of April, 1993.

Thomas McRaven

Subscribed and sworn to before me a Notary Public this 30th day of April, 1993.

Ursula Emde
Notary Public

OFFICIAL SEAL
URSULA EMDE
NOTARY PUBLIC, STATE OF ILLINOIS
MADISON COUNTY
My Commission Expires 9/22/93

24043595680

RECEIVED
FEDERAL ELECTION COMMISSION

93 MAY -4 PM 10: 32

PAY TO THE ORDER OF
LINDELL TRUST CO.
ST. LOUIS, MO
▶ 081001079 4
FOR DEPOSIT ONLY
CITIZENS FOR SCHOEMEHL
0170082 03

3333 021122

02 15
011592 01 306 000000002100030 6
0364412

I.B.J. SCHRODER BANK
& TRUST COMPANY
New York, New York

concorde
trading company
P.O. BOX 8 • HARTFORD, ILLINOIS 62048

1-782
260

No. 14694

DATE 01/13/92

PAY *****$5,000.00******
TO THE ORDER OF

DOLLARS $5,000.00****

OPERATING ACCOUNT

CITIZENS FOR SCHOEMEHL

AUTHORIZED SIGNATURE

⑈014694⑈ ⑆026007825⑆ 2949460 8⑈ ⑈0000500000⑈

OGC 8623

RECEIVED
FEDERAL ELECTION COMMISSION
93 MAY -4 AM 3:43

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011
(202) 628-6600 • FACSIMILE (202) 434-1690

May 3, 1993

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

Attention: Xavier McDonnell, Esq.

Re: MUR 3541 - Vincent C. Schoemehl, Jr., Citizens for Schoemehl Committee and Stuart Symington, Jr., as Treasurer

Dear Mr. Noble:

This letter constitutes the response of Vincent C. Schoemehl, Jr., Citizens for Schoemehl Committee (the "Committee") and Nancy Rice, as Treasurer ("Respondents"), to the General Counsel's Factual and Legal Analysis in this matter. Responses to the Interrogatories and Requests for Production of Documents accompany this letter.

We request that the reference to Stuart Symington as treasurer be changed to Nancy Rice. While Mr. Symington served as treasurer for a brief period, Nancy Rice was the treasurer at the time the contributions in question were received and is currently the treasurer of the Committee.

As the accompanying Responses indicate, the Committee conducted an aggressive fundraising program reaching out to a broad-base of supporters through direct mail and personal contact. The Committee also paid close attention to the legal rules governing this program.

In the case of the Tippins contribution, the treasurer sought advice directly from the Office of the Secretary of State and consulted both the Campaign Finance Instruction Manual and the Missouri Campaign Finance Disclosure Law provided to the campaign by that office. Despite its good faith effort to determine if the contribution was legal before accepting it, the Committee received inaccurate advice on the issue of foreign national contributions. As soon as the

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STRATEGIC ALLIANCE: RUSSELL & DUMOULIN, VANCOUVER, B.C.

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Committee became aware of this unfortunate misunderstanding, the contribution was refunded. Moreover, the Committee itself brought the matter to the FEC's attention.

As to the contributions from Concorde Trading Company, Chemetco and Midco Industries, there is no evidence that they were prohibited under Section 441e. As the Committee's earlier response documented, these corporations are organized and in good standing under Delaware State law. Each conducts business in the greater St. Louis metropolitan area.

Respondents respectfully request that the Commission take no further action on this matter.

Sincerely,

Robert F. Bauer
B. Holly Schadler
Counsel to Respondents

Attachments

2 4 0 4 3 5 9 5 6 3 3

FEDERAL ELECTION COMMISSION RECEIVED
93 MAY -4 AM 3:43

BEFORE THE FEDERAL ELECTION COMMISSION

MUR 3541

RESPONDENT: Vincent C. Schoemehl, Jr.; Citizens for Schoemehl; and Nancy Rice, as treasurer

RESPONSE TO INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

In the case of each interrogatory, Ms. Nancy Rice and Mr. Vincent C. Schoemehl are the persons capable of furnishing testimony concerning the responses given. Ms. Rice provided information and documentation and assisted in drafting the interrogatory responses.

After Mr. Schoemehl's defeat in the primary, the campaign headquarters was closed and files were moved or discarded. While the Committee has made every effort to locate documents, it has also noted where documents no longer exist.

INTERROGATORY NO. 1

1. State whether John M. Suarez communicated with any person associated with the Committee, including Vincent C. Schoemehl and/or any treasurer or agent of the Committee, in connection with the contribution. If the answer to this question is in the affirmative:

a. Identify the person(s) from the campaign with whom Mr. Suarez communicated;

b. Summarize the substance of the communication(s);

c. Describe the method of the communication(s); and

d. Produce all documents relating to the communications.

1. Mr. Suarez did communicate with persons associated with the Committee.

a. Mr. Suarez communicated on several occasions with Mr. Schoemehl and Ms. Rice.

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b. Ms. Rice, Treasurer for the Committee, and Mr. Schoemehl spoke with Mr. Suarez about Mr. Schoemehl's campaign for governor on several occasions. The conversations, as with many other contributors, included general updates to Mr. Suarez on Mr. Schoemehl's progress in the race (endorsements, favorable polling information, etc.) and requests for financial contributions for the campaign.

c. Communications between Mr. Suarez, Ms. Rice and Mr. Schoemehl usually took place by phone. On one or two occasions there may have been face to face meetings. Neither Mr. Schoemehl nor Ms. Rice recall specific meetings, times or places. Mr. Suarez was on the campaign committee's mass mailing list, so he received letters requesting funds and invitations to fundraising events, newsletters with campaign news, and copies of press releases. While letters requesting contributions may have been addressed individually to Mr. Suarez (using MailMerge), there are no letters in the Committee's files written specifically for his benefit. He would have also been sent thank you letters for his contributions.

d. Samples of the Committee's mass mailings cannot be located. The campaign office was disassembled in early August after Schoemehl lost the primary election. The campaign literature was discarded. These letters, signed by Mr. Schoemehl or Ms. Rice, generally recounted Schoemehl's accomplishments as Mayor of St. Louis, discussed his agenda for the state of Missouri and asked for contributions to support the campaign. The mailings also included dozens of printed invitations to fundraising cocktail parties at hotels, private homes and restaurants.

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INTERROGATORY NO. 2

2. Explain how the $25,000 contribution was transmitted by wire, and specifically:

a. Identify the banks and bank accounts involved in the transaction;

b. Identify the persons from the Committee and from Tippins involved in the transaction, and describe their roles;

c. Identify and produce all documents related to the Tippins contribution.

2. Mr. Suarez notified Mr. Schoemehl that a company might make a $25,000 contribution to the Committee. Mr. Suarez asked if a European company was permitted to contribute. Mr. Schoemehl said he wished to confirm this matter with the Missouri Secretary of State. Mr. Schoemehl asked Ms. Rice to contact the Office of the Secretary of State in order to respond to Mr. Suarez. Ms. Rice reviewed the printed material provided by the Missouri Secretary of State. This information stated in relevant part: "there are no restrictions on the source or amount of campaign contributions or expenditures". A copy of the Secretary of State's handbook is enclosed.

Ms. Rice then telephoned the Campaign Compliance Section of the Missouri Secretary of State's office and asked if a contribution from a European corporation would be legal. The staff person from the Secretary of State's office advised Ms. Rice that the contribution was legal so long as it was disclosed on the Campaign Disclosure filing.

Ms. Rice and others associated with the Committee routinely contacted the Missouri Secretary of State's office for guidance on campaign finances law and did not consider this request for information to be unusual. It should be noted that officials from the Missouri Secretary of State's office also told a reporter from the St. Louis Post Dispatch that such a contribution was legal. Ms. Rice told Mr. Schoemehl that such a contribution would be legal and Mr. Schoemehl communicated this information to Mr. Suarez.

a. The Committee held an account at Lindell Trust, Account #0178083206. This is the account to which the contribution was wired. According to records at Lindell Trust, the funds were wired from A1B12 Old Jewry. The address at Lindell Trust is P.O. Box 211, St. Louis, Missouri 63166.

b. It is the Committee's understanding that Mr. Suarez solicited the contribution. Ms. Rice checked the legality of the contribution with the Missouri Secretary of State and was responsible for the maintenance of the Committee's records and bank accounts. Mr. Schoemehl and Ms. Rice conducted fundraising for the campaign.

c. Attached is a copy of the wire transaction notice from Lindell Trust and the cover pages and pertinent page from the Committee's campaign disclosure report which reports the contribution to the Missouri Secretary of State.

INTERROGATORY NO. 3

3. Indicate whether John M. Suarez was directly or indirectly involved in soliciting these contributions or arranging to have them sent to the Committee. If so, identify which contributions he was involved in soliciting and describe Mr. Suarez' role.

3. It is the Committee's understanding that Mr. Suarez solicited the contributions from Chemetco, Inc., Concorde Trading, and Midco Industries, Inc. for the Committee.

INTERROGATORY NO. 4

4. State whether John M. Suarez or any person connected with the three corporations identified above communicated with the Committee about these contributions prior to or at the time of receipt. If so:

a. Identify the person(s) involved, including those from the Committee; and

b. Summarize the substance of the communication(s).

4. a. Routine conversations about fundraising may have occurred between Mr. Suarez and Mr. Schoemehl or Nancy Rice around the time of receipt.

b. Neither Mr. Schoemehl nor Ms. Rice recall any specific conversations about these communications with Mr. Suarez because the Committee was soliciting thousands of contributions. At that time, the Committee was soliciting people by mail, phone, and personal contact to support Mr. Schoemehl's campaign and asking that they make their contributions before January 14 so that they could be reported on January 15. The Committee told supporters that they

believed that if Mr. Schoemehl could demonstrate strong financial support on the report, it would give his candidacy momentum and encourage others to support him. It is likely that this would have been the substance of any conversations with Mr. Suarez during that time period.

INTERROGATORY NO. 5

5. State whether John M. Suarez had any official or unofficial role within the Committee. If the answer to this question is in the affirmative, describe his role and his duties.

5. Mr. Suarez had no official or unofficial role within the Committee.

INTERROGATORY NO. 6

6. State whether John M. Suarez solicited or obtained any other contributions on behalf of the Committee. If the answer to this question is in the affirmative:

a. Identify each of the persons he solicited;

b. Identify each of the persons who contributed to the Committee, and provide the date of receipt, the amount received, and indicate if refunds were made.

6. Mr. Suarez may have solicited and obtained other contributions for the Committee, but no one associated with the Committee has any knowledge of such activities by Mr. Suarez.

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INTERROGATORY NO. 7

7. State whether John M. Suarez directly or indirectly, i.e., through any other person or entity, made any contribution to the Committee. If the answer to this question is in the affirmative:

a. Identify the contributor;

b. State the date the contribution was received, indicate the amount received, and indicate if refunds were made.

7. Mr. Suarez made direct contributions to the Committee.

a. Mr. John Suarez made two contributions to the Committee.

b. The first contribution, deposited on 9-4-92, was for $5,000. The second contribution, deposited on 4-7-92, was for $2,000. No refunds were made.

INTERROGATORY NO. 8

8. Identify and produce all documents related to any of the contributions discussed within these questions, including but not limited to copies of checks, correspondence and all documents related to the wire transfer, i.e., bank receipts, statements, etc.

8. All documents related to the contribution discussed above are attached and identified.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 30th day of April, 1993.

Nancy Rice

Nancy Rice, Treasurer
Citizens for Schoemehl Committee

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CITIZENS FOR SCHOEMEHL
MONETARY CONTRIBUTIONS RECEIVED OVER $100

ONTRIBUTOR	DATE	AMOUNT	AGGREGATE
r. & Mrs. Joseph L. Thompson, III	08/19/91	200.00	200.00
951 Flame Light Court	/ /	0.00	
	/ /	0.00	
lehville, MO 63129	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
. Rick & Diane M. Tinucci	05/24/91	250.00	250.00
5906 Craddock Way	/ /	0.00	
	/ /	0.00	
hesterfield, MO 63005	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
ippins Development Ltd.	04/29/91	25,000.00	25000.00
ondon, England	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
s. Karen Tokarz	10/02/91	50.00	550.00
434 Laclede	11/20/91	500.00	
	/ /	0.00	
t. Louis, MO 63108	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
rans States Airlines, Inc.	05/24/91	500.00	500.00
/B/A Trans World Express	/ /	0.00	
990 Fee Fee Rd.	/ /	0.00	
ridgeton, MO 63044	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	

5913	05/06/92	Annie Malone Children's Home 2612 Annie Malone St. Louis, MO	350.00	tickets 1992 soiree
5914	05/07/92	E.C. Walker 3428 So. Ten Mile Drive Jefferson City, MO 65109	535.34	food, gas, hotel
5915	05/08/92	Maurice Duet 4581 Gravois St. Louis, MO 63116	100.00	expenses
5917	/ /	VOID	0.00	
5918	05/15/92	Christine Ney 17 Gocke Place St. Louis, MO 63114	592.09	Payroll Aggr. $2,596.16
5919	05/15/92	Maureen Cunningham 10219 Mullally St. Louis, MO 63123	637.88	Payroll Aggr. $7,650.00
5920	05/15/92	Alex Fox 6178 McPherson St. Louis, MO 63112	202.47	Payroll Aggr. $2,160.00
5921	05/15/92	Dixie Courtney 3708 Harbor Circle Lee's Summit, MO 64082	382.79	Payroll Aggr. $2,250.00
5922	05/15/92	Barbara A. Scott 4316 No. 20th Street St. Louis, MO 63107	406.68	Payroll Aggr. $1,000.00
5923	05/15/92	Margaret Egenriether 5737 Fyler St. Louis, MO 63139	371.66	Payroll Aggr. $3,018.00
5924	05/14/92	U.S. Postmaster Main Post Office St. Louis, MO	238.00	postage
5925	05/14/92	Tippins Development Ltd. London, England	25000.00	Return of contribution.
5926	05/14/92	U.S. Postmaster Main Post Office St. Louis, MO	1000.00	postage

Form 132
White—Credit
Yellow—Advice of Credit
Pink—File Copy

DATE: 4/29/91

WE CREDIT YOUR ACCOUNT FOR WIRE RECEIVED FROM AIB 12 OLD JEWRY.

ACCOUNT NUMBER	TC 132	
01 78083 2 06		$24,[illegible].50

APPROVED BY _____

CITIZENS FOR SCHOEMEHL
P. O. Box 27A
ST. LOUIS, MO. 63166

N.M.

LINDELL TRUST COMPANY
ST. LOUIS, MISSOURI

01 78083 2⑈06132

DIRECT INQUIRIES TO:
LINDELL TRUST
P.O. BOX 211 ST. LOUIS, MISSOURI 63166-0211
314/645-7700

FDIC

CITIZENS FOR SCHOEMEHL
P. O. BOX 27 A
ST. LOUIS, MO 63166

CUSTOMER NUMBER 178083200 PAGE 1
FROM 4-12-91 TO 5-13-91

'EVIOUS BALANCE	NUMBER/TOTAL CREDITS		NUMBER/TOTAL DEBITS		FEES	NEW BALANCE
CHECKING						
31,279.84	17	71,847.30	108	76,397.63	.00	26,729.51

CHECKING

ATE	DESCRIPTION	AMOUNT		DAILY BALANCE
-30	MISCELLANEOUS CREDIT	24,982.50	4-25	8,130.25

SA - MASTERCARD - NO ANNUAL FEE - LOW INTEREST RATES - FOR DETAILS AND
'LICATION, CALL OUR CUSTOMER SERVICE DEPARTMENT AT 314-645-7700

Two convenient locations to serve you.

LINDELL BANK & TRUST COMPANY

[illegible] Grand Blvd
[illegible] 6600

6900 Clayton Ave
615 7700

RECEIPT

ITEMS RECEIVED FOR DEPOSIT OR COLLECTION ARE ACCEPTED UNDER THE TERMS AND CONDITIONS OF THE BANK COLLECTION CODE OF THE STATE OF MISSOURI [illegible] PERFECTED OR AS MAY BE ADVISED FROM TIME TO TIME

Chemetco

FIRST IN PEOPLE QUALITY SERVICE

HENRY SCHRODER BANK & TRUST COMPANY
New York, New York

No. 1083

[illegible] Hartford, Illinois

Date January 10, 1992

PAY TO THE ORDER OF

$5,000.00 DOLLARS

$5,000.00 DOLLARS

OPERATING ACCOUNT

CITIZENS FOR SCHOENEFELD

Bill Schoenefeld

Authorized Signature

FOR COPY OF DOCUMENT REVERSE SIDE

copy of Chemetco check
$5000

Two convenient locations to serve you.

LINDELL BANK & TRUST COMPANY

2745 N. Grand Blvd
652-6600

6900 Clayton Ave
645-7700

RECEIPT

ITEMS RECEIVED FOR DEPOSIT OR COLLECTION ARE ACCEPTED UNDER THE TERMS AND CONDITIONS OF THE BANK COLLECTION CODE OF THE STATE OF MISSOURI NOW IN EFFECT OR AS MAY BE AMENDED FROM TIME TO TIME

0294.39 01/13/92 0062 178083206#
DDA DEPOSIT RCP $35,620.00
21:23 LINDELL TRUST
THANK YOU FOR BANKING WITH US

checks from consultants

I.B.J. SCHRODER BANK
& TRUST COMPANY
New York, New York

concorde
trading company
P.O. BOX 8 • HARTFORD, ILLINOIS 62048

1-782
260

No. 14694

DATE 01/13/92

PAY *****$5,000.00******
TO THE ORDER OF

DOLLARS $5,000.00****

OPERATING ACCOUNT

CITIZENS FOR SCHOEMEHL

AUTHORIZED SIGNATURE

⑈914694⑈ ⑆026007825⑆ 2949460 8⑈

MIDCO INDUSTRIES 700 S SPRING • ST LOUIS, MO 63110

1-782
260

I.B.J. SCHRODER BANK AND TRUST COMPANY
1 STATE STREET
NEW YORK, NY 10004

No. 10473

DATE Jan 10, 1992

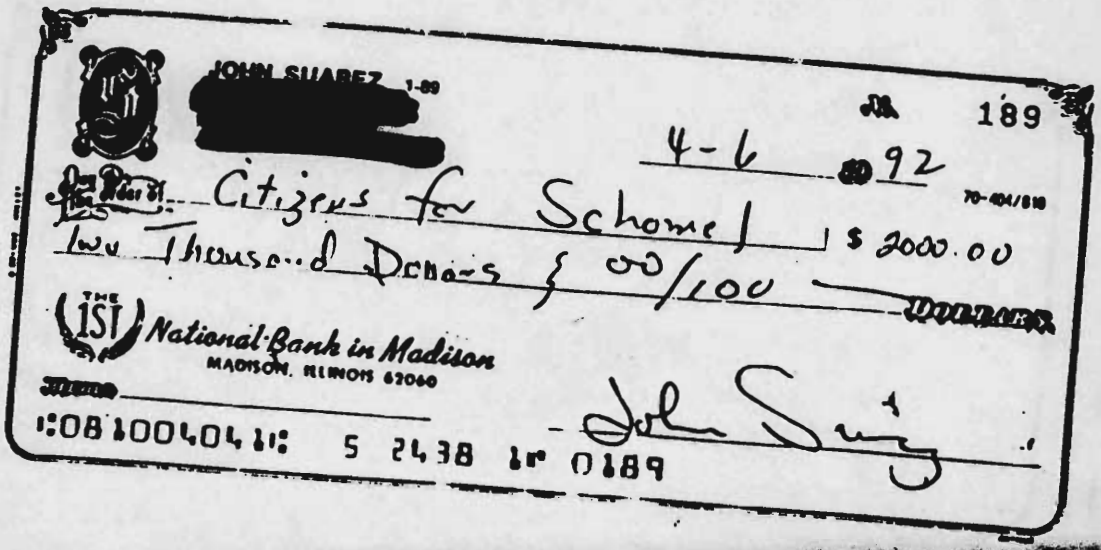
PAY
TO THE ORDER OF $$ 5,000.00

DOLLARS $ $$ 5,000.00

Citizen for Schoemehl

AUTHORIZED SIGNATURE

.16 St 792 - P Suarez



JOHN SUAREZ 1-89

[redacted]

No. 189

4-6 92

Citizens for Schomel $ 2000.00

Two Thousand Dollars & 00/100

THE 1ST National Bank in Madison
MADISON, ILLINOIS 62060

MEMO

John Suarez

⑆081000401⑈ 5 2438 ⑈ 0189

contribution

[redacted]

JOHN SUAREZ
[redacted]

105

MARK TWAIN BANK CREVE COEUR

⑆081003408⑆ 3411022709⑈ 0815

0 4 0 4 3 5 9 5 6 9 8

CITIZENS FOR SCHOEMEHL
MONETARY CONTRIBUTIONS RECEIVED OVER $100

CONTRIBUTOR	DATE	AMOUNT	AGGREGATE
Ms. Susan L. Storey	03/26/92	250.00	750.00
309 East 52 Street	05/15/92	500.00	
	/ /	0.00	
New York, NY 10022	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Mr. John Suarez	04/06/92	2,000.00	2000.00
Concorde Trading	/ /	0.00	
P. O. Box 8	/ /	0.00	
Hartford, IL 62048	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Delores M. Suda	03/31/92	100.00	150.00
7207 Nashville	06/08/92	50.00	
	/ /	0.00	
St. Louis, MO 63117	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
James W. Suelmann	04/22/92	100.00	150.00
6507 Murdoch	06/09/92	50.00	
	/ /	0.00	
St. Louis, MO 63109	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
Makhlouf & Lorraine Suissa	06/18/92	950.00	1900.00
c/o Briar Place Nursing Center	06/18/92	950.00	
6800 W. Joliet Rd.	/ /	0.00	
Indianpark, IL 60525	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
A. C. Sullivan, Jr.	06/03/92	500.00	500.00
Rt. 1, Box 283	/ /	0.00	
	/ /	0.00	
Elvins, MO 63639	/ /	0.00	
	/ /	0.00	
	/ /	0.00	
	/ /	0.00	

STATE OF MISSOURI

OFFICE OF SECRETARY OF STATE

JEFFERSON CITY 65102

D. BLUNT
ARY OF STATE

314/751-4936

Fellow Missourians:

In 1985 the 83rd General Assembly significantly altered Missouri's Campaign Finance Disclosure Law (Chapter 130 RSMo). In an effort to streamline reporting requirements, the new law has reduced the number of candidates required to file reports and has allowed for the revision of reporting forms. It is my pleasure to present this instruction manual which explains major provisions of the law as they apply to candidates and their committees.

It is the responsibility of the Secretary of State's Office to prepare and provide the necessary instruction material concerning campaign finance disclosure. While this instruction manual in no way replaces the authority of the statute itself, it should be helpful in answering the questions of those affected by, or interested in, the revised Campaign Finance Disclosure Law.

This manual is intended to present an understandable and easily referenced explanation of the campaign finance disclosure process. If further questions arise, the Campaign Reporting Division of our office will be happy to assist you.

Sincere regards,

Roy D. Blunt

Secretary of State

INTRODUCTION

The purpose of this ***Campaign Finance Instruction Manual*** is to explain the ***Campaign Finance Disclosure Law*** and its application among individuals, candidates, and committees in Missouri elections. The main objective of the law is ***disclosure*** — there are no restrictions on the source or amount of campaign contributions or expenditures, but complete and accurate disclosure of all campaign finance activity is required.

Individuals and groups who become involved in Missouri elections should find this manual helpful in meeting the law's requirements and in understanding the information that is reported and available to the public. This manual should be used in conjunction with the text of Chapter 130 RSMo. In addition, your local election authority and the secretary of state's office should be consulted if questions or problems arise.

USING THE MANUAL

By reading through this manual prior to starting an active campaign, you and your committee can become familiar with the ***Campaign Finance Disclosure Law*** and its major provisions. The manual is divided into the following seven sections:

I. EXPLANATION

Contains information on who is subject to the law, what information is required, where to file reports and where to obtain information, reporting forms and other campaign reporting material.

II. EXEMPTION AND REJECTION

Explains which candidates are automatically exempt from filing reports, how others can file an exemption, and the process of rejecting an exemption filed earlier.

III. COMMITTEE ORGANIZATION AND TERMINATION

Details how to organize a committee within the guidelines of the law, how to file committee organization papers, how to amend the statement if changes occur, and how to terminate a committee when it is no longer needed.

IV. RECORDKEEPING

Explains a recordkeeping system that may be of use to smaller campaigns in reporting all activities that are required by the law.

V. REPORTING

Contains sample forms and instructions on their use.

VI. APPENDICES

Include when to file, where to file, often-asked questions, and who is subject to the law's provisions.

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FLYNN & GUYMON
ATTORNEYS
BOATMEN'S BANK BUILDING, SUITE 440
23 PUBLIC SQUARE
BELLEVILLE, ILLINOIS 62220
618-233-0480
FAX 618-233-0601

PATRICK M. FLYNN
DAVID E. GUYMON
CARLA J. EHLERS

OF COUNSEL
R. W. McGOVERN

HAROLD BALTZ (1904-1970)
OTIS E. GUYMON (1908-1971)

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
MAY 4 11 33 AM '93

April 30, 1993

RECEIVED
FEDERAL ELECTION COMMISSION
93 MAY -5 AM 3: 19

Mr. Xavier K. McDonnell
Attorney at Law
Federal Election Commission
Washington, D.C. 20463

In re: Marc S. Farinella, Carnahan for Governor Campaign
vs. Schoemehl, et al
No. MUR 3541

Dear Mr. McDonnell:

I enclose herewith a copy of the Response of John M. Suarez to Questions and Document Requests in the above case.

Sincerely yours,

Patrick M. Flynn

Patrick M. Flynn

PMF:ek
Enc.

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BEFORE THE FEDERAL ELECTION COMMISSION

MARC S. FARINELLA, CARNAHAN FOR GOVERNOR CAMPAIGN, Complainant	)	
vs.	)	No. MUR 3541
VINCENT C. SCHOEMEHL, JR., et al, Respondents.	)	

RESPONSE OF JOHN M. SUAREZ TO QUESTIONS AND DOCUMENT REQUESTS

24043595703

1. Identify yourself, and all your businesses. State the nationality status of each. If any of your businesses is a subsidiary, state the nationality status of the parent.

ANSWER: John M. Suarez, and I am an American citizen. I object to the identification of all of my businesses as being immaterial and irrelevant to the issues raised in this Complaint.

2. State whether you solicited the contribution. If the answer to this question is in the affirmative:

a. Identify the person(s) from whom you solicited the contribution and the person(s) who made the contribution, i.e., Tippins, Jose Boveda, etc., and state the nationality status of each.

b. Describe your role in obtaining the contribution;

ANSWER: I solicited the contribution from Jose Boveda. I cannot state with accuracy his nationality, but I assume that he is a Spanish national. I was later advised that a contribution had been made by wire transfer from Tippins to the Citizens for Schoemehl Committee. I do not know the nationality status of Tippins.

3. State whether you communicated with any person(s) from the Committee regarding the contribution either before or after the date the contribution was received. If so:

a. Identify the person(s) from the campaign (including the candidate) with whom you communicated;

b. Describe the method(s) by which you communicated and give the dates the communication(s) occurred;

c. Summarize the substance of the communication(s); and

d. Identify and produce all documents relating to the communications.

ANSWER: All of my contacts with the Committee were with either Vincent Schoemehl or Nancy Rice. I specifically inquired before soliciting the contribution if it would be legal to obtain contributions from outside the United States, and was told that it was legal. All of my communications were oral and I have no documents relating to the communications.

4. State whether you were involved in arranging to have the contribution transmitted from the contributor to the Committee. If the answer to this question is in the affirmative, provide the details, including but not limited to:

a. How the contribution was transmitted;

b. Who made the arrangements and sent the contribution by wire;

c. Identify and produce all documents related to the wire transfer.

ANSWER: No.

a. Not applicable

b. Not applicable

c. Not applicable

5. State whether you were involved, directly or indirectly, in solicitating, making or transmitting the three contributions. If so, identify which contributions you were involved with and describe your role.

ANSWER: My involvement with the contributions from Chemetco, Inc., Concorde Trading and Midco Industries, Inc., consisted of asking the appropriate individuals from each corporation to make a contribution. Specifically, I asked David

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Hoff, President of Chemetco, Inc.; Tom McRaven, Treasurer of Concorde Trading; and Cheng-Ping Chang, President of Midco Industries, Inc. All three individuals are American citizens.

6. State whether you communicated with any person(s) associated with the Schoemehl Committee about any of these three contributions. If the answer to this question is in the affirmative:

a. Identify the person(s) from the campaign (including the candidate) with whom you communicated;

b. Describe the method(s) by which you communicated, and give the dates the communication(s) occurred;

c. Summarize the substance of the communication(s); and

d. Identify and produce all documents relating to the communications.

ANSWER: I communicated with Vincent Schoemehl who called and asked me if I would assist him in obtaining contributions to the Committee. All communications were oral, and I do not remember the dates of any specific conversations. I have no documents relating to the conversations.

7. Describe your relationship with each of the corporations, and indicate whether you have any financial interest or official or unofficial role in the corporations. If so, describe your interest(s) and role(s).

ANSWER: I am on the Board of Directors of Chemetco, Inc. I am President of Concorde Trading. I am not a director, officer or employee of Midco Industries, Inc. I have no ownership interest in any of these organizations.

8. State whether any of the three corporations is a subsidiary. If so, identify the parent, and state its nationality status.

ANSWER: Chemetco, Inc. is a subsidiary of La Societe Financiere, de Gestion et de, Participation, S.A., a Luxemburg corporation. Midco Industries, Inc. is a subsidiary of Crescenta, Inc., a Delaware corporation. Concorde Trading is a subsidiary of P-E Services, Inc., a Delaware corporation.

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9. State whether you are a partner or have any business relationship with Jose Boveda. If so, identify the businesses, state their nationality status and describe the roles and financial interests of each of you. Indicate whether any of the entities are doing business in the United States.

ANSWER: I object to this interrogatory as being immaterial and irrelevant to the issues raised by the Complaint. However, without waiving any objection, and in an effort to cooperate with the Commission, I affirmatively state that Jose Boveda and I each have an ownership interest in a Spanish corporation named Botrade, S.L. I further affirmatively state that I have no interest of any kind in Tippins and there is no relationship between Botrade, S.L. and Tippins.

10. State whether you had any official or unofficial role in the Schoemehl Committee. If the answer to this question is in the affirmative, describe your role.

ANSWER: No.

11. State whether you solicited and/or obtained any other contributions on behalf of Citizens for Schoemehl, Vincent C. Schoemehl. If the answer to this question is in the affirmative:

a. Identify all persons and entities you solicited and indicate whether they made a contribution;

b. State the amount that was contributed, and identify the recipient of each of the contributions;

c. State the nationality status of each of the contributing persons and entities. Indicate whether any of those solicited is a subsidiary. If so, identify the parent, and provide its nationality status.

ANSWER: I asked other individuals to make contributions to the Committee, but I have no specific knowledge as to whether anyone did, in fact, do so. I do not remember the persons and entities that I may have solicited, but I do know that they were all from the Greater Metropolitan St. Louis Area. The only known foreign national that I solicited was Jose Boveda.

24043595706

12. State whether you solicited and/or obtained contributions on behalf of any other candidate or state, local or federal political committee. If the answer to this question is in the affirmative:

a. Identify all persons and entities you solicited and indicate whether they made a contribution;

b. State the amount that was contributed, and identify the recipient of each contribution;

c. State the nationality status of each of the contributing persons and/or entities. Indicate whether any of those solicited is a subsidiary. If so, identify the parent, and provide its nationality status.

ANSWER: I object to this interrogatory as being immaterial and irrelevant to the issues raised by the Complaint. However, without waiving any objection and in an effort to cooperate with the Commission, I affirmatively state that the answer is No.

13. State whether you, either directly, indirectly, i.e., through any of your businesses, made contributions to any candidate or state, local or federal political committee. If the answer to this question is in the affirmative:

a. Identify the entity through which you made the contribution (if applicable);

b. State the amount that was contributed, and identify the recipient of each of the contributions;

c. State the nationality status of each of the contributing persons and/or entities. Indicate whether any of those solicited is a subsidiary. If so, identify the parent, and provide its nationality status.

ANSWER: I object to this interrogatory as being immaterial and irrelevant to the issues raised by the Complaint. However, without waiving any objection and in an effort to cooperate with the Commission, I affirmatively state that the answer is No.

14. Identify and produce all documents relating to any of the contributions at issue or referred to answering these questions, including but not limited to copies of correspondence, checks, statements, etc.

24043595707

ANSWER: I have no such documents.

John M. Suarez

John M. Suarez

State of Illinois)
) ss.
County of St. Clair)

JOHN M. SUAREZ, being first duly sworn upon his oath, deposes and states that he has read the foregoing Response by him subscribed and that the matters contained therein are true to the best of his knowledge, information and belief.

John M. Suarez

John M. Suarez

Subscribed and sworn to before me this 29th day of April, 1993.

Elaine Koenig

Notary Public

"OFFICIAL SEAL"
Elaine Koenig
Notary Public, State of Illinois
St. Clair County
My Commission Expires 11/29/95

Patrick M. Flynn
A.R.D.C. No. 00839868
FLYNN & GUYMON
23 Public Square, Ste. 440
Belleville, IL 62220
618-233-0480
Attorneys for John M. Suarez

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SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

January 13, 1994

MEMORANDUM

To: The Commission

From: Lois G. Lerner
Associate General Counsel

Subject:
PM 260/MUR 3541
Recommended Actions in Light of FEC v. NRA Political Victory Fund, No. 91-5360, (D.C. Cir. Oct. 22, 1993)

I. BACKGROUND

On November 5, 1993, the Office of the General Counsel forwarded to the Commission a memorandum regarding the recent appellate decision in FEC v. NRA Political Victory Fund, et al. No. 91-5360 (D.C. Cir. Oct. 22, 1993) and advised the Commission on the effects and implications of that decision on the pending enforcement caseload. This Office has reviewed the Commission's pending enforcement docket and in this memorandum makes recommendations with respect to MURs in which the Commission found reason to believe prior to the court's decision in NRA. The recommendations put forth are consistent with the Commission's November 9, 1993, decisions concerning compliance with the NRA opinion.

II. RECOMMENDED ACTIONS IN LIGHT OF FEC v. NRA

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h. PM 260/MUR 3541

This Office recommends that the Commission, consistent with its November 9, 1993, decisions concerning compliance with the NRA opinion, and based on the information contained in the sua sponte submission and the complaint filed in MUR 3541 and the responses thereto, revote to: merge PM 260 into MUR 3541 and hereafter refer to this matter as MUR 3541; find reason to believe that Jose Antonio Boveda and Tippins Development Ltd., violated 2 U.S.C. § 441e; find reason to believe that Citizens for Schoemehl and Stuart Symington, Jr., as treasurer, violated 2 U.S.C. § 441e; find reason to believe that Vincent C.

Schoemehl, Jr. violated 2 U.S.C. § 441e; find reason to believe that John M. Suarez violated 2 U.S.C. § 441e; and, find reason to believe that Midco Industries, Incorporated, Concorde Trading Company, and Chemetco, Incorporated violated 2 U.S.C. § 441e. This Office also recommends that the Commission revote to approve the Factual and Legal Analyses for these respondents that were attached to the General Counsel's Report dated February 8, 1993. A copy of the certification reflecting the Commission's previous vote is attached. (Attachment 12.)

III. RECOMMENDATIONS

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8. <u>PM 260/MUR 3541</u>

a. Merge PM 260 into MUR 3541 and hereafter refer to this matter as MUR 3541.
b. Find reason to believe that Jose Antonio Boveda and Tippins Development Ltd., violated 2 U.S.C. § 441e.
c. Find reason to believe that Citizens for Schoemehl and Stuart Symington, Jr., as treasurer, violated 2 U.S.C. § 441e.
d. Find reason to believe that Vincent C. Schoemehl, Jr. violated 2 U.S.C. § 441e.
e. Find reason to believe that John M. Suarez violated 2 U.S.C. § 441e.
f. Find reason to believe that Midco Industries, Incorporated, Concorde Trading Company, and Chemetco, Incorporated violated 2 U.S.C. § 441e.
g. Approve the Factual and Legal Analyses that were attached to the General Counsel's Report dated February 8, 1993.
h. Approve the appropriate letters.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jose Antonio Boveda and Tippins Development Ltd.;	)	Pre-MUR 260/MUR 3541
Citizens for Schoemehl and Stuart Symington, Jr., as treasurer;	)	
Vincent C. Schoemehl, Jr.;	)	
John M. Suarez;	)	
Midco Industries, Incorporated;	)	
Concorde Trading Company; and	)	
Chemetco, Incorporated.	)	

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CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 25, 1994, the Commission decided by a vote of 6-0 to take the following actions in Pre-MUR 260/MUR 3541:

1. Merge Pre-MUR 260 into MUR 3541 and hereafter refer to this matter as MUR 3541.

2. Find reason to beieve that Jose Antonio Boveda and Tippins Development Ltd., violated 2 U.S.C. § 441e.

3. Find reason to believe that Citizens for Schoemehl and Stuart Symington, Jr., as treasurer, violated 2 U.S.C. § 441e.

(continued)

4. Find reason to believe that Vincent C. Schoemehl, Jr. violated 2 U.S.C. § 441e.

5. Find reason to believe that John M. Suarez violated 2 U.S.C. § 441e.

6. Find reason to believe that Midco Industries, Incorporated, Concorde Trading Company, and Chemetco, Incorporated violated 2 U.S.C. § 441e.

7. Approve the Factual and Legal Analyses that were attached to the General Counsel's Report dated February 8, 1993.

8. Approve the appropriate letters, as recommended in the General Counsel's Memorandum dated January 13, 1994.

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

Attest:

1-26-94
Date

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

Received in the Secretariat: Thurs., Jan. 13, 1994 11:29 a.m.
Circulated to the Commission: Thurs., Jan. 13, 1994 4:00 p.m.
Deadline for vote: Wed., Jan. 19, 1994 4:00 p.m.
Insufficient votes at deadline.

dh

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FEBRUARY 3, 1994

Robert F. Bauer, Esquire
B. Holly Schadler, Esquire
Perkins Coie
607 Fourteenth Street, N.W.
Washington, D.C. 20005-2011

RE: MUR 3541
Vincent C. Schoemehl, Jr.
Citizens for Schoemehl and
Stuart Symington, Jr., as treasurer

Dear Mr. Bauer and Ms. Schadler:

You were previously informed that on February 23, 1993, the Federal Election Commission found that there is reason to believe that your clients in the above-captioned matter violated 2 U.S.C. § 441e.

As you know, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6. F.3d 821 (D.C. Cir. 1993), petition for cert. filed (U.S. Jan. 18, 1994)(No. 93-1151). Since the decision was handed down, the Commission has taken several actions to comply with the court's decision. While petitioning the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for re-voting or ratifying decisions pertaining to open enforcement matters.

In this matter, on January 25, 1994, the Commission re-voted: to merge Pre-MUR 260 with MUR 3541; to find reason to believe that your clients violated 2 U.S.C. § 441e; and to approve the Factual and Legal Analysis previously mailed to you. Please refer to the document previously sent to you for the basis of the Commission's

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decision. If you need an additional copy, one will be provided upon request.

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

For the Commission,

Trevor Potter
Chairman

24043595716

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FEBRUARY 3, 1994

Patrick M. Flynn, Esquire
Flynn & Guymon
28 Public Square
Belleville, Illinois 62220

RE: MUR 3541
John M. Suarez

Dear Mr. Flynn:

You were previously notified that the Commission, on February 23, 1993, found that there is reason to believe that your client in the above-captioned matter violated 2 U.S.C. § 441e.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed (U.S. Jan. 18, 1994) (No. 93-1151). Since the opinion was handed down, the Commission has taken several actions to comply with that decision. While petitioning the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for re-voting or ratifying decisions pertaining to open enforcement matters.

In this matter, on January 25, 1994, the Commission re-voted to find reason to believe that your client violated 2 U.S.C. § 441e, and to approve the Factual and Legal Analysis previously mailed to you. Please refer to that document for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

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

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

FEBRUARY 3, 1994

R. Emmett Fitzgerald, Esquire
Hoagland, Fitzgerald, Smith
& Pranaitis
401 Market Street
P.O. Box 130
Alton, Illinois 62002

RE: MUR 3541
Chemetco, Incorporated
Concorde Trading Company
Midco Industries, Inc.

Dear Mr. Fitzgerald:

You were previously notified that on February 22, 1993, the Federal Election Commission found that there is reason to believe your clients in the above-captioned matter violated 2 U.S.C. § 441e. You subsequently submitted responses to the Commission's questions.

As you may be aware, on October 22, 1993, the D.C. Circuit declared the Commission unconstitutional on separation of powers grounds due to the presence of the Clerk of the House of Representatives and the Secretary of the Senate or their designees as members of the Commission. FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed (U.S. Jan. 18, 1994)(No. 93-1151). The Commission has taken several actions to comply with the decision. While petitioning the Supreme Court for a writ of certiorari, the Commission, consistent with that opinion, has remedied any possible constitutional defect identified by the Court of Appeals by reconstituting itself as a six member body without the Clerk of the House and the Secretary of the Senate or their designees. In addition, the Commission has adopted specific procedures for re-voting or ratifying decisions pertaining to open enforcement matters.

In this matter, on January 25, 1994, the Commission re-voted to find reason to believe that your clients violated 2 U.S.C. § 441e, and to approve the Factual and Legal Analyses previously mailed to you. Please refer to those documents for the basis of the Commission's decision. If you need an additional copy, one will be provided upon request.

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With respect to the responses to the Commission's questions which you submitted on May 4, 1993, it appears that several are incomplete. Specifically, the response submitted for Concorde Trading Company does not identify the "nationality status" (country of incorporation) of Cadogan, S.A., as requested in Question 4. The responses of Concorde Trading Company and Midco Industries do not state whether there have been any transfers from their parent corporation, as requested in question 5. In addition, please provide the amounts of any transfers, including loans, from the parent corporations, and provide the articles of incorporation for all three corporations. If you have any questions, please contact Xavier K. McDonnell, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

Trevor Potter
Chairman

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RECEIVED
F.E.C.
SECRETARIAT
94 FEB -4 AM 9:56

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

February 4, 1994

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

SUBJECT: MUR 3541
Rescission of reason-to believe findings

The complaint in this matter alleged a violation of 2 U.S.C. § 441e by, inter alia, Jose Antonio Boveda, a Spanish National, and a company he is involved with Tippins Development, Ltd. of London, England, in connection with a $25,000 contribution made to a Missouri gubernatorial candidate. No response to the complaint was received, and on February 23, 1993, and January 24, 1994, the Commission found reason to believe that respondents, and others, violated Section 441e.

It now appears that the address supplied in the complaint was incorrect and that therefore notice of the complaint and of the initial reason-to-believe findings were not received by Mr. Boveda/Tippins.[1] However, the correct address has now been determined. In light of the requirement that respondents be afforded an opportunity to respond to the complaint, this Office recommends that the Commission rescind its reason to believe findings against Mr. Boveda and Tippins. See 2 U.S.C. § 437g(a). Further recommendations regarding these respondents shall be made once notification has been achieved and respondents have had an opportunity to respond to the allegations.

RECOMMENDATION

Rescind the findings that there is reason to believe Jose Antonio Boveda and Tippins Development, Ltd. violated 2 U.S.C. § 441e.

Staff Assigned: Xavier K. McDonnell

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1. The letters were mailed to a city in Spain identified in the complaint as Mr. Boveda's residence, but it was not the city of the right Jose Antonio Boveda's residence.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS
COMMISSION SECRETARY

DATE: FEBRUARY 9, 1994

SUBJECT: MUR 3541 - MEMORANDUM TO THE COMMISSION DATED FEBRUARY 4, 1994.

The above-captioned document was circulated to the Commission on Friday, February 4, 1994 at 12:00 p.m.

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

Commissioner Aikens	XXX
Commissioner Elliott	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Potter	
Commissioner Thomas	

This matter will be placed on the meeting agenda for Tuesday, February 15, 1994.

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

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
José Antonio Boveda;	)	MUR 3541
Tippins Development, Ltd.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 10, 1994, the Commission decided by a vote of 6-0 to rescind the findings that there is reason to believe José Antonio Boveda and Tippins Development, Ltd. violated 2 U.S.C. § 441e, as recommended in the General Counsel's Memorandum dated February 4, 1994.

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

Attest:

2-14-94
Date

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

Received in the Secretariat:	Fri.,	Feb. 04, 1994	9:56 a.m.
Circulated to the Commission:	Fri.,	Feb. 04, 1994	12:00 p.m.
Deadline for vote:	Wed.,	Feb. 09, 1994	4:00 p.m.
Received Objection:	Wed.,	Feb. 09, 1994	3:44 p.m.
Placed on Agenda for:	Tues.,	Feb. 15, 1994	
Objection Withdrawn:	Thurs.,	Feb. 10, 1994	4:39 p.m.
Withdrawn from AGenda			

bjr

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

FEBRUARY 16, 1994

Mr. Jose Antonio Boveda
Pena de Santa Marina #3
48990
Getxo, Vezcaya
Spain

RE: MUR 3541
Tippins Development, Ltd.
Jose Antonio Boveda

Dear Mr. Boveda:

The Federal Election Commission received a complaint which indicates that you and Tippins Development may have violated sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. The complaint was not previously sent to you because it was sent to an incorrect address set forth in the complaint. We have numbered this matter MUR 3541. Please refer to this number in all future correspondence.

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

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

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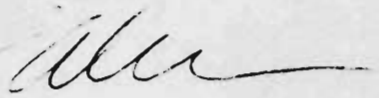
If you have any questions, please contact Xavier K. McDonnell, the attorney assigned to this matter, at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Lisa E. Klein
Assistant General Counsel

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

24043595724

OGC 612

Law Offices
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P. O. Box 130
Alton, Illinois 62002
(618) 465-7745
Fax No. (618) 465-3744

William H. Hoagland
R. Emmett Fitzgerald
Donald L. Smith
Al J. Pranaitis
Stephen J. Maassen **
Robert G. Raleigh *
C. Raymond Bell *
Scott D. Bjorseth *
Daniel M. Fitzgerald

Of Counsel:
Charles B. Godfrey *
Karl K. Hoagland, Jr.
Robert B. Maucker

* Also Licensed in Missouri
** Also Licensed in Indiana

RECEIVED FEDERAL ELECTION COMMISSION MAIL ROOM
94 MAR 22 AM 9:29

March 20, 1994

VIA FEDERAL EXPRESS

Federal Election Commission
Office of General Counsel
Washington, D.C. 20463

94 MAR 22 AM 11:42
RECEIVED FEDERAL ELECTION COMMISSION

Attention Mr. Xavier K. McDonnell, Attorney

Re: MUR 3541
Chemetco, Inc.
Concorde Trading Company
Midco Industries, Inc.

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Dear Mr. McDonnell:

This is in response to your letter dated February 3, 1994 in regard to the above.

Concorde Trading Company, a Delaware corporation, is wholly owned by P-E Services, Inc., a Delaware corporation; and P-E Services, Inc. is wholly owned by Cadogan, S.A., a Luxembourg corporation.

Midco Industries, Inc., a Delaware corporation, is wholly owned by Crescenta, Inc., a Delaware corporation; and Crescenta, Inc. is wholly owned by Geopar, S.A., a Luxembourg corporation.

It is my understanding that Luxembourg corporations which have the "S.A." at the end of their corporate names, indicate their shareholders are not identified. The "S.A." stands for society anonymous.

There has been paid in additions to capital for both Concorde Trading Company and Midco Industries Inc. during the last five (5) years. I do not have available at this time the exact amounts, but the amounts are substantial because the metals industry in the United States has been economically depressed during the last few years. Additional capital became necessary to cover operating losses and the requirement for additional working capital.

Enclosed are copies of official incorporation documents for each of the three corporations listed above.

As was stated previously, Chemetco, Inc., Concorde Trading Company and Midco Industries, Inc. are American corporations; they each have plants or offices in the Metropolitan St. Louis area; they each employ from 10 to 100 plus American employees; and they each engage in millions of dollars of business from their respective places of business located in Illinois or Missouri, and all of their executive officers are American citizens. As indicated previously under oath, no foreign national participated in the decisions to make the relatively modest $5,000 political campaign contributions.

We hope the enclosed information satisfies your needs.

Very truly yours,

R. Emmett Fitzgerald

R. Emmett Fitzgerald

REF:ue

enclosures

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20 869 546

Certificate Number No. 39[illegible]5

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To All to whom these Presents Shall Come, Greeting:

Whereas, *Articles of Incorporation duly signed and verified of*

CHEMICO METALS CORPORATION

have been filed in the Office of the Secretary of State on the 9th *day of* June *A. D. 19*69*, as provided by "THE BUSINESS CORPORATION ACT" of Illinois, in force July 13, A. D. 1933.*

Now Therefore, I, PAUL POWELL. *Secretary of State of the State of Illinois, by virtue of the powers vested in me by law, do hereby issue this certificate of incorporation and attach thereto a copy of the Articles of Incorporation of the aforesaid corporation.*

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, Done at the City of Springfield this* 9th *day of* June *A.D. 19* 69 *and of the Independence of the United States the one hundred and* 93rd.

Paul Powell

SECRETARY OF STATE.

20 869 546

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FORM B C A-17

BEFORE ATTEMPTING TO EXECUTE THESE BLANKS BE SURE TO READ CAREFULLY THE INSTRUCTIONS ON THE BACK THEREOF.

(THESE ARTICLES MUST BE FILED IN DUPLICATE)

(Do not write in this space)

Date Paid	6-9-69
Initial License Fee	$ 75 —
Franchise Tax	$ 1.61.68
Filing Fee	$ 75 —
Clerk	

STATE OF ILLINOIS, } ss.
COOK COUNTY

TO PAUL POWELL, Secretary of State:

The undersigned,

Name	Number	Street	Address City	State
MICHEL FERON	8, Av. Palmerston,		Brussels 4, Belgium	

being one or more natural persons of the age of twenty-one years or more or a corporation, and having subscribed to shares of the corporation to be organized pursuant hereto, for the purpose of forming a corporation under "The Business Corporation Act" of the State of Illinois, do hereby adopt the following Articles of Incorporation:

ARTICLE ONE

The name of the corporation hereby incorporated is: CHEMICO METALS CORPORATION

ARTICLE TWO

The *address* of its initial registered office in the State of Illinois is: Room 1400, 38 South Dearborn St.

Street, in the City of Chicago (60603 (Zip Code)) County of Cook and

the *name* of its initial Registered Agent at *said address* is: Reuben A. Borsch

ARTICLE THREE

The duration of the corporation is: Perpetual

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The purpose or purposes for which the corporation is organized are:

To engage [redacted] a general metal smelting [redacted]nd refining business;

To carry on and conduct any and every kind of manufacturing and distribution business; to manufacture, process, fabricate, purchase or otherwise acquire, to import or export, to distribute, lease, sell, assign or otherwise contract, and, without limitation, generally deal in and with, raw materials, products, goods, wares, merchandise, and personal property of every kind and character; and

To acquire, own, use, convey and otherwise dispose of and deal in real property or any interests therein.

ARTICLE FIVE

Paragraph 1: The aggregate number of shares which the corporation is authorized to issue is 1,000,000, divided into one classes. The designation of each class, the number of shares of each class, and the par value, if any, of the shares of each class, or a statement that the shares of any class are without par value, are as follows:

Class	Series (If any)	Number of Shares	Par value per share or statement that shares are without par value
Common	None	1,000,000	$10.00

Paragraph 2: The preferences, qualifications, limitations, restrictions and the special or relative rights in respect of the shares of each class are:

No holder of shares of any class of the corporation shall be entitled as a matter of right to purchase or subscribe for any part of any unissued shares of any class, or of any additional shares of any class of the corporation, or of any bonds, certificates of indebtedness, debentures, or other securities convertible into shares of the corporation, now or hereafter authorized, but any such shares or other securities convertible into shares may be issued and disposed of pursuant to resolution by the Board of Directors to any person, firm, corporation or association (one or more) and upon such terms and for such consideration (not less than the par value or stated value thereof) as the Board of Directors in the exercise of its discretion may determine and as may be permitted by law without action by the shareholders. The Board of Directors may provide for payment therefor to be received by the corporation in whole or in part, in money, in property, tangible or intangible, or in labor or services actually performed for the corporation. Any and all shares so issued for which the consideration so fixed has been paid or delivered, shall be deemed full paid and not liable to any further call or assessment.

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ARTICLE SIX

The class and number of shares which the corporation proposes to issue without further report to the Secretary of State, and the consideration (expressed in dollars) to be received by the corporation therefor, are:

Class of shares	Number of shares	Total consideration to be received therefor:
Common	14,000	$ 140,000.00
		$

ARTICLE SEVEN

The corporation will not commence business until at least one thousand dollars has been received as consideration for the issuance of shares.

ARTICLE EIGHT

The number of directors to be elected at the first meeting of the shareholders is: Three

ARTICLE NINE

PARAGRAPH 1: It is estimated that the value of all property to be owned by the corporation for the following year wherever located will be $.....

PARAGRAPH 2: It is estimated that the value of the property to be located within the State of Illinois during the following year will be $.....

PARAGRAPH 3: It is estimated that the gross amount of business which will be transacted by the corporation during the following year will be $.....

PARAGRAPH 4: It is estimated that the gross amount of business which will be transacted at or from places of business in the State of Illinois during the following year will be $.....

NOTE: If all the property of the corporation is to be located in this State and all of its business is to be transacted at or from places of business in this State, or if the incorporators elect to pay the initial franchise tax on the basis of its entire stated capital and paid-in surplus, then the information called for in Article Nine need not be stated.

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CU 009 040

MICHEL FERON

Incorporators

NOTE: There may be one or more incorporators. Each incorporator shall be either a corporation, domestic or foreign, or a natural person of the age of twenty-one years or more. If a corporation acts as incorporator, the name of the corporation and state of incorporation shall be shown and the execution must be by its President or Vice-President and verified by him, and the corporate seal shall be affixed and attested by its Secretary or an Assistant Secretary.

OATH AND ACKNOWLEDGMENT

STATE OF ILLINOIS
COOK County } ss.

I, Jane Heir, A Notary Public, do hereby certify that on the 6th day of June 1969

MICHEL FERON

personally appeared before me and being first duly sworn by me acknowledged the signing of the foregoing document in the respective capacities therein set forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.

Place (NOTARIAL SEAL) Here

Jane Heir
Notary Public

FORM B C A-47

ARTICLES OF INCORPORATION

CHEMICO METALS CORPORATION

The following fees are required to be paid at the time of issuing certificate of incorporation: Filing fee, $75.00; Initial license fee of 30c per $1,000.00 or 1/20th of 1% of the amount of stated capital and paid-in surplus the corporation proposes to issue without further report (Article Six); Initial franchise tax of 1/10th of 1% of the issued, as above noted. However, the minimum initial franchise tax is $100.00 and varies monthly on $100,000, or less, as follows: January, $150.00; February, $141.67; March, $133.33; April, $125.00; May, $116.67; June, $108.33; July, $100.00; August, $91.67; September, $83.33; October, $75.00; November, $66.67; December, $58.33; (See Sec. 133 BCA).

In excess of $100,000, the franchise tax per $1,000.00 is as follows: Jan., $1.50; Feb., 1.4167; March, 1.3333; April, 1.25; May, 1.1667; June, 1.0833; July, 1.00; Aug., .9167; Sept., .8333; Oct., .75; Nov., .6667; Dec., .5833. All shares issued in excess of the amount mentioned in Article Six of this application must be reported within 60 days from date of issuance thereof, and franchise tax and license fee paid thereon; otherwise, the corporation is subject to a penalty of 1% for each month on the amount until reported and subject to a fine of not to exceed $500.00.

The same fees are required for a subsequent issue of shares except the filing fee is $1.00 instead of $75.00.

JUN 19 1969

(07267—25M—3-69) 10

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

OF

CHEMICO METALS CORPORATION

ORGANIZED UNDER THE LAWS OF THE

STATE OF DELAWARE

RECEIVED FOR RECORD

A. D.

RECORDER

7469-7

FILED

SEP 15 1970 9:00 A.M.

Secretary of State

REGISTERED WITH

THE PRENTICE-HALL CORPORATION SYSTEM, INC.

229 SOUTH STATE STREET

DOVER, KENT COUNTY, DELAWARE

2404359573

State of Delaware

Office of Secretary of State.

I, Eugene Bunting, Secretary of State of the State of Delaware, do hereby certify that the above and foregoing is a true and correct copy of Certificate of Amendment of the "CHEMICO METALS CORPORATION", as received and filed in this office the fifteenth day of September, A.D. 1970, at 9 o'clock A.M.

0404359573

In Testimony Whereof, I have hereunto set my hand and official seal at Dover this fifteenth day of September in the year of our Lord one thousand nine hundred and seventy.

Eugene Bunting

Secretary of State

R. H. Caldwell

Ass't Secretary of State

M 121

signing is his act and deed, that such instrument as executed is the act and deed of said corporation, and that the facts stated therein are true.

GIVEN under my hand on September 9, 1970.

Kenneth Fitzgerald
Notary Public

My Commission Expires: Oct 25, 1972

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issued for which the consideration so fixed has been paid or delivered, shall be deemed full paid and not liable to any further call or assessment.

"At all stockholders' meetings at which directors of this corporation are to be elected, each stockholder entitled to vote shall have as many votes as shall equal the number of shares of voting stock owned by him, multiplied by the number of directors to be elected, and he may cast all of such votes for a single director or may distribute them among the number to be voted for, or any two or more of them as he may see fit."

3. The amendment of the certificate of incorporation herein certified has been duly adopted in accordance with the provisions of Sections 228 and 242 of the General Corporation Law of the State of Delaware.

4. The capital of the corporation will not be reduced under or by reason of any amendment herein certified.

Executed at Alton, Illinois, on September 9, 1970.

CHEMICO METALS CORPORATION, a Delaware corporation,

By Earl L. Bockstruck
Its President

ATTEST:

W. H. Meyer
Its Asst Secretary

STATE OF ILLINOIS)
) SS.
COUNTY OF MADISON)

BE IT REMEMBERED that, on September 9, 1970, before me, a Notary Public duly authorized by law to take acknowledgement of deeds, personally came EARL BOCKSTRUCK, President of CHEMICO METALS CORPORATION who duly signed the foregoing instrument before me and acknowledged that such

2404359573 5

CERTIFICATE OF AMENDMENT OF

CERTIFICATE OF INCORPORATION OF

CHEMICO METALS CORPORATION

It is hereby certified that:

1. The name of the corporation (hereinafter called the "corporation") is CHEMICO METALS CORPORATION, a Delaware corporation.

2. The certificate of incorporation of the corporation is hereby amended by striking out Article FOURTH thereof and by substituting in lieu of said Article the following new Article:

"FOURTH: The total number of shares of stock which the corporation shall have authority to issue is Twenty Thousand (20,000), all of which are without par value. All such shares are of one class and are Common Stock.

"No holder of shares of any class of the corporation shall be entitled as a matter of right to purchase or subscribed for any part of any unissued shares of any class, or of any additional shares of any class of the corporation, or of any bonds, certificates of indebtedness, debentures, or other securities convertible into shares of the corporation, now or hereafter authorized, but any such shares or other securities convertible into shares may be issued and disposed of pursuant to resolution by the Board of Directors to any person, firm, corporation or association (one or more) and upon such terms and for such consideration (not less than the par value or stated value thereof) as the Board of Directors in the exercise of its discretion may determine and as may be permitted by law without action by the shareholders. The Board of Directors may provide for payment therefor to be received by the corporation in whole or in part, in money, in property, tangible or intangible, or in labor or services actually performed for the corporation. Any and all shares so

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>40435957/37

INDEXED AND COMPARED
RECEIVED FOR RECORD
Sept 15 A. D. 1970
Maurice N. Jarrell
RECORDER

STATE OF DELAWARE }
KENT COUNTY }

RECORDED In the Office for the Recording of Deeds, Etc. at Dover, In and for the said County of Kent, In Corp. Record W Vol. 36 Page 160 Etc. the 15th day of Sept. A. D. 1970
WITNESS my Hand and the Seal of said office.

Maurice N. Jarrell ... Recorder

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CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION

CHEMICO METALS CORPORATION, a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That at a meeting of the Board of Directors of CHEMICO METALS CORPORATION resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolution setting forth the proposed amendment is as follows:

> RESOLVED, that the Certificate of Incorporation of this corporation be amended by changing the Article thereof numbered "FIRST" so that, as amended said Article shall be and read as follows:
>
> > "FIRST: The name of the corporation (hereinafter called the 'corporation') is CHEMETCO, INC."

SECOND: That thereafter, pursuant to resolution of its Board of Directors, a special meeting of the stockholders of said corporation was duly called and held, upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted in favor of the amendment.

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

FOURTH: That the capital of said corporation shall not be reduced under or by reason of said amendment.

IN WITNESS WHEREOF, said CHEMICO METALS CORPORATION has caused its corporate seal to be hereunto affixed and this certificate to be signed by Denis Feron, its President, and William H. Meyer, its Assistant Secretary, this 6th day of June, 1973.

By _____
President

(CORPORATE SEAL)

By _____
Assistant Secretary

AGREEMENT OF MERGER
OF
CHEMICO METALS CORPORATION
(an Illinois corporation)
INTO
CHEMICO METALS CORPORATION
(a Delaware corporation)

AGREEMENT OF MERGER, made and entered into this 24th da of March, 1970, by and between CHEMICO METALS CORPORATION, a cor- poration of the State of Illinois, and CHEMICO METALS CORPORATION, a corporation of the State of Delaware, as approved by a resolutio adopted by the Board of Directors of each corporation.

WHEREAS, CHEMICO METALS CORPORATION is a corporation of the State of Illinois with its registered office therein located at Chicago, County of Cook; and

WHEREAS, The Business Corporation Act of the State of Illinois permits a merger of a corporation of that jurisdiction with and into a corporation of another jurisdiction; and

WHEREAS, the total number of shares of stock which said Illinois corporation has authority to issue is 1,000,000, all of which are of one class and of a par value of Ten Dollars each, and 14,000 of which are issued; and

WHEREAS, said other CHEMICO METALS CORPORATION is a cor poration of the State of Delaware with its registered office there in located at Dover, County of Kent; and

WHEREAS, the total number of shares of stock which sai Delaware corporation has authority to issue is 2,500, all of whic are of one class and without par value, and one of which is issue and

WHEREAS, said Illinois corporation and said Delaware corporation and the respective Boards of Directors thereof deem i advisable and to the advantage, welfare and best interests of sai corporations and their respective stockholders to merge said Illi nois corporation into said Delaware corporation pursuant to the provisions of The Business Corporation Act of the State of Illino and of the General Corporation Law of the State of Delaware, upo the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and c the mutual agreement of the parties hereto, being thereunto duly approved and authorized by a resolution adopted by the Board of Directors of said Illinois corporation, in accordance with the p visions of The Business Corporation Act of the State of Illinois and being thereunto duly approved by a resolution adopted by the Board of Directors of said Delaware corporation, in accordance w the provisions of the General Corporation Law of the State of De ware, the Agreement of Merger and the terms and conditions there and the mode of carrying the same into effect, together with any

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provisions required or permitted to be set forth therein, are thereby determined and agreed upon for submission to the stockholders of said Illinois corporation and of said Delaware corporation as required by the provisions of The Business Corporation Act of the State of Illinois and by the General Corporation Law of the State of Delaware, as hereinafter in this Agreement set forth.

1. Said Illinois corporation, which is herein sometimes referred to as the "terminating corporation", is hereby merged into and with said Delaware corporation, which shall be the continuing and resulting corporation and shall be governed by the laws of the State of Delaware, and which is hereinafter sometimes referred to as the "surviving corporation".

2. The certificate of incorporation of the surviving corporation shall be the certificate of incorporation of said surviving corporation, and, from and after the effective date of the merger in this Agreement provided for, said certificate of incorporation shall be the certificate of incorporation of the surviving corporation until changed or amended as provided by the General Corporation Law of the State of Delaware. A copy of said certificate of incorporation is appended hereto as "Appendage A" and is hereby made a part of this agreement with the same force and effect as if herein set forth in full.

3. The present by-laws of the surviving corporation will be the by-laws of said surviving corporation and will continue in full force and effect until altered or amended as therein provided under the authority of the General Corporation Law of the State of Delaware.

4. The names of the first members of the Board of Directors and of the first officers of the surviving corporation, all of whom shall hold their directorships and offices until the election and qualification of their respective successors or until their tenure is otherwise terminated in accordance with the by-laws of th surviving corporation in effect from time to time, are as follows:

NAMES OF FIRST DIRECTORS

Michel Peron
Denis Peron
Hugues van der Straten-Ponthoz

NAMES AND TITLES OF FIRST OFFICERS

Chairman of the Board of Directors----------Michel Peron
President----------Earl Bockstruck
Vice President of Manufacturing----------Joseph Brock
Secretary----------Hugues van der Straten-Ponthoz
Treasurer----------Hugues van der Straten-Ponthoz
Assistant Secretary----------William H. Meyer

5. Each issued share of stock of the terminating corporation shall, upon the effective date of the merger, be converted into one-tenth of a share of stock of the surviving

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corporation. The shares of stock of the surviving corporation shall not be converted, but each said share which is issued as of the effective date of the merger shall continue to represent one issued share of stock of the surviving corporation.

6. The Agreement of Merger herein made and entered into shall be submitted to the stockholders entitled to vote of the terminating corporation and of the surviving corporation for their adoption or rejection in the manner prescribed by The Business Corporation Act of the State of Illinois and by the General Corporation Law of the State of Delaware, as the case may be.

7. In the event that this Agreement of Merger shall have been adopted by the stockholders entitled to vote of the terminating corporation in accordance with the provisions of The Business Corporation Act of the State of Illinois and shall have been adopted by the stockholders entitled to vote of the surviving corporation in accordance with the provisions of the General Corporation Law of the State of Delaware, the terminating corporation and the surviving corporation agree that they will cause to be executed and filed and recorded any document or documents prescribed by The Business Corporation Act of the State of Illinois and by the General Corporation Law of the State of Delaware, and that they will cause to be performed all necessary acts within the State of Illinois and within the State of Delaware and elsewhere to effectuate the merger.

8. The Board of Directors and the proper officers of the constituent corporations are hereby authorized, empowered and directed to do any and all acts and things, and to make, execute, deliver, file, and record any and all instruments, papers and documents which shall be or become necessary, proper or convenient to carry out or put into effect any of the provisions of this Agreement or of the merger herein provided for.

9. The effective date of the Agreement of Merger, and the date upon which the merger therein agreed upon shall become effective insofar as the General Corporation Law of the State of Delaware shall govern the effective date of said merger, shall be the filing date in the State of Delaware.

Executed in Alton, Illinois, on March 24, 1970.

CHEMICO METALS CORPORATION, an Illinois corporation,

By Earl Brokstuck
Its President

ATTEST:
William H. Meyer
Its Assistant Secretary

CHEMICO METALS CORPORATION, a Delaware corporation,

By Earl Brokstuck
Its President

ATTEST:
William H. Meyer
Its Assistant Secretary

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Certificate of Assistant Secretary
of
CHEMICO METALS CORPORATION
(a Delaware corporation)

The undersigned, being the Assistant Secretary of said Delaware corporation does hereby certify under the seal of said corporation that:

1. The holders of all of the outstanding stock of CHEMICO METALS CORPORATION, a Delaware corporation dispensed with a meeting and vote of stockholders, and all of the stockholders entitled to vote consented in writing, pursuant to the provisions of Section 228 of the General Corporation Law of the State of Delaware, for the adoption of the foregoing Agreement of Merger.

Signed on March 26, 1970.

William H. Meyer
Assistant Secretary of CHEMICO METALS CORPORATION, a Delaware corporation.

The foregoing Agreement of Merger of CHEMICO METALS CORPORATION, an Illinois corporation, and of CHEMICO METALS CORPORATION, a Delaware corporation, as executed upon behalf or by the parties thereto, and as certified by the Assistant Secretary of said Delaware corporation is hereby signed by the President and attested by the Assistant Secretary of CHEMICO METALS CORPORATION, a Delaware corporation.

Executed in Alton, Illinois, on March 26, 1970.

Earl Bockstruck
President of CHEMICO METALS CORPORATION, a Delaware corporation.

ATTEST:

William H. Meyer
Assistant Secretary of CHEMICO METALS CORPORATION, a Delaware corporation.

STATE OF ILLINOIS)
) SS.
COUNTY OF MADISON)

BE IT REMEMBERED that, on March 26, 1970, before me, a Notary Public duly authorized by law to take acknowledgment of deeds, personally came EARL BOCKSTRUCK, President of CHEMICO METALS CORPORATION, a Delaware corporation, who duly signed before me the foregoing Agreement of Merger, as theretofore executed, adopted, and certified, and acknowledged that such signing is his act and deed, that such instrument is the act and deed of said corporation, and that the facts stated therein are true.

GIVEN under my hand on March 26, 1970.

Ursula Brake
Notary Public

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State of Delaware

Office of Secretary of State

I, MICHAEL HARKINS, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF CONCORDE TRADING COMPANY FILED IN THIS OFFICE ON THE SIXTH DAY OF JUNE, A.D. 1985, AT 10 O'CLOCK A.M.

! ! ! ! ! ! ! ! ! ! !

Michael Harkins, Secretary of State

AUTHENTICATION: 10521069

DATE: 06/06/1985

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CERTIFICATE OF INCORPORATION

OF

CONCORDE TRADING COMPANY

* * * * *

1. The name of the corporation is:

CONCORDE TRADING COMPANY

2. The address of its registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

3. The nature of the business or purposes to be conducted or promoted is:

International trading of metals and to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

4. The total number of shares of stock which the corporation shall have authority to issue is three thousand (3,000); all of such shares shall be without par value.

At all elections of directors of the corporation, each stockholder shall be entitled to as many votes as shall equal the number of votes which (except for such provision as to cumulative voting) he would be entitled to cast for the election of directors with respect to his shares of stock multiplied by the number of directors to be elected by

2404359574 4

him, and he may cast all of such votes for a single director or may distribute them among the number to be voted for, or for any two or more of them as he may see fit.

5. The name and mailing address of each incorporator is as follows:

NAME	MAILING ADDRESS
W. J. Reif	1209 Orange Street Wilmington, Delaware 19801
J. L. Austin	1209 Orange Street Wilmington, Delaware 19801
M. C. Kinnamon	1209 Orange Street Wilmington, Delaware 19801

6. The corporation is to have perpetual existence.

7. In furtherance and not in limitation of the powers conferred by statute, the board of directors is expressly authorized to make, alter or repeal the by-laws of the corporation.

8. Elections of directors need not be by written ballot unless the by-laws of the corporation shall so provide.

Meetings of stockholders may be held within or without the State of Delaware, as the by-laws may provide. The books of the corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the board of directors or in the by-laws of the corporation.

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9. The corporation reserves the right to amend, alter, change or repeal any provision contained in this certificate of incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

WE, THE UNDERSIGNED, being each of the incorporators hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware, do make this certificate, hereby declaring and certifying that this is our act and deed and the facts herein stated are true, and accordingly have hereunto set our hands this 6th day of June, 1985.

W. J. Reif
W. J. Reif

J. L. Austin
J. L. Austin

M. C. Kinnamon
M. C. Kinnamon

2404359574 6

State of Delaware

Office of Secretary of State

I, MICHAEL HARKINS, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF MIDCO INDUSTRIES, INC. FILED IN THIS OFFICE ON THE TWENTY-THIRD DAY OF SEPTEMBER, A.D. 1987, AT 10 O'CLOCK A.M.

: : : : : : : : : : :

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DEPARTMENT OF STATE
OFFICE OF THE SECRETARY OF STATE
DELAWARE

Michael Harkins, Secretary of State

AUTHENTICATION: 1409423

DATE: 09/23/1987

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CERTIFICATE OF INCORPORATION

OF

MIDCO INDUSTRIES, INC.

* * * * *

1. The name of the corporation is:

MIDCO INDUSTRIES, INC.

2. The address of its registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

3. The nature of the business or purposes to be conducted or promoted is:

To buy, sell and process metals, scraps and other metal products.

To engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

4. The total number of shares of stock which the corporation shall have authority to issue is three thousand (3,000); all of such shares shall be without par value.

At all elections of directors of the corporation, each stockholder shall be entitled to as many votes as shall equal the number of votes which (except for such provision as to cumulative voting) he would be entitled to cast for the election of directors with respect to his shares of

2404359574 8

stock multiplied by the number of directors to be elected by him, and he may cast all of such votes for a single director or may distribute them among the number to be voted for, or for any two or more of them as he may see fit.

5A. The name and mailing address of each incorporator is as follows:

NAME	MAILING ADDRESS
L. J. Johnston	1209 Orange Street Wilmington, Delaware 19801
J. A. Grodzicki	1209 Orange Street Wilmington, Delaware 19801
S. J. Queppet	1209 Orange Street Wilmington, Delaware 19801

5B. The name and mailing address of each person, who is to serve as a director until the first annual meeting of the stockholders or until a successor is elected and qualified, is as follows:

NAME	MAILING ADDRESS
John Suarez	P.O. Box 187 Alton, Illinois 62002
Patrice Feron	P.O. Box 187 Alton, Illinois 62002
Thomas McRaven	P.O. Box 187 Alton, Illinois 62002

6. The corporation is to have perpetual existence.

7. Elections of directors need not be by written ballot unless the by-laws of the corporation shall so provide.

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Meetings of stockholders may be held within or without the State of Delaware, as the by-laws may provide. The books of the corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the board of directors or in the by-laws of the corporation.

8. The corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

WE, THE UNDERSIGNED, being each of the incorporators hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware, do make this certificate, hereby declaring and certifying that this is our act and deed and the facts herein stated are true, and accordingly have hereunto set our hands this 22nd day of September, 1987.

L. J. Johnston
L. J. Johnston

J. A. Grodzicki
J. A. Grodzicki

S. J. Queppet
S. J. Queppet

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MARCH 23, 1994

Mr. Jose Antonio Boveda
Botrade S.L.
Apartado de Correos
#251
48990
Berango, Vezcaya
Espana (Spain)

RE: MUR 3541
Tippins Development, Ltd.
Jose Antonio Boveda

Dear Mr. Boveda:

On February 16, 1994, the Commission mailed a copy of the complaint to your home address, which was provided to us by a receptionist at Botrade, S.L. Apparently, you did not receive the complaint. Therefore, we have enclosed another copy. We have numbered this matter MUR 3541. Please refer to this number in all future correspondence.

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

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

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If you have any questions, please contact Xavier K. McDonnell, the attorney assigned to this matter at (202) 219-3400. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lisa E Klein (By XM)

Lisa E. Klein
Assistant General Counsel

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

24043595752

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 14, 1994

Mr. Jose Antonio Boveda
Botrade S.L.
Apartado de Carreos
#251
48990
Berango, Vezcaya
Espana (Spain)

RE: MUR 3541
Tippins Development, Ltd.
Jose Antonio Boveda

Dear Mr. Boveda:

On March 23, 1994, the Office of the General Counsel mailed a copy of the complaint in MUR 3541 to the above-address, as discussed with you during a telephone call by same date with Able Montez, a staff member of this Office. As stated in the letter accompanying the complaint, under the statute, you and Tippins Development, Inc. have 15 days from receipt of the complaint to submit in writing any information demonstrating that no action should be taken against you in this matter. As of the date of this letter, we have not received a response to the complaint. If we do not receive a submission from you, we shall make our recommendations to the Commission based on the available information.

If you wish to submit any materials for the Commission's consideration, please contact me immediately at (202) 219-3400.

Sincerely,

Xavier K. McDonnell
Attorney

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FEDERAL ELECTION

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Barrio Arene, 20
48990 BERANGO (Vizcaya)

Dpto Comercial Tfno (94) 668 06 61 - Fax (94) 668 04 36
Dpto Admon Tfno (94) 668 01 13 - Fax (94) 668 03 10
Almacen Tfno (94) 668 00 64 - Fax (94) 668 03 10

Apartado de Correos 251
48990 ALGORTA (Vizcaya)

FEDERAL ELECTION COMMISSION
999 E. Street N.V.
WASHINGTON, D.C. 20463

Attn.: Mr. Xavier MacDonnell

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
MAY 9 10 13 AM '94

6th May 1994

Dear Sirs,

Herewith, I am sending you my statement as I have promised Mr. McDonnell to do before the 15th May.

Very Truly Yours,

José A. Bóveda

Enclosure: (3 pages) statement

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OFFICE OF GENERAL
COUNSEL

MAY 9 10 13 AM '94

FEDERAL ELECTION COMMISSION
999 E. Street N.V.
WASINGHTON, D.C. 20463

Att. Mr. Xavier McDonnell

Re : MUR 3541
Tippins Development

Berango, 5 May 1994

Dear Sirs,

In relation with the above mentioned matter, I have to say that I received the documentation that you sent to me, on Friday April 22nd, and as stated on a telephone conversation with Mr. Xavier Mc Donnell, I took the compromise of writing to the Commission before May 15th.

I'll shall start saying that I'm José Antonio Bóveda, a spanish citizen, living in Bilbao área, North of Spain, and that has dedicated all his life serving Companies that were related with copper production, from secondary copper scrap bearing materials. Because of that I always said that we were Surface's Miners due to the fact that we were able to produce pure copper from, the most of the times, dirty scrap recovered on industrial countries.

I've been dedicated to this matter since 1968, when I left the University with a Degree in Economics, and almost from the very beginning my job consist in managing all the commercial aspects of the Company.

During my labor life, we suffered a lot of reestructurations afecting labor forces, ownweship and industrial orientations including some merges.

Nevertheless this business has a particularity and is, that all copper cathode produced can be sold inmediatley without any problem, due to the fact that is a commodity registered under LME and COMEX as Good Delivery.

On the contrary the real problem is feeding the Plant with enough scrap, which is not so easy because the market is to some extend inelastic. When prices are high the Scrap-Dealers deliver the material without any hesitation, but when are low they seat over and just don't deliver.

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.../

ERCOSA, the Spanish Company that I was working for,as a Commercial Manager, entered in big difficulties in 1987, when Spain removed all customes taxes and import barriers due to the acceptance of being a full member of the European Common Market. In those circumstances, the most of the Industries that grew under the umbrella of such a protection had to face a strong competition for which were not prepared at all.

Therefore I was commisioned by the Board for finding solutions, including the sale of the company, and that was what finally I did.

Through John Suárez and after very long negotiations, the Company was sold in 1988 to a very strong European Group, leader in refining copper from secondary raw materials.

As you can understand my friendship with John Suárez whom I knew for commercial contacts and common meetings in International Associations as BIR and NARI for more than twelve years before, grew enormously, I was considering him as the savior. He contributed to maintain alive an Industry that was almost in bankruptcy. By this action we were able to keep up to 240 people working.

At that time there was nothing that I couldn't be in disposition to do for John if I was asked for. In my oppinion it was a kind of action that could never be solded.

As from then we started to developp common business, mainly related to copper based scrap collection, including some mechanicals processes. We create BOTRADE which objective was collecting scrap through a network of warehouses installed in various Spanish Cities, as well as processing mechanically complex scraps as copper wire cables, poliethylene, PVC or rubber insulation, telephone sets, telephone relais, computers, electrical meters etc... In resume we tried to produce and collect raw materials as a feed for the Smelter and refinery.

In 1990 I was commisioned by the Group to stablish in London the Commercial Headquarters including a Trading Department. So I moved into England and I kept there for a periode of close to two years before I was removed again into Antwerpen in Belgium for another year. Finally I was sent back again into Spain for facing another reestructuration.

At the time that I was in London, in Lee Terrace 61 Blackhill, I create a Personal Company called Tippins Development, for scrap marketing and investigations of new scrap resources, that was not oficially registered, because it was used for paying studies and investigations of possible scrap sources, and I wanted to maintain those costs totally isolated, from the normal ones coming from the commercial and trading activities

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The incomes for that Company came fom the results of my personal activities on Commodities Future Markets at LME and through different Brokers.. In other words all profits that could be made through those activities could as well be spent in marketing and investigations for getting scrap.

When John asked me if I could transfer US $ 25.000 to the United States, as a political contribution, I didn't hesitate at all, I just sent the money. I said before that I ought so much to John that I didn't need to ask for any explanation.

I used Tippins because I considered that was nothing related with the business, but I could send the money from Recuperadora, Sicobre or other Companies that I built for the collection of metal scrap.

What I obviously didn't expected, is that it could be illegal. Consequently I here state that has never ever been my intention to violate any US Regulation and if finally that has happened, has been totally unvolontary and without any consciousness knowledge from my side, and I apologise for that

In any case and after all the noise that was created, the money was returned to me.

I hoppe this would be enough explantory to the Commission and consider the case closed. In my oppinion everything has been a misinterpretation from the very beginning and with the hoppness that the Commission will understand that it has not been any intention of violating any US Regulation from my side, I remain

My best regards.

José A.Boveda

Barrio de Arene 20
48990 BERANGO (Vizcaya)
ESPAÑA

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BEFORE THE FEDERAL ELECTION

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT
JUN 30 5 13 PM '94

In the Matter Of	)	
	)	
Vincent C. Schoemehl, Jr.	)	
Citizens for Schoemehl Committee, and	)	
Nancy Rice, as treasurer[1]	)	MUR 3541
John M. Suarez	)	
Jose Antonio Boveda	)	
Tippins Development, Ltd.	)	**SENSITIVE**
Chemetco, Incorporated	)	
Concorde Trading Company	)	
Midco Industries, Incorporated	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was generated by a sua sponte submission by Citizens for Schoemehl ("Schoemehl Committee" or "Schoemehl campaign"), the committee of former St. Louis Mayor and 1992 Missouri primary gubernatorial candidate Vincent C. Schoemehl, and a complaint filed by the campaign of his primary opponent. It involves a $25,000 contribution given to the Committee by Spanish National Jose Antonio Boveda and his company, Tippins Development, Inc. ("Tippins") of London, England. It also involves three contributions of $5,000 each given to the Committee by three U.S. subsidiaries of foreign nationals: Chemetco, Inc., Concorde Trading Company, and Midco Industries, Inc.

On February 23, 1993, the Commission found reason to believe that each of the above-captioned respondents violated 2 U.S.C. § 441e. On January 25, 1994, the Commission revoted its findings

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1. Ms. Rice, the current treasurer and the treasurer at the time of the violations, has been substituted for Stuart Symington, Jr., the treasurer at the time of the initial findings in this matter. We note that although the candidate lost the election, the Schoemehl Committee is still active in that it filed required disclosure reports with the state through January of 1994.

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in this matter in light of FEC v. NRA Political Victory Fund, 6 F.3d 821 (D.C. Cir. 1993), petition for cert filed, 62 U.S.L.W. 3511 (U.S. January 18, 1994) (No 93-1151).[2]

II. DISCUSSION OF RESPONSES

A. $25,000 CONTRIBUTION FROM JOSE ANTONIO BOVEDA/TIPPINS

(i) Summary and Analysis

Section 441e provides that "[i]t shall be unlawful for a foreign national directly or through any other person to make any contribution ... or for any person to solicit, accept, or receive any such contribution from a foreign national." 2 U.S.C. § 441e(a).

The responses verify that nearly $25,000 was wired directly to the Schoemehl Committee's account from Tippins Development of London, England, on April 25, 1991.[3] Jose Antonio Boveda, a Spanish National, indicates in his response that Tippins was a company he operated in connection with his commodities future trading while he resided in London, and that he made the $25,000 contribution in question as a favor to his business partner John Suarez, a U.S. citizen. Attachment 3 at 3. Mr. Boveda states that he did not know that making the contribution was

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2. Although the Commission previously found reason to believe that Mr. Boveda and Tippins violated Section 441e, there was a notification problem caused by inaccurate address information in the complaint. The Commission, therefore, rescinded those findings earlier this year. See General Counsel's Memorandum, dated February 4, 1994. Mr. Boveda has since been notified and has responded to the complaint. Thus, we now make our recommendations with respect to Mr. Boveda and Tippins. See infra page 3.

3. The documents produced reveal that the contribution was actually for $24,982.50, although it was reported as $25,000. Attachment 1 at 12-13. For sake of simplicity, we refer to it here by the rounded-off amount.

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illegal, and that he had no intention to violate U.S. law. Id. As Mr. Boveda only recently responded to the complaint due to a notification problem and he acknowledges making the prohibited contribution, this Office recommends that the Commission find reason to believe that Mr. Boveda and Tippins violated Section 441e and approve the attached factual and legal analysis. See supra, footnote 2; Attachment 3 at 3; Attachment 7.

As for John Suarez, he acknowledges soliciting the $25,000 from his friend and business partner Jose Antonio Boveda. Attachment 2 at 1-2. Mr. Suarez indicates that before soliciting the contribution, he asked the Committee whether it could accept contributions from foreign companies, and, he asserts, he was assured by the Committee and/or the candidate that it was legal. Id. at 2. The facts thus verify that Mr. Suarez solicited a contribution from a foreign national, which is a violation of Section 441e.

Regarding the Schoemehl Committee, although it acknowledges receipt of the funds, admits that it knew the $25,000 contribution was from a foreign source, and states that the candidate was involved in the acceptance of the contribution, it requests that the Commission take no further action against it and the candidate. Attachment 1 at 1-5. In support of its request, the Committee basically points to three factors. Id. at 2. First, the Committee asserts that it relied on state authority. Specifically, in response to Mr. Suarez' request about the permissibility of receiving a contribution from a European company, the Committee's treasurer reviewed information in the Missouri Secretary of State's manual which provides that "there

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are no restrictions on the source or amount of campaign contributions or expenditures." Id. at 5.[4] The response also references a press report, an exhibit to the complaint, which indicates that the Missouri Secretary of State's Office maintained that accepting a contribution from a foreign source is legal under Missouri law. See Attachment 6. In addition, the treasurer attests that she was advised by the Missouri Secretary of States' Campaign Compliance Section that accepting such a contribution was legal. Attachment 1 at 5.

Second, the Committee points out that it refunded the $25,000 contribution once the applicability of Federal law came to its attention. Third, the Committee filed this matter sua sponte, albeit after the contribution received press attention and just days before the candidate's opponent filed a complaint with the Commission regarding this and the other contributions at issue. See infra Section II(B).

The respondents offer the type of evidence that may be considered mitigating, but that does not vitiate the violations. The violations in this matter are clear cut; the funds were wired directly from an overseas foreign national to the Schoemehl Committee's bank account. It is federal law, not Missouri law, that is controlling on this issue. See 2 U.S.C. § 441e; 11 C.F.R. § 110.4(a)(3). Indeed, neither the Committee nor Messrs. Suarez or Boveda dispute the allegations, and they do not dispute that federal law controls. Nor is the Committee's apparent reliance on

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4. The portion of the manual containing the quoted statement is attached. Attachment 1 at 20. Our review of the entire manual indicates that it does not explicitly address the question of whether contributions from foreign sources are permitted.

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erroneous advice a defense. See MUR 2892 (Evidence that state authorities informed respondents that Section 441e does not apply to state elections does not vitiate the violations). Accordingly, this Office recommends that the Commission deny the request of the Committee and candidate to take no further action against them.

(ii) **Discussion of Proposed Preprobable Cause Conciliation**

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B. CONTRIBUTIONS FROM THREE DOMESTIC SUBSIDIARIES

The responses confirm that Chemetco, Concorde Trading and Midco are domestic subsidiaries of foreign nationals and that they each contributed $5,000 to the gubernatorial campaign of Schoemehl. See Attachment 4. At issue, therefore, is whether the foreign national parents may have, directly or indirectly, made the contributions through their U.S. subsidiaries. In addressing the issue of whether a domestic subsidiary of a foreign national

may make contributions in connection with an election, the Commission has looked to two factors: the source of the funds used to make the contributions and the nationality status of the decision-makers. See Advisory Opinions ("AO"s) 1992-16, 1990-8, 1989-20.

With respect to the source of funds, in A.O. 1992-16, the Commission ruled that the domestic subsidiary must be able to demonstrate through a reasonable accounting method that it has sufficient funds in its account, other than funds given or loaned by its foreign national parent, from which the contribution is made. As for the involvement of foreign nationals, the Commission has considered the relationship between a corporation's board of directors and its contributions, and has ruled that foreign national board members must abstain from participating in the decision-making process involving contributions. See AO's 1992-16 and 1990-8, MUR 3460, General Counsel's Report, dated June 4, 1993, at page 12. The preparation and signing of contribution checks, particularly by top executives, has been considered participation in the decision-making process. See 11 C.F.R. § 110.4(a)(3); See MUR 2892, General Counsel's Report, dated September 21, 1993, at page 4.

i. Chemetco

In response to our discovery requests, Chemetco indicates in its sworn response that it is a Delaware corporation doing business in Illinois, and that it is owned by a Luxemburg corporation. Attachment 4 at 1-2. The corporation made contributions totaling $10,000 in 1992: $5,000 to Schoemehl and $5,000 to another local committee, the Nelson Hagnauer Committee,

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chairman of a county board. Id. at 2-3.

Chemetco asserts that it does not have a political action committee nor that it maintains a pool of funds specified for election activity and that the contributions to candidates were derived from its "general operating funds." Attachment 4 at 3. According to the response, it has been more than five years since Chemetco received any transfers from its parent. Id. at 2. Chemetco ended 1992 with a loss of $980,000, although its gross sales are reported to be in the millions. Id.[5]

It appears that Chemetco actually generated sufficient funds to make the contributions in question, and it does not appear to have received any transfers of funds from its foreign national parent within the five years prior to the time of the contributions at issue. Thus, the foreign parent does not appear to have directly or indirectly funded the contributions at issue.

As for the nationality status of the decision-makers, Chemetco's board of directors and officers are all U.S. Citizens, according to the response. Attachment 4 at 1-2. Chemetco indicates that its President, David Hoff, made the decision to contribute without any input from others, except for board member John Suarez, a U.S. citizen, who solicited the contribution on behalf of the Schoemehl campaign. Chemetco's check was signed by "facsimile signature" of Chemetco's President and by its controller, both identified as U.S. Citizens. Attachment 4 at 2-3. Given the facts at hand, Chemetco's contributions, totaling $10,000, may have been permissible.

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5. Chemetco's annual sales for 1992 totaled $28 million.

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ii. **Midco**

With respect to Midco Industries, Inc., the response indicates that it is a Delaware corporation doing business in Missouri and that is indirectly owned by a Luxemburg corporation. Attachment 4 at 7-8. Midco does not have a political action committee, does not maintain a pool of funds for election activities and the $5,000 contribution to Schoemehl, which came from its general operating funds, was its only contribution within the time frame at issue. Attachment 4 at 8-9.

Midco states that it has not received any transfers from a foreign national to be used for political contributions, "either directly or indirectly." Attachment 4 at 8. Counsel for Midco later clarified, however, that during the last five years, Midco received "substantial" "additions to capital," noting that the metals industry has been "economically depressed during the last few years." Attachment 5 at 1. Midco ended 1992 with a loss of an undisclosed amount, but it "engaged in millions of dollars of business," according to the response. Attachment 4 at 8, Attachment 5 at 2.

The response leaves unclear the amount of capital that any foreign national added or transferred to Midco. It is also unclear whether any foreign national considered the political contributions of its subsidiary when granting further subsidies, and whether the amount distributed replenished all or any portion of the contribution during the period since the preceding payment. As noted, however, the $5,000 at issue was the only contribution made by the corporation and Midco's gross sales were apparently in the millions. Therefore, it appears that Midco may have generated

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sufficient funds to make the contribution at issue.

As for the nationality status of Midco's decision-makers, the board of directors and officers are all U.S. citizens, according to the response. Attachment 4 at 7-8. The President of Midco, Cheng P. Chang, a U.S. Citizen, made the decision to contribute, and had the authority to make that decision. Id. at 8. The response states that only two board members, neither of whom is a foreign national, could have overridden a decision to make a contribution. Id. at 8.

The response, however, fails to identify the nationality status of H. Widjaja, Midco's controller. Mr. Widjaja, who is not listed as a Midco board member or officer, is believed to have prepared and signed the check at issue. As noted, such activities by top executives have been considered participation in the decision-making process. See MUR 2892. On the other hand, Mr. Widjaja was not involved in the decision to make the contribution and he appears to have merely followed instructions. In such situations, the Commission has not pursued a contributor. See General Counsel's Report in MUR 2892, dated February 28, 1994, at page 4.[6]

iii. Concorde Trading

Finally, the third subsidiary, Concorde Trading Company, is also a Delaware corporation authorized to transact business in Illinois and is indirectly owned by a Luxemburg corporation.

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6. During a follow-up telephone inquiry on this issue, counsel for Midco informed a staff member of this Office that Mr. Widjaja was indeed a foreign national. Counsel for Midco, however, characterized Mr. Widjaja's duties as purely ministerial. He also indicated that Widjaja is no longer employed by Midco or residing in the U.S.

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Attachment 4 at 12-13. Concorde does not have a political action committee, it does not maintain a pool of funds for election activity and the $5,000 contribution was from its general operating funds. Id. at 14.

Concorde states that it did not receive any transfers of funds from a foreign national to be used for contributions, either directly or indirectly. Attachment 4 at 14. However, Concorde received substantial additions to capital during the past five years and had a net loss in 1992. Attachment 4 at 13; Attachment 5 at 1. On the other hand, Concorde engaged in millions of dollars of business, according to the response. Attachment 5 at 2. Thus, although the amount transferred from the foreign parent is unknown, it appears that Concorde may have generated sufficient funds to make the only contribution it made in 1992, the $5,000 it gave to the Schoemehl Committee.

Concorde's officers are all U.S. citizens. However, one of its board members, Denis Feron, is a foreign national.[7] Attachment 4 at 12-14. As for the decision-making process, the response indicates that John Saurez, who is President of Concorde, solicited the contribution from Thomas McRaven, Secretary-Treasurer. Mr. McRaven made the decision to contribute. Mr. McRaven acknowledges that the board member who is a foreign national, Denis Feron, "could have overrode the decision to make such a political campaign contribution," but he indicates that only he and Mr. Suarez participated in the decision. Id. at

7. Another board member, Patrice Feron, is a resident alien. The statute excludes resident aliens from the definition of foreign national. See 2 U.S.C. § 441e(b)(2).

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13-14. He further asserts that to the best of his knowledge, the foreign national board member "was probably not informed of the decision to make the contribution." Id. at 14. The response does not contain a statement from Midco explicitly indicating that its foreign national board member abstained from all decisions related to the making of contributions, as required. See AO 1990-8.

iv. **Summary on Contributions from Three Subsidiaries**

Although the permissibility of these contributions from the three domestic subsidiaries of foreign nationals is questionable, especially those by Midco and Concorde, they are limited in scope and amount, and further investigation would not appear to be the best use of Commission resources. Given the circumstances, this Office recommends that the Commission exercise its prosecutorial discretion and take no further action against the three domestic subsidiaries. The closing letters to all three subsidiaries will contain admonishments. In light of the foregoing, this Office makes no recommendations regarding the Committee and its treasurer with respect to its receipt of these contributions.

III. RECOMMENDATIONS

1. Deny the request of Citizens for Schoemehl and Nancy Rice, as treasurer, and Vincent C. Schoemehl, Jr., to take no further action against them in this matter.

2. Find reason to believe that Jose Antonio Boveda and Tippins Development, Ltd. violated 2 U.S.C. § 441e.

3. Approve the attached factual and legal analysis for Jose Antonio Boveda and Tippins Development, Ltd.

4. Enter into preprobable cause conciliation with Vincent C. Schoemehl, Jr., Citizens for Schoemehl Committee and Nancy Rice, as treasurer, John M. Suarez, Jose Antonio Boveda and Tippins Development, Ltd.

5. Approve the attached preprobable cause conciliation agreements (3).

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6. Take no further action against Chemetco, Incorporated, Concorde Trading Company and Midco Industries, Incorporated.

7. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

6/23/94
Date

BY: [signature]
Lois G. Lerner
Associate General Counsel

Attachments
1. Schoemehl Committee's Response
2. Mr. Suarez' Response
3. Mr. Boveda's Response
4. Response from the three domestic subsidiaries
5. Follow-up response from the three domestic subsidiaries
6. News Article
7. Factual and Legal Analysis (1)
8. Preprobable cause conciliation proposals (3)

Staff Assigned: Xavier K. McDonnell

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Vincent C. Schoemehl, Jr.;	)	MUR 3541
Citizens for Schoemehl Committee, and	)	
Nancy Rice, as treasurer;	)	
John M. Suarez;	)	
Jose Antonio Boveda;	)	
Tippins Development, Ltd.;	)	
Chemetco, Incorporated	)	
Concorde Trading Company;	)	
Midco Industries, Incorporated.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on July 7, 1994, the Commission decided by a vote of 5-0 to take the following actions in MUR 3541:

1. Deny the request of Citizens for Schoemehl and Nancy Rice, as treasurer, and Vincent C. Schoemehl, Jr., to take no further action against them in this matter.

2. Find reason to believe that Jose Antonio Boveda and Tippins Development, Ltd. violated 2 U.S.C. § 441e.

3. Approve the factual and legal analysis for Jose Antonio Boveda and Tippins Development, Ltd., as recommended in the General Counsel's Report dated June 29, 1994.

(continued)

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4. Enter into preprobable cause conciliation with Vincent C. Schoemehl, Jr., Citizens for Schoemehl Committee and Nancy Rice, as treasurer, John M. Suarez, Jose Antonio Boveda and Tippins Development, Ltd.

5. Approve the preprobable cause conciliation agreements, as recommended in the General Counsel's Report dated June 29, 1994.

6. Take no further action against Chemetco, Incorporated, Concorde Trading Company and Midco Industries, Incorporated.

7. Approve the appropriate letters, as recommended in the General Counsel's Report dated June 29, 1994.

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

Attest:

7-8-94
Date

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

Received in the Secretariat:	Thurs.,	June 30, 1994	5:13 P.M.
Circulated to the Commission:	Fri.,	July 01, 1994	12:00 P.M.
Deadline for vote:	Thurs.,	July 07, 1994	4:00 P.M.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 12, 1994

Mr. Jose Antonio Boveda
Barrio de Arene 20
48990 Berango, Vizcaya
Espana (Spain)

RE: MUR 3541
Tippins Development, Ltd.
Jose Antonio Boveda

Dear Mr. Boveda:

On March 23, 1994, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time. You submitted a response on May 9, 1994.

Upon further review of the allegations contained in the complaint and information supplied by you, the Commission, on July 7, 1994, found that there is reason to believe you and Tippins Development, Ltd., violated 2 U.S.C. § 441e, a provision of the Act. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved.

If you are interested in expediting the resolution of this matter by pursuing preprobable cause conciliation and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a

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maximum of 30 days, you should respond to this notification as soon as possible.

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 Xavier K. McDonnell, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,

Trevor Potter
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

MUR 3541

RESPONDENTS: Jose Antonio Boveda
Tippins Development, Ltd.

This matter was initiated by complaints submitted to the Commission. Tippins Development, Ltd. and Jose Antonio Boveda ("Respondents") are foreign nationals, as defined in 2 U.S.C. § 441e(b) and 11 C.F.R. § 110.4(a). It is unlawful for any foreign national to make any contribution in connection with an election to any political office, including state or local office. 2 U.S.C. § 441e(a); 11 C.F.R. § 110.4(a).

The Citizens for Schoemehl Committee is the committee of 1992 Missouri Democratic gubernatorial candidate Vincent C. Schoemehl, Jr. On April 29, 1991, Respondents wired a $24,982.50 contribution to the account of the Citizens for Schoemehl Committee. Accordingly, there is reason to believe that Jose Antonio Boveda and Tippins Development, Ltd. violated 2 U.S.C. § 441e.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 12, 1994

Robert F. Bauer, Esquire
B. Holly Schadler, Esquire
Perkins Coie
607 Fourteenth Street, N.W.
Washington, D.C. 20005-2011

RE: MUR 3541
Vincent C. Schoemehl, Jr.
Citizens for Schoemehl and
Nancy Rice, as treasurer

Dear Mr. Bauer and Ms. Schadler:

On July 7, 1994, the Commission denied your request that it take no further action against Vincent C. Schoemehl, Jr., Citizens for Schoemehl and Nancy Rice, as treasurer ("your clients"). On the same date, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

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

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact me at (202) 219-3400.

Sincerely,

Xavier K. McDonnell
Attorney

Attachment
Conciliation Agreement

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 12, 1994

Patrick M. Flynn, Esquire
Flynn & Guymon
28 Public Square
Belleville, Illinois 62220

RE: MUR 3541
John M. Suarez

Dear Mr. Flynn:

As you were previously informed, on January 25, 1994, the Commission re-voted to find reason to believe that your client in the above-captioned matter violated 2 U.S.C. § 441e. On July 7, 1994, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

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

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact me at (202) 219-3400.

Sincerely,

Xavier K. McDonnell
Attorney

Enclosure
Conciliation Agreement

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 12, 1994

R. Emmett Fitzgerald, Esquire
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P.O. Box 130
Alton, Illinois 62002

RE: MUR 3541
Chemetco, Incorporated
Concorde Trading Company
Midco Industries, Inc.

Dear Mr. Fitzgerald:

You were previously notified that on January 25, 1994, the Commission re-voted to find reason to believe that your clients in the above-captioned matter violated 2 U.S.C. § 441e. After considering the circumstances of the matter, the Commission determined on July 7, 1994, take no further action against your clients and closed the file as it pertains to them. The file will be made public within 30 days after this matter has been closed with respect to all other respondents involved.

You are advised that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply with respect to all respondents still involved in this matter. The Commission will notify you when the entire file has been closed.

The Commission reminds your clients that 2 U.S.C. § 441e prohibits foreign nationals from making contributions, either directly or indirectly, in connection with an election. See Advisory Opinions 1992-16, 1990-8 and 1989-20. Your clients should take immediate steps to insure that this activity does not occur in the future.

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

Sincerely,

Xavier K. McDonnell

Xavier K. McDonnell
Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 12, 1994

Jose Antonio Boveda
Barrio de Arene 20
48990 Berango (Vizcaya)
Espana (Spain)

RE: MUR 3541
Tippins Development, Ltd.
Jose Antonio Boveda

Dear Mr. Boveda:

By letter dated July 12, 1994, you were notified that the Federal Election Commission determined to enter into negotiations directed toward reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. On that same date you were sent a conciliation agreement offered by the Commission in settlement of this matter.

Please note that conciliation negotiations entered into prior to a finding of probable cause to believe are limited to a maximum of 30 days. To date, you have not responded to the proposed agreement. Unless we receive a response from you or hear from you by August 29, 1994, this Office will consider these negotiations terminated and will proceed to the next stage of the enforcement process.

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

Sincerely,

Xavier K. McDonnell

Xavier K. McDonnell
Attorney

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October 3rd, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

OCT 13 1 05 PM '94

Mr. Xavier K. McDonnell
Attorney at Law
Federal Election Commission
WASHINGTON, D.C. 20463

Re: MUR 3541
Tippins Development
José Antonio Bóveda

Dear Mr. McDonnell,

Following our telephone conversation of two weeks ago, you will find enclosed the Conciliation Agreement duly signed by me as well as a bank cheque from The Chase Manhattan Bank, amounting US $7,000.- (seven thousand US dollars), extended to the Federal Election Commission for settling the matter.

I will be very grateful to you if such a Conciliation Agreement is returned to me duly signed.

I hope that with this action the matter will be definitively over.

Very truly yours,

José Antonio Bóveda

Enc.: mentioned.

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26/9/1994

THE CHASE MANHATTAN BANK

National Association
Woolgate House, Coleman Street, London EC2P 2HD

Pay FEDERAL ELECTION COMMISSION or order

SEVEN THOUSAND US DOLLARS ONLY $ 7,000 =

RUDOLF WOLFF & CO. LIMITED

J. F. Hill & Sons Ltd., Derby

⑈636486⑈ 00⑈0000⑆ 15090228⑈

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

10/13/94

OCT 14 3 13 PM '94

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from Tippin Development, Jose Antonio Boveda, check number 11, dated 09/26/94, and in the amount of $7000.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

==========

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket By aa

In reference to the above check in the amount of $7,000.00, the MUR number is 3541 and in the name of Jose Antonio Boveda Tippins Development. The account into which it should be deposited is indicated below:

✓ Budget Clearing Account (OGC), 95F3875.16

__ Civil Penalties Account, 95-1099.160

__ Other: _____

Anita Alexander
Signature

10-14-94
Date

24043595782

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

10/24/94

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from Citizens for Schoemehl Committee, check number 1668501 dated 10/20/94, and in the amount of $ 4,000.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

==========

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket Byaa

In reference to the above check in the amount of $4,000.00, the MUR number is 3541 and in the name of Citizens for Schoemehl Cmte. The account into which it should be deposited is indicated below:

✓ Budget Clearing Account (OGC), 95F3875.16

__ Civil Penalties Account, 95-1099.160

__ Other: _____

Anita Alexander
Signature

10-25-94
Date

24043595783

CASHIER'S CHECK

4-3/810 1668501

REMITTER NANCY RICE

FOR

BOATMEN'S

DATE 10/20/94

PAY 11 BOATMEN'S ST. LOUIS*******4,000 dol's 00 cnts*****$ ******4,000.00

PAY TO THE ORDER OF ***FEDERAL ELECTION*********** COMMISSION

THE BOATMEN'S NATIONAL BANK OF ST. LOUIS
P.O. BOX 236 • ST. LOUIS, MISSOURI 63166

BY

AUTHORIZED SIGNATURE

⑈1668501⑈ ⑆081000032⑆ 011298000719⑈

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter Of	)	
	)	
Vincent C. Schoemehl, Jr.	)	
Citizens for Schoemehl Committee, and	)	
Nancy Rice, as treasurer	)	MUR 3541
John M. Suarez	)	
Jose Antonio Boveda	)	
Tippins Development, Ltd.	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. DISCUSSION OF PREPROBABLE CAUSE CONCILIATION

On September 30, 1994, the Commission approved a revised preprobable cause conciliation agreement with Citizens for Schoemehl, Nancy Rice, as treasurer and Vincent C. Schoemehl, Jr. ("Schoemehl Campaign") containing an admission of a violation of Section 441e by accepting a $25,000 contribution from foreign nationals Jose Antonio Boveda/Tippins Development, Ltd.

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Also on September 30, 1994, the Commission approved a preprobable cause conciliation agreement with John M. Suarez, who solicited the $25,000 contribution. That agreement provides for an admission of a Section 441e violation by soliciting the $25,000 contribution from a foreign national, and provides for a $7,000 civil penalty. Attached for the Commission's acceptance is a signed version of that agreement. See Attachment 2. A check for the $7,000 civil penalty from Mr. Suarez has not yet been received.

Finally, attached for the Commission's acceptance is a signed conciliation agreement with the foreign national contributors Jose Antonio Boveda/Tippins. Like the agreement with Mr. Suarez, the attached proposed agreement provides an admission of the violation of Section 441e and a $7,000 civil penalty. This Office recommends that the Commission accept the attached agreement. The civil penalty check from Mr. Boveda/Tippins has been received. In summary, this Office recommends that the Commission accept the attached agreements and close the file in this matter.

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II. RECOMMENDATIONS

1. Accept the attached preprobable cause conciliation agreements with Vincent C. Schoemehl, Jr., Citizens for Schoemehl Committee, and Nancy Rice, as treasurer, John M. Suarez, Jose Antonio Boveda and Tippins Development, Ltd.

2. Approve the appropriate letters.

3. Close the file.

Lawrence M. Noble
General Counsel

Date 10/27/94

BY: [signature]
Lois G. Lerner
Associate General Counsel

Attachments
1. Agreement with the Schoemehl campaign
2. Agreement with Mr. Suarez
3. Agreement with Mr. Boveda/Tippins

Staff assigned:
X.K. McDonnell

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Vincent C. Schoemehl, Jr.;	)	MUR 3541
Citizens for Schoemehl Committee and	)	
Nancy Rice, as treasurer;	)	
John M. Suarez;	)	
Jose Antonio Boveda;	)	
Tippins Development, Ltd.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 2, 1994, the Commission decided by a vote of 6-0 to take the following actions in MUR 3541:

1. Accept the pre-probable cause conciliation agreements with Vincent C. Schoemehl, Jr., Citizens for Schoemehl Committee, and Nancy Rice, as treasurer, John M. Suarez, Jose Antonio Boveda and Tippins Development, Ltd., as recommended in the General Counsel's Report dated October 27, 1994.

2. Approve the appropriate letters, as recommended in the General Counsel's Report dated October 27, 1994.

3. Close the file.

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

Attest:

11-3-94
Date

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

Received in the Secretariat: Fri., Oct. 28, 1994 9:09 a.m.
Circulated to the Commission: Fri., Oct. 28, 1994 12:00 p.m.
Deadline for vote: Wed., Nov. 02, 1994 4:00 p.m.

bjr

2404359578 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 8, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Mark Farrinella
Carnahan for Governor Campaign
7710 Carondelet, Suite 600
St. Louis, MO 63105

RE: MUR 3541

Dear Mr. Farrinella:

This is in reference to the complaint you filed with the Federal Election Commission on June 19, 1992, alleging various contributions made by foreign nations to the campaign of Citizens for Schoemehl.

The Commission found that there was reason to believe that Citizens for Schoemehl, Nancy Rice, as treasurer, and Vincent C. Schoemehl, Jr., violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended, and conducted an investigation in this matter. The Commission also found reason to believe that Jose Antonio Boveda/Tippins Development, Ltd. and John Suarez violated 2 U.S.C. § 441e. On November 2, 1994, conciliation agreements signed by the respondents were accepted by the Commission. Accordingly, the Commission closed the file in this matter on November 2, 1994. Copies of these agreements are enclosed for your information. Finally, with respect to Chemetco, Incorporated, Concorde Trading Company and Midco Industries, Incorporated, the Commission found reason to believe they each violated 2 U.S.C. § 441e, but exercised its prosecutorial discretion and took no further action against them.

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

Sincerely,

Xavier K. McDonnell
Attorney

Enclosures
Conciliation Agreements

2404359578 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 8, 1994

R. Emmett Fitzgerald, Esquire
Hoagland, Fitzgerald, Smith & Pranaitis
401 Market Street
P.O. Box 130
Alton, Illinois 62002

RE: MUR 3541
Chemetco, Incorporated
Concorde Trading Company
Midco Industries, Inc.

Dear Mr. Fitzgerald:

This is to advise you that this matter is now closed. 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,

Xavier K. McDonnell

Xavier K. McDonnell
Attorney

2404359579 0

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 8, 1994

Robert F. Bauer, Esquire
B. Holly Schadler, Esquire
Perkins Coie
607 Fourteenth Street, N.W.
Washington, D.C. 20005-2011

RE: MUR 3541
Vincent C. Schoemehl, Jr.
Citizens for Schoemehl and
Nancy Rice, as treasurer

Dear Mr. Bauer and Ms. Schadler:

On November 2, 1994, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of a violation of 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

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.

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

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Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the first of the six installment payments of $1,000 is due within 30 days from the date when this agreement is fully executed. If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Xavier K. McDonnell

Xavier K. McDonnell
Attorney

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3541
Citizens for Schoemehl Committee	)	
Nancy Rice, as treasurer	)	
Vincent C. Schoemehl, Jr.	)	

CONCILIATION AGREEMENT

This matter was initiated by a sua sponte submission by Citizens for Schoemehl Committee ("Committee") and its treasurer and a complaint by Carnahan for Governor, and Marc S. Farinella. The Federal Election Commission ("Commission") found reason to believe that the Committee, Nancy Rice, as treasurer, and Vincent C. Schoemehl, Jr. (collectively "Respondents") violated 2 U.S.C. § 441e.

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

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

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

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

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

1. Citizens for Schoemehl Committee is the committee of 1992 Missouri Democratic gubernatorial candidate Vincent C. Schoemehl, Jr.

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2. Nancy Rice is the treasurer of the Committee.

3. Tippins Development, Ltd. and Jose Antonio Boveda are foreign nationals, as defined in 2 U.S.C. § 441e(b) and 11 C.F.R. § 110.4(a).

4. The Federal Election Campaign Act of 1971, as amended ("FECA"), prohibits any persons from accepting or receiving a contribution from a foreign national in connection with an election to any political office, including state or local office. 2 U.S.C. § 441e(a); 11 C.F.R. § 110.4(a).

5. On April 29, 1991, Respondents received by wire transfer a $24,982.50 contribution from Tippins Development, Ltd. of London, England ("the contribution").

6. Respondents contend that before accepting the contribution, they sought oral advice from the Office of the Secretary of State of Missouri, which advised them that they could accept the contribution. Respondents further contend that they relied upon a campaign finance handbook published by the Missouri Secretary of State's Office which stated that "there are no restrictions on the source or amount of campaign contributions or expenditures." According to an article which appeared in the St. Louis Dispatch on May 13, 1992, a spokesman for the Missouri Secretary of State maintained that the contribution was legal under Missouri law. Prior to accepting the contribution, Respondents did not inquire of the Commission whether it was permissible under FECA.

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7. Respondents reported the contribution in accordance with Missouri Campaign finance Disclosure Law (Chapter 130 of the Revised Statutes of Missouri).

8. Respondents contend that they voluntarily and immediately refunded the contribution in full after they discovered that they had received incorrect advice from the Office of the Missouri Secretary of State. The Committee's refund check was issued on May 14, 1992, the same date that the Respondents first submitted a letter to the Commission in connection with this matter. The refund was made after the foreign source of the contribution received attention from the press on May 10, 1992, over a year after the contribution was received.

V. Respondents' acceptance of the contribution was prohibited by 2 U.S.C. § 441e.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of ten thousand dollars ($10,000), pursuant to 2 U.S.C. § 437g(a)(5)(A), such penalty to be paid as follows:

1. The initial payment of $4,000 shall be paid with the submission of Respondents' signed Conciliation Agreement;

2. Thereafter, beginning thirty (30) days after the date on which the Conciliation Agreement is fully executed, six (6) consecutive monthly installment payments of $1,000 each are due; and

3. Each such payment shall be paid no later than thirty (30) days after the due date of the previous payment.

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4. In the event that any payment is not received by the Commission within five (5) days of the date it becomes due, the Commission may, at its discretion, accelerate the remaining payments and cause the entire amount to become due upon ten days written notice to the Respondents. Failure by the Commission to accelerate payments with regard to any overdue installment shall not be construed as a waiver of its right to do so with regard to future overdue installments.

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

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

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no

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other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Date 11/4/94

FOR THE RESPONDENTS:

Name Nancy E. Rice
Position TREASURER

Date October 19, 1994

2404359579 7

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

November 8, 1994

Patrick M. Flynn, Esquire
Flynn & Guymon
28 Public Square
Belleville, Illinois 62220

RE: MUR 3541
John M. Suarez

Dear Mr. Flynn:

On November 2, 1994, the Federal Election Commission accepted the signed conciliation agreement on your client's behalf in settlement of a violation of 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

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.

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

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Xavier K. McDonnell

Xavier K. McDonnell
Attorney

Enclosure
Conciliation Agreement

2404359579 8

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3541
John M. Suarez	)	

CONCILIATION AGREEMENT

This matter was initiated by a sua sponte submission by Citizens for Schoemehl Committee ("Committee") and Nancy Rice, as treasurer, and a complaint by Carnahan for Governor, and Marc S. Farinella. The Federal Election Commission ("Commission") found reason to believe that John M. Suarez ("Respondent") violated 2 U.S.C. § 441e.

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

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

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

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

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

1. Tippins Development, Ltd. and Jose Antonio Boveda are foreign nationals, as defined in 2 U.S.C. § 441e(b) and 11 C.F.R. § 110.4(a).

2. It is unlawful for any person to solicit from a foreign

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national a contribution in connection with an election to any political office, including state or local office. 2 U.S.C. § 441e(a); 11 C.F.R. § 110.4(a).

3. Citizens for Schoemehl Committee is the committee of 1992 Missouri Democratic gubernatorial candidate Vincent C. Schoemehl, Jr., who is a personal friend of Respondent.

4. Respondent solicited a contribution from Jose Antonio Boveda on behalf of the Citizens for Schoemehl Committee.

5. On April 29, 1991, Jose Antonio Boveda, through Tippins Development, Ltd., wired a $24,982.50 contribution to the account of the Citizens for Schoemehl Committee.

6. Respondent contends that prior to soliciting a contribution from his friend, Jose Boveda, he specifically asked the Citizens for Schoemehl Committee if it would be legal to obtain such a contribution, and he was told that it was legal.

7. Respondent contends that he has not solicited contributions on behalf of any other candidates or committees.

8. Citizens for Schoemehl Committee refunded the contribution on May 14, 1992, over a year after its receipt.

V. Respondent's solicitation of a contribution from Jose Boveda was a violation of 2 U.S.C. § 441e.

VI. Respondent contends that the violation was not knowing and wilfull.

VII. Respondent will pay a civil penalty to the Federal Election Commission in the amount of Seven Thousand Dollars ($7,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VIII. The Commission, on request of anyone filing a complaint

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

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

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

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

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Date 11-4-94

FOR THE RESPONDENT:

Name Patrick M. Flynn
Position Attorney for John Suarez

Date 10/7/94

24043595801

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 8, 1994

Jose Antonio Boveda
Barrio de Arene 20
48990 Berango (Vizcaya)
Espana (Spain)

RE: MUR 3541
Tippins Development, Ltd.
Jose Antonio Boveda

Dear Mr. Boveda:

On November 2, 1994, the Federal Election Commission accepted the signed conciliation agreement and civil penalty on your behalf in settlement of a violation of 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

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.

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

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Xavier K. McDonnell

Xavier K. McDonnell
Attorney

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3541
Jose Antonio Boveda	)	
Tippins Development, Ltd.	)	

CONCILIATION AGREEMENT

This matter was initiated by a sua sponte submission by Citizens for Schoemehl Committee ("Committee") and Nancy Rice, as treasurer, and a complaint by Carnahan for Governor, and Marc S. Farinella. The Federal Election Commission ("Commission") found reason to believe that Jose Antonio Boveda and Tippins Development, Ltd. (collectively "Respondents") violated 2 U.S.C. § 441e.

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

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

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

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

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

1. Tippins Development, Ltd. and Jose Antonio Boveda are foreign nationals, as defined in 2 U.S.C. § 441e(b) and

2 4 0 4 3 5 9 5 8 0 3

11 C.F.R. § 110.4(a).

2. It is unlawful for any foreign national to make a contribution in connection with an election to any political office, including state or local office. 2 U.S.C. § 441e(a); 11 C.F.R. § 110.4(a).

3. Citizens for Schoemehl Committee is the committee of 1992 Missouri Democratic gubernatorial candidate Vincent C. Schoemehl, Jr.

4. On April 29, 1991, Respondents wired a $24,982.50 contribution to the account of the Citizens for Schoemehl Committee.

V. 1. Respondents contributed $24,982.50 to the Citizens for Schoemehl Committee, in violation of 2 U.S.C. § 441e.

2. Respondents contend that the violation was not knowing and willful.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Seven Thousand Dollars ($7,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

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

2 4 0 4 3 5 9 5 8 0 4

approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

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

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY: _____ 11-4-94
Lois G. Lerner
Associate General Counsel
Date

FOR THE RESPONDENTS:

_____ October 2nd 1994
Name: Jose A. Boueda
Position: Director
Date

2404359580 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3641 Merged with pre-MUR 260

DATE FILMED 12-14-94 CAMERA NO. 2

CAMERAMAN JMH

9404359530 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 12/14/94

✓ Microfilm

_____ Public Records

_____ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3541

40436010351

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM
Dec 5 11 58 AM '94

Nancy Rice
One City Centre
515 North 6th Street, Suite 1325
St. Louis, Missouri 63101

Mr. Xavier K. McDonnell, Esquire
Federal Election Commission
999 E. Street
Washington, D.C. 20463

RE: MUR 3541
Vincent C. Schoemehl, Jr.
Citizens for Schoemehl and
Nancy Rice, as treasurer

Dear Mr. McDonnell:

Enclosed is a Cashier's Check for $1000.00 for Civil Penalty MUR 3541. If you have any questions, please contact me at (314) 436-4333 ext. 225.

Thank you.

Sincerely,

Nancy E. Rice

Nancy E. Rice

Enclosure
Cashier's Check 1741116

40436010032

CASHIER'S CHECK 4-3/810 1741116

REMITTER CITIZENS FOR SCHOEMEHL

FOR CIVIL PENALTY MUR 3541 **BOATMEN'S** DATE 12/01/94

PAY 11 BOATMEN'S ST. LOUIS*******1,000 dol's 00 cnts*****$ *****1,000.00

PAY TO THE ORDER OF ***FEDERAL ELECTION********** COMMISSION

THE BOATMEN'S NATIONAL BANK OF ST. LOUIS
P.O. BOX 236 • ST. LOUIS, MO 63166

BY R. Pedro Flores
AUTHORIZED SIGNATURE

⑈1741116⑈ ⑆081000032⑆ 011298000719⑈

40436003

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Dec 6 12 46 PM '94

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

12/5/94

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from Citizens for Schoemehl, check number 174116, dated 12/01/94, and in the amount of $1,000.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

==========

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket By aa

In reference to the above check in the amount of $1,000.00, the MUR number is 3541 and in the name of Citizens for Schoemehl. The account into which it should be deposited is indicated below:

✓ Budget Clearing Account (OGC), 95F3875.16

__ Civil Penalties Account, 95-1099.160

__ Other: _____

Anita Alexander
Signature

12-6-94
Date

4043601034

FLYNN & GUYMON
ATTORNEYS
BOATMEN'S BANK BUILDING, SUITE 440
23 PUBLIC SQUARE
BELLEVILLE, ILLINOIS 62220
618-233-0400
FAX 618-233-0691

PATRICK M. FLYNN
DAVID E. GUYMON
CARLA J. EHLERS

OF COUNSEL
R. W. McGOVERN

HAROLD BALTZ (1904-1970)
OTIS E. GUYMON (1908-1971)

November 23, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
NOV 29 9 28 AM '94

Mr. Xavier K. McDonnell
Attorney at Law
Federal Election Commission
Washington, D.C. 20463

In re: MUR 3541
John M. Suarez

Dear Mr. McDonnell:

In response to your letter dated November 8, 1994 and pursuant to the Conciliation Agreement accepted by the Commission in the above case on November 4, 1994, I enclose herewith our firm check in the amount of $7,000.00 payable to the Federal Election Commission, in full payment of the civil penalty.

Sincerely yours,

Patrick M. Flynn

Patrick M. Flynn

PMF:ek
Enc.

4043601035

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM
NOV 28 9 22 AM '94

FLYNN & GUYMON 9-91
ATTORNEYS
BOATMEN'S BANK BUILDING, STE. 440
23 PUBLIC SQUARE PH. 618-233-0480
BELLEVILLE, IL 62220

2688

70-141/810

Nov. 23 19 94

PAY TO THE ORDER OF Federal Election Commission $ 7,000.00

SEVEN THOUSAND AND NO/100---------- DOLLARS

BOATMEN'S

FOR MUR 3541

Elaine Koenig

⑈002688⑈ ⑆081001413⑆ 010103075141⑈

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

11/28/94

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from Flynn + Guymon, check number 2628, dated 11/23/94, and in the amount of $ 7,000.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket By aa

In reference to the above check in the amount of $ 7,000.00, the MUR number is 3541 and in the name of John M. Suarez. The account into which it should be deposited is indicated below:

__ Budget Clearing Account (OGC), 95F3875.16

✓ Civil Penalties Account, 95-1099.160

__ Other: _____

Anita Alexander
Signature

11-29-94
Date

40436010037

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 1/15/95

✓ Microfilm

_____ Public Records

_____ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3541

50435622210

Dec 29, 1994

To: Xavier McDonnell

Enclosed is $1,000 installment on civil penalty in case MUR 3541, Vincent C. Schoemehl, Jr Citizens for Schoemehl and Nancy Rice, as treasurer.

RECEIVED
FEDERAL ELECTORAL
COMMISSION
OFFICE OF GENERAL COUNSEL
JAN 11 3 19 PM '95

5 0 4 3 6 2 4 2 1 1

VINCENT C. SCHOEMEHL, JR.
LOIS B. SCHOEMEHL
6168 WESTMINSTER PL.
ST. LOUIS, MO 63112

4782

4-3/810

Dec 30 1994

PAY TO THE ORDER OF Federal Election Commission $ 1,000.00

One thousand and 00/100 DOLLARS

BOATMEN'S

THE BOATMEN'S NATIONAL BANK OF ST. LOUIS, ST. LOUIS, MISSOURI 63101-1845

MEMO penalty MUR 3541 Lois B Schoemehl

5043624212

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

1/4/95

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from Vincent C Schoemehl Jr. Lois B. Schoemehl, check number 4782, dated 12/30/94, and in the amount of $1,000.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

==========

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket By aa

In reference to the above check in the amount of $1,000.00, the MUR number is 3541 and in the name of Citizens for Schoemehl Cmte. The account into which it should be deposited is indicated below:

✓ Budget Clearing Account (OGC), 95F3875.16

__ Civil Penalties Account, 95-1099.160

__ Other: _____

Anita Alexander
Signature

1-4-95
Date

5043621213

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

Date: 2/2/95

✓ Microfilm

_____ Public Records

_____ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3541

95043624691

Jan 29, 1995

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
FEB 2 9 43 AM '95

Mr Xavier McDonnell:

Enclosed is $1,000.00 installment

on MUR 3541 Vincent C. Schroeckh, Jr.
Citizens for Schroeckh and
Nancy Rice as treasurer

25043624322

VINCENT C. SCHOEMEHL, JR.
LOIS B. SCHOEMEHL
6168 WESTMINSTER PL
ST LOUIS, MO 63112

4826

Jan 29 1995

4-3/810

PAY TO THE ORDER OF Federal Election Commission $ 1,000.00

One thousand and 00/100 DOLLARS

BOATMEN'S

MEMO MUR3541

Lois B Schoemehl

4826

9504362469 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Feb 1, 1995

FEB 2 9 43 AM '95

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from Vincent C. Schoemehl, Jr. Citizens for Schoemehl, check number 4826, dated 1-29-95, and in the amount of $ 1,000.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

==========

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket By aa

In reference to the above check in the amount of $ 1,000.00, the MUR number is 3541 and in the name of Citizens for Schoemehl Cmte. The account into which it should be deposited is indicated below:

✓ Budget Clearing Account (OGC), 95F3875.16

__ Civil Penalties Account, 95-1099.160

__ Other: _____

Anita Alexander
Signature

2-02-95
Date

95043624694

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 3/8/95

✓ Microfilm

_____ Public Records

_____ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3541

25043631684

Feb 28 1995

Mr Xavier McDonnell

The enclosed $1,000 is the next installment on agreement MUR3541.

Vincent C. Schoemehl Jr.
Citizens for Schoemehl
and Nancy Rice, treasurer

95043631685

VINCENT C. SCHOEMEHL, JR.
LOIS B. SCHOEMEHL
6168 WESTMINSTER PL.
ST. LOUIS, MO 63112

4860

Feb 27 1995

4-3/810

PAY TO THE ORDER OF Federal Election Commission $ 1,000.00

One thousand and 00/100 DOLLARS

BOATMEN'S

THE BOATMEN'S NATIONAL BANK OF ST. LOUIS, ST. LOUIS, MISSOURI 63101-1845

MEMO MUR 3541

Lois B Schoemehl

[redacted]

25043631686

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

3/6/95

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from Vincent C. Schoenehl, Jr. Lois B. Schoenehl, check number 4860, dated 2/27/95, and in the amount of $ 1000.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

==========

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket A Moyer

In reference to the above check in the amount of $ 1,000, the MUR number is 3541 and in the name of Citizens for Schoenehl Committee. The account into which it should be deposited is indicated below:

✓ Budget Clearing Account (OGC), 95F3875.16

__ Civil Penalties Account, 95-1099.160

__ Other: _____

Signature: Sabrae D. Brown

Date: 3/6/95

95043631637

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 4/4/95

✓ Microfilm

_____ Public Records

_____ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3541

9504363535

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

4/3/97

APR 4 10 11 AM '95

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from Vincent C. Schoenehl, JR. + Lois B. Schoenehl, check number 4912, dated 3/30/95, and in the amount of $1,000.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket By ED

In reference to the above check in the amount of $1,000.00, the MUR number is 3541 and in the name of Citizens for Schoenehl Cate. The account into which it should be deposited is indicated below:

✓ Budget Clearing Account (OGC), 95F3875.16

__ Civil Penalties Account, 95-1099.160

__ Other: _____

Elaine Devine
Signature

4/4/95
Date

95043633536

Mrs. Vincent C. Schoemehl, Jr.
6168 Westminster Place
Saint Louis, Missouri 63112

March 30, 1995

Attn: Xavier McDonnell

Enclosed is $1,000 installment on FEC fine in case MUR 3541 Vincent C. Schoemehl Jr Citizens for Schoemehl and Nancy Rice as Treasurer

I believe there remains one more installment due the first part of May.

APR 3 12 15 PM '95

95043633537

VINCENT C. SCHOEMEHL, JR.
LOIS B. SCHOEMEHL
6158 WESTMINSTER PL.
ST. LOUIS, MO 63112

4912

March 30 95

PAY TO THE ORDER OF Federal Election Comm. $ 1,000.00

One thousand and 00/100 DOLLARS

BOATMEN'S

THE BOATMEN'S NATIONAL BANK OF ST. LOUIS, ST. LOUIS, MISSOURI 63101-1845

MEMO

Lois B Schoemehl

[redacted]

9504363558

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 5/5/95

✓ Microfilm

_____ Public Records

_____ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3541

9504364007 8

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

MAY 4 8 57 AM '95

April 29, 1995

Federal Election Commission
Attn: Xavier McDonnell

Enclosed is the final $1,000 installment on the conciliation agreement in MUR3541. Total payments have come to $10,000 in the agreement MUR3541

Vincent C. Schoemehl Jr
Citizens for Schoemehl
Nancy Rice, Treasurer

Please send confirmation that this obligation has been met and settled. Thank you.

Vincent C. Schoemehl
6168 Westminster Pl.
St. Louis Mo 63112

95043640079

VINCENT C. SCHOEMEHL, JR.
LOIS B. SCHOEMEHL
6168 WESTMINSTER PL.
ST. LOUIS, MO 63112

4953

4-3/810

April 29 1995

PAY TO THE ORDER OF Federal Election Commission $ 1,000.00

One thousand and 00/100 DOLLARS

BOATMEN'S

THE BOATMEN'S NATIONAL BANK OF ST. LOUIS, ST. LOUIS, MISSOURI 63101-1845

MEMO MUR 3541

Lois B Schoemehl

2504364000 80

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 4, 1995

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Sharon Lowden FOR Rosa E. Swinton
Accounting Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from Vincent C. Schoemehl, check number 4953, dated April 29, 1995, and in the amount of $1000.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket By aa

In reference to the above check in the amount of $1,000.00, the MUR number is 3541 and in the name of Citizens for Schoemehl Cmte. The account into which it should be deposited is indicated below:

__ Budget Clearing Account (OGC), 95F3875.16

✓ Civil Penalties Account, 95-1099.160

__ Other: _____

Anita Alexander
Signature

5-5-95
Date

95043640081