FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3998

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 25, 1993

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: ROBERT J. COSTA
ASSISTANT STAFF DIRECTOR
AUDIT DIVISION

SUBJECT: DAVID DUKE FOR U.S. SENATE - FINAL AUDIT REPORT AND MATTERS REFERABLE TO THE OFFICE OF GENERAL COUNSEL

Attached for your review and analysis is the subject final audit report. Included at Exhibits A through D are matters which the Audit staff recommends, based on Commission approved Materiality Thresholds, be referred to your office.

Should you have any questions, please contact Joe Swearingen or Martin Favin at 219-3720.

Attachments:

Report of the Audit Division on David Duke for U.S. Senate
Exhibit A - Apparent Excessive Contributions from Individuals
Exhibit B - Receipt of Anonymous Contributions of Currency in Excess of the Limitation
Exhibit C - Transfers from Candidate's Nonfederal Account Containing Possible Prohibited Funds
Exhibit D - Itemization of Contributions from Individuals

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

REPORT OF THE AUDIT DIVISION ON DAVID DUKE FOR U.S. SENATE

I. Background

A. Overview

This report is based on an audit of the David Duke for U.S. Senate Committee ("the Committee"), undertaken by the Audit Division of the Federal Election Commission in accordance with the provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The audit was conducted pursuant to 2 U.S.C. § 438(b) which states, in part, that the Commission may conduct audits and field investigations of any political committee required to file a report under Section 434 of this title. Prior to conducting any audit under this section, the Commission shall perform an internal review of reports filed by selected committees to determine if the reports filed by a particular committee meet the threshold requirements for substantial compliance with the Act.

The Committee registered with the Secretary of the Senate on January 2, 1990, and maintains its headquarters in Metairie, Louisiana. The audit covered the period from November 1, 1989 (the earliest transaction recorded on the bank statements), through December 31, 1990 (close of audit period). Certain contribution records dated after December 31, 1990, but relating to the 1990 Primary election, were reviewed in conjunction with the contributions review. The Committee reported a beginning cash balance of $-0-; total receipts of $2,657,331.00; total disbursements of $2,602,287.00, and a cash balance on December 31, 1990 of $55,044.00.

This audit report is based on documents and workpapers which support each of its factual statements. They form part of the record upon which the Commission based its decisions on the matters in the report and were available to the Commissioners and appropriate staff for review.

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B. Key Personnel

The Treasurer of the Committee during the period covered by the audit was James A. McPherson and the Assistant Treasurer was Paul Allen.

C. Scope

The audit included such tests as verification of total reported receipts and disbursements and individual transactions; review of required supporting documentation; analysis of Committee debts and obligations; and such other audit procedures as deemed necessary under the circumstances.

II. Audit Findings and Recommendations

A. Misstatement of Financial Activity

Section 434(b)(1), (2), and (4) of Title 2 of the United States Code requires a Committee to disclose the amount of cash on hand at the beginning of each reporting period and the total amount of all receipts and disbursements by reporting period and calendar year.

Our reconciliation of the Committee's 1990 reported activity to its 1990 bank activity revealed the following misstatements.

The Committee's reported 1990 receipts were overstated by $60,282.34 and 1990 disbursements were overstated by $7,658.59. This resulted in an overstatement of the 1990 Ending Cash-On-Hand balance in the amount of $53,938.96: [$60,282.34 + $1,315.21 (1990 Beginning Cash-On-Hand overstatement) - $7,658.59].

The components of the receipts misstatement are as follows:

1990 Receipts as Reported		$2,519,268.00
• NSF Contributor checks never adjusted out of reported receipts	(6,319.14)	
• Reversing entries for NSF Committee checks returned by the bank and Bank errors	(76,951.92)	
• Interaccount transfers erroneously included in reported receipts	(48,163.45)	

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• Receipts from eight additional campaign accounts not included in reported totals (see Finding II.D.)	46,548.33	
• Under reporting of receipts	25,280.00	
• Unexplained Difference	(676.16)	
Subtotal		(60,282.34)
Adjusted 1990 Receipts		$2,458,985.66

The components of the disbursements misstatement are as follows:

1990 Disbursements as Reported		$2,489,311.00
• Reported NSF Contributor check reversals included in reported disbursements	(6,319.14)	
• Reversing entries for NSF Committee checks returned by the bank and Bank errors	(76,951.92)	
• Unreported 1990 disbursements:		
(1) 1990 checks outstanding as of 12/31/90	26,294.51	
(2) Disbursements clearing bank account 12/26-12/31/90	24,764.52	
(3) Disbursements from eight additional campaign accounts not included in reported totals (see Finding II.D.)	22,375.41	
(4) Net total of incorrect disbursements reporting	575.16	
• Unexplained Difference	1,602.87	
Subtotal		(7,658.59)
Adjusted 1990 Disbursements		$2,481,652.41

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Generally, the Committee's reported totals, with minor adjustments, were based upon bank statement figures. For the period from the Committee's inception through August 1990, this resulted in disbursements being reported when the checks cleared the bank, as opposed to the check date. For the month of September 1990, the Committee reported disbursements as of the date of the checks.

For the period October 1, 1990 through December 31, 1990, the Committee determined its reported ending cash-on-hand balance by adding to its December 25, 1990 bank statement balance all deposits for the period December 26, 1990 through December 31, 1990. Reported receipts were the total of bank statement deposits through December 31, 1990. Reported disbursements was derived from these two totals and reported beginning cash-on-hand. These calculations resulted in an overstatement of ending cash-on-hand and an understatement of disbursements.

Also, the Committee's reported totals for the entire audit period included only headquarters activity from the Greater New Orleans Homestead account. The receipts and disbursements activity from eight additional campaign accounts was not included in reported totals.

At the Exit Conference, the Committee was provided with copies of schedules detailing the differences between reported activity and correct reportable activity for the entire audit period. The Committee did not provide any explanations for these misstatements.

In the Interim Audit Report the Audit staff recommended that the Committee file a comprehensive amendment for 1990 correcting its reported activity.

The Committee filed a comprehensive amendment showing adjusted year-to-date amounts for calendar year 1990 on November 16, 1992 materially correcting the misstatement of financial activity. No further explanation was provided.

Recommendation #1

The Audit staff recommends no further action on this matter.

B. Itemization of Refunds and Rebates

Section 434(b)(2)(I) of Title 2 of the United States Code states, in relevant part, that each report shall disclose for the reporting period and the calendar year, the total amount of all rebates, refunds, and other offsets to operating expenditures. In addition, 2 U.S.C. §434(b)(3)(F) requires that each report include the identification of each person who provides a rebate, refund, or other offset to operating expenditures to the reporting committee in an aggregate amount or value in excess of $200 within

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the calendar year, together with the date and amount of such receipt. Section 431(13) of Title 2 of the United States Code defines, in part, the term "identification" to be the full name and address of such person.

Section 104.3(a)(4)(v) of Title 11 of the Code of Federal Regulations states, in relevant part, that the identification and the aggregate year-to-date total shall be reported for each person who provides a rebate, refund, or other offset to operating expenditures to the reporting committee in an aggregate amount or value in excess of $200 within the calendar year, together with the date and amount of such receipt.

The Committee's receipt records were reviewed by the Audit staff and traced to the Committee's Schedule A's to determine whether all refunds and rebates requiring itemization were itemized properly. We identified 28 refunds and rebates, totaling $7,550.28, which were received by the Committee. Of these 28 items, 14, totaling $6,349.92, were required to be itemized. The Committee did not itemize any refunds and rebates.

At the Exit Conference, the Committee was provided with a schedule of the itemizable refunds and rebates and they were requested to file amended Schedule A's. No explanation was provided by Committee officials for these omissions.

In the Interim Audit Report, the Audit staff recommended that the Committee file amended Schedule A's itemizing the aforementioned refunds and rebates.

The Committee filed a comprehensive amendment on November 16, 1992, which materially corrected the failure to itemize refunds and rebates.

Recommendation #2

The Audit staff recommends no further action on this matter.

C. Reporting of Debts and Obligations

Section 434(b)(8) of Title 2 of the United States Code states that each report shall disclose the amount and nature of outstanding debts and obligations owed by or to such political committee; and where such debts and obligations are settled for less than their reported amount or value, a statement as to the circumstances and conditions under which such debts or obligations were extinguished and the consideration therefor.

Section 104.11 of Title 11 of the Code of Federal Regulations states, in part, that debts and obligations owed by or to a political committee which remain outstanding shall be continuously reported until extinguished. In addition, a debt, obligation, or other promise to make an expenditure, the amount of which is $500 or less, shall be reported as of the time payment is

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made or no later than 60 days after such obligation is incurred, whichever comes first. Any loan, debt or obligation, the amount of which is over $500, shall be reported as of the time of the transaction.

A review of reports filed by the Committee indicated that no debts were disclosed on Schedule D (Debts and Obligations Owed by a Committee). However, our review of Committee invoices and related payments revealed outstanding debts and obligations at the close of the Committee's last three reporting periods for 1990 which were required to be disclosed on Schedule D. For the Pre-Primary report, 2 debts and obligations, totaling $6,089.57, were identified as outstanding. For the Third Quarter 1990 report 9 debts, totaling $17,840.35, were identified as outstanding and 18 debts, totaling $47,031.59, were identified as outstanding for the 1990 Year-end report. Debts required to be disclosed for these three reporting periods total $70,961.51 (29 items).

At the Exit Conference, the Committee was provided schedules detailing these identified debts and obligations. Committee officials provided no explanation for these omissions.

In the Interim Audit Report, the Audit staff recommended that the Committee file amended Schedule D's disclosing the aforementioned debts and obligations.

The Committee filed amendments on November 16, 1992, which materially corrected the failure to file Schedule D's to disclose all debts and obligations.

Recommendation #3

The Audit staff recommends no further action on this matter.

D. Failure to Amend Statement of Organization for Additional Banks or Other Depositories

Section 433(b)(6) of Title 2 of the United States Code states that the Statement of Organization of a political committee shall include a listing of all banks, safety deposit boxes, or other depositories used by the Committee.

Section 102.2(a)(vi)(2) of Title 11 of the Code of Federal Regulations states, in relevant part, that the Statement of Organization shall include a listing of all banks, safe deposit boxes, or other depositories used by the Committee. Any change or correction in the information previously filed in the Statement of Organization shall be reported no later than 10 days following the date of the change or correction by filing an amended Statement of Organization or by filing a letter noting the changes. The amendment need list only the name of such committee and the change or correction.

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On its Statement of Organization, the Committee identified Greater New Orleans Homestead Bank as its only campaign depository. No amendments were filed relative to any additional campaign depositories.

However, during 1990 the Committee opened an additional eight campaign accounts at depositories located throughout the state of Louisiana. None of the activity from these accounts was reported by the Committee. (See 1990 Receipts Misstatement at Finding II.A.) The additional campaign accounts were opened at the following depositories:

Bank Name/Location	Date Account Opened
Central Bank/Monroe, LA	3/20/90
Hibernia National/Baton Rouge, LA	9/28/90
Hibernia National/Lafayette, LA	5/29/90
Investors Bank & Trust Co./Gretna, LA	8/27/90
Peoples Bank & Trust Co./Chalmette, LA	6/01/90
Whitney National/New Orleans, LA	7/16/90
Cameron State/Cameron, LA	5/21/90
First American/Shreveport, LA	3/16/90

The Committee agreed that these eight campaign accounts were Committee accounts and that no amendments to the Statement of Organization were ever filed.

In the Interim Audit Report the Audit staff recommended that the Committee file an amended Statement of Organization disclosing the additional banks discussed above.

The Committee filed an amended Statement of Organization which disclosed the bank accounts noted above. The response also states that "back in 1990, volunteers sprung up all over Louisiana. Ones who did well wanted to open bank accounts to handle campaign business in their area. They got permission from one of the three campaign managers we went thru in quick succession." The assistant treasurer goes on to explain that "[t]he first time I found out about the accounts was when the bank statements were mailed to me, some after the campaign was over."

Recommendation #4

The Audit staff recommends no further action on this matter.

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E. Matters Referred to the Office of General Counsel

Other matters noted during the audit have been referred to the Commission's Office of General Counsel.

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Apparent Excessive Contributions from Individuals

Section 441a(a)(1)(A) of Title 2 of the United States Code states that no person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which in the aggregate, exceed $1,000. The regulations at 11 C.F.R. §110.1(b)(2)(ii) states that "with respect to any election" means in the case of a contribution not designated in writing by the contributor for a particular election, the next election for that Federal office after the contribution is made.

Section 100.7(a)(1)(iii) of Title 11 of the Code of Federal Regulations states that the term "contribution" includes a gift, subscription, loan, advance, or deposit of money or anything of value. The term "anything of value" includes all in-kind contributions. Unless specifically exempted under 11 C.F.R. §100.7(b), the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution.

Section 110.1(b)(3)(i) of Title 11 of the Code of Federal Regulations states that if a candidate is not a candidate in the general election, any contributions made for the general election shall be refunded to the contributors, redesignated in accordance with 11 C.F.R. § 110.1(b)(5) or reattributed in accordance with 11 C.F.R. § 110.1(k)(3), as appropriate.

Section 110.1(k) of Title 11 of the Code of Federal Regulations states, in part, that any contribution made by more than one person, except for a contribution made by a partnership, shall include the signature of each contributor on the check, money order, or other negotiable instrument or in a separate writing. A contribution made by more than one person that does not indicate the amount to be attributed to each contributor shall be attributed equally to each contributor. If a contribution to a candidate on its face or when aggregated with other contributions from the same contributor exceeds the limitations on contributions, the treasurer may ask the contributor whether the contribution was intended to be a joint contribution by more than one person. A contribution shall be considered to be reattributed to another contributor if the treasurer of the recipient political committee asks the contributor whether the contribution is intended to be a joint contribution by more than one person, and informs the contributor that he or she may request the return of the excessive portion of the contribution if it is not intended to be a joint contribution; and within sixty days from the date of the treasurer's receipt of the contribution, the contributors provide the treasurer with a written reattribution of the contribution, which is signed by each contributor, and which indicates the amount to be attributed to each contributor if equal attribution is not intended.

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In addition, 11 C.F.R. § 110.1(l) requires the treasurer to retain written redesignations or reattributions of a contribution signed by each contributor.

Section 103.3(b)(3) of Title 11 of the Code of Federal Regulations states, in part, that contributions which exceed the contribution limitation may be deposited into a campaign depository. If any such contribution is deposited, the treasurer may request redesignation or reattribution of the contribution by the contributor in accordance with 11 C.F.R. §§ 110.1(b) and 110.1(k), as appropriate. If a redesignation or reattribution is not obtained, the treasurer shall, within 60 days of the treasurer's receipt of the contribution, refund the contribution to the contributor.

Section 103.3(b)(4) of Title 11 of the Code of Federal Regulations states, in part, that any contribution which appears to be illegal and which is deposited into a campaign depository shall not be used for any disbursements by the political committee until the contribution has been determined to be legal. The political committee must either establish a separate account in a campaign depository for such contributions or maintain sufficient funds to make all such refunds.

Section 441a(f) of Title 2 of the United States Code states that no candidate or political committee shall knowingly accept any contribution in violation of any limitation on contributions.

The State of Louisiana election code provides for an open Primary election for U.S. Senate elections whereby both Democratic and Republican candidates run on the same ballot and if a candidate receives a majority vote in the Primary, that candidate would be the overall winner. In 1990, Senator Johnston of Louisiana won the open Primary with greater than 50% of the vote and therefore no General election occurred with respect to the 1990 U.S. Senate race.

The Audit staff noted that whenever the Committee received contributions that did not contain specific election designations for contributions aggregating in excess of $1,000 from an individual, it was their practice to treat the amounts in excess of $1,000 as General election contributions. This procedure was followed both before and after the Primary election even though no General election was held. No written redesignation authorizations from the contributors were provided by the Committee for these items. The Committee reported 121 contributions, totaling $31,185.50, which were designated as General election contributions on the Schedule A's (Itemized Receipts). It does not appear that any of these contributions were refunded as required.

It was also the Committee's policy to attribute contributions received on joint accounts to both spouses without

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having the required signatures. Written reattributions were not requested by the Committee for these contributions. In addition, the Audit staff noted 996 instances where on its Schedule A's the Committee itemized contributions from the contributor and his or her spouse (Mr. and Mrs.) instead of disclosing these items from the signatory of the contributor check or other documentation. A Committee official explained that they erroneously attributed contributions to the contributor check accountholders, as opposed to the check signers.

The Committee also operated under the misconception that the $1,000 contribution limitation was per calendar year as opposed to per election. This resulted in multiple contributions made by the same person, but in different calendar years, not being aggregated per election as required by 2 U.S.C. §441a(a)(1)(A).

These Committee practices resulted in the Committee receiving excessive contributions. During our review of contributions from individuals, the Audit staff determined that the Committee had accepted 192 contributions, totaling $53,901.72, from 80 individuals which were in excess of the 2 U.S.C. §441a(a)(1)(A) limit and not refunded (see Attachment 1). Further, Committee officials stated that no written reattributions were requested from the contributors. Included in this total are the excessive portions of two in-kind contributions, from two individuals, reported in the amount of $2,000 each. No documentation was provided by the Committee to verify the nature of these two in-kind contributions.

In the Interim Audit Report the Audit staff recommended that the Committee either provide evidence that the contributions in question were not excessive or refund the excessive contributions and provide evidence of such refunds (i.e., copies of the front and back of the negotiated refund checks). If funds were not available to make such refunds, it was further recommended that the Committee disclose the excessive contributions as debts owed by the Committee on Schedule D (Debts and Obligations).

In response to the Interim Audit Report, the Committee's Assistant Treasurer provided the Audit staff with the following response.

> "My entire understanding of federal election law is from the FEC 'Campaign Guide for congressional candidates and committees.' When I read it I was too dumb to pick up the distinction between check accountholders as opposed to the check signers.
>
> "Thus we faithfully reported right out in front of God and everybody the joint account holders (Mr. and Mrs. as contributors), instead of listing as the contributor, the marital partner who signed the check.

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"This is where the excessive contributions came in. They were not excessive when split between Mr. and Mrs., but were excessive if added up by check signor.

"Anyone who looked at our reports could see by our Mr. and Mrs. listings we were in violation. I mean we practically shouted it from the roof tops.

"The first time I learned of this distinction was when Mr. Swearingen pointed it out to me during the audit.

"I have neither a defense nor an excuse. The coordinated ongoing audits/investigations of Mr. Duke at that time amounted to four or five, which were quite enough to innundate [sic] me. Plus I worked for the campaign only part time, maintaining my private accounting practice. Being in a state of overwhelm, I admit I did not dig in and learn as much about federal election law as I should have. This in no way excuses my ignorance."

The assistant treasurer's response addresses only a portion of the excessive contributions identified and provides no evidence of any corrective action. Further, the amended reports filed with the response do not reflect any of the outstanding excessive contributions as obligations of the Committee.

Recommendation #1

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

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DAVID DUKE FOR U.S. SENATE
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
1. Merlin J. Pelts	-	3/20/90	250.00	
	748	6/27/90	375.00	
	1034	8/01/90	50.00	
	2119	8/28/90	100.00	
	-	10/02/90	500.00	275.00
			1275.00	275.00
2. Frank D. Richardson	-	3/09/90	10.00	
	190	3/26/90	130.00	
	-	4/04/90	145.00	
	245	4/04/90	145.00	
	285	4/12/90	165.00	
	794	7/02/90	90.00*	
	794	7/02/90	95.00**	
	858	7/10/90	190.00	
	928	7/17/90	105.00	75.00
	1070	8/07/90	60.00	60.00
	2020	8/14/90	59.00	59.00
	2054	8/20/90	51.00	51.00
	2058	8/20/90	60.00	60.00
	2239	9/10/90	115.00	115.00
	2240	9/11/90	100.00	100.00
	2283	9/17/90	136.00	136.00
	2377	9/28/90	288.00	288.00
	2407	10/02/90	131.00	131.00
	2588	11/19/90	50.00	50.00
	2930	1/28/91	100.00	100.00
			2225.00	1225.00
3. Stanton F. Hager	20	1/03/90	100.00	
	19	2/22/90	100.00	
	-	3/19/90	400.00	
	-	3/19/90	500.00	100.00
			1100.00	100.00
4. James A. Sellars	-	11/17/89	100.00	
	149	3/16/90	250.00	
	344	4/24/90	250.00	
	845	7/09/90	250.00	
	2180	9/04/90	200.00	50.00
	2599	11/26/90	100.00	100.00
			1150.00	150.00
Page Total				1750.00 (16)

* - In Committee database as $50.
** - In Committee database as $59.

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DAVID DUKE FOR U.S. SENATE
Schedule of Excessive Contributions

	Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
5.	Manny C. Barrios	-	3/16/90	100.00	
		822	7/05/90	800.00	
		963	7/23/90	100.00	
		2399	10/01/90	500.00	500.00
		2571	11/10/90	200.00	200.00
				1700.00	700.00
6.	Thomas F. Morgan	-	3/03/90	500.00	
		61	3/22/90	25.00	
		-	5/01/90	150.00	
		-	5/29/90	15.00	
		591	5/29/90	15.00	
		754	6/27/90	100.00	
		1093	8/09/90	25.00	
		2058	8/20/90	30.00	
		2423	10/03/90	665.00	525.00
		2423	10/03/90	335.00	335.00
				1860.00	860.00
7.	Jerrie Bellow	42	1/25/90	50.00	
		148	3/16/90	1000.00	50.00
		494	5/08/90	200.00	200.00
		919	7/16/90	500.00	500.00
		-	9/21/90	500.00	500.00
		2647	12/21/90	250.00*	250.00
				2500.00	1500.00
8.	Ray A. Brashear	-	1/06/90	100.00	
		-	3/19/90	1000.00	100.00
		799	7/12/90	100.00	100.00
				1200.00	200.00
9.	Dean Potter	-	1/04/90	100.00	
		394	4/27/90	100.00	
		534	5/14/90	100.00	
		829	7/05/90	100.00	
		912	7/16/90	200.00	
		2182	9/04/90	250.00	
		2481	10/10/90	300.00	150.00
		2599	11/26/90	250.00	250.00
				1400.00	400.00
10.	Gloria Z. Taylor	384	4/26/90	25.00	
		780	6/26/90	1000.00	25.00
		820	7/05/90	40.00	40.00
		853	7/10/90	25.00	25.00
				1090.00	90.00
	Page Total				3750.00
					(16)

* - $500 money order from Mr. and Mrs. (Split 50/50)

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DAVID DUKE FOR U.S. SENATE
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
11. Florinda L. Lehleitner	-	11/10/89	100.00	
	-	12/14/89	25.00	
	-	1/03/90	150.00	
	77	3/06/90	250.00	
	351	4/24/90	50.00	
	499	5/08/90	125.00	
	608	6/02/90	300.00	
	608	6/02/90	3.00	3.00
	2303	9/09/90	100.00	100.00
	2357	9/26/90	300.00	300.00
	2769	3/29/91	300.00	300.00
			1703.00	703.00
12. Dr. O.D. Thomas	-	2/09/90	50.00	
	-	3/03/90	25.00	
	-	4/13/90	100.00	
	-	5/15/90	100.00	
	720	6/23/90	1000.00	275.00
	2466	10/06/90	200.00	200.00
			1475.00	475.00
13. Buford B. Sanders	-	1/10/90	100.00	
	229	4/02/90	1000.00	100.00
			1100.00	100.00
14. Denis R. Aucoin, Jr.	-	1/11/90	200.00	
	-	3/12/90	100.00	
	438	5/02/90	100.00	
	780	6/29/90	100.00	
	2171	9/01/90	500.00	
	2420	10/03/90	200.00	200.00
	2582	11/14/90	100.00	100.00
	2652	12/24/90	100.00	100.00
			1400.00	400.00
15. Helen Stewart	480	5/07/90	25.00	
	2348	9/25/90	250.00	
	2582	11/14/90	200.00	
	2775	3/26/91	1000.00	475.00
			1475.00	475.00
16. Charles Ford	-	11/16/89	50.00	
	410	4/28/90	250.00	
	722	6/23/90	250.00	
	867	7/11/90	250.00	
	2210	9/06/90	250.00	50.00
	2356	9/26/90	250.00	250.00
			1300.00	300.00
Page Total				2453.00 (13)

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DAVID DUKE FOR U.S. SENATE
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
17. Jacques La Cour	-	6/10/90	500.00	
	2423	10/03/90	50.00	
	2621	12/06/90	1450.00	1000.00
			2000.00	1000.00
18. Mrs. W.W. Pickens	-	11/16/89	50.00	
	83	3/06/90	50.00	
	725	6/23/90	50.00	
	769	6/29/90	150.00	
	864	7/11/90	150.00	
	1034	8/01/90	25.00	
	2119	8/28/90	25.00	
	2329	9/22/90	50.00	
	2422	10/03/90	600.00	150.00
			1150.00	150.00
19. Doris McLean	40	1/09/90	25.00	
	257	4/25/90	25.00	
	591	5/29/90	25.00	
	675	6/18/90	10.00	
	858	7/10/90	50.00	
	1069	8/07/90	50.00	
	2206	9/06/90	20.00	
	2250	9/13/90	50.00	
	2423	10/03/90	1050.00	305.00
			1305.00	305.00
20. J. Eric Laurence	-	11/16/89	150.00	
	-	1/11/90	100.00	
	465	5/04/90	250.00	
	774	6/29/90	250.00	
	905	7/14/90	250.00	
	2110	8/27/90	100.00	100.00
	2380	9/29/90	50.00	50.00
			1150.00	150.00
21. William E. Collard	-	12/27/89	500.00	
	-	1/31/90	500.00	
	-	2/26/90	500.00	500.00
	-	6/04/90	500.00	500.00
			2000.00	1000.00
22. Louis J. Arrieta	-	1/16/90	15.00	
	-	5/15/90	100.00	
	802	7/02/90	150.00	
	876	7/12/90	200.00	
	916	7/16/90	200.00	
	2460	10/06/90	555.00	220.00
	2490	10/11/90	1000.00	1000.00
			2220.00	1220.00
23. Sidney Blouin	-	4/24/90	2500.00	1500.00
Page Total				5325.00 (10)

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DAVID DUKE FOR U.S. SENATE
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
24. R.W. Weidemann	-	11/27/89	300.00	
	-	4/12/90	100.00	
	-	5/09/90	250.00	
	960	7/21/90	500.00	150.00
	2218	9/07/90	1000.00	1000.00
			2150.00	1150.00
25. Marie C. Banta	-	12/16/89	200.00	
	2016	8/13/90	200.00	
	2651	12/24/90	500.00	
	2789	4/26/91	300.00	200.00
			1200.00	200.00
26. Ray Cater	-	2/16/90	2525.00	1525.00
27. L.M. Neilson	-	2/16/90	100.00	
	281	2/21/90	100.00	
	-	3/12/90	250.00	
	276	4/11/90	100.00	
	315	4/19/90	100.00	
	761	6/28/90	375.00	25.00
	1018	7/30/90	100.00	100.00
	2100	8/27/90	600.00	600.00
	2371	9/28/90	250.00	250.00
	2432	10/04/90	300.00	300.00
	2582	11/14/90	500.00	500.00
	2636	12/19/90	250.00	250.00
			3025.00	2025.00
28. Daniel G. White	571	5/21/90	100.00	
	2106	8/27/90	100.00	
	2249	9/12/90	100.00	
	2357	9/26/90	100.00	
	2562	11/06/90	100.00	
	2599	11/26/90	500.00	
	2652	12/24/90	150.00*	150.00
			1150.00	150.00
29. Jeff William Smith	-	11/17/89	427.42	
	21	1/04/90	428.35	
	-	3/12/90	410.58	266.35
	885	7/13/90	430.58	430.58
	2100	8/20/90	410.26	410.26
	2694	1/08/91	693.50	693.50
			2800.69	1800.69
30. W. Wayne Fitzpatrick, Jr.	-	12/30/89	35.00	
	-	3/12/90	1000.00	35.00
			1035.00	35.00
Page Total				6885.69 (17)

* - In Committee database as $100.

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DAVID DUKE FOR U.S. SENA
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
31. Barbara Bullit Christian	380	4/26/90	200.00	
	762	6/28/90	500.00	
	957	7/20/90	200.00	
	1034	8/01/90	200.00	100.00
			1100.00	100.00
32. Mary P. Donata	-	12/13/89	50.00	
	-	1/06/90	50.00	
	-	2/26/90	100.00	
	-	3/10/90	250.00	
	169	3/21/90	250.00	
	366	4/25/90	50.00	
	756	6/27/90	500.00	250.00
	948	7/19/90	500.00	500.00
	2142	8/30/90	100.00	100.00
	2331	9/24/90	100.00	100.00
	2445	10/05/90	100.00	100.00
	2585	11/16/90	100.00	100.00
	-	1/08/91	50.00	50.00
			2200.00	1200.00
33. Tim Doskey	668	6/15/90	250.00	
	2094	8/25/90	250.00	
	2417	10/02/90	500.00	
	2647	12/21/90	100.00	100.00
			1100.00	100.00
34. Joy N. Houck	76	3/06/90	100.00	
	131	3/13/90	100.00	
	314	4/19/90	50.00	
	804	7/03/90	200.00	
	877	7/12/90	100.00	
	2094	8/25/90	250.00	
	2414	10/02/90	500.00	300.00
			1300.00	300.00
35. Joseph M. Costello, III	-	3/04/90	500.00	
	765	6/28/90	1000.00	500.00
			1500.00	500.00
36. Joseph Poli	33	12/22/89	100.00	
	-	1/08/90	35.00	
	420	3/16/90	30.00	
	275	4/10/90	100.00	
	878	7/12/90	100.00	
	932	7/18/90	100.00	
	2100	8/27/90	50.00	
	2414	10/02/90	100.00	
	2783	4/24/91	500.00	115.00
			1115.00	115.00
Page Total				2315.00 (12)

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DAVID DUKE FOR U.S. SENA
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
37. Harold H. White, III	2543	10/26/90	4000.00*	3000.00
38. Francis J. Shubert, Sr.	39	12/14/89	150.00	
	33	1/23/90	100.00	
	78	1/30/90	100.00	
	198	3/27/90	250.00	
	279	4/11/90	250.00	
	364	4/25/90	5.00	
	494	5/08/90	100.00	
	514	5/10/90	60.00	15.00
	612	6/04/90	100.00	100.00
	722	6/23/90	250.00	250.00
	991	7/26/90	100.00**	100.00
	1097	8/10/90	150.00**	150.00
	2090	8/24/90	200.00**	200.00
	2512	10/15/90	100.00	100.00
	2614	12/05/90	100.00	100.00
	2668	12/31/90	200.00	200.00
	2679	1/03/91	100.00	100.00
	2696	1/08/91	150.00	150.00
	2720	1/18/91	100.00	100.00
	2767	3/15/91	100.00	100.00
	2774	3/25/91	50.00	50.00
	2786	4/25/91	25.00	25.00
			2740.00	1740.00
39. Ronald Igau	-	11/15/89	100.00	
	-	12/30/89	150.00	
	-	1/25/90	50.00	
	132	3/13/90	250.00	
	322	4/20/90	100.00	
	571	5/21/90	100.00	
	746	6/26/90	100.00	
	2038	8/17/90	150.00	
	2417	10/02/90	250.00	250.00
	2631	12/18/90	100.00	100.00
	2687	1/07/91	50.00	50.00
	2773	3/22/91	100.00	100.00
			1500.00	500.00
40. Thomas Jordan	14	2/21/90	1000.00	
	483	5/07/90	1000.00	1000.00
			2000.00	1000.00
41. E.R. McElveen	-	1/24/90	100.00	
	247	4/04/90	1000.00	100.00
	2003	8/11/90	500.00	500.00
	2086	8/23/90	500.00	500.00
	2385	9/29/90	1000.00	1000.00
			3100.00	2100.00
Page Total				8340.00 (25)

* - Transferred from State Legislator Committee.
** - Money order signed "Mr. & Mrs." Appears to be Francis' signature.

9604372230

DAVID DUKE FOR U.S. SENATE
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
42. Mattie L. Gremillion	-	12/13/89	50.00	
	107	1/08/90	35.00	
	32	1/23/90	50.00	
	274	2/20/90	100.00	
	-	3/12/90	50.00	
	222	3/30/90	100.00	
	390	4/27/90	75.00	
	749	6/27/90	100.00	
	931	7/18/90	50.00	
	1046	8/02/90	50.00	
	2210	9/06/90	100.00	
	2320	9/21/90	75.00	
	2436	10/04/90	75.00	
	2593	11/21/90	25.00	
	2663	12/28/90	35.00	
	2704	1/10/91	50.00	20.00
			1020.00	20.00
43. Brent Duncan	444	5/03/90	500.00	
	853	7/10/90	500.00	
	2420	10/03/90	30.00	30.00
			1030.00	30.00
44. Lena F. Andrus	-	11/10/89	1000.00	
	-	1/08/91	200.00	200.00
			1200.00	200.00
45. Larry Taylor	2153	8/31/90	200.00	
	2156	8/31/90	200.00	
	-	10/01/90	1000.00	400.00
			1400.00	400.00
46. Katherine W. Munson	-	12/18/89	100.00	
	401	4/27/90	200.00	
	852	7/10/90	100.00	
	913	7/16/90	200.00	
	2029	8/15/90	250.00	
	2255	9/13/90	150.00	
	2690	1/07/91	100.00	100.00
			1100.00	100.00
47. R.C. Hanning	-	4/03/90	250.00	
	956	7/20/90	250.00	
	2142	8/30/90	200.00	
	2431	10/03/90	100.00	
	2716	1/16/91	150.00	
	2783	4/24/91	200.00	150.00
			1150.00	150.00
Page Total				900.00
				(6)

9 5 0 4 3 7 2 2 3 5 1

DAVID DUKE FOR U.S. SENATE
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
48. Raymond J. Walsh	-	11/15/89	100.00	
	-	1/02/90	150.00	
	-	2/26/90	100.00	
	246	4/04/90	100.00	
	344	4/24/90	100.00	
	845	7/09/90	150.00	
	927	7/17/90	75.00	
	2103	8/27/90	100.00	
	2338	9/24/90	150.00	25.00
	2669	12/21/90	100.00	100.00
	2791	4/27/91	250.00	250.00
			1375.00	375.00
49. Priscilla Goodew	-	11/30/89	100.00	
	-	1/09/90	150.00	
	289	4/13/90	100.00	
	533	5/14/90	250.00	
	987	7/26/90	150.00*	
	2102	10/13/90	250.00	
	2632	12/17/90	100.00	100.00
	2721	1/22/91	150.00	150.00
			1250.00	250.00
50. Mrs. L.A. West	13	12/07/89	25.00	
	14	2/05/90	100.00	
	-	3/12/90	250.00	
	280	4/11/90	250.00	
	849	7/09/90	400.00	25.00
	1062	8/04/90	250.00	250.00
	2114	8/27/90	100.00	100.00
	2283	9/17/90	250.00	250.00
	2420	10/03/90	250.00	250.00
	2575	11/13/90	50.00	50.00
			1925.00	925.00
51. Donald L. Wilson	263	4/09/90	50.00	
	881	7/12/90	500.00	
	2432	10/04/90	500.00	50.00
			1050.00	50.00
52. Herbert L. Carver	-	12/14/89	10.00	
	-	4/27/90	1000.00	10.00
	2210	9/06/90	10.00	10.00
			1020.00	20.00
53. Eliza J. Bilyeu	982	7/25/90	15.00	
	2479	10/09/90	1000.00	15.00
	2588	11/19/90	25.00	25.00
			1040.00	40.00
Page Total				1660.00
				(16)

* - In Committee Database as $100.

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DAVID DUKE FOR U.S. SENA
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
54. Maria Gilley	39	1/23/90	50.00	
	31	2/16/90	500.00	
	31	2/16/90	82.50	
	31	2/16/90	500.00	132.50
	-	5/24/90	5.00	5.00
	793	7/02/90	12.00	12.00
	2504	8/20/90	891.28	891.28
	2114	8/27/90	120.00	120.00
	2283	9/17/90	1374.25	1374.25
			3535.03	2535.03
55. Carl Schoellkopf	54	11/14/89	100.00	
	442	3/23/90	250.00	
	556	5/17/90	250.00	
	876	7/12/90	250.00	
	903	7/14/90	25.00	
	2436	10/04/90	250.00	125.00
			1125.00	125.00
56. E.A. Faulkner	28	11/10/89	100.00	
	-	1/02/90	500.00	
	27	3/12/90	500.00	100.00
			1100.00	100.00
57. Neill MacRae, III	117	3/10/90	50.00	
	346	4/24/90	250.00	
	-	4/30/90	490.00	
	514	5/10/90	260.00	50.00
			1050.00	50.00
58. Trutz Foelsche, Sr.	-	1/02/90	100.00	
	-	3/12/90	300.00	
	863	7/11/90	350.00	
	2149	8/31/90	300.00	50.00
	2357	9/26/90	250.00	250.00
			1300.00	300.00
59. Jim Zrakas	26	11/15/89	100.00	
	97	1/03/90	250.00	
	376	3/08/90	250.00	
	886	7/13/90	250.00	
	2235	9/10/90	250.00	100.00
	2443	10/05/90	250.00	250.00
			1350.00	350.00
60. Monroe Reed, Jr.	203	3/28/90	50.00	
	203	3/28/90	10.00	
	1080	8/09/90	25.00	
	2173	9/04/90	50.00	
	2314	9/26/90	1000.00	135.00
			1135.00	135.00
Page Total				3595.03 (14)

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DAVID DUKE FOR U.S. SENATE
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
61. John R. Rarick	-	1/31/90	25.00	
	473	5/05/90	50.00	
	1095	6/10/90	10.00	
	928	7/17/90	50.00	
	2399	10/01/90	200.00	
	2423	10/03/90	2300.00	1635.00
			2635.00	1635.00
62. Leonard F. Crapper	54	11/14/89	100.00	
	40	1/09/90	150.00	
	-	3/12/90	250.00	
	396	4/22/90	100.00	
	755	6/27/90	400.00	
	931	7/18/90	300.00	300.00
	2246	9/12/90	200.00	200.00
	2443	10/05/90	100.00	100.00
	-	1/02/91	100.00	100.00
			1700.00	700.00
63. Ralph D. Toney	389	4/27/90	50.00	
	410	4/28/90	25.00	
	756	6/27/90	300.00	
	932	7/18/90	100.00	
	2133	8/29/90	100.00	
	2429	10/03/90	200.00	
	2601	11/28/90	250.00	25.00
	2771	3/20/91	250.00	250.00
			1275.00	275.00
64. Jerome Layton	-	12/13/89	2000.00	1000.00
	2393	10/01/90	100.00	100.00
	2676	10/02/90	10.00	10.00
	2561	11/05/90	100.00	100.00
			2210.00	1210.00
65. Benjamin Grob	372	4/26/90	1000.00	
	778	6/28/90	1000.00	1000.00
	2084	8/23/90	2000.00	2000.00
			4000.00	3000.00
66. Phillip J. Driscoll	54	11/14/89	100.00	
	-	12/13/89	100.00	
	-	12/30/89	150.00	
	83	3/06/90	250.00	
	2204	9/06/90	250.00	
	2331	9/24/90	250.00	100.00
	2379	10/01/90	250.00	250.00
			1350.00	350.00
67. Charles R. Smith	2158	8/31/90	2000.00	1000.00
Page Total				8170.00

9 5 0 4 3 7 2 2 3 5 4

DAVID DUKE FOR U.S. SENA
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
68. Janet B. Driscoll	979	7/25/90	250.00	
	466	5/04/90	250.00	
	744	6/26/90	250.00	
	2119	8/28/90	250.00	
	2352	9/26/90	100.00	100.00
	2583	11/15/90	250.00	250.00
	2652	12/24/90	100.00	100.00
			1450.00	450.00
69. Eleanor Parker Adam	-	5/08/90	100.00	
	856	7/10/90	200.00	
	996	7/27/90	200.00	
	2098	8/25/90	200.00	
	2356	9/26/90	300.00	
	2385	9/29/90	1000.00	1000.00
	2628	12/13/90	200.00	200.00
			2200.00	1200.00
70. Donna Gardner	2228	9/08/90	250.00	
		10/02/90	1000.00	250.00
			1250.00	250.00
71. Lloyd A. Faulstich	-	12/13/89	200.00	
	-	1/05/90	300.00	
	773	6/20/90	400.00	
	905	7/14/90	300.00	200.00
	2559	9/03/90	800.00	800.00
	2371	9/28/90	250.00	250.00
	-	2/11/91	200.00	200.00
			2450.00	1450.00
72. Margie G. Godsey	2383	1/03/90	500.00	
	-	2/21/90	250.00	
	291	2/23/90	100.00	
	165	3/21/90	500.00	350.00
	479	5/07/90	500.00	500.00
			1850.00	850.00
73. Vincent A. Canfield	-	1/05/90	100.00	
	291	2/23/90	100.00	
	374	3/08/90	500.00	
	203	3/28/90	100.00	
	532	5/12/90	100.00	
	691	6/19/90	100.00	
	743	6/26/90	100.00	100.00
	2481	10/10/90	500.00	500.00
	2610	11/30/90	500.00	500.00
	2703	1/10/91	150.00	150.00
	2751	2/15/91	100.00	100.00
			2350.00	1350.00
Page Total				5550.00
				(17)

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DAVID DUKE FOR U.S. SENATE
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
74. Harry Agnew	60	12/18/89	100.00	
	270	4/09/90	100.00	
	382	4/26/90	100.00	
	848	7/09/90	100.00	
	902	7/14/90	50.00	
	2103	8/27/90	100.00	
	-	10/02/90	250.00	
	2414	10/02/90	250.00	50.00
			1050.00	50.00
75. M.D. Harris	-	11/16/89	100.00	
	-	1/04/90	150.00	
	394	3/12/90	250.00	
	369	4/25/90	50.00	
	771	6/28/90	250.00	
	914	7/16/90	150.00	
	2246	9/12/90	100.00	50.00
	2371	9/28/90	35.00	35.00
	2626	12/11/90	100.00	100.00
			1185.00	185.00
76. A.B. Saunders	-	12/28/89	35.00	
	-	3/12/90	100.00	
	523	5/11/90	50.00	
	812	7/03/90	20.00	
	827	7/05/90	100.00	
	883	7/12/90	50.00	
	2085	8/23/90	250.00	
	2333	9/24/90	50.00	
	2352	9/26/90	100.00	
	2415	10/02/90	305.00	60.00
	2633	12/17/90	150.00	150.00
			1210.00	210.00
77. Jason Snyder	28	11/10/89	100.00	
	-	1/02/90	100.00	
	202	3/28/90	250.00	
	802	7/02/90	250.00	
	915	7/16/90	100.00	
	2015	8/13/90	100.00	
	2171	9/01/90	100.00	
	2343	9/24/90	150.00	150.00
	2481	10/10/90	100.00	100.00
	2624	12/10/90	250.00	250.00
	2659	12/27/90	150.00	150.00
	2787	4/25/91	100.00	100.00
			1750.00	750.00
Page Total				1195.00
				(11)

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DAVID DUKE FOR U.S. SENATE
Schedule of Excessive Contributions

Contributor Name	Deposit Number	Deposit Date	Contrib Amount	Excessive Amount
78. William S. Gorton	53	11/14/89	25.00	
	15	12/28/89	38.00	
	422	3/16/90	50.00	
	686	6/18/90	100.00	
	755	6/27/90	75.00	
	2014	8/13/90	50.00	
	2105	8/27/90	250.00	
	2393	10/01/90	100.00	
	2607	11/30/90	175.00	
	2703	1/10/91	150.00	13.00
			1013.00	13.00
79. Gary Monjure	-	7/04/90	2000.00*	1000.00
80. Kenneth Knight	-	7/04/90	2000.00*	1000.00
Page Total				2013.00 (3)
Grand Total				53901.72 (192)

* - Reported In-Kind Contribution for which no documentation was provided.

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Receipt of Anonymous Contributions of Currency in Excess of the Limitation

Section 110.4(c)(3) of Title 11 of the Code of Federal Regulations states that a candidate or committee receiving an anonymous cash contribution in excess of $50 shall promptly dispose of the amount over $50. The amount over $50 may be used for any lawful purpose unrelated to any Federal election, campaign, or candidate.

Our review of the Committee's receipt documentation identified 337 deposits which included cash in excess of $50 with no documentation as to the source of funds. Committee officials stated that recordkeeping for cash contributions was a problem because many contributors would hand cash to the Candidate at rallies and other events. A newspaper article provided by the Assistant Treasurer about the Candidate drawing large crowds of supporters and being given cash at rallies stated that "[s]upporters lined up to shake hands and be photographed with the candidate" and that "[m]any handed him neatly folded bills or cash when they met." The cash included in the 337 deposits totaled $193,005.14.

In our analysis, the Audit staff concluded that the cash amounts over $50 for each of the 337 deposits were in excess of the $50 limitation on anonymous cash contributions. The excessive portion of these contributions totaled $176,155.14 [$193,005.14 - $16,850 (337 x $50)].

The Committee's deposit tickets had several descriptions relative to these cash deposits. There were 149 cash deposits whose excessive portions totaled $108,219.40 and were described as having been from rallies. According to the Committee, these rallies were held at different locations throughout the state of Louisiana. At these rallies, a hat would be passed in which cash contributions and checks would be collected and later deposited. Also, there were 64 cash deposits for sales at these rallies for items including T-shirts, hats, and bumper stickers. The portions of these deposits in excess of $50 totaled $32,519.62. In summary, there were 213 cash deposits relative to these rallies whose excessive portions totaled $140,739.02.

Furthermore, there were 91 cash deposits whose excessive portions totaled $30,258.50 which were reported as being from solicitations. There were 11 deposits whose excessive portions totaled $3,986.00 which the Committee described as "cash contributions less than $50" on the deposit slips. The Committee made two cash deposits with "TV" as the description whose excessive portions totaled $162.00. Finally, there were 20 cash deposits whose excessive portions totaled $1,009.62 for which there was either no description or the description was noted as "miscellaneous."

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At the Exit Conference, the Committee was provided with a schedule detailing these excessive anonymous cash deposits.

Recap of Excessive Cash from Anonymous Sources

Category/Comte Deposit Tickets	Number of Deposits	Excessive Amount
Rallies	149	$108,519.40
T-Shirts and other paraphenalia sold at rallies	64	32,519.62
Solicitations	91	30,258.50
Contributions less than $50	11	3,986.00
TV	2	162.00
Blank or Miscellaneous	20	1,009.62
Totals	337	$176,155.14

In the Interim Audit Report, the Audit staff recommended that the Committee provide evidence that the cash deposits in excess of $50 were not anonymous cash contributions in excess of $50. In addition, it was requested that that Committee include evidence of the number of persons in attendance at the rallies; the amounts charged for tickets, T-shirts and other items; the amount of each day's proceeds from particular rallies; and, any other information that clarified the sources of the cash deposits.

It was further recommended that absent such evidence, the excessive portions should be disposed of by the Committee for any lawful purpose unrelated to any Federal election, campaign, or candidate. If funds were not available to dispose of the excessive portions, it was recommended that the Committee disclose the excessive contributions as debts owed by the Committee on Schedule D (Debts and Obligations).

The Committee's Assistant Treasurer responded to the Interim Audit Report with the following:

> "Candidate David Duke held hundreds of meetings/rallies with very large turnouts all over the state of Louisiana.
>
> "Contributors were instructed by Mr. Duke in every public speech (as ample tapes and videos will attest) that the most they could give in cash was $50 and that any amount higher must be made by check. A hat or bucket was passed around by campaign volunteers who were

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instructed to only allow cash contributions of $50 or less.

"The evidence demanded by your Audit staff is unbelievably out of touch with the reality of the campaign. I now quote from your report:

> 'Include evidence of the number of persons in attendance at the rallies, the amount of each day's proceeds from particular rallies,'

and so on.

"What, the Candidate was supposed to count from the bed of a truck all the people at a country crossroads or clearing in the woods? Or several hundred people crowded into a motel meeting room designed to hold 75? Often we would have to run two or three standing room only rallies in the same meeting room because of the people waiting in lines one, two, or three blocks long.

"What, we were supposed to sit down under the trees and right out in front of God and everybody count the cash from a roadside rally? (How about y'all flashing cash in Washington DC?)

"No, what we did was throw the money in a bag and speed on to the next rally, often making six, ten, a day. Late at night, after the whirlwind, the cash was properly counted and deposited.

"It certainly is unusual for a candidate to receive so many small cash contributions, but this was one of the greatest grass roots efforts in the history of America. It started out small but turned into a whirlwind, with Mr. Duke gaining 65 percent of the white vote.

"Simply because your regulations, formed for the business-as-usual politics of large special interest "contributions" (the people call them 'bribes'), never anticipated such a grass roots campaign by real people, is no reason to demand a body count, etc., AFTER THE FACT.

"We challenge you to show us in the FEC 'Campaign Guide for congressional candidates and committies' [sic] the requirement for a body count. Your AFTER THE FACT demand for a body count is typical 'inside the beltway' thinking that has been so utterly rejected by the people of this country. We know how they feel about Washington, not you (if you did you would head for the hills).

"We rigorously complied with the regulations, and utterly reject any suggestions to the contrary."

Recommendation #2

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

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Transfers from Candidate's Nonfederal Account Containing Possible Prohibited Funds

Section 441b(a) of Title 2 of the United States Code states, in relevant part, that it is unlawful for any national bank or any corporation organized by authority of any law of Congress to make a contribution or expenditure in connection with any election to any political office and further states that it is unlawful for any candidate, political committee or any other person to accept or receive any contribution prohibited by this section.

In addition, Section 441b(b)(2) of Title 2 of the United States Code states, in part, for purposes of this section the term "contribution or expenditure" shall include any direct or indirect payment, distribution, loan, advance, deposit or gift of money or any services, or anything of value (except loans made by banks in the ordinary course of business) to any candidate, campaign committee or political party or organization.

Section 110.3(c)(6)(i) of Title 11 of the Code of Federal Regulations states that transfers of funds from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee or other authorized committee for a federal election, provided that the funds transferred are not composed of contributions that would be in violation of the Act. In addition, the cash on hand from which the transfer is made shall be considered to consist of the funds most recently received by the transferor committee. The transferor committee must be able to demonstrate that such cash on hand contains sufficient funds at the time of the transfer that comply with the limitations and prohibitions of the Act to cover the amount transferred. A contribution shall be excluded from the amount transferred if the making or acceptance of such contribution in connection with an election for Federal office is prohibited by the Act. The amount transferred per contributor shall not exceed the limitations on contributions set forth at 11 C.F.R. 110.1 or 110.2, as appropriate. The campaign committee transferring the funds shall keep records of the sources of the funds in the account from which the transfer is made and, upon request, shall make such records available for examination by the Commission.

Section 110.3(c)(6)(iii) of Title 11 of the Code of Federal Regulations states that if a candidate's nonfederal campaign committee transfers funds exceeding $1,000 to such candidate's principal campaign committee or other authorized committee for a federal election, the nonfederal campaign committee shall become a political committee pursuant to 11 C.F.R. 100.5(a) and shall file a Statement of Organization in accordance with 11 C.F.R. 102.2 no later than ten days after transferring the funds. Such committee shall be subject to the recordkeeping and reporting obligations of 11 C.F.R. parts 102 and 104 and shall disclose in

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its first report its cash on hand balance, the source(s) of such funds, and the amount transferred to the federal campaign committee. The funds transferred shall be deemed composed of the funds most recently received until the amount transferred is reached, excluding any amounts in excess of the contribution limits or the prohibitions of the Act. The nonfederal campaign shall itemize the source(s) of the funds transferred in a memo Schedule A as required by 11 C.F.R. 104.3(a)(4).

Section 101.2 of Title 11 of the Code of Federal Regulations states, in part, that any candidate who receives a contribution as defined at 11 C.F.R. 100.7, obtains any loan, or makes any disbursement, in connection with his or her campaign shall be considered as having received such contribution, obtained such loan or made such disbursement as an agent of his or her authorized committee(s).

During the review of receipts, we noted three transfers, totaling $19,922.58, from the Candidate's nonfederal committee for his successful state representative campaign, which were deposited into the David Duke for U.S. Senate main operating account. The state representative election was a Special election to fill a vacancy and was held on February 18, 1989. Louisiana state election law permits contributions from corporations and labor unions. It should be noted that the nonfederal committee never registered as a political committee with the Federal Election Commission.

A Committee official explained that whenever apparent prohibited contributions were received by the U.S. Senate Committee, they were routinely deposited into the nonfederal account, which was still open from the state representative election, and letters were sent to the contributor seeking permission to redesignate the contribution to the nonfederal account. The Committee provided a blank sample letter to the Audit staff but none of the actual letters sent to the contributors were available for our review.

At the Audit staff's request, the Committee provided documentation which supported the contributions deposited into the nonfederal account. This documentation, which was related to calendar year 1990 deposits only, consisted of bank statements from the nonfederal account and listings prepared by the Committee of contributions noted as either corporate or non-corporate. Committee officials did not provide any information as to the methods they used to determine whether these entities were incorporated. Utilizing the documentation provided, we analyzed the composition of the funds most recently deposited into the nonfederal account as of the dates of the two 1990 transfers made from the nonfederal committee to the U.S. Senate Committee. No documentation was provided relative to the 1989 transfer. The results of our review of the three transfers follows.

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Transfer #1

We noted that the Committee received and deposited a $1,355 transfer from the Candidate's nonfederal account on November 9, 1989. On this date, the Committee had written checks which caused its bank account to be overdrawn. The available documentation did not allow a determination to be made as to the source of funds relative to this transfer.

Transfer #2

The second transfer received by the Committee was a $13,500 check deposited on July 11, 1990. The Committee reported this transfer as a loan received from the Candidate although the transfer went directly from the nonfederal account to the Committee's account. A $13,500 loan repayment was made via a check made payable to the Candidate on December 31, 1990. It is not known where this repayment was deposited.

The Committee stated at the Exit Conference that the transfer was made to have funds available to pay for a thirty minute television spot created by the Candidate. Utilizing the deposit listings prepared by the Committee, which contained the Committee's determinations as to which contributions were from corporate sources, the Audit staff analyzed the most recently deposited contributions into the nonfederal account as of the date of the $13,500 transfer, and noted that contributions totaling $12,155.00 were from apparent prohibited sources. Based on this analysis, the remaining contributions, totaling $1,345.00, were noted by the Committee as being from permissible sources.

Transfer #3

On October 3, 1990, the Committee received and deposited a $5,067.58 transfer from the Candidate's nonfederal committee. This amount represents the contributions received by the Committee during 1990 which were initially identified by the Committee as being from prohibited sources but were subsequently deemed acceptable by the Committee. Utilizing the deposit listings prepared by the Committee, which contained the Committee's determinations as to which contributions were from corporate sources, the Audit staff analyzed the most recently deposited contributions into the nonfederal account as of the date of the $5,067.58 transfer, and noted that contributions totaling $4,772.58 were from apparent prohibited sources. Based on this analysis, the remaining contributions, totaling $295.00, were noted by the Committee as being from permissible sources.

It should be noted that the Committee did not provide any documentation in support of their determinations as to which contributions were from corporate or permissible sources. The Audit staff was unable to verify the Committee's determinations because the contributor listings provided by the Committee did

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not contain the contributor addresses necessary to enable us to contact the appropriate Secretaries of State. As a result, the Audit staff considers the total of the three transfers, $19,922.58 ($1,355.00 + $13,500.00 + $5,067.58), to be from possible prohibited sources.

In the Interim Audit Report, the Audit staff recommended that the Committee either submit evidence which demonstrated that the $19,922.58 in contributions discussed above were not prohibited funds, or refund the apparent prohibited funds and present evidence of such refunds (i.e., copies of the front and back of the negotiated refund checks). If funds were not available to make such refunds, it was further recommended that the Committee disclose the above amount as a debt owed by the Committee on Schedule D (Debts and Obligations).

In response to Transfer #1, the Committee provided the Audit staff with an undocumented list of 1989 contributions to the Candidate's nonfederal account along with two bank statements for the account covering the period 9/26/89 to 11/25/89. The Committee prepared listing, unsupported by any external documentation, contains contributions from individuals. These contributions support less than half of the two deposits of funds most recently received which comprise the amount transferred pursuant to 11 C.F.R. 110.3(c)(6)(i). We analyzed the listing and reviewed the contributions whose dates corresponded with the dates of the two deposits noted above. The total of these contributions is $668 which would still leave $687 for which the source would still be unknown. However, as noted above, the documentation provided did not allow the Audit staff to perform a thorough review to determine the source of the monies on the listing. Therefore the source of funds for the $1,355 transfer is yet unidentified.

In response to Transfer #2, the Committee stated as follows:

> "This transfer comes from the big list of possible corporate contributors. We determined in the above mentioned proceedure [sic] that they are in fact corporations. These were redesignated to the nonfederal account. I have said redisignations [sic] on file.
>
> "In the press of the election, audits/investigations, etc., I made the snap decision that it was 'OK' for the Candidate to personally borrow these redisignated [sic] corporate contributions if he signed a promissory note. I even traveled to the State Capitol tc have the Candidate sign said note (I thought the note was stronger that [sic] it turned out to be).
>
> "Then I goofed again in having the funds go directly from the state account to the federal account, without passing thru the individual's bank account, for which I had gotten the note in the first place.

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"It was only after speaking with Mr. Swearingen did I realize this 'OK' loan for accounting purposes is not 'OK' for federal election purposes, because you go beyond the note to the source of the funds. After Mr. Swearingen explained to me the abuses possible in this area, I can see why what I did looks improper.

"With 20/20 hindsight, I now realize I should have phoned the FEC and got help from the many fine professionals who have been kind enough to assist me since the Senate audit. I have let them guide me in Mr. Duke's Presidential campaign, and have avoided many pitfalls in so doing."

In response to Transfer #3, the Committee stated:

"You wanted to know why I treated these as 'OK' contributions. The reason is because I provided the FEC Audit staff a five page list of 'OK' non-corporate contributors making up this amount. I determined these were not corporations by asking volunteers to phone the big list of possible corporate contributors. They did so, and listed on said five pages those found non-corporate.

"I am remiss for not thinking ahead about a possible audit, and having the volunteers record the phone numbers or addresses on the five page list of non-corporate contributors so the FEC Audit staff could verify same.

"I would like to point out that whether verified by FEC or not, they still are 'OK' non-corporate contributions, as I am prepared to show should I be afforded the opportunity to do so."

Regardless of the efforts of the Committee's volunteers to identify an amount deposited into the nonfederal account that could have been received by the Committee, the transfer is assumed to consist of those contributions received immediately prior to the transfer. No evidence that establishes which contributions those were, or the permissibility of those contributions was submitted.

Recommendation #3

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

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Itemization of Contributions from Individuals

Section 434(b)(3)(A) of Title 2 of the United States Code requires a political committee to report the identification of each person who makes a contribution to the committee in an aggregate amount or value in excess of $200 per calendar year together with the date and amount of such contribution.

Section 431(13)(A) of Title 2 of the United States Code defines the term "identification" to be, in the case of any individual, the name, the mailing address, and the occupation of such individual as well as the name of his or her employer.

We reviewed the Committee's contribution records on a sample basis to determine whether all contributions aggregating in excess of $200 per calendar year were itemized as required on the Committee's disclosure reports. The results of our review indicated that 16.54% of the itemizable contributions were not itemized on the reports.

The Audit staff generated a listing of 1,089 contributors whose contributions appeared to require itemization based on a selective review of the Committee's computerized contribution listings. At the exit conference, the Committee was advised of the high error rate for itemization. The listing we developed was provided to the Committee and they were requested to compare this list to their filed Schedule A's (Itemized Receipts) and then amend their Schedule A's to correctly itemize all contributions not itemized as required. The Committee provided no explanation for these itemization omissions.

In the Interim Audit Report the Audit staff recommended that the Committee file amended Schedule A's correcting the above noted itemization problem.

The Committee's response to the Interim Audit Report did not address this issue.

Recommendation #4

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

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

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

LRA # 406
STAFF MEMBERS: Delanie DeWitt Painter
Zina E. Hoes

SOURCE: INTERNALLY GENERATED

RESPONDENTS: David Duke for U.S. Senate Committee and
James A. McPherson, as Treasurer
Frank D. Richardson
Jerrie Bellow
Louis J. Arrieta
R.W. Weidemann
Ray Cater
L.M. Neilson
Jeff William Smith
Mary P. Donta
Harold H. White, III
Francis J. Shubert, Sr.
E.R. McElveen
Maria Gilley
John R. Rarick
Jerome Layton
Benjamin Grob
Eleanor Parker Adam
Lloyd A. Faulstich
Vincent A. Canfield

RELEVANT STATUTES:
2 U.S.C. § 431(13)(A)
2 U.S.C. § 432(c)(2)
2 U.S.C. § 433(a)
2 U.S.C. § 434(a)
2 U.S.C. § 434(b)(3)(A)
2 U.S.C. § 441a(a)(1)(A)
2 U.S.C. § 441a(f)
2 U.S.C. § 441b(a)
2 U.S.C. § 441g
11 C.F.R. § 102.6(a)(1)(i),(iv)
11 C.F.R. § 110.3(c)(6)
11 C.F.R. § 110.4(c)(3)
11 C.F.R. § 114.2

INTERNAL REPORTS CHECKED:
Audit Report and Referrals

FEDERAL AGENCIES CHECKED:
None

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I. GENERATION OF MATTER

This matter was generated by an audit of David Duke for U.S. Senate Committee, ("the Committee") and James A. McPherson, as Treasurer, undertaken in accordance with 2 U.S.C. § 438(b). The Audit Division's referrals of matters from the audit are attached. Attachment 1.

The Committee was the principal campaign committee for David Duke, who lost the 1990 Louisiana election for the United States Senate with 43.51% of the vote.[1/]

II. FACTUAL AND LEGAL ANALYSIS

A. Excessive Contributions from Individuals

The Federal Election Campaign Act of 1971, as amended ("the Act") limits the amount that an individual may contribute to any candidate to $1,000 with respect to any election. 2 U.S.C. § 441a(a)(1)(A). Moreover, no candidate or political committee shall knowingly accept any contribution which exceeds the contribution limitations. 2 U.S.C. § 441a(f).

The Committee received 192 excessive contributions totaling $53,901.72 from 80 individuals that were not refunded or reattributed. 11 C.F.R. §§ 103.3(b)(1) and 110.1. This total includes two excessive in-kind

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1/ The State of Louisiana holds an open primary for United States Senate elections, in which both Democratic and Republican candidates run on the same ballot. 18 La. Rev. Stat. Ann. § 511A. A candidate is the overall winner if that candidate receives a majority vote in the primary. Id. Since Senator Johnston of Louisiana won the open primary with more than 50% of the vote, no general election for the Senate seat occurred in 1990.

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contributions from two individuals, each reported in the amount of $2,000. The Committee provided no documentation to verify the nature of these two in-kind contributions. There is no evidence that the Committee has taken any action to refund the excessive contributions.

The large number of excessive contributions was apparently caused by Committee practices based on misconceptions of the Act and Commission regulations.[2/] Both before and after the open primary, the Committee treated the excessive portions of undesignated contributions from individuals as general election contributions. However, no general election was held. Moreover, it was the Committee's practice to attribute contributions received on joint accounts to both spouses without having the requisite signatures, or requesting written reattributions. The Committee reported 996 itemized contributions from both spouses rather than from the signatory on the check. A Committee representative stated that the Committee erroneously attributed contributions to the accountholders of the contribution check, not to the check signers. However, contributions are attributable to the person who signs the

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2/ The Committee's response to the Interim Audit Report stated that the Assistant Treasurer was "too dumb to pick up the distinction between check accountholders as opposed to the check signers." Attachment 2, Page 2. The Assistant Treasurer stated that he "did not dig in and learn as much about federal election law as I should have" because he worked part time, and was "in a state of overwhelm" because of several "coordinated ongoing audits/investigations of Mr. Duke." Id.

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check. See 11 C.F.R. §§ 104.8(c) and 110.1(k). Finally, the Committee erroneously applied the $1,000 contribution limitation to each calendar year rather than to each election. 2 U.S.C § 441a(1)(A). Thus, contributions made in different calendar years by the same individual were not aggregated by election.

However, 18 of the contributors made contributions significantly in excess of their contribution limitations as set forth in the following chart:

Name	Total Contributions	Excessive Amount
Frank D. Richardson	$2,225	$1,225
Jerrie Bellow	$2,500	$1,500
Louis J. Arrieta	$2,220	$1,220
R.W. Weidemann	$2,150	$1,150
Ray Cater	$2,525	$1,525
L.M. Neilson	$3,025	$2,025
Jeff William Smith	$2,800.69	$1,800.69
Mary P. Donta	$2,200	$1,200
Harold H. White, III	$4,000	$3,000
Francis J. Shubert, Sr.	$2,740	$1,740
E.R. McElveen	$3,100	$2,100
Maria Gilley	$3,535.03	$2,535.03
John R. Rarick	$2,635	$1,635
Jerome Layton	$2,210	$1,210
Benjamin Grob	$4,000	$3,000

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Eleanor Parker Adam	$2,200	$1,200
Lloyd A. Faulstich	$2,450	$1,450
Vincent A. Canfield	$2,350	$1,350

Therefore, this Office recommends that the Commission find reason to believe that Frank D. Richardson, Jerrie Bellow, Louis J. Arrieta, R.W. Weidemann, Ray Cater, L.M. Neilson, Jeff William Smith, Mary P. Donta, Harold H. White, III, Francis J. Shubert, Sr., E.R. McElveen, Maria Gilley, John R. Rarick, Jerome Layton, Benjamin Grob, Eleanor Parker Adam, Lloyd A. Faulstich, and Vincent A. Canfield violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of their individual contribution limitations.[3/] Moreover, this Office recommends that the Commission find reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, knowingly accepted contributions in excess of the contribution limitations in violation of 2 U.S.C. § 441a(f).

B. Anonymous Contributions of Currency

The Act provides that no person may make cash contributions to any candidate for federal office which exceed $100 in the aggregate. 2 U.S.C. § 441g. A political committee may accept anonymous cash contributions from an

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3/ We have attached a sample Factual and Legal Analysis for one of the individual respondents. Attachment 3. If the Commission approves this recommendation, we will prepare Factual and Legal Analyses for the remaining individuals which will be identical to the sample except for details such as the name of the respondent and the amount of the excessive contribution.

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individual up to the amount of $50, but must promptly dispose of any amount in excess of $50 for any lawful purpose unrelated to any federal election, campaign, or candidate. 11 C.F.R. § 110.4(c)(3). For cash contributions over $50, the committee treasurer must keep records of the date and amount of the contribution and the name and address of the contributor. 2 U.S.C. § 432(c)(2). The Commission has delineated several accounting methods to satisfy the recordkeeping requirement for events involving numerous cash contributions under $50. See Advisory Opinion "AO" 1980-99. A committee may keep an account of the name and address of each contributor, or "record the name of the event, the date(s) contributions were received for that event, and the total amount of contributions received on each day for that event." AO 1980-99.

The audit revealed that the Committee made 337 deposits of cash in excess of $50 that have no documentation revealing the source of the funds. These deposits total $193,005.14, and the total amount in excess of $50 for the deposits was $176,155.14. The Committee informed the Audit staff that recordkeeping for cash contributions was a problem because many contributors would hand cash to the candidate at rallies and other events.

Most of the bank deposit slips had notations concerning the source of the contributions. These notations fall into several categories: rallies; T-shirts and other paraphenalia sold at rallies; solicitations; contributions less than $50;

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TV; and miscellaneous.[4/] Some of the deposit slips did not have any notation on them. A number of the notations identify the location of particular rallies. Other than the notations, there is no evidence of how many contributions are in each deposit, or the amount of contributions.

In its response to the Interim Audit Report, the Committee stated that the candidate held hundreds of rallies with large turnouts in Louisiana. Attachment 2, page 3. The Committee also stated that in every public speech, the candidate instructed contributors that the most they could give in cash was $50, and that larger amounts must be contributed by check; and that campaign volunteers, who passed around a hat or bucket, were instructed to only accept cash contributions of $50 or less. Id. The campaign staff would "throw the money in a bag and speed on to the next rally ... after the whirlwind, the cash was properly counted and deposited." Id. The Committee provided no additional evidence of its procedures for processing cash contributions.

There is no evidence of how many anonymous cash contributions were in each deposit, or the amount of contributions. Furthermore, there is no showing that the Committee made any attempt to differentiate between cash

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4/ It appears that 149 of the deposits resulted from rallies held throughout Louisiana. Moreover, 64 deposits appear to be the proceeds of sales of T-shirts, bumper stickers, hats, and other items at the rallies. The notations on the remaining cash deposits include 91 noted as being from solicitations, 11 described as cash contributions less than $50, two described as TV and 20 with no notation or the notation "miscellaneous". Attachment 1, page 20.

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contributions below $50 and those of more than $50, which must be recorded. 2 U.S.C. § 432(c)(2). While it is possible that each cash deposit was made up of a number of individual contributions of less than $50, the Committee has provided no evidence of the source or amount of the contributions other than the brief notations on the deposit slips.[5/]

Moreover, it is unclear whether the Committee had a recordkeeping system in place, such as the one delineated in AO 1980-99, to record the name of the event, the date(s) contributions were received and the total amount of contributions received on each day for that event. Arguably, notations on deposit slips identifying particular rally locations and dates could be sufficient to satisfy the recordkeeping requirement; however, the brief notations in this case provide insufficient information to satisfy the requirement. The notations do not consistently provide locations or other necessary information. For example, it is not clear if the date of each rally is the date of the deposit, or if the total amount collected is the amount of the deposit. Finally, the Committee has not demonstrated that it disposed of any amount of anonymous cash contributions in excess of $50. 11 C.F.R. § 110.4(c)(3).

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5/ Since notations on 11 of the deposit slips indicate that they consist of contributions under $50, it is reasonable to conclude that the remaining deposits may have included some contributions in excess of $50.

Therefore, this Office recommends that the Commission find reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, failed to keep records of the date and amount of each contribution in excess of $50 and the name and address of the contributor in violation of 2 U.S.C. § 432(c)(2). Moreover, this Office recommends that the Commission find reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, failed to promptly dispose of any amount of anonymous cash contributions in excess of $50 for any lawful purpose unrelated to any federal election, campaign, or candidate in violation of 11 C.F.R. § 110.4(c)(3).

C. Transfers From Candidate's Nonfederal Account Containing Possible Prohibited Funds

It is unlawful for a corporation or labor organization to make a contribution or expenditure in connection with any federal election. 2 U.S.C. § 441b(a); 11 C.F.R. § 114.2. The Act further prohibits a candidate, political committee or other person from knowingly accepting or receiving any corporate or union contribution. Id.

A transfer of funds is permissible from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee for a federal election provided that the funds transferred are not composed of contributions that would be in violation of the Act. 11 C.F.R. §§ 110.3(c)(6); 102.6(a)(1)(i),(iv). The cash on hand from

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which the transfer is made shall be considered to consist of the funds most recently received by the transferor committee. 11 C.F.R. § 110.3(c)(6). The transferor committee must be able to demonstrate that it had sufficient funds that comply with the limitations and prohibitions of the Act to make the transfer at the time of the transfer. Id. The transferring committee shall keep records of the sources of the funds in the account from which the transfer is made and, upon request, shall make such records available for examination by the Commission. Id.

The Committee received three transfers, totaling $19,922.58 from the candidate's nonfederal committee for his previous state representative campaign (the "Nonfederal Committee").[6] The Nonfederal Committee never registered as a political committee with the Commission.

Louisiana state election law permits contributions from corporations and labor unions. 18 La. Rev. Stat. Ann. § 1505.2F. According to a Committee official, whenever the Committee received apparent prohibited contributions, the funds were routinely deposited into the Nonfederal Committee

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6/ The Nonfederal Committee was established by the candidate for his successful state campaign. The candidate won the special election for state representative, held on February 18, 1989. The name of the Nonfederal Committee is not clear. The Committee's itemized receipts note one transfer from the "David Duke Campaign." According to the Louisiana Board of Ethics for Elected Officials, Supervisory Committee on Campaign Finance Disclosure, Mr. Duke filed disclosure reports for the February 18, 1989 election under his own name, rather than a committee name. However, the reports were also signed by Paul Allen, as treasurer.

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account, and letters seeking redesignations were sent to the contributors.

Three transfers totaling $19,922.58 from the Nonfederal Committee to the Committee may be from prohibited sources.[7/] First, the Committee received and deposited a $1,355 transfer from the Nonfederal Committee account on November 9, 1989, after the Committee had overdrawn its bank account. The Audit staff was unable to determine the source of the funds for this transfer based on the available documentation. The second transfer was a $13,500 check received from the Nonfederal Committee account and deposited on July 11, 1990, which was reported as a loan from the candidate. The Committee made a $13,500 loan repayment by check to the candidate on December 31, 1990. According to the Committee's response to the Interim Audit Report, the transaction was intended to be a loan from the candidate, but the Committee

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7/ The Committee provided limited and incomplete documentation to support the deposits into the Nonfederal Committee account, including bank statements and lists of contributions prepared by the Committee noting whether contributions were from corporate sources. The Committee provided no information concerning how it determined whether entities were incorporated. It is not possible to verify whether contributions in the Nonfederal Committee account at the time of the transfers were from prohibited sources or permissible sources. The contributor listings provided by the Committee for 1990 only contained contributor names and did not contain contributor addresses which could be verified with the appropriate Secretaries of State. The contributor list for 1989 provided in response to the Interim Audit Report provided contributor addresses for individuals, but it is not clear if these contributions were actually individual contributions, or were made from corporate accounts. Thus, the documentation was insufficient for a thorough review of these transactions.

"goofed again in having the funds go directly from the state account to the federal account, without passing through the individual's bank account, for which I had gotten the [loan] note." Attachment 2, page 4. The limited documentation provided by the Committee indicates that $12,155.00 of the most recently deposited contributions in the Nonfederal Committee account at the time of this transfer were from prohibited sources and the remaining $1,345.00 were from permissible sources.

Finally, the Committee received a $5,067.58 transfer on October 3, 1990 from the Nonfederal Committee account representing contributions received by the Committee in 1990 which had been deposited into the Nonfederal Committee account because the Committee believed they were from prohibited sources, but which the Committee subsequently determined were acceptable. Based on the Committee's documentation, $4,772.58 of the most recently deposited contributions in the Nonfederal Committee account at the time of the $5,067.58 transfer were from prohibited sources and the remaining $295.00 were from permissible sources.

The available evidence is insufficient to demonstrate that any of the amount used for the three transfers was from permissible sources. The documentation provided by the Committee indicates that the most recently deposited funds in the Nonfederal Committee account at the time of two of the transfers were primarily made up of prohibited contributions. Moreover, the only available documentation of whether the

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source of contributions in the Nonfederal Committee account was prohibited or permissible is a list prepared by the Committee which cannot be independently verified. Since there is no evidence that demonstrates that the Nonfederal Committee account had sufficient funds that comply with the limitations and prohibitions of the Act to make the transfers at the time of the transfers, and adequate records of the sources of the funds in the account have not been provided to the Commission, there is reason to believe that the total amount of the three transfers, $19,922.58, is from prohibited sources. 11 C.F.R. § 110.3(c)(6).[8/]

Therefore, the Office of General Counsel recommends that the Commission find reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, violated 2 U.S.C. § 441b(a) by accepting three transfers which contained funds from prohibited sources.

8/ In addition, after the Nonfederal Committee transferred funds in excess of $1,000 to the Committee, it became a political committee and was required to file a statement of organization within ten days of the first transfer and periodic reports of receipts and disbursements. 11 C.F.R. § 110.3(c)(6); 2 U.S.C. §§ 433(a) and 434(a). Since it was a political committee, any prohibited contributions received by the Nonfederal Committee between the dates of the first and last transfers were accepted in violation of 2 U.S.C. § 441b(a). Nevertheless, we are making no recommendations concerning the Nonfederal Committee at this time. The Nonfederal Committee appears to have been no more than an account from the candidate's previous state campaign controlled by the Committee rather than an ongoing political committee. Moreover, we do not believe that pursuit of the Nonfederal Committee would be a prudent use of the Commission's limited resources. Instead, we believe that the focus of this compliance action should be on the David Duke for U.S. Senate Committee.

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D. Itemization of Contributions from Individuals

The Act requires a political committee to disclose the identification of each person who makes a contribution to the committee in an aggregate amount in excess of $200 per calendar year, together with the date and amount of the contribution. 2 U.S.C. § 434(b)(3)(A). Identification of an individual shall include the name, mailing address, occupation, and name of employer of the individual. 2 U.S.C. § 431(13)(A).

The Audit Division reviewed the Committee's contribution records on a sample basis to determine whether all contributions aggregating in excess of $200 per calendar year were properly itemized as required. The Audit Division concluded that the Committee failed to itemize 16.54% of individual contributions in excess of $200, totaling $60,932 on its disclosure reports. The Audit staff provided the Committee with a listing of 1,089 contributors whose contributions appeared to require itemization, and requested that the Committee amend its reports to correctly itemize all contributions required to be itemized. The Committee provided no explanation for the errors, and did not file amended reports to correct the problem.

Therefore, this Office recommends that the Commission find reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, violated 2 U.S.C. § 434(b)(3)(A).

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III. PLAN FOR INVESTIGATION

Provided that the Commission finds reason to believe as recommended by this report, this Office will need to obtain additional information concerning the Committee's activities. Specifically, additional information and documentation is necessary to clarify the Committee's procedures for soliciting and dealing with cash contributions. In addition, discovery may uncover additional information concerning the source of funds in the Nonfederal Committee account at the time of the three transfers to the Committee. It appears that the best method to obtain the necessary information is to issue subpoenas to produce documents and submit written answers to interrogatory questions concerning these matters to the Committee. We note that information concerning the cash contributions and transfers was requested in the Interim Audit Report, but the Committee failed to provide sufficient information to clarify the facts. Therefore, this Office recommends that the Commission approve the attached subpoena.[9/] Attachment 4.

IV. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

9/ The subpoena is addressed to both the Committee Treasurer and the Assistant Treasurer at the Committee's current address. The Assistant Treasurer responded to the Commission's Interim Audit Report on behalf of the Committee.

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IV. RECOMMENDATIONS

1. Open a MUR.

2. Find reason to believe that Frank D. Richardson, Jerrie Bellow, Louis J. Arrieta, R.W. Weidemann, Ray Cater, L.M. Neilson, Jeff William Smith, Mary P. Donta, Harold H. White, III, Francis J. Shubert, Sr., E.R. McElveen, Maria Gilley, John R. Rarick, Jerome Layton, Benjamin Grob, Eleanor Parker Adam, Lloyd A. Faulstich, and Vincent A. Canfield violated 2 U.S.C. § 441a(a)(1)(A).

3. Find reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, violated 2 U.S.C. § 441a(f); 2 U.S.C. § 441b(a); 2 U.S.C. § 432(c)(2); 2 U.S.C. § 434(b)(3)(A); and 11 C.F.R. § 110.4(c)(3).

4. Enter into conciliation with Frank D. Richardson; Jerrie Bellow; Louis J. Arrieta; R.W. Weidemann; Ray Cater; L.M. Neilson; Jeff William Smith; Mary P. Donta; Harold H. White, III; Francis J. Shubert, Sr.; E.R. McElveen; Maria Gilley; John R. Rarick; Jerome Layton; Benjamin Grob; Eleanor Parker Adam; Lloyd A. Faulstich; and Vincent A. Canfield prior to a finding of probable cause to believe.

5. Approve the attached Factual and Legal Analysis for the David Duke for U.S. Senate Committee, and sample individual contributor Factual and Legal Analysis.

6. Approve the attached sample Conciliation Agreement.

7. Approve the attached subpoena.

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8. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

6/7/94
Date

BY: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

Attachments

1. Referral Materials
2. David Duke for U.S. Senate Response to Interim Audit Report
3. Factual and Legal Analysis for the David Duke for U.S. Senate Committee, and Sample Individual Contributor Factual and Legal Analysis
4. Subpoena to David Duke for U.S. Senate Committee
5. Sample Individual Contributor Conciliation Agreement

9604372223

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	Agenda Document
David Duke for U.S. Senate -	)	#X94-67
Referrals from the Final	)	
Audit Report (LRA 406)	)	(MUR 3998)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on June 22, 1994, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions with respect to the above-captioned matter:

1. Open a MUR.

2. Find reason to believe that Frank D. Richardson, Jerrie Bellow, Louis J. Arrieta, R.W. Weidemann, Ray Cater, L.M. Neilson, Jeff William Smith, Mary P. Donta, Harold H. White, III, Francis J. Shubert, Sr., E.R. McElveen, Maria Gilley, John R. Rarick, Jerome Layton, Benjamin Grob, Eleanor Parker Adam, Lloyd A. Faulstich, and Vincent A. Canfield violated 2 U.S.C. 441a(a)(1)(A).

3. Find reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, violated 2 U.S.C. § 441a(f); 2 U.S.C. § 441b(a); 2 U.S.C. § 432(c)(2); 2 U.S.C. 434(b)(3)(A); and 11 C.F.R. § 110.4(c)(3).

(continued)

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4. Enter into conciliation with Frank D. Richardson; Jerrie Bellow; Louis J. Arrieta; R.W. Weidemann; Ray Cater; L.M. Neilson; Jeff William Smith; Mary P. Donta; Harold H. White, III; Francis J. Shubert, Sr.; E.R. McElveen; Maria Gilley; John R. Rarick; Jerome Layton; Benjamin Grob; Eleanor Parker Adam; Lloyd A. Faulstich; and Vincent A. Canfield prior to a finding of probable cause to believe.

5. Approve the Factual and Legal Analysis for the David Duke for U.S. Senate Committee, and sample individual contributor Factual and Legal Analysis recommended in the General Counsel's report dated June 7, 1994.

6. Approve the sample Conciliation Agreement recommended in the General Counsel's report dated June 7, 1994.

7. Approve the subpoena recommended in the General Counsel's report dated June 7, 1994

8. Approve the appropriate letters.

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

Attest:

6-24-94
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JUN 30 1994

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LRA 406

ADDRESS INFORMATION REQUEST

Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: John R. Rarick
LAST KNOWN ADDRESS: 482 Royal St., PO Box 1924
St. Francisville, LA 70775

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

Jack MacDonald
Jack MacDonald
Paralegal Specialist

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Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: Maria Gilley
LAST KNOWN ADDRESS: P.O. Box 483, Highway 139
Swartz, LA 71281

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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NAME: L.M. Neilson
LAST KNOWN ADDRESS: Rt. 2, Box 546
Minden, LA 71055

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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NAME: Frank D. Richardson
LAST KNOWN ADDRESS: Rt. 1, Box 107
St. Joseph, LA 71366

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: Jerrie Bellow
LAST KNOWN ADDRESS: 100 Froeba Dr., PO Box 608
Carencro, LA 70520-0608

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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NAME: Francis J. Shubert, Sr.
LAST KNOWN ADDRESS: 3216 Ridgeway Drive
Metairie, LA 70002

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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NAME: Jerome Layton
LAST KNOWN ADDRESS: 1 Cherry Lane
Berea, KY 40403

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: Jeff William Smith
LAST KNOWN ADDRESS: 43 W. 340 Smith Road
Elburn, IL 60119

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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NAME: Ray Cater
LAST KNOWN ADDRESS: Rt. 1 Box 13-H
Ferriday, LA 71334

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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NAME: Vincent A. Canfield
LAST KNOWN ADDRESS: P.O. Box 222, R.R. 1
Equinunk, PA 18417

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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NAME: Louis J. Arrieta
LAST KNOWN ADDRESS: 4461 Purdue Avenue
Culver City, CA 90230

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: Benjamin Grob
LAST KNOWN ADDRESS: 206 Corsair Road
Duck Key, FL 33050

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JUN 30 1994

POSTMASTER
U.S. Postal Service
New Orleans, LA 70113

LRA 406

ADDRESS INFORMATION REQUEST

Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: Lloyd A. Faulstich
LAST KNOWN ADDRESS: 1240 Dauphine Street
New Orleans, LA 70116

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

Jack MacDonald
Jack MacDonald
Paralegal Specialist

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9604372238

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JUN 30 1994

POSTMASTER
U.S. Postal Service
Gretna, LA 70053

LRA 406

ADDRESS INFORMATION REQUEST

Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: Eleanor Parker Adam
LAST KNOWN ADDRESS: 416 Westmeade Drive
Gretna, LA 70056

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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Jack MacDonald
Paralegal Specialist

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9604372239

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

JUN 30 1994

POSTMASTER
U.S. Postal Service
Bogalusa, LA 70429

LRA 406

ADDRESS INFORMATION REQUEST

Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: E.R. McElveen
LAST KNOWN ADDRESS: 444 Memphis Street
Bogalusa, LA 70427

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

Jack MacDonald

Jack MacDonald
Paralegal Specialist

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JUN 30 1994

POSTMASTER
U.S. Postal Service
New Orleans, LA 70113

LRA 406

ADDRESS INFORMATION REQUEST

Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: Harold H. White, III
LAST KNOWN ADDRESS: 1161 Lake Avenue #323
New Orleans, LA 70119

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

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Paralegal Specialist

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

JUN 30 1994

POSTMASTER
U.S. Postal Service
Long Beach, CA 90802

LRA 406

ADDRESS INFORMATION REQUEST

Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: R.W. Weidemann
LAST KNOWN ADDRESS: 6451 Bixby Hill Road
Long Beach, CA 90815

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

Jack MacDonald
Jack MacDonald
Paralegal Specialist

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9604372242

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

JUN 30 1994

POSTMASTER
U.S. Postal Service
Cleveland, Ohio 44101

LRA 406

ADDRESS INFORMATION REQUEST

Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: Mary P. Donta
LAST KNOWN ADDRESS: 1614 Keystone Road
Parma, Ohio 44134

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

Jack MacDonald
Jack MacDonald
Paralegal Specialist

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9604372243

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 12, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

James A. McPherson, Treasurer
Paul Allen, Assistant Treasurer
David Duke for U.S. Senate Committee
3603 Cypress Street
Metairie, LA 70001

RE: MUR 3998
David Duke for U.S. Senate Committee

Dear Mr. McPherson and Mr. Allen:

On June 22, 1994, the Federal Election Commission found that there is reason to believe that the David Duke for U.S. Senate Committee ("Committee") and James A. McPherson, as treasurer, violated 2 U.S.C. § 441a(f); 2 U.S.C. § 441b(a); 2 U.S.C. § 432(c)(2); and 2 U.S.C. § 434(b)(3)(A), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Commission also found reason to believe that the Committee and James A. McPherson, as treasurer, violated 11 C.F.R. § 110.4(c)(3). 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. Statements should be submitted under oath. All responses to the enclosed Order to Submit Written Answers and Subpoena to Produce Documents to the Committee, James A. McPherson, as treasurer, and Paul Allen, as assistant treasurer, must be submitted within 30 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number

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

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, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

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

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

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

For the Commission,

Trevor Potter
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

cc: David Duke
500 N. Arnoult Road
Metairie, LA 70001

9604372245

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 3998
	)	
	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: James A. McPherson, Treasurer
Paul Allen, Assistant Treasurer
David Duke for U.S. Senate Committee
3603 Cypress Street
Metairie, LA 70001

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

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 11th, day of July, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Questions and Document Request (4 pages)

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INSTRUCTIONS

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

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

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

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

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

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1989 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 David Duke for U.S. Senate Committee, James A. McPherson as Treasurer, and Paul Allen, as Assistant Treasurer, 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 request for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS

1. Describe in detail the procedures or systems used by you for soliciting, receiving, recording, and depositing cash contributions, including cash receipts for the sale of campaign merchandise. Your answer should include, but not be limited to, the name, current address, title, and responsibility of each individual involved in this process, as well as the identity of each person who physically handled cash contributions.

2. Describe in detail the procedures or systems used by you to ensure that you did not accept any cash contributions from any individual in an amount over $50. Your answer should include, but not be limited to, the name, current address, title, and responsibility of each individual involved in this process.

3. Describe in detail the procedures or systems used by you to ensure that you recorded the name and address of every person who made a cash contribution to you in excess of $50, and the date and amount of each such contribution. Your answer should include, but not be limited to, the name, current address, title, and responsibility of each individual involved in this process.

4. List all events, rallies, meetings, dinners, parties, picnics, festivals, or other gatherings that were attended by David Duke or any other agent of his 1990 Senatorial Campaign in which cash contributions to David Duke's campaign were solicited or collected. Identify all persons with knowledge of the events listed in your response to this interrogatory.

5. Provide the following information for each event, rally, meeting, dinner, party, picnic, festival, or other gathering (collectively, "campaign event") you list in response to Interrogatory No. 4:

a. The date and location of each campaign event;
b. The amount of cash contributions accepted by you at the campaign event;
c. The number of persons who made cash contributions to you at the campaign event;
d. The identity of all campaign agents or officials in attendance at the campaign event;
e. State whether the candidate attended the campaign event;
f. The identity of all individuals who solicited or accepted contributions at each campaign event;
g. The date the cash contributions raised at each campaign event were deposited into a bank;
h. A list of all records which support your response to this interrogatory.

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6. Identify all persons with knowledge of the events or transactions described in your answer to these interrogatories, including, but not limited to, your representatives or agents.

7. Identify each person who in any way assisted in answering these questions, and specify his or her connection to the David Duke for U.S. Senate Committee.

DOCUMENT REQUESTS

1. Produce all records identified or referenced in your responses to the above interrogatories. For each document identify the interrogatory for which it is being produced.

2. Produce all notes, financial records, ledgers, memoranda, or other documents relating or referring to the solicitation, receipt, recording, and deposit of cash contributions.

3. Produce all records of instructions given to your representatives or agents with respect to the solicitation, acceptance, and recording of cash contributions.

4. Produce all records of statements made by the candidate or other campaign officials concerning the solicitation and acceptance of cash contributions, including, but not limited to, requests by the candidate at campaign events for contributions, and instructions given by the campaign to staff and volunteers regarding the acceptance of contributions.

5. Produce records of the candidate's campaign activities during 1989 and 1990, including but not limited to calendars, appointment books, and travel itineraries.

6. Produce all records referring, relating or pertaining to the source of contributions that were transferred from your non-federal account into your federal account, including but not limited to financial records, bank statements, check registers, and ledgers.

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FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer MUR: 3998

This matter was generated by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The Commission conducted an audit of the David Duke for U.S. Senate Committee, ("the Committee") and James A. McPherson, as Treasurer, in accordance with 2 U.S.C. § 438(b). The Committee was the principal campaign committee for David Duke, who lost the 1990 Louisiana election for the United States Senate with 43.51% of the vote.[1/]

I. EXCESSIVE CONTRIBUTIONS FROM INDIVIDUALS

The Federal Election Campaign Act of 1971, as amended ("the Act") limits the amount that an individual may contribute to any candidate to $1,000 with respect to any election. 2 U.S.C. § 441a(a)(1)(A). Moreover, no candidate or political committee shall knowingly accept any contribution which exceeds the contribution limitations.

1/ The State of Louisiana holds an open primary for United States Senate elections, in which both Democratic and Republican candidates run on the same ballot. 18 La. Rev. Stat. Ann. § 511A. A candidate is the overall winner if that candidate receives a majority vote in the primary. Id. Since Senator Johnston of Louisiana won the open primary with more than 50% of the vote, no general election for the Senate seat occurred in 1990.

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2 U.S.C. § 441a(f).

The Committee received 192 excessive contributions totaling $53,901.72 from 80 individuals that were not refunded or reattributed. 11 C.F.R. §§ 103.3(b)(1) and 110.1. This total includes two excessive in-kind contributions from two individuals, each reported in the amount of $2,000. The Committee provided no documentation to verify the nature of these two in-kind contributions. There is no evidence that the Committee has taken any action to refund the excessive contributions.

The large number of excessive contributions was apparently caused by Committee practices based on misconceptions of the Act and Commission regulations.[2/] Both before and after the open primary, the Committee treated the excessive portions of undesignated contributions from individuals as general election contributions. However, no general election was held. Moreover, it was the Committee's practice to attribute contributions received on joint accounts to both spouses without having the requisite signatures, or requesting written reattributions. The Committee reported 966 itemized contributions from both spouses rather than from the signatory on the check. A

2/ The Committee's response to the Interim Audit Report stated that the Assistant Treasurer was "too dumb to pick up the distinction between check accountholders as opposed to the check signers." The Assistant Treasurer stated that he "did not dig in and learn as much about federal election law as I should have" because he worked part time, and was "in a state of overwhelm" because of several "coordinated ongoing audits/investigations of Mr. Duke."

9604372241 3

Committee representative stated that the Committee erroneously attributed contributions to the accountholders of the contribution check, not to the check signers. However, contributions are attributable to the person who signs the check. See 11 C.F.R. §§ 104.8(c) and 110.1(k). Finally, the Committee erroneously applied the $1,000 contribution limitation to each calendar year rather than to each election. 2 U.S.C § 441a(1)(A). Thus, contributions made in different calendar years by the same individual were not aggregated by election.

Therefore, there is reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, knowingly accepted contributions in excess of the contribution limitations in violation of 2 U.S.C. § 441a(f).

II. **ANONYMOUS CONTRIBUTIONS OF CURRENCY**

The Act provides that no person may make cash contributions to any candidate for federal office which exceed $100 in the aggregate. 2 U.S.C. § 441g. A political committee may accept anonymous cash contributions from an individual up to the amount of $50, but must promptly dispose of any amount in excess of $50 for any lawful purpose unrelated to any federal election, campaign, or candidate. 11 C.F.R. § 110.4(c)(3). For cash contributions over $50, the committee treasurer must keep records of the date and amount of the contribution and the name and address of the contributor. 2 U.S.C. § 432(c)(2). The Commission has delineated several accounting methods to satisfy the

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recordkeeping requirement for events involving numerous cash contributions under $50. See Advisory Opinion "AO" 1980-99. A committee may keep an account of the name and address of each contributor, or "record the name of the event, the date(s) contributions were received for that event, and the total amount of contributions received on each day for that event." AO 1980-99.

The audit revealed that the Committee made 337 deposits of cash in excess of $50 that have no documentation revealing the source of the funds. These deposits total $193,005.14, and the total amount in excess of $50 for the deposits was $176,155.14. The Committee informed the Audit staff that recordkeeping for cash contributions was a problem because many contributors would hand cash to the candidate at rallies and other events.

Most of the bank deposit slips had notations concerning the source of the contributions. These notations fall into several categories: rallies; T-shirts and other paraphenalia sold at rallies; solicitations; contributions less than $50; TV; and miscellaneous.[3/] Some of the deposit slips did not have any notation on them. A number of the notations identify the location of particular rallies. Other than the

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3/ It appears that 149 of the deposits resulted from rallies held throughout Louisiana. Moreover, 64 deposits appear to be the proceeds of sales of T-shirts, bumper stickers, hats, and other items at the rallies. The notations on the remaining cash deposits include 91 noted as being from solicitations, 11 described as cash contributions less than $50, two described as TV and 20 with no notation or the notation "miscellaneous".

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notations, there is no evidence of how many contributions are in each deposit, or the amount of contributions.

In its response to the Interim Audit Report, the Committee stated that the candidate held hundreds of rallies with large turnouts in Louisiana. The Committee also stated that in every public speech, the candidate instructed contributors that the most they could give in cash was $50, and that larger amounts must be contributed by check; and that campaign volunteers, who passed around a hat or bucket, were instructed to only accept cash contributions of $50 or less. The campaign staff would "throw the money in a bag and speed on to the next rally ... after the whirlwind, the cash was properly counted and deposited." The Committee provided no additional evidence of its procedures for processing cash contributions.

There is no evidence of how many anonymous cash contributions were in each deposit, or the amount of contributions. Furthermore, there is no showing that the Committee made any attempt to differentiate between cash contributions below $50 and those of more than $50, which must be recorded. 2 U.S.C. § 432(c)(2). While it is possible that each cash deposit was made up of a number of individual contributions of less than $50, the Committee has provided no evidence of the source or amount of the

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contributions other than the brief notations on the deposit slips.[4/]

Moreover, it is unclear whether the Committee had a recordkeeping system in place, such as the one delineated in Advisory Opinion 1980-99, to record the name of the event, the date(s) contributions were received and the total amount of contributions received on each day for that event. The brief notations on the deposit slips provide insufficient information to satisfy the recordkeeping requirement. The notations do not consistently provide locations or other necessary information. For example, it is not clear if the date of each rally is the date of the deposit, or if the total amount collected is the amount of the deposit. Finally, the Committee has not demonstrated that it disposed of any amount of anonymous cash contributions in excess of $50. 11 C.F.R. § 110.4(c)(3).

Therefore, there is reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, failed to keep records of the date and amount of each contribution in excess of $50 and the name and address of the contributor in violation of 2 U.S.C. § 432(c)(2). Moreover, there is reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, failed to promptly dispose of any amount of anonymous cash

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4/ Since notations on 11 of the deposit slips indicate that they consist of contributions under $50, it is reasonable to conclude that the remaining deposits may have included some contributions in excess of $50.

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contributions in excess of $50 for any lawful purpose unrelated to any federal election, campaign, or candidate in violation of 11 C.F.R. § 110.4(c)(3).

III. TRANSFERS FROM CANDIDATE'S NONFEDERAL ACCOUNT CONTAINING POSSIBLE PROHIBITED FUNDS

It is unlawful for a corporation or labor organization to make a contribution or expenditure in connection with any federal election. 2 U.S.C. § 441b(a); 11 C.F.R. § 114.2. The Act further prohibits a candidate, political committee or other person from knowingly accepting or receiving any corporate or union contribution. Id.

A transfer of funds is permissible from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee for a federal election provided that the funds transferred are not composed of contributions that would be in violation of the Act. 11 C.F.R. §§ 110.3(c)(6); 102.6(a)(1)(i),(iv). The cash on hand from which the transfer is made shall be considered to consist of the funds most recently received by the transferor committee. 11 C.F.R. § 110.3(c)(6). The transferor committee must be able to demonstrate that it had sufficient funds that comply with the limitations and prohibitions of the Act to make the transfer at the time of the transfer. Id. The transferring committee shall keep records of the sources of the funds in the account from which the transfer is made and, upon request, shall make such records available for examination by the Commission. Id.

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The Committee received three transfers, totaling $19,922.58 from the candidate's nonfederal committee for his previous state representative campaign (the "Nonfederal Committee").[5/]

Louisiana state election law permits contributions from corporations and labor unions. 18 La. Rev. Stat. Ann. § 1505.2F. According to a Committee official, whenever the Committee received apparent prohibited contributions, the funds were routinely deposited into the Nonfederal Committee account, and letters seeking redesignations were sent to the contributors.

Three transfers totaling $19,922.58 from the Nonfederal Committee to the Committee may be from prohibited sources.[6/]

5/ The Nonfederal Committee was established by the candidate for his successful state campaign. The candidate won the special election for state representative, held on February 18, 1989. The name of the Nonfederal Committee is not clear. The Committee's itemized receipts note one transfer from the "David Duke Campaign." According to the Louisiana Board of Ethics for Elected Officials, Supervisory Committee on Campaign Finance Disclosure, Mr. Duke filed disclosure reports for the February 18, 1989 election under his own name, rather than a committee name. However, the reports were also signed by Paul Allen, as treasurer.

6/ The Committee provided limited and incomplete documentation to support the deposits into the Nonfederal Committee account, including bank statements and lists of contributions prepared by the Committee noting whether contributions were from corporate sources. The Committee provided no information concerning how it determined whether entities were incorporated. It is not possible to verify whether contributions in the Nonfederal Committee account at the time of the transfers were from prohibited sources or permissible sources. The contributor listings provided by the Committee for 1990 only contained contributor names and did not contain contributor addresses which could be verified with the appropriate Secretaries of State. The contributor list for 1989 provided in response to the Interim Audit

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First, the Committee received and deposited a $1,355 transfer from the Nonfederal Committee account on November 9, 1989, after the Committee had overdrawn its bank account. The Audit staff was unable to determine the source of the funds for this transfer based on the available documentation. The second transfer was a $13,500 check received from the Nonfederal Committee account and deposited on July 11, 1990, which was reported as a loan from the candidate. The Committee made a $13,500 loan repayment by check to the candidate on December 31, 1990. According to the Committee's response to the Interim Audit Report, the transaction was intended to be a loan from the candidate, but the Committee "goofed again in having the funds go directly from the state account to the federal account, without passing through the individual's bank account, for which I had gotten the [loan] note." The limited documentation provided by the Committee indicates that $12,155.00 of the most recently deposited contributions in the Nonfederal Committee account at the time of this transfer were from prohibited sources and the remaining $1,345.00 were from permissible sources.

Finally, the Committee received a $5,067.58 transfer on October 3, 1990 from the Nonfederal Committee account representing contributions received by the Committee in 1990

(Footnote 6 continued from previous page)
Report provided contributor addresses for individuals, but it is not clear if these contributions were actually individual contributions, or were made from corporate accounts. Thus, the documentation was insufficient for a thorough review of these transactions.

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which had been deposited into the Nonfederal Committee account because the Committee believed they were from prohibited sources, but which the Committee subsequently determined were acceptable. Based on the Committee's documentation, $4,772.58 of the most recently deposited contributions in the Nonfederal Committee account at the time of the $5,067.58 transfer were from prohibited sources and the remaining $295.00 were from permissible sources.

The available evidence is insufficient to demonstrate that any of the amount used for the three transfers was from permissible sources. The documentation provided by the Committee indicates that the most recently deposited funds in the Nonfederal Committee account at the time of two of the transfers were primarily made up of prohibited contributions. Moreover, the only available documentation of whether the source of contributions in the Nonfederal Committee account was prohibited or permissible is a list prepared by the Committee which cannot be independently verified. Since there is no evidence that demonstrates that the Nonfederal Committee account had sufficient funds that comply with the limitations and prohibitions of the Act to make the transfers at the time of the transfers, and adequate records of the sources of the funds in the account have not been provided to the Commission, there is reason to believe that the total amount of the three transfers, $19,922.58, is from prohibited sources. 11 C.F.R. § 110.3(c)(6).

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Therefore, there is reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, violated 2 U.S.C. § 441b(a) by accepting three transfers which contained funds from prohibited sources.

IV. ITEMIZATION OF CONTRIBUTIONS FROM INDIVIDUALS

The Act requires a political committee to disclose the identification of each person who makes a contribution to the committee in an aggregate amount in excess of $200 per calendar year, together with the date and amount of the contribution. 2 U.S.C. § 434(b)(3)(A). Identification of an individual shall include the name, mailing address, occupation, and name of employer of the individual. 2 U.S.C. § 431(13)(A).

The Commission's Audit Division reviewed the Committee's contribution records on a sample basis to determine whether all contributions aggregating in excess of $200 per calendar year were properly itemized as required. The Audit Division concluded that the Committee failed to itemize 16.54% of individual contributions in excess of $200, totaling $60,932 on its disclosure reports. The Audit staff provided the Committee with a listing of 1,089 contributors whose contributions appeared to require itemization, and requested that the Committee amend its reports to correctly itemize all contributions required to be itemized. The Committee provided no explanation for the errors, and did not file amended reports to correct the problem.

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Therefore, there is reason to believe that the David Duke for U.S. Senate Committee and James A. McPherson, as Treasurer, violated 2 U.S.C. § 434(b)(3)(A).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Jerrie Bellow
4403 Moss Street
Lafayette, LA 70507

RE: MUR 3998
Jerrie Bellow

Dear Ms. Bellow:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

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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 Delanie DeWitt Painter, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Jerrie Bellow MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Jerrie Bellow made contributions to the Committee totaling $2,500.00, which exceeded her individual contribution limitation by $1,500.00.

Therefore, there is reason to believe that Jerrie Bellow violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of her individual contribution limitation.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Jerome Layton
1 Cherry Lane
Berea, KY 40403

RE: MUR 3998
Jerome Layton

Dear Mr. Layton:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

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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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Jerome Layton MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Jerome Layton made contributions to the Committee totaling $2,210.00, which exceeded his individual contribution limitation by $1,210.00.

Therefore, there is reason to believe that Jerome Layton violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

JULY 12, 1994

R.W. Weidemann
6451 Bixby Hill Road
Long Beach, CA 90815

RE: MUR 3998
R.W. Weidemann

Dear Mr. Weidemann:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

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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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: R.W. Weidemann MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

R.W. Weidemann made contributions to the Committee totaling $2,150.00, which exceeded his individual contribution limitation by $1,150.00.

Therefore, there is reason to believe that R.W. Weidemann violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Francis J. Shubert, Sr.
3216 Ridgeway Drive
Metairie, LA 70002

RE: MUR 3998
Francis J. Shubert, Sr.

Dear Mr. Shubert:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

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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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Francis J. Shubert, Sr. MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Francis J. Shubert, Sr. made contributions to the Committee totaling $2,740.00, which exceeded his individual contribution limitation by $1,740.00.

Therefore, there is reason to believe that Francis J. Shubert, Sr. violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

John R. Rarick
482 Royal Street, P.O. Box 1924
St Francisville, LA 70775

RE: MUR 3998
John R. Rarick

Dear Mr. Rarick:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

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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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: John R. Rarick MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

John R. Rarick made contributions to the Committee totaling $2,635.00, which exceeded his individual contribution limitation by $1,635.00.

Therefore, there is reason to believe that John R. Rarick violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Mary P. Donta
1614 Keystone Road
Parma, Ohio 44134

RE: MUR 3998
Mary P. Donta

Dear Ms. Donta:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

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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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Mary P. Donta MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Mary P. Donta made contributions to the Committee totaling $2,200.00, which exceeded her individual contribution limitation by $1,200.00.

Therefore, there is reason to believe that Mary P. Donta violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of her individual contribution limitation.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Maria Gilley
P.O. Box 483, Highway 139
Swartz, LA 71281

RE: MUR 3998
Maria Gilley

Dear Ms. Gilley:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

9604372412

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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Maria Gilley MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Maria Gilley made contributions to the Committee totaling $3,535.03, which exceeded her individual contribution limitation by $2,535.03.

Therefore, there is reason to believe that Maria Gilley violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of her individual contribution limitation.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Harold H. White, III
1161 Lake Avenue #323
New Orleans, LA 70119

RE: MUR 3998
Harold H. White, III

Dear Mr. White:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

9604372245

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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Harold H. White, III MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Harold H. White, III made contributions to the Committee totaling $4,000.00, which exceeded his individual contribution limitation by $3,000.00.

Therefore, there is reason to believe that Harold H. White, III violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

9604372247

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Ray Cater
Rt. 1 Box 13-H
Ferriday, LA 71334

RE: MUR 3998
Ray Cater

Dear Mr. Cater :

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

9604372248

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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Ray Cater **MUR:** 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Ray Cater made contributions to the Committee totaling $2,525.00, which exceeded his individual contribution limitation by $1,525.00.

Therefore, there is reason to believe that Ray Cater violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

E.R. McElveen
444 Memphis Street
Bogalusa, LA 70427

RE: MUR 3998
E.R. McElveen

Dear Mr. McElveen:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

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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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: E.R. McElveen MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

E.R. McElveen made contributions to the Committee totaling $3,100.00, which exceeded his individual contribution limitation by $2,100.00.

Therefore, there is reason to believe that E.R. McElveen violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

9604372245

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Eleanor Parker Adam
416 Westmeade Drive
Gretna, LA 70056

RE: MUR 3998
Eleanor Parker Adam

Dear Ms. Adam:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

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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 Delanie DeWitt Painter, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Eleanor Parker Adam MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Eleanor Parker Adam made contributions to the Committee totaling $2,200.00, which exceeded her individual contribution limitation by $1,200.00.

Therefore, there is reason to believe that Eleanor Parker Adam violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of her individual contribution limitation.

9604372246

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

JULY 12, 1994

Jeff William Smith
43 W. 340 Smith Road
Elburn, IL 60119

RE: MUR 3998
Jeff William Smith

Dear Mr. Smith:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

9604372247

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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Jeff William Smith MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Jeff William Smith made contributions to the Committee totaling $2,800.69, which exceeded his individual contribution limitation by $1,800.69.

Therefore, there is reason to believe that Jeff William Smith violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

96043722459

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Vincent A. Canfield
P.O. Box 222, R.R. 1
Equinunk, PA 18417

RE: MUR 3998
Vincent A. Canfield

Dear Mr. Canfield:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

9604372240

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 Delanie DeWitt Painter, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Vincent A. Canfield MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Vincent A. Canfield made contributions to the Committee totaling $2,350.00, which exceeded his individual contribution limitation by $1,350.00.

Therefore, there is reason to believe that Vincent A. Canfield violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

9604372242

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Louis J. Arrieta
4461 Purdue Avenue
Culver City, CA 90230

RE: MUR 3998
Louis J. Arrieta

Dear Mr. Arrieta:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

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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 Delanie DeWitt Painter, the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Louis J. Arrieta MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Louis J. Arrieta made contributions to the Committee totaling $2,220.00, which exceeded his individual contribution limitation by $1,220.00.

Therefore, there is reason to believe that Louis J. Arrieta violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Benjamin Grob
206 Corsair Road
Duck Key, FL 33050

RE: MUR 3998
Benjamin Grob

Dear Mr. Grob:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

9604372246

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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Benjamin Grob MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Benjamin Grob made contributions to the Committee totaling $4,000.00, which exceeded his individual contribution limitation by $3,000.00.

Therefore, there is reason to believe that Benjamin Grob violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

9604372248

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

Lloyd A. Faulstich
1240 Dauphine Street
New Orleans, LA 70116

RE: MUR 3998
Lloyd A. Faulstich

Dear Mr. Faulstich:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

9604372249

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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

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FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: Lloyd A. Faulstich MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

Lloyd A. Faulstich made contributions to the Committee totaling $2,450.00, which exceeded his individual contribution limitation by $1,450.00.

Therefore, there is reason to believe that Lloyd A. Faulstich violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

9604372247

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 12, 1994

L.M. Neilson
Rt. 2, Box 546
Minden, LA 71055

RE: MUR 3998
L.M. Neilson

Dear Mr. Neilson:

On June 22, 1994, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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 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.

9604372224472

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 Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

9604372247 3

FEDERAL ELECTION COMMISSION

FACTUAL & LEGAL ANALYSIS

RESPONDENT: L.M. Neilson MUR: 3998

This matter was generated by information obtained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). 2 U.S.C. § 437g(a)(2). The information is based on contributions made to the David Duke for U.S. Senate Committee ("the Committee").

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

L.M. Neilson made contributions to the Committee totaling $3,025.00, which exceeded his individual contribution limitation by $2,025.00.

Therefore, there is reason to believe that L.M. Neilson violated 2 U.S.C. § 441a(a)(1)(A) by making contributions in excess of his individual contribution limitation.

9 6 0 4 3 7 2 2 4 7 4

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

FEDERAL ELECTION COMMISSION 16 PM '94
WASHINGTON, D.C. 20463

JUN 30 1994

POSTMASTER
U.S. Postal Service
Gretna, LA 70053

MUR 3998

LRA 406

ADDRESS INFORMATION REQUEST

Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: Eleanor Parker Adam
LAST KNOWN ADDRESS: 416 Westmeade Drive
Gretna, LA 70056

Under 39 C.F.R. § 265.9(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience. Please feel free to contact me at (202) 219-3690 or (800) 424-9530 if you have any questions.

Jack MacDonald

Jack MacDonald
Paralegal Specialist

FOR POST OFFICE USE ONLY

(✓) Mail is Delivered to Above Address
( ) Moved, left no forwarding address
( ) No such address
( ) Other (Please Specify)

Forwarding Address:

_____

_____

GRETNA, LA 70053
JUL 11 1994
USPS

Effective date of this change: _____

9604372245

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Jul 25 11 19 AM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Jul 25 11 21 AM '94

MUR 3998

Federal Election Commission
999 E. Street, NW
Washington, DC 20463

Dear Mr. MacDonald,

Per our conversation 7-19-94 I am writing this letter to let you know that in 1990 I was involved with the David Duke campaign as the secretary for this area. My husband worked as his campaign coordinator and office manager for his headquarters in this area. At the beginning of the campaign we opened the office here and set up to sell campaign material and accept contributions. Since at that time we had no account to deposit these funds into, we were told by David's headquarters to collect the funds and submit once every week or so until we could get an account established. Since I was the secretary, I was the one to purchase the cashier's checks and send them each time. These checks were also submiteed with a list of names for the headquarters to verify that the check matched the total from the list that we sent.

I personally didn't and couldn't contribute anywhere near the 1,000.00 limit. My husband was on David's payroll because he was unemployed at this time.

Callie O'Pry was one of the key people we dealt with at first and later Jim McPhearson took over her position at the main office. Anythig that we did as far as handling money, we did on directions from the headquarters. When the office in Monroe was closed everything was boxed up and sent to the main office in Metarie, therefore I do not have access to any records.

I will do whatever is necessary to clear this matter up. Please contact me with any information you have that might help me.

Sincerely,

Maria Danna

Maria Danna

9 6 0 4 3 7 2 2 4 7 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JULY 27, 1994

Maria Danna
P.O. Box 483, Highway 139
Swartz, LA 71281

RE: MUR 3998
Maria Danna

Dear Ms. Danna:

In response to our telephone conversation of July 19, 1994 and your letter received on July 25, 1994, enclosed are copies of the checks that you requested in connection with this matter. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

Enclosure

9504372247 7

[redacted] 1172

[redacted] 1-20-90

PAY David Duke $ 50.00

fifty + 00/100 Dollars

CentraBank

Monroe • West Monroe • Ruston

Maria Gilley

[redacted]

BANK MONEY ORDER

NOT GOOD FOR OVER FIVE HUNDRED DOLLARS

283291

PURCHASER

Maria Gilley

2-14 19 90

PAY TO THE ORDER OF David Duke Campaign Fund $ 500.00

CENTS

BANK 50000

DOLLARS

CentraBank

Monroe • West Monroe • Ruston

Larry Beck

⑈283291⑈ ⑆111100297⑆ 0330833⑈

GARY OR MARIA GILLEY

1434

[redacted]

Date 7-1-90

Pay to the order of David Duke Campaign $ 12.00

twelve + 00/100 Dollars

CentraBank

Monroe • West Monroe • Ruston

Maria Gilley

memo Lawsuit

[redacted]

9604372224 78

NOT GOOD FOR OVER FIVE HUNDRED DOLLARS

298559

REMITTER
Maria Gilley

7-6 19 90

84-28/1111

PAY TO THE ORDER OF David Duke for US Senate $ 238.00

GENERAL BANK 238 AND 00 CTS DOLLARS

CentraBank
Monroe • West Monroe • Ruston

Larry Beard
VICE PRESIDENT AND CONTROLLER

⑈298559⑈ ⑆111100297⑆ 0330833⑈

CentraBank
Monroe • West Monroe • Ruston

135410

REMITTER
Maria Gilley

August 17, 19 90

84-28/1111

PAY TO THE ORDER OF David Duke for U. S. Senate********** [redacted] $ 891.28********

GENERAL BANK 891 AND 28 DOLLARS

CASHIER'S CHECK

⑈135410⑈ ⑆111100297⑆ 0339814⑈

CentraBank
Monroe • West Monroe • Ruston

135413

REMITTER
Maria Gilley

August 24, 19 90

84-28/1111

PAY TO THE ORDER OF David Duke for U. S. Senate********** [redacted] $ 120.00********

GENERAL BANK 120 AND 00 CTS DOLLARS

CASHIER'S CHECK

⑈135413⑈ ⑆111100297⑆ 0339814⑈

CentraBank
Monroe • West Monroe • Ruston

135413

REMITTER
Maria Gilley

August 24, 19 90

PAY TO THE ORDER OF David Duke for U. S. Senate********** [redacted] $ 120.00********

ONE HUNDRED TWENTY AND 00 CTS DOLLARS

CASHIER'S CHECK

⑈135413⑈ ⑆111100297⑆ 0339814⑈

DELUXE CHECK PRINTERS

CentraBank
Monroe • West Monroe • Ruston

135559

Maria Gilley

9-14 19 90

PAY TO THE ORDER OF David Duke for US Senate [redacted] $ 1374.25

ONE THOUSAND, THREE HUNDRED SEVENTY-FOUR AND 25 CTS DOLLARS

CASHIER'S CHECK

⑈135559⑈ ⑆111100297⑆ 0339814⑈

DELUXE CHECK PRINTERS

Page one of Two Pages

July 20, 1994

Federal Election Commission
Washington, D. C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
JUL 25 9 47 AM '94

RE: MUR 3998
L. M. Neilson
Dear Mr. Jack Macdonald,
A certified package containing eight pages, package # 38298, and picked up from the Minden, La., 71055 post office between the hours of 5:30 to 6:30 P.M. and signed for by W. G. Neilson, 7-18-94.

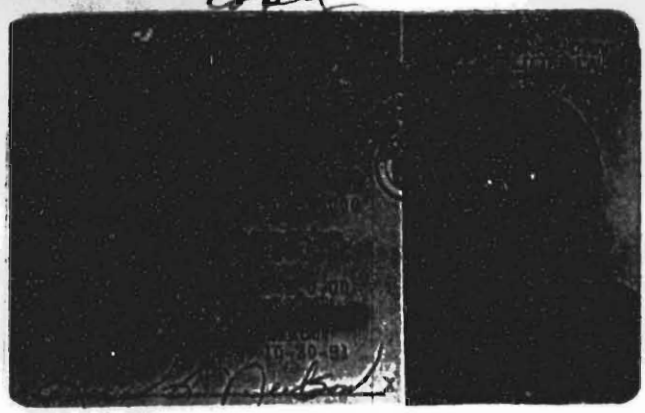
Respondents plead sincere innocence of contribution limitation, violating 2 U.S.C. § 441a (a)(1)(A). (Knowledge of 1971 amended act)

Respondents did contribute to the David Duke for Senator, year 1990.

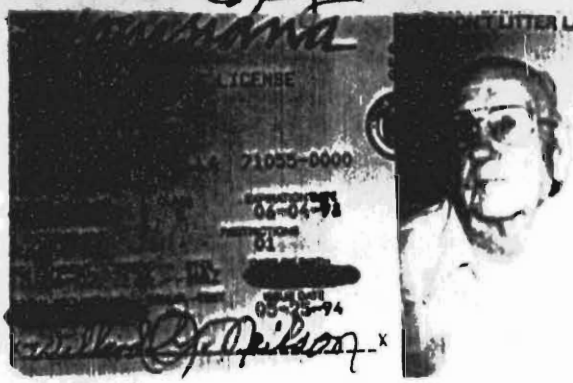
We have enclosed a photo of our checks, and drivers license. As you can see W. G. or L. M. Neilson, husband and wife, and checks signed W. G. or L. M. Neilson. Your letter dated July 12, 1994 states: Dear Mr. Neilson. L. M. Neilson as you state your letter to is wife Lula Mae Neilson. The initals W. G. on our checks are for Willard George Neilson.

9604372248 1

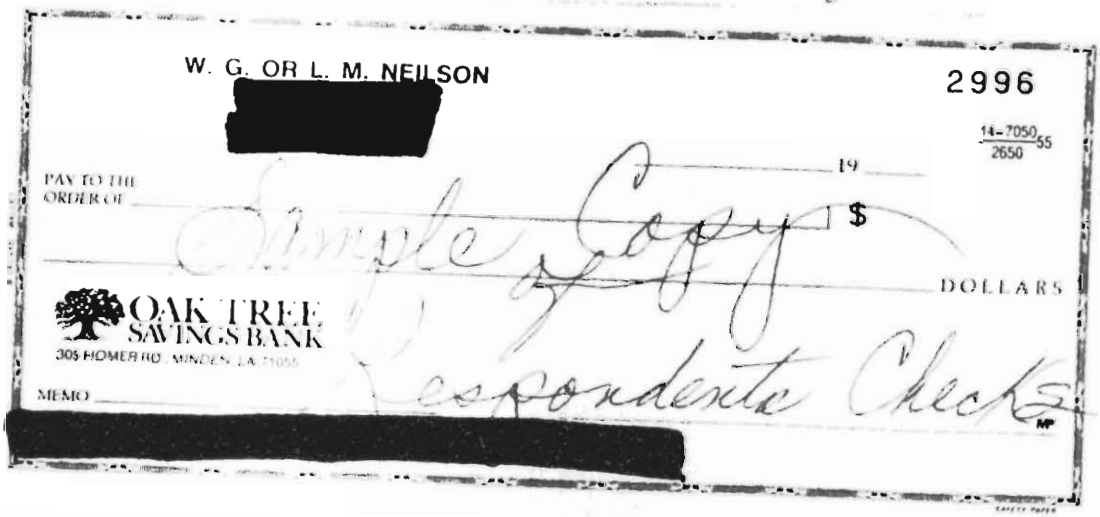
Copy



Copy



Page Two of Two Pages
July 20, 1994



RE: MUR 3975
L. M. Neilson
Continued from yellow page, page one:

Those checks to David Duke were contributions from two people L. M. Neilson and W. G. Neilson. Some checks to David Duke from L. M. Neilson and W. G. Neilson were for his personal use. Your kind response and consideration to this letter will be greatly appreciated.

Yours truly,

L. M. Neilson (Lula Mae (maiden name Stewart) Neilson)
W. G. Neilson (Willard George Neilson)

SEELEY, SAVIDGE & AUSSEM
A LEGAL PROFESSIONAL ASSOCIATION

LORAIN COUNTY OFFICE
536 WEST BROAD STREET
SUITE 300
ELYRIA, OHIO 44035
(216) 536-6705

800 BANK ONE CENTER
600 SUPERIOR AVENUE, EAST
CLEVELAND, OHIO 44114-2686
(216) 566-8200
FACSIMILE (216) 566-0213
FACSIMILE NO. (216) 566-7574

WESTLAKE OFFICE
29680 DETROIT ROAD
WESTLAKE, OHIO 44145
(216) 892-4911

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
JUL 26 12 11 PM '94

July 26, 1994

WILLIAM M. FUMICH JR.

OF COUNSEL

Federal Election Commission
Mr. Jack MacDonald
999 Erie Street N.W.
Washington, D.C. 20463

MUR 3998
RE: MARY P. DONTA

Dear Mr. MacDonald:

Pursuant to our telephone conversation of yesterday, faxed with this letter are copies of substantially all of the checks which were contributed to the senate campaign of David Duke by Mary P. Donta and William S. Donta.

As indicated, it was the intention of Mr. & Mrs. Donta to jointly contribute to the campaign and the funds were drawn on their joint checking account. At nearly 95 years of age Mrs. Donta happens to be in better health than her husband and currently writes substantially all of the couples checks. This does not - nor did it in fact - mean that Mrs. Donta alone desired to contribute to the Duke campaign. Mr. Donta assures us that he intended that each contribution to be one half his.

With the intention that the contributions be joint, we would request that this matter be dismissed as each contributed, at maximum, only One Hundred Dollars above the limit imposed by 2 U.S.C. §441a(a)(1)(a) and that the contributions covered more than one year and not less than thirteen individual checks. The Dontas do not currently know where their check No. 864 for $50.00 (written approximately mid December, 1989,) nor can they presently locate or verify any checks written after January 2, 1991. Accordingly, we shall accept that the funds were written and that they were in fact deposited to the campaign account of David Duke.

9604372243

SEELEY, SAVIDGE & AUSSEM

A LEGAL PROFESSIONAL ASSOCIATION

We have counseled Mr. & Mrs. Donta on their obligation to contribute no more than $1,000.00 per campaign and we would expect that you will have obtained compliance which is what is most important.

Very truly yours,

William M. Fumich Jr.

WMFJR/jr
Enclosures
Faxed to 202 219-1043
Ltr.001

9604372224 84

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3998

NAME OF COUNSEL: WILLIAM M. FUMICH, JR.

ADDRESS: 800 Bank One Center
600 Superior Avenue, East
Cleveland, Ohio 44114-2655

TELEPHONE: (216) 566-8200

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 22, 1994
Date

Mary P. Donta
Signature

RESPONDENT'S NAME: Mary Potter Donta

ADDRESS: 1614 Keystone Road
Parma, Ohio 44134

HOME PHONE: (216) 741-2148

BUSINESS PHONE:

9 6 0 4 3 7 2 2 4 8 5

WILLIAM S. DONTA
MARY P. DONTA
[redacted]

888

Pay to the Order of David Duke $ 100.00
One Hundred No/100 [redacted]

FIRST NATIONAL BANK OF OHIO
PARMA EAST OFFICE

Memo [redacted] Mary P. Donta

[redacted]

WILLIAM S. DONTA
MARY P. DONTA
[redacted]

890

Pay to the Order of David Duke $ 250.00
Two Hundred Fifty No/100 [redacted]

FIRST NATIONAL BANK OF OHIO
PARMA EAST OFFICE

Memo Mary P. Donta

[redacted]

WILLIAM S. DONTA
MARY P. DONTA
[redacted]

898

Pay to the Order of David Duke for Senate $ 250.00
Two Hundred Fifty No/100 [redacted]

FIRST NATIONAL BANK OF OHIO
PARMA EAST OFFICE

Memo Contribution Mary P. Donta

[redacted]

WILLIAM S. DONTA
MARY P. DONTA
[redacted]

908

Pay to the Order of David Duke $ 50.00
Fifty No/100 [redacted]

FIRST NATIONAL BANK OF OHIO
PARMA EAST OFFICE

Memo Mary P. Donta

[redacted]

WILLIAM S. DONTA
MARY P. DONTA
[redacted]

OCT. 5 _ 1990 No. 1961

Sept 1 90

Pay to the Order of David Duke Campaign Committee $ 100.00

One Hundred No/100 Dollars

FIRST NATIONAL BANK OF OHIO
PARMA EAST OFFICE

Mary P. Donta

[redacted]

WILLIAM S. DONTA
MARY P. DONTA
[redacted]

11-16-90 No. 981

Nov 9 90

Pay to the Order of David Duke Campaign Committee $ 100.00

One Hundred No/100 Dollars

FIRST NATIONAL BANK OF OHIO
PARMA EAST OFFICE

Mary P. Donta

[redacted]

WILLIAM S. DONTA
MARY P. DONTA
[redacted]

1/1/91 No. 994

Jan 2 91

Pay to the Order of David Duke $ 50.00

Fifty No/100 Dollars

FIRST NATIONAL BANK OF OHIO
PARMA EAST OFFICE

Mary P. Donta

[redacted]

9604372243 7

6-27-90 MD

WILLIAM S. DONTA
MARY P. DONTA
[redacted]

926

June 15 90

Pay to the Order of David Duke $ 500.00

Five Hundred no/100 DOLLARS

FIRST NATIONAL BANK OF OHIO
PARMA EAST OFFICE

Donation — Mary P. Donta

[redacted]

7-19-90

WILLIAM S. DONTA
MARY P. DONTA
[redacted]

932

July 16 90

Pay to the Order of Rep. David Duke $ 500.00

Five Hundred no/100 DOLLARS

FIRST NATIONAL BANK OF OHIO
PARMA EAST OFFICE

Mary P. Donta

[redacted]

8-30-90

WILLIAM S. DONTA
MARY P. DONTA
[redacted]

948

Aug 28 90

Pay to the Order of Rep. David Duke $ 100.00

One Hundred no/100 DOLLARS

FIRST NATIONAL BANK OF OHIO
PARMA EAST OFFICE

Campaign Con. Mary P. Donta

[redacted]

WILLIAM S. DONTA
MARY P. DONTA
[redacted]

SEP 24 1990

957

9/21 90

Pay to the Order of David Duke Campaign Com. $ 100.00

One Hundred no/100 DOLLARS

FIRST NATIONAL BANK OF OHIO
PARMA EAST OFFICE

Mary P. Donta

[redacted]

9 6 0 4 3 7 2 2 4 8

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
JUL 28 10 30 AM '94

P01

7-28-1994
FAXED

LEAD SHEET

FACSIMILE TRANSMISSION

FROM: NORMAN R.MUNSON TO:JACK MAC DONALD STAFF MEMBER
FEDERAL ELECTION COMMISSION
INSTRUCTIONS: AS PER PHONE CALL FROM NORMAN R.MUNSON 7-22-1994
REPLY IS THAT:I HAVE INVESTIGATED AS AGREED AND FIND THE FACTS ARE:
PAGES TO FOLLOW: / RE:MUR 3998 JEFF WILLIAM SMITH
ANY QUESTIONS:FAX OR CALL FAXER (815)667-4538 OR (815) 667-4204

THANK YOU

1. MR.MAC DONALD: AS I STATED ON MY CALL TO YOU THAT I HAVE KNOWN JEFF
2. WILLIAM SMITH AND FATHER AND MOTHER SINCE AT LEAST 1968 MUTUAL MEM-
3. BERSHIPS IN SEVERAL ORGANIZATIONS AND MONTHLY MEETINGS OVER AT LEAST
4. 25 YEARS.MY HOME AT UTICA.IL.AND THEIRS IN ELBURN.IL. IS SEPARATED BY
5. ABOUT 80 MILES.EARL N.SMITH THE FATHER OF JEFF WILLIAM SMITH IS NOW
6. DECEASED AND HIS MOTHER IS A WIDOW LIVING IN THE RURAL AREA OUTSIDE
7. OF ELBURN AND SON JEFF LIVES CLOSE BY ON THE SMAE RURAL ROAD.
8. THE LETTER DATED JULY 12,1994 WAS NOT RECEIVED BY JEFF WILLIAM SMITH
9. UNTIL HIS MOTHER WENT INTO THE POST OFFICE ON OR ABOUT JULY 21ST.AND
10. JEFF FAXED IT TO ME 7-22-1994 DATED ON THE FAX.HE ASKED NOTHING OF
11. ME BUT KNOWING MY INTEREST IN LEGISLATIVE RESEARCH ASSOCIATION FROM
12. HIS BOYHOOD DAYS OF ATTENDING MEETINGS WITH HIS PARENTS HE ASSUMED I
13. WOULD LIKE TO HEAR FROM HIM.WHEN I RECEIVED IT I REALIZED THAT THIS
14. HAD TO BE A GROSS ERROR THAT JEFF HAD UNWITTINGLY MADE BY USING HIS
15. PAYROLL CHECKS AS A VEHICLE TO TRANSFER FUNDS TO THE DAVID DUKE CAM-
16. PAIGN COMMITTEE FOR THE U.S.SENATE.
17. MY FIRST REACTION WAS:WHO IS OR WAS DAVID DUKE AND A SEARCH OF MY FILES
18. INCLUDING THE CONGRESSIONAL RECORD FOUND NO DAVED DUKE EVER LISTED.
19. A CALL TO JEFF AND HIS MOTHER RECEALED THAT DAVID DUKE SPOKE AT THE
20. POPULIST PARTY CONVENTION HELD AT CHICAGO.ILLINOIS WHEN HE WAS IN HIS
21. FIRST AND ONLY TERM AS A STATE REPRESENTATIVE IN THE STATE OF LOUISIANA.
22. HE RAN FOR GOVERNOR OF LOUISIANA ONC ANG LOST.WITH 40% OF THE VOTE,
23. HE LOST THE U.S.SENATE SEAT OR WHATEVER.
24. THE RISE AND FALL OF THE POPULIST PARTY WAS FAST BUT THERE ARE MANY
25. WHO HAVE NOT GIVEN UP TRYING TO REVIVE THEM.THE SMITHS ARE OR WERE

AMONG THOSE TRYING FOR REVIVAL. CONTINUED ON SHEET 1 OF 2 INC. COVER

9604372249

TO:JACK MAC DONALD STAFF MEMBER FROM NORMAN R.MUNSON RE:MUR 3998
FAXED 7-28-1994

AT THE TIME OF EARL N.SMITHS DEATH HE WAS A POPULIST CANDIDATE FOR AS I RECALL A STATE SENATOR IN ILLINOIS AND WIFE ALSO WAS,AS I RECALL A CANDIDATE FOR A STATE REPRESENTATIVE IN THE ILLINOIS GENERAL ASSEMBLY.THUS SON JEFF WILLIAM TOOK AN ACTIVE INTEREST FROM HIS BOYHOOD DAYS ATTENDING THE LRA MEETINGS AT OUR STATE CAPITOL IN SPRINGFIELD ILLINOIS OVER THE YEARS.THE LEGISLATIVE RESEARCH ASSOCIATION WAS LIKE A TOWNSHIP MEETING WHERE PERSONS CAME FROM MANY OF THE 102 COUNTIES AND WAS OPEN TO ALL WHO CARED TO ATTEND.POLITICAL PARTIES WERE NOT THE ISSUE OF LRA.OVERALL STUDY WAS THE OBJECT OF THE MEETINGS.HOW GOVERNMENTS FUNCTION AND WHY WAS THE AGENDA.SPEAKERS CAME FROM ALL WALKS OF LIFE TO THE MEETINGS.YOU MIGHT SAY THAT THIS WAS A FORUM FOR "THAT GREAT SILENT MAJORITY"NIXON TALKED ABOUT. PATRIOTS DEDICATED TO "THIS REPUBLICAN FORM OF GOVERNMENT"GUARANTEED TO EVERY STATE IN THIS UNION BY ARTICLE IV SECTION 4 OF THE U.S.CONSTITUTION, NOW CALLED A "DEMOCRACY"BY MANY PEOPLE.

THEREFORE WHEN THESE PATRIOTS ATTENDING THE POPULIST PARTY CONVENTION HAD DAVID DUKE AS A SPEAKER FROM LOUISIANA AND WAS IMPRESSED WITH WHAT HE HAD TO SAY;THEY DECIDED TO HELP GET HIM IN THE U,S,CONGRESS.

THUS SINCE JEFF WILLIAM SMITH WAS WELL KNOWN AS WAS HIS PARENTS,IT WAS ONLY NATURAL THAT MANY,MANY PEOPLE DID CONTRIBUTE SMALL DONATIONS FOR THIS DAVID DUKE COMMITTEE.BEING 100% HONEST AND RELIABLE,JEFF WILLIAM SMITH DID CONTRIBUTE $ 5.00 OF HIS OWN MONEY AND HIS MOTHER RECALLS,SHE CONTRIBUTED $ 10,00 OF HER MONEY.SINCE JEFF WILLIAM SMITH HAS NO CHECKING ACCOUNT IN ANY BANK,HE INNOCENTLY DECIDED TO USE HIS PAYCHECKS AS A VEHICLE TO SEND EVERY CENT COLLECTED TO THE DAVID DUKE COMMITTEE.MRS.EARL N.SMITH STATED THAT THEY WERE CONFUSED AS TO LIMITATIONS SINCE ONE LETTER IN HER FILES STATED THE LIMITS OF AN INDIVIDUAL CONTRIBUTION AS $ 5,000 AND ANOTHER AT $ 1,000.THIS IS OF COURSE THE STATE AND FEDERAL LIMITS IN ELECTION LAWS.

TO THE BEST OF MY KNOWLEDGE AND BELIEF AND INVESTIGATION AT THIS DATE,THIS IS THE "TRUTH"BEYOND ANY QUESTION OF A DOUBT.MRS.SMITH STATED SHE CAN GO THROUGH RECORDS ON HAND IN HER FILES AND PROVE THESE STATEMENTS.

I Norman R. Munson HEREBY DEPOSE AND SAY,UNDER PENALTY OF PERJURY,
NORMAN R.MUNSON
STATEMENTS HEREIN ARE TRUE AS STATED TO THE BEST OF MY KNOWLEDGE AND BELIEF.

I noted the 15 days from receiving the letter and called to get the date received. I will furnish the required Affidavits from both Jeff and his Mother but our 80 mile separation takes time. Please reply after receiving them Fax. Norman R. Munson

9 3 0 4 3 7 2 2 4 2 0

POWER OF ATTORNEY IN FACT

STATE OF ILLINOIS

COUNTY OF KANE

KNOW ALL MEN BY THESE PRESENTS THAT

I,JEFF WILLIAM SMITH,43 W.340 SMITH ROAD,ELBURN,ILLINOIS,60119, GRANT AND CONVEY TO; AN OLD FAMILY FRIEND OF MANY YEARS: IN MY NAME PLACE AND STEAD TO THE SAME EXTENT THAT I WOULD DO SO IF I WERE PRESENT.I,HEREBY PUT ALL PERSONS AND ENTITIES ON NOTICE THAT; THIS POWER OF ATTORNEY IN FACT IS APPLICABLE FROM THE DATE OF THE UNDERSIGNED'S SIGNATURE UNTIL FURTHER NOTICE.

THIS POWER OF ATTORNEY IN FACT SHALL ALLOW MR.NORMAN R.MUNSON OF THE VILLAGE OF NORTH UTICA,ILLINOIS,IN THE COUNTY OF LA SALLE, P.O.BOX 137,238 E.CANAL ST.61373, TO EXECUTE ON MY BEHALF ANY AND ALL DOCUMENTS NECESSARY TO BRING ABOUT THE DESIRED RESULT,NAMELY TO TERMINATE THIS CASE DESIGNATED AS MUR 3998,BY PROVING THAT I,JEFF WILLIAM SMITH DID NOT CONTRIBUTE THE AMOUNTS LISTED IN THE RECORDS OF THE FEDERAL ELECTION COMMISSION.

THE VEHICLE USED TO CONVEY FUNDS TO THE DAVID DUKE FOR U.S.SENATE COMMITTEE WERE MY PAYROLL CHECKS,"BUT FOR" THE PURPOSE OF TRANSFER OF MULTIPLE SMALL DONATIONS ENTRUSTED TO ME,JEFF WILLIAM SMITH.

WHEREFORE: I,JEFF WILLIAM SMITH,LIMIT SAID POWER OF ATTORNEY IN FACT TO DEMONSTRATE THAT NO ACTION SHOULD BE TAKEN IN THIS MATTER OTHER THAN TO DISMISS.NO POWER IS DELEGATED TO PAY OUT ANY FUNDS.

SIGNED ON THIS THE first DAY OF AUGUST,1994.

Jeff William Smith

JEFF WILLIAM SMITH

9604372241

KITCHENS, BENTON, KITCHENS & WARREN
A PROFESSIONAL LAW CORPORATION
420 BROADWAY
P.O. BOX 740
MINDEN, LOUISIANA 71058-0740
(318) 377-5331
FAX (318) 377-5361

GRAYDON K. KITCHENS, SR. (1903-1988)
JOHN B. BENTON, JR.
GRAYDON K. KITCHENS III

PAUL E. KITCHENS
WM. RICK WARREN

RECEIVED
FEDERAL ELECTION
COMMISSION
ADMINISTRATION
AUG 1 9 35 AM '94

July 27, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
AUG 1 12 51 PM '94

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

RE: L. M. Neilson and W. G. Neilson, MUR 3998

Via Facsimile and regular mail

Dear Mr. McDonald:

I am enclosing herewith a designation of counsel signed by my clients in the above matter. This will confirm with you our telephone conversation of July 25, 1994, wherein I advised that I had been out of my office for several days on trial procedures and was able to interview my clients first on July 25. My clients have some checks and other documentary evidence which they need to obtain from their bank, and which are only located on microfilm. The bank informs them that it would take approximately fourteen (14) days for the microfilm to be produced and accordingly, I would appreciate a twenty (20) day extension of time within which to submit an affidavit and the documentary evidence necessary to respond to the letter of July 12, from Mr. Trevor Potter. I appreciate your consideration of this request.

Very truly yours,

KITCHENS, BENTON, KITCHENS
& WARREN

Paul E. Kitchens

Paul E. Kitchens,
Bar Roll #7430

PEK/mr
Enclosures

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3998

NAME OF COUNSEL: Paul E. Kitchens

ADDRESS: Kitchens, Benton, Kitchens & Warren
P. O. Box 740
Minden, LA 71058-0740

TELEPHONE: (318) 377-5331

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.

7/28/94
Date

W. G. Neilson
Signature W. G. Neilson

RESPONDENT'S NAME: W. G. & L. M. Neilson

ADDRESS: Rt. 2, Box 546
Minden, LA 71055

HOME PHONE: [redacted]

BUSINESS PHONE:

9604372240 3

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

July 29, 1994

Paul E. Kitchens
Kitchens, Benton, Kitchens & Warren
420 Broadway
P.O. Box 740
Minden, LA 71058-0740

RE: MUR 3998
L.M. Neilson

Dear Mr. Kitchens:

This is in response to your letter dated July 27, 1994, which we received on July 28, 1994, requesting an extension of 20 days to respond to this matter. 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 August 17, 1994.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9304372224

KITCHENS, BENTON, KITCHENS & WARREN
A PROFESSIONAL LAW CORPORATION
420 BROADWAY
P.O. BOX 740
MINDEN, LOUISIANA 71058-0740
(318) 377-5331
FAX (318) 377-5361

RECEIVED
FEDERAL ELECTION
COMMISSION
ADMINISTRATION

AUG 4 11 17 AM '94

GRAYDON K. KITCHENS, SR. (1903-1988)
JOHN B. BENTON, JR.
GRAYDON K. KITCHENS III

PAUL E. KITCHENS
WM. RICK WARREN

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
AUG 4 2 13 PM '94

July 29, 1994

VIA FAX & U. S. MAIL

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

RE: L. W. Neilson and W. G. Neilson; MUR 3998

Dear Mr. MacDonald:

Per your request of July 28, 1994, enclosed is a copy of the Statement of Designation of Counsel executed by L. W. Neilson.

This is to also confirm that you have granted my request for a twenty (20) days extension within which to submit an affidavit and the documentary evidence necessary to respond to Mr. Trevor Potter's letter of July 12, 1994.

Thank you for your kind assistance in this matter.

Very truly yours,

KITCHENS, BENTON, KITCHENS
& WARREN

Paul E. Kitchens

Paul E. Kitchens,
Bar Roll #7430

PEK/ca
Enclosure

9604372245

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3998

NAME OF COUNSEL: Paul E. Kitchens

ADDRESS: Kitchens, Benton, Kitchens, & Warren
P. O. Box 740
Minden, LA 71058-0740

TELEPHONE: (318) 377-5331

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.

7/28/94
Date

L. M. Neilson
Signature L. M. Neilson

RESPONDENT'S NAME: L. M. Neilson

ADDRESS: Route 2, Box 546
Minden, LA 71055

[redacted]

HOME PHONE: [redacted]

BUSINESS PHONE:

9654372246

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 1, 1994

Francis J. Shubert, Sr.
3216 Ridgeway Drive
Metairie, LA 70002

RE: MUR 3998
Francis J. Shubert, Sr.

Dear Mr. Shubert:

On 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. The 30 day period for negotiations will soon expire. Unless we receive a response from you within five days, 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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9504372247

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 1, 1994

E.R. McElveen
444 Memphis Street
Bogalusa, LA 70427

RE: MUR 3998
E.R. McElveen

Dear Mr. McElveen:

On 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. The 30 day period for negotiations will soon expire. Unless we receive a response from you within five days, 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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372249 8

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

AUGUST 1, 1994

Jerome Layton
1 Cherry Lane
Berea, KY 40403

RE: MUR 3998
Jerome Layton

Dear Mr. Layton:

On 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. The 30 day period for negotiations will soon expire. Unless we receive a response from you within five days, 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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 1, 1994

Lloyd A. Faulstich
1240 Dauphine Street
New Orleans, LA 70116

RE: MUR 3998
Lloyd A. Faulstich

Dear Mr. Faulstich:

On 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. The 30 day period for negotiations will soon expire. Unless we receive a response from you within five days, 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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372250

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 1, 1994

Ray Cater
Rt. 1 Box 13-H
Ferriday, LA 71334

RE: MUR 3998
Ray Cater

Dear Mr. Cater:

On 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. The 30 day period for negotiations will soon expire. Unless we receive a response from you within five days, 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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372250

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 1, 1994

Vincent A. Canfield
Box 222, R.R. 1
Equinunk, PA 18417

RE: MUR 3998
Vincent A. Canfield

Dear Mr. Canfield:

On 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. The 30 day period for negotiations will soon expire. Unless we receive a response from you within five days, 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) 219-3690.

Sincerely,

Delanie D. Painter

Delanie Dewitt Painter
Attorney

9503437225 02

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

AUGUST 1, 1994

Jerrie Bellow
4403 Moss Street
Lafayette, LA 70507

RE: MUR 3998
Jerrie Bellow

Dear Ms. Bellow:

On 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. The 30 day period for negotiations will soon expire. Unless we receive a response from you within five days, 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) 219-3690.

Sincerely,

Delanie D. Painter

Delanie Dewitt Painter
Attorney

9604372250

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 1, 1994

Louis J. Arrieta
4461 Purdue Avenue
Culver City, CA 90230

RE: MUR 3998
Louis J. Arrieta

Dear Mr. Arrieta:

On 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. The 30 day period for negotiations will soon expire. Unless we receive a response from you within five days, 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) 219-3690.

Sincerely,

Delanie D. Painter

Delanie Dewitt Painter
Attorney

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RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

JUL 27 4 43 PM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
Eleanor Parker Adams	)	
	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. **BACKGROUND**

Attached is a conciliation agreement which has been signed by respondent Eleanor Parker Adams. The attached agreement contains no changes from the agreement approved by the Commission on June 22, 1994, and we have received a check for the $600.00 civil penalty.

II. **RECOMMENDATIONS**

1. Accept the attached conciliation agreement with respondent Eleanor Parker Adams.

2. Close the file with respect to this respondent.

3. Approve the appropriate letter.

Lawrence M. Noble
General Counsel

7/27/94
Date

BY: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

Attachment
A. Conciliation Agreement

Staff Assigned: Jack MacDonald
Delanie DeWitt Painter

9604372255

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Eleanor Parker Adams.	)	MUR 3998
	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 2, 1994, the Commission decided by a vote of 6-0 to take the following actions in MUR 3998:

1. Accept the conciliation agreement with respondent Eleanor Parker Adams, as recommended in the General Counsel's Report dated July 27, 1994.

2. Close the file with respect to this respondent.

3. Approve the appropriate letter, as recommended in the General Counsel's Report dated July 27, 1994.

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

Attest:

8-2-94
Date

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

Received in the Secretariat: Wed., July 27, 1994 4:43 P.M.
Circulated to the Commission: Thurs., July 28, 1994 11:00 A.M.
Deadline for vote: Tues., Aug. 02, 1994 4:00 P.M.

mck

9604372250 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 3, 1994

Eleanor Parker Adam
416 Westmeade Drive
Gretna, LA 70056

RE: MUR 3998
Eleanor Parker Adam

Dear Ms. Adam:

On August 2, 1994, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted by you in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to you.

This matter will become public within 30 days after it has been closed with respect to all other respondents involved. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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.

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

Enclosure
Conciliation Agreement

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RECEIVED
FEDERAL ELECTION
COMMISSION
ADMINISTRATIVE DIVISION

Jul 21 12 20 PM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Eleanor Parker Adam	)	MUR 3998
	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Eleanor Parker Adam ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A).

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.

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

1. The David Duke for U.S. Senate Committee is a principal campaign committee within the meaning of 2 U.S.C. § 431(5).

2. The Federal Election Campaign Act of 1971, as amended ("the Act") limits the amount that an individual may contribute to any candidate to $1,000 with respect to any federal election. 2 U.S.C. § 441a(a)(1)(A).

3. Between May and December 1990, Eleanor Parker Adam contributed seven checks totaling $2,200.00 to the David Duke for U.S. Senate Committee that exceeded her contribution limitation by $1,200.00.

V. Respondent violated 2 U.S.C. § 441a(a)(1)(A) by making contributions to the David Duke for U.S. Senate Committee which exceeded her individual contribution limitation by $1,200.00.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of six hundred dollars ($600.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

VIII. This agreement shall become effective as of the date that

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all parties hereto have executed same and the Commission has approved the entire agreement.

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

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: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

Date 8/3/94

FOR THE RESPONDENT:

Mrs. Eleanor Parker Adam
(Name)
(Position)

Date 7/18/94

96043572251U

LAW OFFICES
HOUSEMAN, FEIND, GALLO & MALLOY
1214 THIRTEENTH AVENUE
POST OFFICE BOX 104
GRAFTON, WISCONSIN 53024-0104

Ralph L. Houseman
Robert L. Feind, Jr.
John M. Gallo
Paul V. Malloy

Michael P. Herbrand

TELEPHONE
(414) 377-0600
FACSIMILE
(414) 377-6080

August 5, 1994

AUG 8 9 44 AM '94
RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Mr. Jack MacDonald
Office of General Counsel
Federal Election Commission
999 E Street NW
Washington, DC 20463

Re: Benjamin Grob
MUR 3998

Dear Mr. MacDonald:

As a followup to our conversation of August 4, 1994, I am providing you with some background regarding Mr. Grob and his contribution to the David Duke Campaign Committee. Mr. Grob did not send one $4,000 check. Rather, there were 3 checks sent in this matter. Check #492 was sent to Duke for Senator on April 22. Another check #496 was sent June 8 to Representative David Duke and a final check in the amount of $2,000 was sent to the DAV sic Duke Camp sic Committee.

Obviously, Mr. Grob was not aware that he was violating Federal Election laws when he made these contributions.

Mr. Grob is currently 93 years of age. He is an engineer and an industrialist and if you asked him I'm sure he would advise you that he is not prone to reading fine print.

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Thank you very much for your anticipated cooperation in this matter.

Very truly yours,

HOUSEMAN, FEIND, GALLO & MALLOY

Robert L. Feind, Jr.

RLF:pr
cc: Benjamin Grob

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STATEMENT OF DESIGNATION OF COUNSEL

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

MUR 3998

AUG 9 5 05 PM '94

NAME OF COUNSEL: Robert L. Feind, Jr., of Houseman, Feind, Gallo & Malloy

ADDRESS: 1214 Thirteenth Avenue
PO Box 104
Grafton, WI 53024

TELEPHONE: (414) 377-0600

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 28, 1994
Date

Signature Benjamin Grob

RESPONDENT'S NAME: Benjamin Grob

ADDRESS: 206 Corsair Road
Duck Key, FL 33050

HOME PHONE: [redacted]

BUSINESS PHONE: N/A

9604372251 3

WAYNE H. SCHEUERMANN
A PROFESSIONAL LAW CORPORATION
2001 HICKORY AVENUE
P.O. BOX 221164
HARAHAN, LOUISIANA 70123-1164

FAX: 738-7272
READER BEEPER - 593-3996

TELEPHONE 738-8888
AREA CODE 504

AUG 8 12 04 PM '94
RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

August 8, 1994

Mr. Jack MacDonald
Federal Election Commission
Washington, DC 20463

Re: Francis Shubert, Sr.
MUR 3998

VIA FAX: 202-219-1043

Dear Mr. MacDonald:

Thank you for speaking with my assistant, Margaret Chanove, concerning Mr. Shubert's case.

As Margaret may have informed you, my wife had a very serious and complicated automobile accident in June of this year. She was in the Intensive Care Unit and placed on a respirator for some time. She has sinced made some improvement and is now home with 24 hour care. My attention to her and her care has taken well over 90% of my time and I could not devote the time that was needed to Mr. Shubert. However, I am now able to devote this time to Mr. Shubert and I would ask your indulgence in this matter by granting me a 30 day extension to review the proposed agreement.

Please accept my apologies for not responding sooner. I know that with the extension we can resolve this situation.

If you require further information or wish to speak with my office, please feel free to do so. I look forward to your response.

Respectfully,

Wayne Scheuermann APLC

Wayne H. Scheuermann, APLC

WHS/mc

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AUG.08 '94 10:25 D-R REPAIR CENTER NOLA P.02

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3998

NAME OF COUNSEL: Wayne H. Scheuermann, APLC

ADDRESS: P O Box 231164

Harahan, La. 70183

TELEPHONE: (504) 738-9000

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.

Date

Francis J. Shubert
Signature

RESPONDENT'S NAME: Francis J. Shubert, Sr.

ADDRESS: 3216 Ridgeway Drive

Metairie, La. 70002

HOME PHONE: [redacted]

BUSINESS PHONE: [redacted]

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LAW OFFICE OF
JOHN R. RARICK
ATTORNEY AT LAW

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

JUL 29 10 08 AM '94

9821 ROYAL ST., P.O. BOX 1924
ST. FRANCISVILLE, LOUISIANA 70775
504 635-3483

July 19, 1994

FEDERAL ELECTION COMMISSION
Washington, D.C. 20463

Att: Trevor Potter

RE: MUR 3998
JOHN R. RARICK

Dear Sir,

I acknowledge receipt of your proposed Concilliation Agreement re contributions to the David Duke for U.S. Senate Campaign Committee.

Please consider this a request for assistance since the Duke campaign was in 1990 or 4 years ago.

In paragraph IV, 3. of your agreement you refer to six checks totalling $2,635.00. Can you give me their identity by dates, amounts and check numbers?

Very truly yours,

John R. Rarick

9604372516

LAW OFFICE OF
JOHN R. RARICK
ATTORNEY AT LAW

9821 ROYAL ST., P.O. BOX 1924
ST. FRANCISVILLE, LOUISIANA 70775
504 635-3483

August 1, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
AUG 8 9 37 AM '94

Mr. Jack McDonald
FEDERAL ELECTION COMMISSION
Washington, D.C. 20463

RE: MUR 3998
JOHN R. RARICK

Dear Mr. McDonald,

Confirming my letter of July 19th and our phone conversation of July 29, 1994, I have now been able to review my 1990 checks and take exception to you commission fact findings.

According to my checks, my wife Marguerite and I made contributions to the David Duke for U.S. Senate Companign totalling $395.00 and a loan , which was never repaid, of $1000.00 as follows:

January 29, 1990,	check # 7089	for $25.00	contribution
May 3, 1990	check # 7199	for $50.00	contribution
July 1, 1990	check # 7282	for $20.00	tickets to July 4 rally
July 10 ,1990	check # 7296	for $50.00	for T-shirts
September 28,1990	check # 7409	for $200.00	contribution
October 16, 1990	check # 7428	for $50.00	dance tickets
Total checks		$395.00	

Additionally on October 1, 1990 I withdrew $1020.00 from our community saving account and wried it to Duke's Campaign committee as a loan for last minute TV time.(The $20.00 was the bank charge .)

This shows that the maximum my wife and I contributed to David Duke for U.S. Senate Campaign was $1,395.00 or $697.50 each which was well below the permissible contribution limits of $1,000.00 each.

I enclose copies of my checks and the Bank wire account to substantiate our figures.

Very truly yours,

John R. Rarick
enc. copies of checks , front and back
bank charge off on $1,000.00 loan

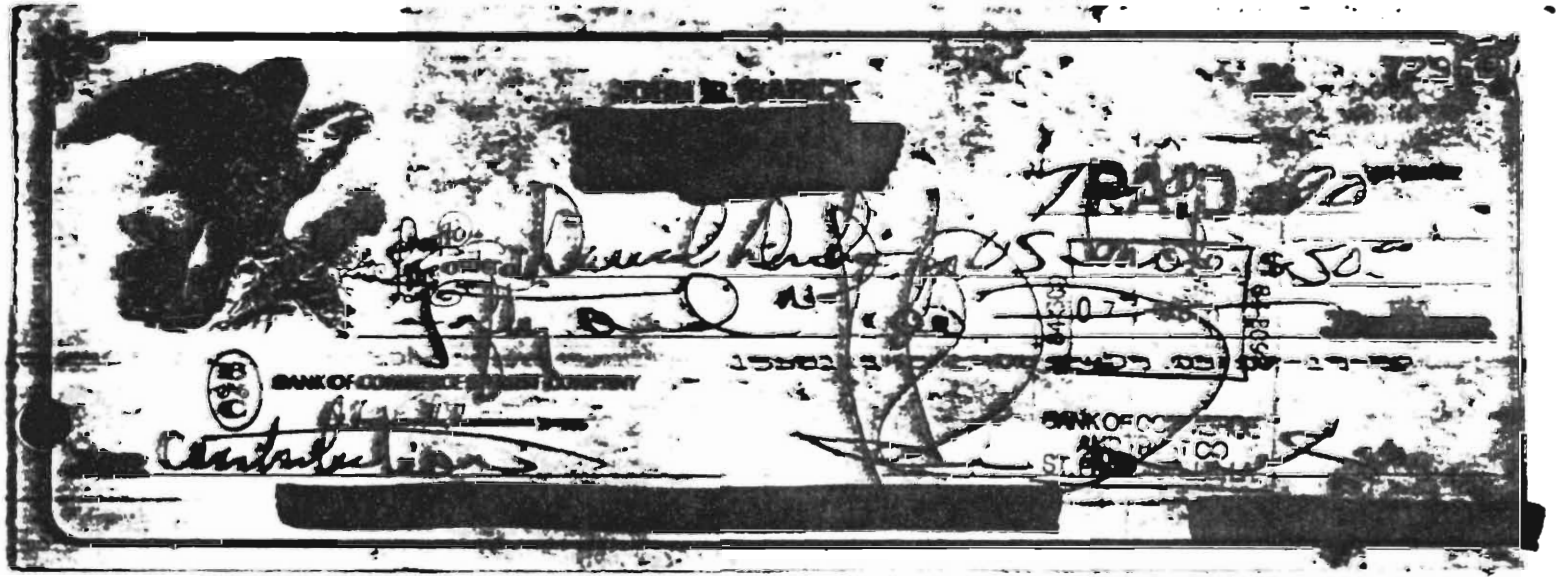
9 6 0 4 3 1 2 2 5 1 7

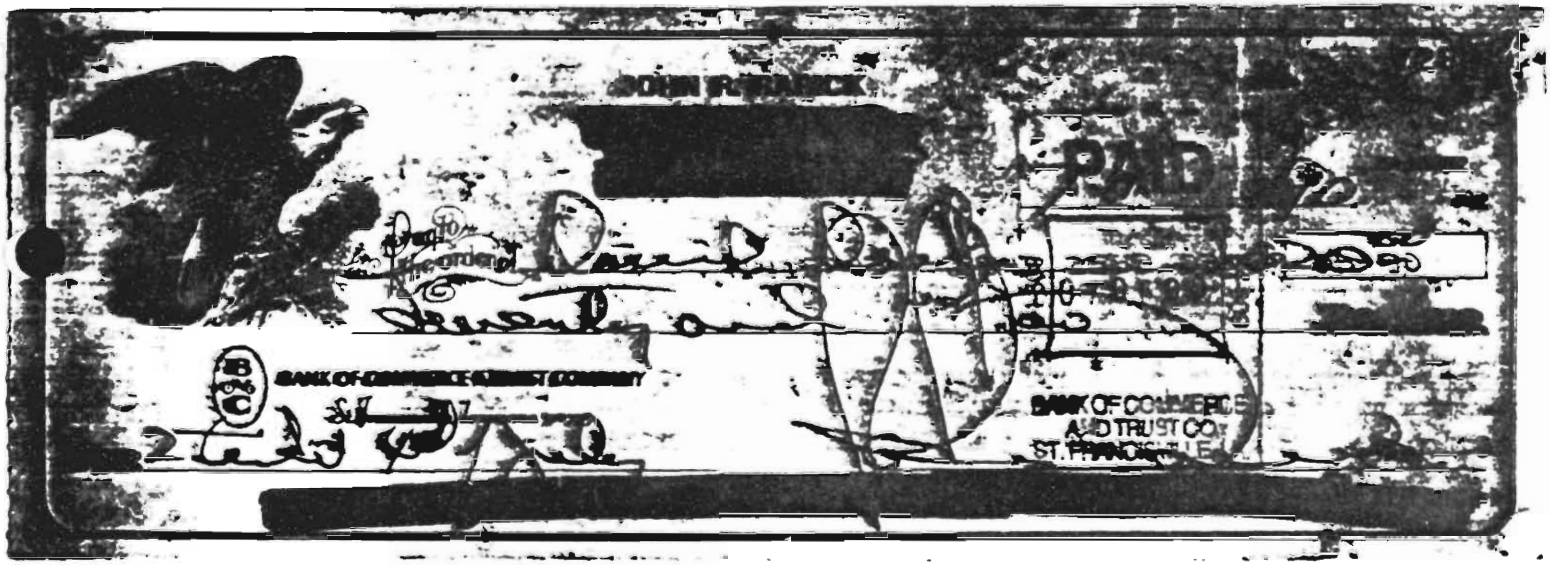
[redacted]

BANK OF COMMERCE & TRUST COMPANY

[redacted]

9 6 0 4 3 7 2 2 5 1 8





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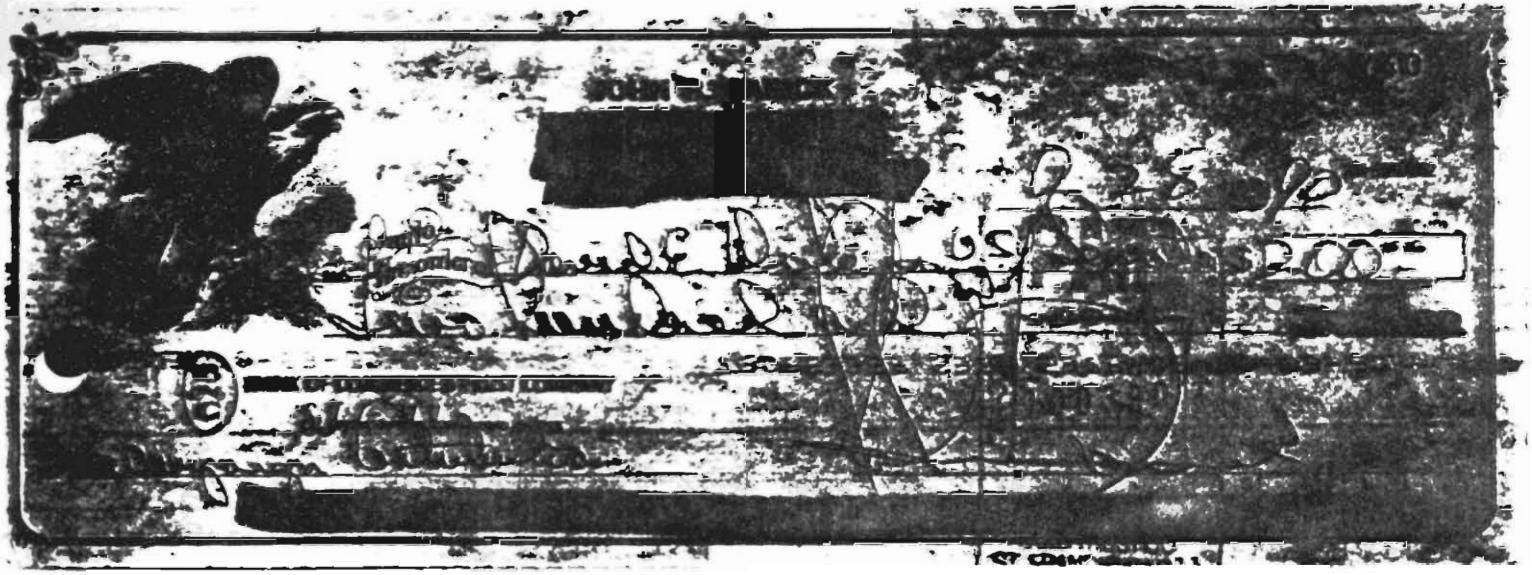

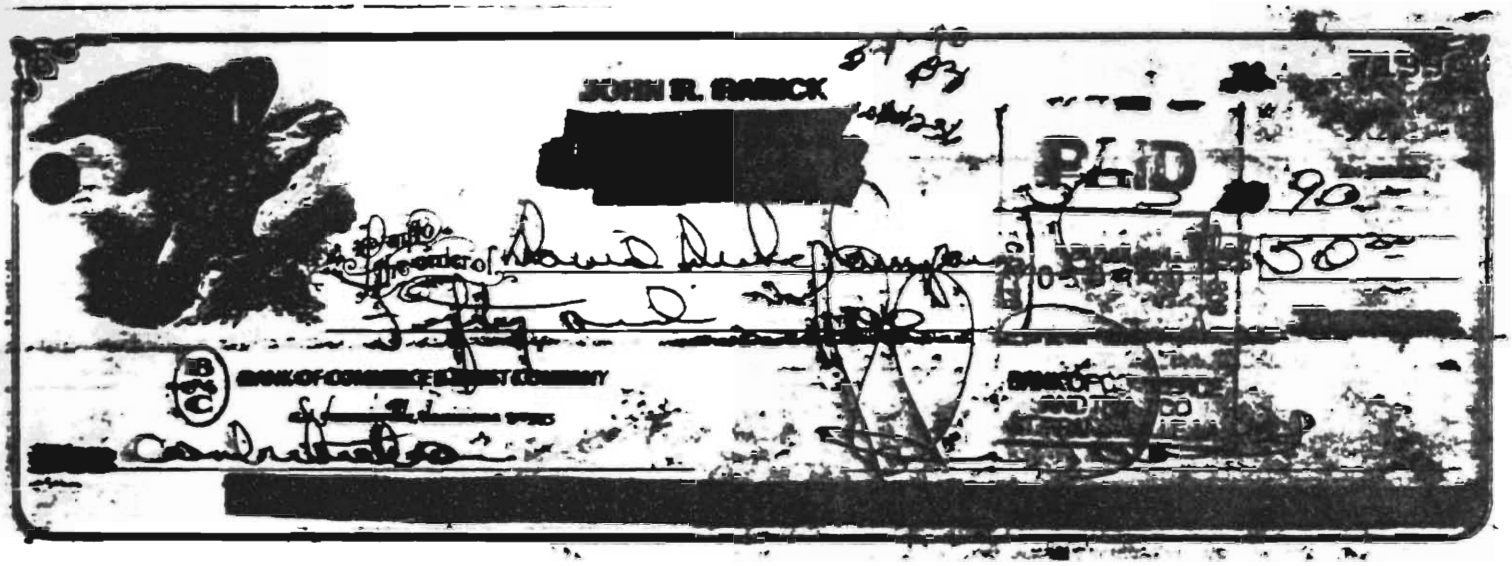

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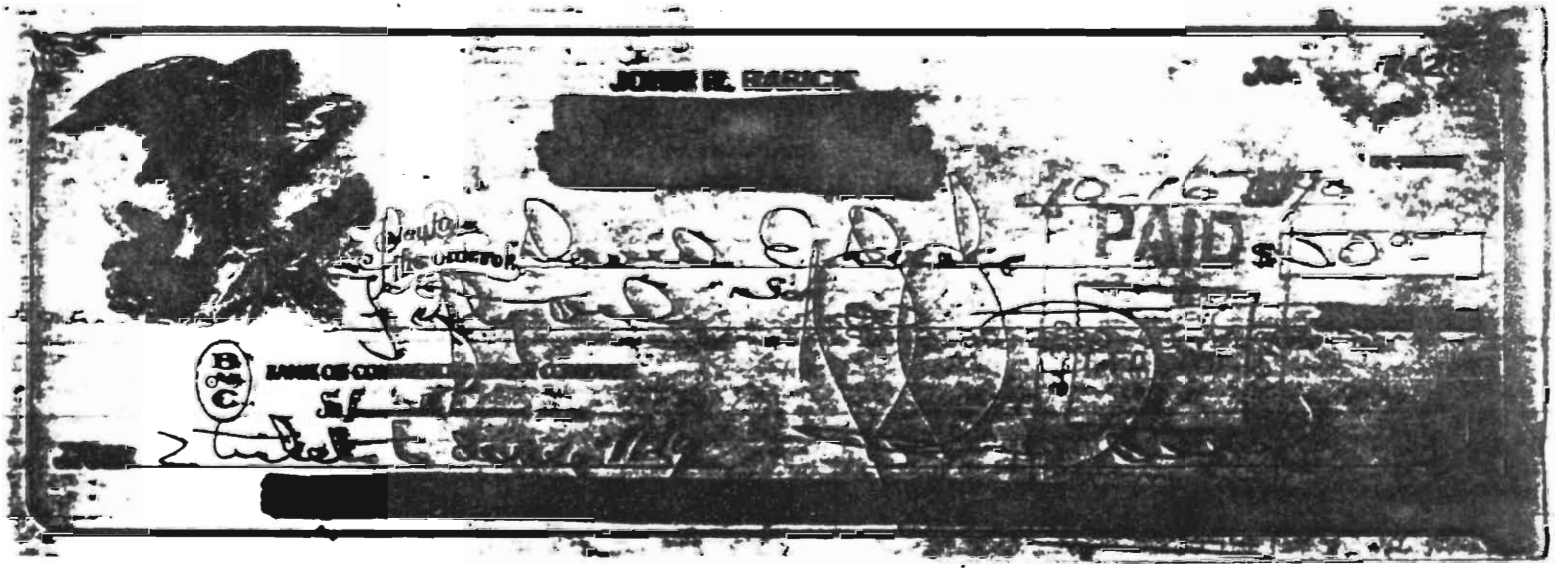

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Bank of Commerce & Trust Co., St. Francisville, Louisiana

ADVICE OF CHARGE

DATE 10-01- 90

This Is to Advise That We Have Today Charged Your Account in This Bank $ 1,020.00

As follows: Wire Transfer to Hibernia Natl Bank B/O John R Rarick to credit David E. Duke. [redacted]

[redacted]

John R Rarick or Marguerite Rarick

P.O. Box 236

St. Francisville, La 70775

Cheryl Ann London

CASHIER

9 6 0 4 3 7 2 2 5 2

KITCHENS, BENTON, KITCHENS & WARREN
A PROFESSIONAL LAW CORPORATION
420 BROADWAY
P.O. BOX 740
MINDEN, LOUISIANA 71058-0740
(318) 377-5331
FAX (318) 377-5361

GRAYDON K. KITCHENS, SR. (1903-1988)
JOHN B. BENTON, JR.
GRAYDON K. KITCHENS III

PAUL E. KITCHENS
RICK WARREN

AUG 8 AM 10:31 '94
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

August 4, 1994

VIA FAX & U.S. MAIL

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

RE: L. W. Neilson and W. G. Neilson; MUR 3998

Dear Mr. MacDonald:

I am enclosing herewith an Affidavit submitted by my clients, Mr. and Mrs. W. G. Neilson. The Affidavit should be self explanatory

Very truly yours,

KITCHENS, BENTON, KITCHENS & WARREN

Paul E. Kitchens

Paul E. Kitchens,
Bar Roll #7430

PEK/jas
Enclosure

9604372225

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of

L. M. Neilson : MUR 3998

AFFIDAVIT

STATE OF LOUISIANA:

PARISH OF WEBSTER:

BEFORE ME, the undersigned authority, a Notary Public duly qualified and commissioned in and for the aforesaid Parish and State, therein residing, personally came and appeared **W. G. NEILSON and L. M. NEILSON**, who, after first being duly sworn did depose and state that although they acknowledge that certain campaign contributions were made by each of them during the calendar year 1990 to the David Duke Campaign, that they had no knowledge whatsoever of any limitations imposed by Federal Law on the maximum amount that could be contributed to a political campaign. In addition, it was intended that a considerable portion of the contributions made by your respondents were to have been made for personal expenses of David Duke, for clothes, food, lodging, haircuts and to aid and assist the education of two teenage daughters as well as for Mr. Duke's Mother who had suffered a stroke. Appearers had no knowledge whatsoever that these donations could be considered as violation of any Federal Law.

Respondents further declare that Mr. W. G. Neilson is seventy-five (75) years of age, having retired on June 1, 1989, and that Mrs. L. M. Neilson is a sixty-five (65) year old housewife,

9604372254

Appearers promise, under oath, that there shall be no future violations of the Federal Election Law, now that they have been made aware of its contents, and further, that they had no knowledge or intention to violate Federal Law in making the donations in question.

Appearers have been God fearing and law abiding citizens for their entire lifetime and are astounded and embarrassed that at their advanced age and with a perfect and clean record, that their actions would be called into question, and would request any consideration given to this request.

L. M. Neilson

L. M. NEILSON

W. G. Neilson

W. G. NEILSON

SWORN TO AND SUBSCRIBED before me, Notary Public, at Minden, Louisiana, on this 4th day of August, 1994.

Carol B. Cooper

NOTARY PUBLIC

93043722555

2C4463

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 1, 1994

Jerome Layton
1 Cherry Lane
Berea, KY 40403

RE: MUR 3998
Jerome Layton

Dear Mr. Layton:

On 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. The 30 day period for negotiations will soon expire. Unless we receive a response from you within five days, 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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372256

[redacted] Berea, KY
aug. 5, 1994

* I "responded" July 16, 1994
by sending a check for $600.=
to Federal Election Commission.

Jerome K. Layton

1 Cherry St.
Berea, Ky 40403
Aug. 4, 1994

MUR 3448

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

AUG 5 PM 12 07 PM '94

To: Federal Election Commission
Washington, D.C. 20463

I Responded.

On or about July 16, 1994 I sent a check for $600.00 to you as payment for $600.00 fine.

What more do you want?

Am I to expect 200 Federal Marshalls with machine guns, snipers and Tanks? Napalm perhaps?

I resent the (1) stress (2) Mental pain & suffering caused by your threatening letter received this date.

George Washington said, "Government, like fire, can be a terrible master." I agree.

Jerome K. Layton

P.S. I think you owe me 29¢ postage.

P.P.S. I walk TWO miles to mail this. JKLayton

2094637 22557

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 10, 1994

BY FEDERAL EXPRESS

Jerome Layton
1 Cherry Lane
Berea, KY 40403

RE: MUR 3998
Jerome Layton

Dear Mr. Layton:

In response to our phone conversation of August 8, 1994, I have enclosed another copy of the Conciliation Agreement. Please sign the agreement and return it in the enclosed envelope.

If you have any questions regarding this matter, please contact me at (800) 424-9530 or (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

Enclosures

9604372258

Date 8/11/94

Fax From
Paul Allen, Asst. Treasurer
David Duke for U.S. Senate Committee
9128 Quince St.
New Orleans, La 70118

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
Aug 12 10 28 AM '94

Fax To
Delanie DeWitt Painter, Atty.
Federal Election Commission
Fax number (202) 219-3690

Re: MUR 3998

Dear Ms Painter:

Thank you for the courtesies extended to me on the phone today. As per our understanding, I am asking for an extension of time until 8/19/94 to send you our response to your letter of 7/12/94. I will by midnight on said 8/19 send you a certified letter explaining as best I can what happened.

I agree with almost all your letter of 7/12 says, except the section on transfers on page 8. If I could understand the federal jargon, perhaps I would agree with it also. From what I could piece together, it said the funds were from prohibited sources. This is an overstatement. In that portion where it is correct, I later got the contributors to attribute these correctly.

But, aside for this, my response will be substantially the same as I told the audit division, and as you recapitulated in your letter of 7/12/94.

It is my understanding that you will send us a letter granting said request for extension when you receive this fax.

Sincerely,

P.R. Allen

paul allen

9604372259

FEC-1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 15, 1994

James A. McPherson, Treasurer
Paul Allen, Assistant Treasurer
David Duke for U.S. Senate Committee
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998

Dear Mr. Allen and Mr. McPherson:

This is in response to your letter dated August 11, 1994, which we received by facsimile transmission on the same date, requesting an extension until August 19, 1994 to respond to the Commission's subpoena to produce documents and order to submit written answers. After considering the circumstances presented in your letter and our telephone conversation, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on August 19, 1994.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Delanie D. Painter

Delanie DeWitt Painter
Attorney

9604372250

Jack MacDonald
Paralegal Specialist
Federal Election Commission
Washington, D.C.

Re: MUR 3998
Ray Cater

AUG 18 2 55 PM '94
RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Dear Mr. MacDonald;

In reference to the above action: I did not contribute $2525.00 to the David Duke campaign. My contribution was two twenty five dollar checks, one from each of my businesses. (see copy of cancelled checks attached). One check #1770 was drawn on the Miss-Lou Center Cotton Gin and one check #3241 was drawn on Ray Cater's Cars and Trucks. This total of $50.00 was all that was contributed. I ask that this matter be dismissed, because there has been a mistake.

I would appreciate it if you could advise where the Commission got their figures.

Ray Cater

Sworn to before me this 15th day of August, 1994 in my office Concordia Parish, Louisiana.

Joyce A Cater

NOTARY: my commission is for life

9 5 0 4 3 7 2 2 5 7 1

owner: Ray + Fay Cater

MISS - LOU CENTER COTTON GIN

RT. 1, BOX 13H PH. 318-757-9993
FERRIDAY, LA 71334

1770

84-224/1111

Feb 7 19 90

PAY TO THE ORDER OF David Duke Campaign Fund $25.00/xx

Twenty Five Dollars + 00/100 DOLLARS

LOUISIANA CENTRAL BANK
FERRIDAY - VIDALIA
LOUISIANA

FOR Donation

Fay Cater

[redacted]

RAY CATER'S CARS AND TRUCKS

RT. 1, BOX 13-H PH. 757-6275
FERRIDAY, LA 71334

3241

84-224
1111

Feb 7 19 90

PAY TO THE ORDER OF David Duke Campaign Fund $25.00/xx

Twenty Five Dollars + 00/100 DOLLARS

LOUISIANA CENTRAL BANK
FERRIDAY - VIDALIA
LOUISIANA

RAY CATER'S CARS & TRUCKS

FOR Donation

Fay Cater

[redacted]

9 6 0 4 3 7 2 2 5 7 2

James A. McPherson
Attorney-at-Law
9128 Quince Street
New Orleans, Louisiana 70118
(504) 486-2022 (*phone or fax*)

RECEIVED FEDERAL ELECTION COMMISSION ADMINISTRATION
AUG 25 11 12 AM '94

RECEIVED FEDERAL ELECTION COMMISSION OFFICE OF GENERAL COUNSEL
AUG 25 11 41 AM '94

August 19, 1994

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

Re: MUR 3998
David Duke for U.S. Senate

9 6 0 4 3 7 2 2 5 7 3

Dear Ms. Painter:

I understand that Mr. Allen is today sending you his response to the Federal Election Commission's letter, order and subpoena dated July 12, 1994; however, I feel the necessity to add my own comments to the Federal Election Commission's "Factual and Legal Analysis", as follows:

I. EXCESSIVE CONTRIBUTIONS FROM INDIVIDUALS

Page one footnote 1 fails to mention that the reason there was no general election was because the third candidate in the race, Benny Baggert, withdrew two days before election day. If he had stayed in there would have been a run-off between the incumbent and Duke. Many of the contributors of more than one thousand dollars did so under the belief that there was going to be a run off and that they were contributing to the reasonable anticipated run-off in the general election. If so they would have been allowed to contribute a total of $2,000. Also, neither Mr. Allen nor myself realized that a husband and wife had to both sign the check in order to get the benefit of a double allowance.

The statement in footnote 2 about the Assistant Treasurer being "too dumb to pick up the distinction..." is incorrectly attributed to the Committee. I am sure that this is Mr. Allen's own characterization of his conduct and not the committee's. Mr. Allen is not dumb. He may have been over his head in regards to the intricacies of the federal election regulations but he is good intentioned and worked hard to fully comply with all known regulations. Accordingly, the concluding statement to paragraph I, that the committee "knowingly accepted contributions in excess of the contribution limitations..." is strongly contested. It was not done knowingly.

II. ANONYMOUS CONTRIBUTIONS OF CURRENCY

Everyone in the campaign knew about the limitation of $50 for cash contributions and everyone in the campaign saw to it that this limitation was never exceeded. The statement on page 4 that "the Committee made 337 deposits of cash in excess of $50...." is misleading. The significant fact is not stated. That fact is that no one contribution exceeded $50. If twenty people each contribute less that $50 the cumulative total would be in excess of $50 but no one contribution was in excess of $50. Therefore there is no violation revealed by a cumulative deposit that was in excess of $50.

On page 5, last paragraph it is stated that "there is no showing that the Committee made any attempt to differentiate between cash contributions below $50 and those of more than $50." Although this statement is technically true it is highly misleading. It is misleading because no contribution in excess of $50 was ever accepted; therefore there was no reason to "differeentiate". Also, footnote 4 suggests that because "notations on 11 of the deposit slips indicate that they consist of contributions under $50, it is reasonable to conclude that the remaining deposits may have included some contributions in excess of $50." Actually, it is more reasonable to conclude that since 11 of the deposit slips actually note that they consist of contributions under $50 then the remaining deposits did so also. Violations are never presumed. Law presumes regularity. This campaign did not accept any cash contribution in excess of $50.

III. TRANSFERS FROM CANDIDATE'S NONFEDERAL ACCOUNT CONTAINING POSSIBLE PROHIBITED FUNDS

I know nothing about this matter, so will not comment upon it except to note that Mr. Allen made a complete explanation of this in previous communications to the FEC and its auditors.

IV. ITEMIZATIONS OF CONTRIBUTIONS FROM INDIVIDUALS

I know nothing about this matter, so will not comment upon it except to state that I am sure Mr. Allen will completely inform the FEC of exactly how this was handled, if he has not already done so.

Sincerely,

James A. McPherson

SWORN TO AND SUBSCRIBED BEFORE ME, NOTARY THIS 19th DAY OF AUGUST, 1994.

NOTARY PUBLIC

9 5 0 4 3 7 2 2 5 7 4

David Duke for U.S. Senate Committee
128 Quince St. New Orleans, La 7[illegible]
Treasurer James McPherson (504) 486-2022
Asst. Treasurer Paul Allen (504) 833-4419

RECEIVED FEDERAL ELECTION COMMISSION ADMINISTRATION
AUG 23 11 [illegible] '94
RECEIVED FEDERAL ELECTION COMMISSION OFFICE OF GENERAL COUNSEL
AUG 23 12 00 PM '94

August 19, 1994
CERTIFIED NUMBER Z 046 375 118

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

RE: MUR 3998
David Duke for U.S. Senate Committee

This is in response to the FEC letter, order and subpoena dated July 12, 1994. An extension of time to respond by August 19, 1994 was granted by Ms. Painter in telephone conversation of August 11, 1994.

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PRELIMINARY STATEMENT

I was the candidate's income tax accountant for many years prior to his running for office. When he ran for the Senate and asked me to be his Asst. Treasurer, I accepted and phoned the FEC in Washington for help. They sent me the "Campaign Guide for Congressional Candidates and Committees". I want to make it absolutely clear from here to the end of this letter, if it wasn't in the magazine style guide, I didn't know about it. The detailed information sought here is in regards to events that occurred more than four years ago and the "Campaign Guide for Congressional Candidates and Committees" did not require the keeping of this information. A thorough and comprehensive audit was conducted a few years ago by the highly trained and efficient auditors of the Federal Election Commission. The information and documentation sought now, at this late date, by the FEC is contained in that audit. The Campaign Committee no longer exists. There are no funds or personnel available to re-extract the detailed information requested by this Order. The candidate is no longer involved in any political activities. However, in the spirit of complete cooperation we would be willing to again make all records available to your auditors including shipping the records to them for their continual examination. Also, enclosed is a copy of a newspaper article appearing locally in the New Orleans Times-Picayune on July 2, 1994 with a by line of the Associated Press in which your office is quoted as saying that "no further action" in regards to seeking violations in this campaign. What happened to cause you to change your mind? (article attached)

QUESTION 1 RE: Handling cash.

1) Cash receipts occurred in two ways, through the mail or in person.

a) Cash in the mail

None.

b) Cash in person

At rallies the campaign would:

(1) "pass the hat;"

(2) volunteers would sell campaign merchandise.

After the rally the cash from sales of merchandise and "the hat" would be counted, pooled, and

deposited.

2) No record was kept of the names of the volunteers who handled cash because:

1) the "Campaign Guide for Congressional Candidates and Committees" did not require us to obtain or keep the names of volunteers who handled cash,

2) the was a true old fashioned "grass roots" campaign. Rallies were held around the state in various cities, towns and rural communities. Most of the rallies came about through the action of a supporter who telephoned the office and promised to have a crowd assembled at a particular town and requested available dates. A date was agreed upon and the locals in that area were responsible for promoting the event and providing the volunteer workers to bring off the event. There was an impromptu, spontaneous quality about the campaign that created a sense of community among people who had felt left out of the political processes. The volunteers who handled the individual rallies, including the handling of cash, were locals from the rally area and therefore different individuals at each rally. At the really, the candidate appeared, gave a talk and the "hat was passed". The "hat passing" (usually a plastic bucket) was passed through the crowd by volunteers who came forward from the crowd at the really and physically carried the buckets through the crowd. At the completion of the rally the buckets were taken to the office in Metairie, Louisiana by who ever was going that way. The candidate was usually going on to the next rally which was usually nowhere near the previous rally. At the Metairie office, the money was counted and deposited in the campaign account. .

QUESTION 2 - RE: preventing cash contributions over $50

1) Contributors were instructed by the candidate that the most they could give in cash was $50 and that any amount higher must be made by check at the tables set up for that purpose. Many of the rallies were out-of-doors events held in a vacant lot or park where the crowd parked their cars and left a sufficient clearing for the stand-up crowd to gather around the candidate who literally stood on a box, table or rear of as pick-up truck. I personally have seen numerous people leave their families, step out of the crowd, go to the hood of a car, and write out a check. They even stood in line to do this. We trusted the rest of the contributors who remained in the crowd to not put more than $50 in the bucket.

2) A hat or bucket was passed around the crowd by volunteers who were instructed to allow only cash contributions of $50 or less. I want it clearly understood that the above procedures were rigorously followed for two reasons:

a) We wanted to comply with the law for the same reasons all law abiding people do.

b) In addition, we knew that we were being watched by the media and various "anti-hate" groups that hated the candidate passionately and following us all over the state looking for any excuse to express their anti-hate venom. We knew the first time we relaxed our vigilance and let someone give us more than $50 cash, it would be headlines in the media.

QUESTION 3 - RE: accounting for cash contributions over $50

As far as we could tell, there were no cash contributions in excess of $50. We did our best to comply with the law, trusted the people to do the same, and are satisfied that no contribution in excess of $50 was knowingly accepted or received by the campaign. Our supporters were law abiding citizens who were concerned about the erosion of American values in our country and were not the type of political supporter who is willing to violate the law in order to obtain a political favor.

QUESTION 4 - RE: listing of all campaign events in which cash was involved

The "Campaign Guide for Congressional Candidates and Committees" did not require the keeping of a list of all "campaign events" in which the candidate appeared nor did it require the keeping of a list of all persons with knowledge of these "campaign events"; however, in an attempt to explain the

96043722576

impossibility of this request, the following explanation is offered:
Most of the events were unscheduled, impromptu affairs such as when the candidate attended an LSU football game in Baton Rouge and attracted so much attention that he had to leave his seat and walk through the stadium appearing in each entrance and waiving to the crowd. At half-time he stood in the rear bed of a pick-up truck and signed football programs for the crowd that gathered around him. T he hat was passed through the crowd by volunteers from the crowd. The proceeds from the solicitation were co-mingled with proceeds from other rallies held earlier that day. The proceeds were returned to the Metairie office for processing, at which time the date of the event or events was noted on the deposit ticket and the proceeds were deposited in the bank. As previously mentioned, the candidate had the ability to draw a crowd, mount the stump and give a speech which usually resulted in contributions. The candidate was present at all fund raising events, or to put it another way - wherever the candidate was - a possibility for fund raising arose and frequently occurred.

QUESTION 5 - RE: details of "campaign events"

The detailed information sought here is in regards to events that occurred more than four years ago and the "Campaign Guide for Congressional Candidates and Committees" did not require the keeping of this information. A thorough and comprehensive audit was conducted a few years ago by the highly trained and efficient auditors of the Federal Election Commission. The information and documentation sought now, at this late date, by the FEC is contained in that audit. The Campaign Committee no longer exists. The candidate is no longer involved in any political activities. There are no funds or personnel available to re-extract the detailed information requested by this Order. However, in the spirit of complete cooperation we would be willing to again make all records available to your auditors including shipping the records to them for their continual examination. (Please refer to Answer 4 above for a description of "campaign events" and the impossibility of knowing the names of "all individuals who solicited or accepted contributions at each campaign event".) Much of this information was obtained and is found on the notation on the deposit tickets. The candidate was present at all "campaign events" and he made the request for contributions. Volunteers from the audience frequently passed the hat and no effort was made to obtain their names. In question 5 c) you ask for the number of persons who made cash contributions at each event. I have searched the guide and can find no requirement for a body count. The nearest I can come is on page 22, column two, "Identifying Contributions of $50 or less," which says, and I quote: "In the case of small contributions...keep records of the name of the event, the date and the total amount of contributions received."

In many cases this was done exactly, as described in 3 above regarding the notations on the deposit tickets. In other cases it was not,, due to the conditions described. In no case was a body count taken, nor was it required as far as I know. It is suggested that if you presented this Order to your auditor he would recognize the impossibility of responding to these questions.

QUESTION 6 - RE: "all persons who had knowledge of"

The detailed information sought here is in regards to events that occurred more than four years ago and the "Campaign Guide for Congressional Candidates and Committees" did not require the keeping of this information. A thorough and comprehensive audit was conducted a few years ago by the highly trained and efficient auditors of the Federal Election Commission. The information and documentation sought now, at this late date, by the FEC is contained in that audit. It is suggested that if you presented this Order to your auditor he would recognize the impossibility of responding to such questions as "identify all persons who had knowledge of...."

QUESTION 7 - RE: assistance in these answers

No one other than James McPherson, who assisted me in a very minor way.

9 6 0 4 3 7 2 2 5 7

DOCUMENT REQUESTS

1) None.

2) , 3) 4) and 5). These records were produced for the FEC audit division, who inspected and returned same to us. They no longer exist.

After the 1990 U.S. Senate campaign, the candidate ran for Governor in 1991. During this race, the FEC audit division inspected the U.S. Senate campaign records here in New Orleans. When the auditors left New Orleans in mid 1991, the U.S. Senate records were moved to the upstairs attic in the candidate's personal residence to join the 1989 State Representative records and the 1988 presidential campaign records. In 1992 the candidate ran for president, and the Governor's campaign records were also moved upstairs to the attic. Early in 1993 the presidential campaign ended, and these records were moved upstairs to the attic.

When the Governor's campaign was audited in 1993, it was discovered that all five political campaign records were co-mingled, none of said boxes being adequately identified. So now there were records of five political campaigns in six years mixed up together.

The Governor's campaign violations were tried in state court. Each and every charge was dismissed. The state is appealing said acquittal.

In addition, the candidate had the attic searched for income tax records in response to four IRS audits, (two personal and two corporate), a local parish sales tax audit, and a local criminal audit, all of which petered out with no charges filed against the candidate, except the IRS audits, which are now in the Appellate Division and will probably go to trial early next year.

6) Records of transfers from non-federal accounts.

a) Please be advised that the description of this matter in your letter of 7/12/94, on page 7, under title 111, "transfers from candidate's nonfederal account" is incomprehensible to me. Until I understand what you are saying, I deny any violation. Please explain this and I will be glad to respond.

b) These records were produced for the FEC audit division, who inspected and returned same to us. In addition, I have already dealt with this matter in my letter of 11/13/92. In the matter of transfer number one in the amount of $1,355, I enclosed 15 pages of 1989 contributions to the candidate's nonfederal account, along with copies of two bank statements showing the applicable deposits, all of which were OK contributions for federal purposes.

In the matter of transfer number three in the amount of $5,067, I provided the FEC audit staff a five page list of OK contributions which were originally thought to have been prohibited corporate contributions, but upon investigation turned out not to be corporate, but individual, and thus OK contributions for federal purposes.

In the matter of transfer number two in the amount of $13,500, I explained to the audit staff and again in my letter of 11/13/92 how I made errors in this matter regarding a personal note payable from the candidate, and what the facts were. Here I admit there may have been a violation.

It seems to me that if you want the facts, look at the FEC audit report and/or my letter of 11/13/92 with all the documents attached thereto. However, in the spirit of complete cooperation we would be willing to again make all records available to your auditors including shipping the records to them for their continual examination.

CONCLUSION:

This answer is submitted under oath, as asked for in your "Subpoena to produce documents"

P.R. Allen

paul allen
Asst. Treasurer

9 6 0 4 3 7 2 2 5 7 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 22, 1994

BY FEDERAL EXPRESS

Lloyd A. Faulstich
1240 Dauphine Street
New Orleans, LA 70116

RE: MUR 3998
Lloyd A. Faulstich

Dear Mr. Faulstich:

On 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.

After you failed to respond to the Commission's letter of July 12, you were reminded by letter dated August 1, 1994 that conciliation negotiations entered into prior to a finding of probable cause to believe are limited to a maximum of 30 days. In telephone conversations on August 8 and 15, 1994, you stated that you were contacting your attorney about this matter and planned to respond, and on August 17, 1994, I was contacted by an attorney who stated that he was going to represent you in this matter. As of this date, however, the Commission has not received a signed designation of counsel form from you or a response to this matter.

If we do not receive a response from you or your designated counsel within the next five days, we will assume that you are not interested in conciliating and will proceed to the next stage of the enforcement process.

9604372259

Should you have any questions or wish to discuss this matter, I can be contacted at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

cc:
James A. McPherson
9128 Quince Street
New Orleans, LA 70118

9504372250

ATT: JACK McDONALD

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3998

NAME OF COUNSEL: JAMES A. McPHERSON

ADDRESS: 9128 QUINCE ST
NEW ORLEANS, LA 70118

TELEPHONE: (504) 486-2022

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.

24 Aug 94
Date

Lloyd Faulstich
Signature

RESPONDENT'S NAME: Lloyd A. Faulstich

ADDRESS: 1240 Dauphine St.
New Orleans, La 70116

HOME PHONE: (504) 522-0956

BUSINESS PHONE:

9604372251

JAMES McPHERSON 4862022

ATT: McPherson, vice

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3998

NAME OF COUNSEL: JAMES A. McPHERSON

ADDRESS: 9128 QUINCE ST.
NEW ORLEANS, LA 70118

TELEPHONE: (504) 486-2022

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Aug 8 9 58 AM '94

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.

7-21-94
Date

Signature

RESPONDENT'S NAME: E. R. McElveen

ADDRESS: 444 Memphis ST.
Bogalusa, LA.
70427

HOME PHONE: [redacted]

BUSINESS PHONE: [redacted]

9604372225 12

STATEMENT OF DESIGNATION OF COUNSEL

NDR 3998

NAME OF COUNSEL: James A. McPherson

ADDRESS: 9128 Quince St.
New Orleans, Lousiana
70118

TELEPHONE: (504) 486-2022

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.

8-13-94
Date

Jeff Smith
Signature

RESPONDENT'S NAME: Jeff Smith

ADDRESS: 43W340 Smith Rd.
Elburn, Illinois
60119

HOME PHONE: (708) 365-9488

BUSINESS PHONE:

9604372251 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 29, 1994

BY FEDERAL EXPRESS

James A. McPherson
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998
E.R. McElveen and
Jeff William Smith

Dear Mr. McPherson:

On July 12, 1994, your clients, respondents E.R. McElveen and Jeff William Smith, 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, Mr. McElveen and Mr. Smith were sent a conciliation agreement offered by the Commission in settlement of this matter. That notification also informed the respondents that conciliation negotiations entered into prior to a finding of probable cause to believe are limited to a maximum of thirty days.

On August 8, 1994 and August 13, 1994, you provided the Commission with designation of counsel forms authorizing you to represent Mr. McElveen and Mr. Smith, respectively.

However, you stated that you would send me a response on behalf of your clients by the end of the day on August 23, 1994. As of this date, the Commission has not received your response.

Finally, I contacted your office on August 25, 1994 and left a detailed message for you concerning the resolution of this matter at this stage of the enforcement process. Negotiations to resolve this matter at this stage must be completed by September 13, 1994. Therefore, if you remain interested in resolving this matter at this stage, you should contact me as soon as possible. If we do not receive a response from you aimed at resolving this matter, we will

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assume that you and your clients are no longer interested in conciliating at this stage and will proceed to the next stage of the enforcement process.

Should you have any questions or wish to discuss this matter, I can be contacted at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

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COMMISSION
OFFICE OF GENERAL
COUNSEL
12 45 PM '94

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

8/4/94

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swintos
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from Vincent A. Canfield, check number 3981, dated 7/27/94, and in the amount of $ 700.00. 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 $ 700.00, the MUR number is 3998 and in the name of Vincent A. Canfield. 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

8-5-94
Date

9 5 0 4 3 7 2 2 5 1 6

VINCENT A. CANFIELD

[redacted]

3981

60-855/313

7-29- 1994

PAY TO THE ORDER OF Federal Election Commission $ 700 no/100

seven hundred and no/100 DOLLARS

DIME BANK

HONESDALE, PA 18431

MEMO

Vincent A Canfield

[redacted]

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RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

AUG 23 10 20 AM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
Vincent A. Canfield; Jerome Layton; John R. Rarick; Frank D. Richardson; R.W. Weidemann; and Harold H. White, III	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 22, 1994, the Commission found reason to believe that eighteen individuals violated 2 U.S.C. § 441a(a)(1)(A), by making excessive contributions to the David Duke for U.S. Senate Committee. At that time, the Commission also determined to enter into conciliation with these individuals prior to a finding of probable cause to believe. On August 2, 1994, the Commission accepted a conciliation agreement with one respondent in this matter and closed the file with respect to that respondent.

The following is an account of the recent developments in this case relating to six of the remaining seventeen individual respondents and our recommendations for each of these respondents.

II. ANALYSIS

A. Vincent A. Canfield

Respondent Vincent A. Canfield has signed the conciliation agreement proposed by the Commission. See Attachment 1. The attached agreement contains no changes

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from the agreement approved by the Commission on June 22, 1994, and we have received a check for the $700.00 civil penalty. Accordingly, we recommend that the Commission accept the conciliation agreement with Vincent A. Canfield and close the file with respect to this respondent.

B. Jerome Layton

Respondent Jerome Layton has signed the conciliation agreement proposed by the Commission. See Attachment 2. The attached agreement contains no changes from the agreement approved by the Commission on June 22, 1994, and we have received a check for the $600.00 civil penalty. Accordingly, we recommend that the Commission accept the conciliation agreement with Jerome Layton and close the file with respect to this respondent.

C. John R. Rarick

Respondent John R. Rarick has submitted a letter to the Commission to dispute the Commission's findings in this matter and to demonstrate that he did not violate 2 U.S.C. § 441a(a)(1)(A). See Attachment 3. At issue is $2,300.00 which, based on its review of the David Duke for U.S. Senate Committee's ("Duke Committee") records, the Audit Division identified as being contributed by Mr. Rarick to the Duke Committee.1/ In its disclosure reports, the Duke Committee reported the amount in question as two contributions from Mr. Rarick and two contributions from his spouse. Mr. Rarick

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1/ We note that Mr. Rarick is a former member of the U.S. House of Representatives from the State of Louisiana.

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maintains that he only contributed $697.50 to the Duke Committee. Indeed, copies of checks furnished to the Commission from the Duke Committee reveal only $335.00 in contributions from Mr. Rarick.

After questioning Mr. Rarick in detail over this amount, we now believe that we cannot demonstrate with any certitude that Mr. Rarick was the source of $2,300.00 in contributions to the Duke Committee. Therefore, this Office recommends that the Commission take no further action against Mr. Rarick and close the file with respect to this respondent.

D. **Frank D. Richardson**

This Office has received information from the U.S. Postal Service that respondent Frank D. Richardson is deceased. Accordingly, we recommend that the Commission take no further action with respect to Mr. Richardson and close the file with respect to this respondent.2/

E. **R.W. Weidemann**

This Office has been unable to locate respondent R.W. Weidemann. Initially, the U.S. Postal Service informed us that Mr. Weidemann had moved and left no forwarding address. Since that time, correspondence to Mr. Weidemann has been returned to the Commission by the U.S. Postal Service. After receiving the notification from the Postmaster, we attempted but failed to locate Mr. Weidemann through a variety of

---

2/ Notification of the Commission's reason to believe finding was never mailed to Mr. Richardson because we learned of his demise prior to mailing.

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techniques

At this time, we believe that it is no longer a prudent use of the Commission's resources to continue to search for Mr. Weidemann, nor do we believe that we have any reasonable remaining means by which to do so at our disposal. Therefore, we recommend that the Commission take no further action against R.W. Weidemann and close the file with respect to this respondent.

F. Harold H. White, III

This Office has also been unable to locate respondent Harold H. White, III. Initially, the U.S. Postal Service informed us that the address that we were using was incorrect and that Mr. White's current address is unknown. Since that time, correspondence to Mr. White has been returned to the Commission by the U.S. Postal Service. After receiving the notification from the Postmaster, we attempted but failed to locate Mr. White

We believe that continued efforts to locate Mr. White at this time would unlikely be fruitful and would not be a practical use of our resources. Accordingly, we recommend that the Commission take no further action against Harold H. White, III and close the file with respect to this respondent.

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III. RECOMMENDATIONS

1. Accept the attached conciliation agreements with respondents Vincent A. Canfield and Jerome Layton.

2. Take no further action against respondents John R. Rarick, Frank D. Richardson, R.W. Weidemann, and Harold H. White, III.

3. Close the file with respect to Vincent A. Canfield, Jerome Layton, John R. Rarick, Frank D. Richardson, R.W. Weidemann, and Harold H. White, III.

4. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

8/23/94
Date

BY: Kim Bright-Coleman BY:
Kim Bright-Coleman
Associate General Counsel

Attachments
1. Conciliation Agreement for Vincent A. Canfield
2. Conciliation Agreement for Jerome Layton
3. Letter from John R. Rarick dated August 1, 1994

Staff assigned: Jack MacDonald
Delanie DeWitt Painter

9604372255 2

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Vincent A. Canfield;	)	
Jerome Layton;	)	MUR 3998
John R. Rarick;	)	
Frank D. Richardson;	)	
R.W. Weidemann;	)	
Harold H. White, III.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 29, 1994, the Commission decided by a vote of 6-0 to take the following actions in MUR 3998:

1. Accept the conciliation agreements with respondents Vincent A. Canfield and Jerome Layton, as recommended in the General Counsel's Report dated August 23, 1994.

2. Take no further action against respondents John R. Rarick, Frank D. Richardson, R.W. Weidemann, and Harold H. White, III.

(continued)

9604372255

3. Close the file with respect to Vincent A. Canfield, Jerome Layton, John R. Rarick, Frank D. Richardson, R.W. Weidemann, and Harold H. White, III.

4. Approve the appropriate letters, as recommended in the General Counsel's Report dated August 23, 1994.

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

Attest:

8-29-94
Date

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

Received in the Secretariat:	Tues., Aug. 23, 1994	10:20 a.m.
Circulated to the Commission:	Tues, Aug. 23, 1994	4:00 p.m.
Deadline for vote:	Fri., Aug. 26, 1994	4:00 p.m.

esh

9604372254

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 31, 1994

Jerome Layton
1 Cherry Lane
Berea, KY 40403

RE: MUR 3998
Jerome Layton

Dear Mr. Layton:

On August 29, 1994, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted by you in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to you.

This matter will become public within 30 days after it has been closed with respect to all other respondents involved. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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.

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

Enclosure
Conciliation Agreement

9604372255

To: Mr. Jack Berensky Aug. 11, 1994
Mrs. McDonald

Dear Ms. McDonald,
I put the SECOND check for $600.00, in the mail the day after our phone conversation. Sincerely,
Jerome R. Layton

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jerome Layton	)	MUR 3998
	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Jerome Layton ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A).

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.

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

1. The David Duke for U.S. Senate Committee is a principal campaign committee within the meaning of 2 U.S.C. § 431(5).

2. The Federal Election Campaign Act of 1971, as amended ("the Act") limits the amount that an individual may contribute to any candidate to $1,000 with respect to any federal election. 2 U.S.C. § 441a(a)(1)(A).

3. Between December 1989 and November 1990, Jerome Layton contributed four checks totaling $2,210.00 to the David Duke for U.S. Senate Committee that exceeded his contribution limitation by $1,210.00.

V. Respondent violated 2 U.S.C. § 441a(a)(1)(A) by making contributions to the David Duke for U.S. Senate Committee which exceeded his individual contribution limitation by $1,210.00.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of six hundred dollars ($600.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

VIII. This agreement shall become effective as of the date that

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all parties hereto have executed same and the Commission has approved the entire agreement.

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

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: Kim Bright-Coleman 8/30/94
Kim Bright-Coleman
Associate General Counsel
Date

FOR THE RESPONDENT:

Jerome R. Taylor August 11, 1994
(Name)
(Position)
Date

96043722558

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 31, 1994

Vincent A. Canfield
Box 222, R.R. 1
Equinunk, PA 18417

RE: MUR 3998
Vincent A. Canfield

Dear Mr. Canfield:

On August 29, 1994, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted by you in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to you.

This matter will become public within 30 days after it has been closed with respect to all other respondents involved. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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.

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) 219-3690.

Sincerely,

Delanie DeWitt Painter
Attorney

Enclosure
Conciliation Agreement

9604372259

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Vincent A. Canfield	)	MUR 3998
	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Vincent A. Canfield ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A).

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.

9604372250

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

1. The David Duke for U.S. Senate Committee is a principal campaign committee within the meaning of 2 U.S.C. § 431(5).

2. The Federal Election Campaign Act of 1971, as amended ("the Act") limits the amount that an individual may contribute to any candidate to $1,000 with respect to any federal election. 2 U.S.C. § 441a(a)(1)(A).

3. Between January 1990 and February 1991, Vincent A. Canfield contributed eleven checks totaling $2,350.00 to the David Duke for U.S. Senate Committee that exceeded his contribution limitation by $1,350.00.

V. Respondent violated 2 U.S.C. § 441a(a)(1)(A) by making contributions to the David Duke for U.S. Senate Committee which exceeded his individual contribution limitation by $1,350.00.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of seven hundred dollars ($700.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

VIII. This agreement shall become effective as of the date that

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all parties hereto have executed same and the Commission has approved the entire agreement.

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

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: Kim Bright-Coleman 8/30/94
Kim Bright-Coleman
Associate General Counsel
Date

FOR THE RESPONDENT:

Vincent A Canfield August 10, 1994
(Name)
(Position)
Date

96043722562

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUGUST 31, 1994

John R. Rarick
482 Royal Street, P.O. Box 1924
St. Francisville, LA 70775

RE: MUR 3998
John R. Rarick

Dear Mr. Rarick:

On July 12, 1994, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). On August 1, 1994, you submitted a response to the Commission's reason to believe finding.

After considering the circumstances of the matter, the Commission determined on August 29, 1994 to take no further action against you and closed the file as it pertains to you. 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.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372253

1 Cherry Lane
Berea, Ky 40403
Sept. 3, 1994

Att'n:
Mr. Jack McDonald

Federal Election Commission
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SEP 9 11 06 AM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
SEP 9 11 59 AM '94

Dear Mr. MacDonald,

Please let me know if the $600.00 fine is a ~~deduta~~ deductable expense for income tax purposes.

Sincerely,

Jerome K. Layton
J. LAYTON
MUR 3998

P.S. I made the OVER contribution because I was (1) Angry, after being beaten up, robbed, and choked TWO times to verge of passing out. I thought the campaign was going to kill me. (2) I was unaware of any limit to contributions.

JKL

P.P.S. I have been to Scotland 4 or 5 times on Isle of Skye, John O'Groats, Inverness, Edinburgh. If you haven't been to Scotland you should go visit.

P.P.S. Some of my ancestors: Kitz, Stuart, Macgregors, MacLaughlins.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
Maria Danna	)	
	)	

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
Aug 29 10 50 AM '94

DECLARATION OF
MARIA DANNA

Maria Danna makes the following declaration:

1. During 1990, I worked as a non-paid volunteer office secretary for 1990 U.S. Senate candidate David Duke's campaign. In this position, I worked out of a campaign office located in Monroe, LA.

2. My job duties as office secretary included collecting contributions received from the sale of campaign hats and T-shirts ranging in price from $5-$10 and $12-$15, respectively. I also received contributions for the campaign that were not for campaign merchandise.

3. All contributions were in the form of either cash or check; however, I cannot remember the exact amount of each contribution.

4. Due to the fact that there was no bank account for the Monroe office to use, I was instructed by a staff member of the David Duke for U.S. Senate Committee ("Duke Committee") to purchase money orders payable to the Duke Committee with the contributions received at the office in Monroe. The money orders were purchased as a means to

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transfer the contributions to the Duke Committee headquarters in Metairie, LA.

5. I made only two contributions from my personal funds to the David Duke for U.S. Senate Committee totaling $62.00. Any other funds received in my name were from money orders purchased by me with other individuals' campaign contributions, and transmitted by me to the campaign.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Maria Danna

Maria Danna
P.O. Box 483, Highway 139
Swartz, LA 71281

Executed on August 23, 1994

9604372256

James A. McPherson
Attorney at Law
9128 Quince Street
New Orleans, Louisiana 70118
Telephone or Fax (504)486-2022

RECEIVED
FEDERAL ELECTION
COMMISSION
ADMINISTRATIVE

Sep 12 11 37 AM '94

September 8, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

SEP 12 12 25 PM '94

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

Re: MUR 3998
Faulstich, Lloyd A.
McElveen, E.R.
Smith, Jeff W.

9604372257

Dear Mr. McDonald:

This is submitted in an attempt to reach a conciliation agreement in settlement of this matter prior to a finding of probable cause. Although I only represent the three above named individuals I would request that you consider the points raised herein when considering the unrepresented contributors.

Time factor

This election occurred over four years ago. It is unreasonable and unfair to expect contributors to keep records and have available the information necessary to respond to these late date charges.

Misleading press release

It was widely reported by the Associated Press that the FEC had "decided to take no further action" in connection with Duke's 1990 Senate campaign. (See copy of news article appearing on July 2, 1994 with byline, The Associated Press.) If any contributor had kept his records up to this point they were probably discarded in reliance upon the reported FEC statement of "no further action".

No knowledge of FEC and campaign limitations

These contributors were not PAC's or sophisticated contributors who had knowledge of the intricacies of these campaign laws. Specifically, McElveen and Faulstich were each married and could have obtained signature of wife on check if they had known that this was necessary. Also, it was anticipated that there was to be a run-off election and the $1000 limitation would have become $2000 but for the fact that the third candidate in this race withdrew two days before the election and thereby prevented a run-off.

Conclusion

All three of these gentlemen had no intent to violate any Federal Election Law and are now aware of the hazards of supporting a politically incorrect candidate. Any consideration given to these gentlemen will be gratefully appreciated.

Sincerely,

James A. McPherson

JMcP/wp

cc: Faulstich
McElveen
Smith

96043722258

Campaign of Duke is cited

7-2-94 TP

By The Associated Press

WASHINGTON — David Duke's unsuccessful 1990 Senate campaign misstated some of its financial activities and made other mistakes in reports filed with the Federal Election Commission, officials said Friday.

The commission asked the David Duke for U.S. Senate Committee to correct the errors, but decided to take no further action, according to an FEC audit. Campaign officials filed amendments containing corrections in December 1992.

The audit covered the period from Nov. 1, 1989, to Dec. 31, 1990.

The committee, based in Metairie, reported total receipts of more than $2.6 million, total disbursements of $2.6 million and a cash balance of $55,044 on Dec. 31, 1990.

But a reconciliation of campaign accounts revealed that it overstated its 1990 receipts by more than $60,000 and overstated 1990 disbursements by $7,658.59, according to the FEC audit. That resulted in an overstatement of its 1990 ending cash-on-hand balance in the amount of nearly $54,000, the FEC said.

The committee also failed to report receipts from eight campaign accounts and didn't report debts accurately, the audit said.

The commission can choose to conduct audits and field investigations of any political committee required to file a financial report with the government.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SEPTEMBER 15, 1994

James A. McPherson, Treasurer
David Duke for U.S. Senate Committee
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998

Dear Mr. McPherson:

This is to confirm our conversation of September 14, 1994 concerning your response, dated August 19, 1994, to the Commission's subpoena. I informed you that this Office does not consider your response to the subpoena to be adequate. You agreed to review the subpoena and provide additional information and documentation by next week.

In particular, you agreed to provide: the names and current addresses of individuals involved in soliciting or collecting cash contributions; a list and description of campaign events where cash was collected; supporting documentation such as flyers; a videotape of a similar event in the candidate's subsequent gubernatorial campaign; and any other documentation or information responsive to the subpoena that is available to you. As we discussed, if you are unable to provide complete answers to the interrogatories you should answer to the extent possible and provide whatever information you have. For example, if you are unable to provide the name and address of every person who handled cash contributions, you should provide as many of the names as possible and indicate your inability to provide the remainder.

Therefore, your response is due by the close of business on September 23, 1994. You should be aware that in cases of noncompliance with Commission subpoenas, the Commission may institute a civil action to compel compliance. 2 U.S.C. § 437d(b).

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Delanie D. Painter

Delanie DeWitt Painter
Attorney

9504372257 0

KITCHENS, BENTON, KITCHENS & WARREN
A PROFESSIONAL LAW CORPORATION
420 BROADWAY
P.O. BOX 740
MINDEN, LOUISIANA 71058-0740
(318) 377-5331
FAX (318) 377-5361

GRAYDON K. KITCHENS, SR. (1903-1988)
JOHN B. BENTON, JR.
GRAYDON K. KITCHENS III

PAUL E. KITCHENS
WM. RICK WARREN

October 19, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
OCT 25 10 05 AM '94

Mr. Jack McDonald
Paralegal Specialist
Federal Election Commission
999 E Street N.W.
Washington, D.C. 20463

RE: L. W. Neilson and W. G. Neilson MUR 3998

Dear Mr. McDonald:

I am enclosing our check for $500.00 for payment and settlement in full of the Conciliation Agreement recently executed in this matter. Thank you for your kind assistance.

Very truly yours,

KITCHENS, BENTON, KITCHENS
& WARREN

Paul E. Kitchens

Paul E. Kitchens
Bar Roll 7430

PEK/cel
Enclosure
cc: Mr. W. G. Neilson

RECEIVED
FEDERAL ELECTION
COMMISSION
ADMINISTRATION
OCT 23 9 20 AM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL

OCT 25 9 45 AM '94

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 L.W. Neilson & W.G. Neilson, check number 1045, dated 10/18/94, and in the amount of $500.00. 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 $500.00, the MUR number is 3998 and in the name of L. M. Neilson. 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 M Alexander
Signature

10-25-94
Date

9604372225572

W. G. OR L. M. NEILSON

[redacted]

1045

Oct 18, 1994

PAY TO THE ORDER OF Federal Election Commission $500.00

Five Hundred and no/100 DOLLARS

MINDEN BANK & TRUST COMPANY

FOR Settlement in Full of Conciliation Agreement

[redacted]

SEELEY, SAVIDGE & AUSSEM
A LEGAL PROFESSIONAL ASSOCIATION

LORAIN COUNTY OFFICE
538 WEST BROAD STREET
SUITE 300
ELYRIA, OHIO 44035
(216) 236-8158

800 BANK ONE CENTER
600 SUPERIOR AVENUE, EAST
CLEVELAND, OHIO 44114-2655
(216) 566-8200
FACSIMILE (216) 566-[redacted]
FACSIMILE NO. (216) 566-7874

WESTLAKE OFFICE
29550 DETROIT ROAD
WESTLAKE, OHIO 44145
(216) 892-4911

October 17, 1994

WILLIAM M. FUMICH JR.
OF COUNSEL

OCT 20 3 11 PM '94
RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Federal Election Commission
Mr. Jack MacDonald
999 Erie Street N.W.
Washington, D.C. 20463

MUR 3998
RE: **MARY P. DONTA**

Dear Mr. MacDonald:

Pursuant to your letter dated October 7, 1994 and postmarked October 11, 1994, enclosed please find my trust check in the amount of $300.00 in full satisfaction of the terms and conditions of the Conciliation Agreement in the above-referenced matter.

Very truly yours,

William M. Fumich Jr.

William M. Fumich Jr.

WMFJR/jr
Enclosure
Ltr.005

OCT 25 9 02 AM '94

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

OCT 26 3 10 PM '94

10/25/94

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from William M. Fumich, Jr, check number 2643, dated 10/17/94, and in the amount of $ 300.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

==========

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket By aa

In reference to the above check in the amount of $ 300.00, the MUR number is 3998 and in the name of Mary P. Donta. 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 M Alexander
Signature

10-26-94
Date

9504372257 5

2643

WILLIAM M. FUMICH, JR.

[redacted]

8-12/410
BRANCH 54

October 17 19 94

PAY TO THE ORDER OF Federal Election Commission $ 300.00

Three Hundred and 00/100 DOLLARS

National City Bank
Cleveland, Ohio

FOR Mary C. Donta MUR 3998 [redacted] William M. Fumich Jr.

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

SEP 20 3 50 PM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
Ray Cater; Maria Danna;	)	
Mary P. Donta; and L.M.	)	
Neilson.	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 22, 1994, the Commission found reason to believe that eighteen individuals violated 2 U.S.C. § 441a(a)(1)(A), by making excessive contributions to the David Duke for U.S. Senate Committee. At that time, the Commission also determined to enter into conciliation with these individuals prior to a finding of probable cause to believe. On August 2 and 29, 1994, the Commission closed the file with respect to seven respondents.

The following is an account of the recent developments in this case relating to four of the remaining eleven individual respondents and our recommendations for each of these respondents.

II. ANALYSIS

A. Ray Cater

Respondent Ray Cater has submitted a letter to the Commission to dispute the Commission's findings in this matter and to demonstrate that he did not violate 2 U.S.C. § 441a(a)(1)(A). See Attachment 1. At issue is $2,525.00 which, based on its review of the David Duke for U.S. Senate

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Committee's ("Duke Committee") records, the Audit Division identified as being contributed by Mr. Cater to the Duke Committee. Mr. Cater maintains that he only contributed two separate $25.00 checks from each of his businesses for a total of $50.00.1/

After questioning Mr. Cater in detail over this amount, we now believe that we cannot demonstrate with any certitude that Mr. Cater was the source of $2,525.00 in contributions to the Duke Committee. In the absence of documentation to support the existence of a contribution, the Audit Division staff had to rely on the computer records of the Duke Committee. After further review by this Office, it has been determined in some cases that there are discrepancies between the computer records and the amount of contributions that were actually received and reported by the Duke Committee. In fact, as suggested by the respondent, it does appear that the respondent's two separate $25.00 contributions may have been recorded in error by the Duke Committee as one contribution in the amount of $2,525.00. Therefore, due to the circumstances involved, this Office recommends that the Commission take no further action against Mr. Cater and close the file with respect to this respondent.

1/ In a telephone conversation with this Office, the respondent stated that the two businesses in question no longer exist. Mr. Cater also stated that at the time of the contributions, the two businesses were not incorporated.

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B. Maria Danna

Respondent Maria Gilley has changed her name to Maria Danna. Ms. Danna has provided the Commission with a signed declaration of the facts as it relates to her involvement with this matter. See Attachment 2. Maria Danna states that she was a former campaign volunteer who worked in an office in Monroe, Louisiana during 1990. At that time, Ms. Danna was responsible for receiving contributions for the David Duke for U.S. Senate Committee ("Duke Committee") and forwarding the contributions to the Duke Committee headquarters in Metairie, Louisiana. Due to the fact that there was no bank account in which to deposit the contributions that she received, Ms. Danna states that she was instructed by a representative of the Duke Committee to purchase money orders payable to the Duke Committee with the contributions received at her office. She was also instructed to forward the money orders to the Duke Committee along with records of names, addresses, amounts, and dates for all contributions. As a result, it appears that these amounts were incorrectly labeled by the Duke Committee as contributions from Ms. Danna. Ms. Danna states that she contributed only two checks, totaling $62.00, from her personal funds to the Duke Committee. Information gathered during the Commission's audit of the Duke Committee confirms that Ms. Danna contributed this amount to the Duke Committee from her personal checking account.

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Other than her declaration, Ms. Danna did not provide documentation to support her account of the remaining amount of the contributions in question. Nevertheless, in light of her declaration, the amount involved, and the effort required to investigate this matter further, we recommend that the Commission take no further action against Ms. Danna and close the file with respect to this respondent. Ms. Danna's actions in this case were clearly inappropriate, and we will include an admonishment in the closing letter to the respondent.

C. Mary P. Donta

Counsel for respondent Mary P. Donta has signed a conciliation agreement

9604372250

Accordingly, we recommend that the Commission accept the conciliation agreement with Mary P. Donta and close the file with respect to this respondent.

D. L.M. Neilson

Counsel for respondent L.M. Neilson has signed a conciliation agreement

9604372253 1

Accordingly, we recommend that the Commission accept the conciliation agreement with L.M. Neilson and close the file with respect to this respondent.

III. RECOMMENDATIONS

1. Take no further action against respondents Ray Cater and Maria Danna.

2. Accept the attached conciliation agreements with respondents Mary P. Donta and L.M. Neilson.

3. Close the file with respect to respondents Ray Cater; Maria Danna; Mary P. Donta; and L.M. Neilson.

9604372252 92

4. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

9/20/94
Date

BY: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

Attachments
1. Letter from Ray Cater dated August 15, 1994
2. Declaration of Maria Danna dated August 23, 1994
3. Conciliation Agreement for Mary P. Donta
4. Letter from Donta counsel dated July 26, 1994
5. Letter from Donta counsel dated August 16, 1994
6. Conciliation Agreement for L.M. Neilson
7. Letter from Neilson counsel dated August 4, 1994

Staff assigned: Jack MacDonald
Delanie DeWitt Painter

9 5 0 4 3 7 2 2 5 8 3

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

Cater

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/E. SHARON HUGHES ESH
COMMISSION SECRETARY

DATE: SEPTEMBER 26, 1994

SUBJECT: MUR 3998 - GENERAL COUNSEL's REPORT DATED SEPTEMBER 20, 1994.

The above-captioned document was circulated to the Commission on WEDNESDAY, SEPTEMBER 21, 1994 11:00.

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

Commissioner Aikens	
Commissioner Elliott	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Potter	xxx
Commissioner Thomas	

This matter will be placed on the meeting agenda for TUESDAY, OCTOBER 4, 1994.

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

9604372254

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
Ray Cater; Maria Danna;	)	
Mary P. Donta; and	)	
L.M. Neilson.	)	

AMENDED CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on October 4, 1994, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 3998:

1. Take no further action against respondents Ray Cater and Maria Danna.

2. Accept the conciliation agreements with respondents Mary P. Donta and L.M. Neilson as recommended in the General Counsel's report dated September 20, 1994.

3. Close the file with respect to respondents Ray Cater; Maria Danna; Mary P. Donta; and L.M. Neilson.

(continued)

9604372253 5

4. Send appropriate letters to Respondents Mary P. Donta and L.M. Neilson.

5. Direct the Office of General Counsel to draft appropriate letters to Respondents Ray Cater and Maria Danna pursuant to the meeting discussion and circulate these letters for Commission approval on a no objection basis.

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

Attest:

10-6-94
Date

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

9604372256

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 7, 1994

Paul E. Kitchens
Kitchens, Benton, Kitchens & Warren
420 Broadway, P.O. Box 740
Minden, LA 71058-0740

RE: MUR 3998
L.M. Neilson

Dear Mr. Kitchens:

On October 4, 1994, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to L.M. Neilson.

This matter will become public within 30 days after it has been closed with respect to all other respondents involved. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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.

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

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agreement's effective date. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

Enclosure
Conciliation Agreement

9604372258 8

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
AUG 22 2 08 PM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
L.M. Neilson	)	MUR 3998
	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that L.M. Neilson ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A).

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.

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

1. The David Duke for U.S. Senate Committee is a principal campaign committee within the meaning of 2 U.S.C. § 431(5).

2. The Federal Election Campaign Act of 1971, as amended ("the Act") limits the amount that an individual may contribute to any candidate to $1,000 with respect to any federal election. 2 U.S.C. § 441a(a)(1)(A).

3. Between February and December 1990, L.M. Neilson contributed twelve checks totaling $3,025.00 to the David Duke for U.S. Senate Committee that exceeded her contribution limitation by $2,025.00.

V. Respondent violated 2 U.S.C. § 441a(a)(1)(A) by making contributions to the David Duke for U.S. Senate Committee which exceeded her individual contribution limitation by $2,025.00.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of five hundred dollars ($500.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

VIII. This agreement shall become effective as of the date that

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all parties hereto have executed same and the Commission has approved the entire agreement.

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

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: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

10/7/94
Date

FOR THE RESPONDENT:

Paul B. Gutchen
(Name)
Attorney
(Position)

August 17, 1994
Date

9604372250

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 7, 1994

William M. Fumich, Jr.
Seeley, Savidge & Aussem
800 Bank One Center
600 Superior Avenue, East
Cleveland, Ohio 44114-2655

RE: MUR 3998
Mary P. Donta

Dear Mr. Fumich:

On October 4, 1994, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to Mary P. Donta.

This matter will become public within 30 days after it has been closed with respect to all other respondents involved. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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.

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

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agreement's effective date. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Mary P. Donta	)	MUR 3998
	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Mary P. Donta ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A).

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:

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1. The David Duke for U.S. Senate Committee is a principal campaign committee within the meaning of 2 U.S.C. § 431(5).

2. The Federal Election Campaign Act of 1971, as amended ("the Act") limits the amount that an individual may contribute to any candidate to $1,000 with respect to any federal election. 2 U.S.C. § 441a(a)(1)(A).

3. Between December 1989 and January 1991, Mary P. Donta contributed thirteen checks totaling $2,200.00 to the David Duke for U.S. Senate Committee that exceeded her contribution limitation by $1,200.00.

V. Respondent violated 2 U.S.C. § 441a(a)(1)(A) by making contributions to the David Duke for U.S. Senate Committee which exceeded her individual contribution limitation by $1,200.00. Respondent contends that a portion of her contributions were contributions from her spouse.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of three hundred dollars ($300.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

VIII. This agreement shall become effective as of the date that

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all parties hereto have executed same and the Commission has approved the entire agreement.

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

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: Kim Bright-Coleman — 10/7/94
Kim Bright-Coleman — Date
Associate General Counsel

FOR THE RESPONDENT:

William A. Demick Jr. — August 16, 1994
(Name) — Date
(Position) Counsel for Respondent

William S. Donta

Mary P. Donta
MARY P. DONTA

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RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Oct 17 2 07 PM '94

October 17, 1994

SENSITIVE

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

By: Kim Bright-Coleman KBC
Associate General Counsel

SUBJECT: MUR 3998 -- Closing Letters to Respondents

On October 4, 1994, the Commission took no further action with respect to respondents Ray Cater and Maria Danna, after previously finding reason to believe those respondents violated 2 U.S.C. § 441a(a)(1)(A). The Commission directed the Office of General Counsel to send appropriate letters to these respondents clarifying, inter alia, that the two respondents do not appear to have violated 2 U.S.C. § 441a(a)(1)(A). In addition, the Commission directed this Office to notify Maria Danna of the rules governing cash contributions in the notification letter.

Attached for your approval on a 24 hour no-objection basis are draft letters to the respondents.

Attachments
1. Letter to respondent Ray Cater
2. Letter to respondent Maria Danna

9604372257

MWE

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

MEMORANDUM

TO: Lawrence M. Noble
General Counsel

FROM: MWE Marjorie W. Emmons/Bonnie J. Ross
Secretary of the Commission

DATE: October 18, 1994

SUBJECT: MUR 3998 - Memorandum to the Commission dated October 17, 1994.

The above-captioned matter was received in the Commission Secretariat at 2:07 p.m. on Monday, October 17, 1994 and circulated to the Commission on a 24-hour no objection basis at 4:00 p.m. on Monday, October 17, 1994.

There were no objections to the draft letters to the respondents as attached to the above captioned matter.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 19, 1994

Ray Cater
Rt. 1 Box 13-H
Ferriday, LA 71334

RE: MUR 3998
Ray Cater

Dear Mr. Cater:

On July 12, 1994, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). On August 18, 1994, you submitted a response to the Commission's reason to believe finding.

After considering the circumstances of the matter, the Commission determined on October 4, 1994, to take no further action against you because it appears that you did not violate 2 U.S.C. § 441a(a)(1)(A) by making excessive contributions to the David Duke for U.S. Senate Committee. Therefore, the Commission has closed the file as it pertains to you. 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.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372225 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 19, 1994

Maria Danna
P.O. Box 483, Highway 139
Swartz, LA 71281

RE: MUR 3998
Maria Danna

Dear Ms. Danna:

On July 12, 1994, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). On July 25 and August 29, 1994, you submitted responses to the Commission's reason to believe finding.

After considering the circumstances of the matter, the Commission determined on October 4, 1994, to take no further action against you because it appears that you did not violate 2 U.S.C. § 441a(a)(1)(A) by making excessive contributions to the David Duke for U.S. Senate Committee. Therefore, the Commission has closed the file as it pertains to you. 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.

Given the nature of your activity in this case, however, the Commission reminds you of the requirements of cash contributions made to a candidate for federal office. Under the Act, cash contributions may not exceed $100. 2 U.S.C. § 441g. A candidate or committee receiving a cash contribution in excess of $100 shall promptly return the amount over $100 to the contributor. 11 C.F.R. § 110.4(c)(2). An anonymous contribution of currency may not exceed $50 and amounts in excess of $50 must be disposed of promptly for any lawful purpose unrelated to any federal election, campaign, or candidate. 11 C.F.R. § 110.4(c)(3). The Act also requires persons who receive contributions for an authorized political committee to forward the contributions to the committee treasurer within 10 days after receiving them. 2 U.S.C. § 432(b)(1). Moreover, if the contribution exceeds $50, the person must also provide the

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treasurer with the name and address of the contributor and the date of receipt of the contribution. 2 U.S.C. § 432(b)(1).

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

96043722601

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

SEP 20 3 50 PM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)		
	)		
Benjamin Grob	)	MUR 3998	**SENSITIVE**
	)		

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 22, 1994, the Commission found reason to believe that eighteen individuals violated 2 U.S.C. § 441a(a)(1)(A), by making excessive contributions to the David Duke for U.S. Senate Committee. At that time, the Commission also determined to enter into conciliation with these individuals prior to a finding of probable cause to believe. The following is an account of the recent developments in this case relating to one of the individual respondents and our recommendations for this respondent.

II. ANALYSIS

Counsel for respondent Benjamin Grob has submitted a signed conciliation agreement for approval by the Commission.

9604372260 2

9 5 0 4 3 7 2 2 6 0 3

III. **RECOMMENDATIONS**

1. Accept the attached conciliation agreement with respondent Benjamin Grob.

2. Close the file with respect to this respondent.

3. Approve the appropriate letter.

Lawrence M. Noble
General Counsel

9/20/94
Date

BY: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

Attachments
1. Conciliation Agreement
2. Letter from counsel dated August 5, 1994

3. Letter from counsel dated September 8, 1994

Staff assigned: Jack MacDonald
Delanie DeWitt Painter

9604372260 4

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Benjamin Grob.	)	MUR 3998

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on September 26, 1994, the Commission decided by a vote of 6-0 to take the following actions in MUR 3998:

1. Accept the conciliation agreement with the respondent Benjamin Grob, as recommended in the General Counsel's Report dated September 20, 1994.

2. Close the file with respect to this respondent.

3. Approve the appropriate letter, as recommended in the General Counsel's Report dated September 20, 1994.

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

Attest:

9-27-94
Date

Delores Hardy
for Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Tues., Sept. 20, 1994 3:50 p.m.
Circulated to the Commission: Wed., Sept. 21, 1994 11:00 a.m.
Deadline for vote: Mon., Sept. 26, 1994 4:00 p.m.

esh

9604372265

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SEPTEMBER 29, 1994

Robert L. Feind, Jr.
Houseman, Feind, Gallo & Malloy
1214 Thirteenth Avenue
Post Office Box 104
Grafton, Wisconsin 53024-0104

RE: MUR 3998
Benjamin Grob

Dear Mr. Feind:

On September 26, 1994, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to Benjamin Grob.

This matter will become public within 30 days after it has been closed with respect to all other respondents involved. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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.

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

9504372260

agreement's effective date. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

Enclosure
Conciliation Agreement

9604372267

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
SEP 12 10 03 AM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Benjamin Grob	)	MUR 3998
	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Benjamin Grob ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A).

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.

9604372260

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

1. The David Duke for U.S. Senate Committee is a principal campaign committee within the meaning of 2 U.S.C. § 431(5).

2. The Federal Election Campaign Act of 1971, as amended ("the Act") limits the amount that an individual may contribute to any candidate to $1,000 with respect to any federal election. 2 U.S.C. § 441a(a)(1)(A).

3. Between April and August 1990, Benjamin Grob contributed three checks totaling $4,000.00 to the David Duke for U.S. Senate Committee that exceeded his contribution limitation by $3,000.00.

V. Respondent violated 2 U.S.C. § 441a(a)(1)(A) by making contributions to the David Duke for U.S. Senate Committee which exceeded his individual contribution limitation by $3,000.00.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of five hundred dollars ($500.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

VIII. This agreement shall become effective as of the date that

9 6 0 4 3 7 2 2 6 9

all parties hereto have executed same and the Commission has approved the entire agreement.

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

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: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

9/29/94
Date

FOR THE RESPONDENT:

Robert Paul
(Name)
(Position) Attorney

9/8/94
Date

James A. McPherson
Attorney at Law
9128 Quince Street
New Orleans, Louisiana 70118
(504) 486-2022 phone & fax

FEDERAL ELECTION COMMISSION
ADMINISTRATIVE MAIL
OCT 6 11 40 AM '94

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
OCT 6 12 27 PM '94

September 29, 1994

Delanie DeWitt Painter
Attorney, Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

Re: MUR 3998

Dear Ms. Painter.

Here is the revised list of people who participated, in some capacity, or at least were present at rallies starting back in 1989:

1) Howie and Gloria Farrell — phone 504-461-0074
3340 Irish Bend Road
Metairie, LA 70065

2) Terri Senn — phone 504-(to be provided
515 Papworth Avenue
Metairie, LA 70005

3) Raymond N. Scalco — phone 504-(to be provided
515 Papworth Ave.
Metairie, LA 70005

4) Carey J. Deaton, Esq. — phone 504-830-4806
3330 N. Causeway Blvd., Suite 23-A
Metairie, LA 70002

5) Marc Ellis, Esq. — phone 504-484-6216
805 Constitution Drive
Slidell, LA 70458

6) Kay & Gene Jeffus — phone 504-341-1225
2310 Holiday Drive
Algiers, LA

7) Kenny Knight — phone 504-837-1030
436 Helois Ave.
Metairie, LA 70005

8) J. Minos Simon, Esq. — phone 318-233-4625
P.O. Box 52116
Lafayette, LA 70505

9604372261

9) Barbara Minhinette phone 504-664-2867
24536 Millican Dr.
Denham Springs, LA 70726

10) Jackie Lee phone 504-667-2620
7585 Impson Dr.
Denham Springs, LA 70726

11) Lisa Watson phone 504-654-1405
Box 233
Slaughter, LA 70506

12) Betty Harrison phone 318-235-1991
226 Wentworth Blvd.
Lafayette, LA 70508

13) Kathleen Ryan phone 318-981-7870
102 Westmark
Lafayette, LA 70506

14) Sharon Ortega phone 504-567-2588
Box 1420
Albany, LA 70711

15) Trudy Alfandre phone 318-984-1029
804 Omega Dr.
Lafayette, LA 70506

16) Barbara Noble phone 504-837-1030
436 Helois Ave.
Metairie, LA 70005

17) Dan Murphy phone 504-(to be provided
600 Fain Street
Metairie, LA 70003

18) Dr. Francis Shubert & wife phone 504-834-1770
3216 Ridgeway Dr.
Metairie, LA 70002

19) Glen Dunlap phone 318-443-6254
1628 Military Trail
Pineville, LA 71300

20) David Touchstone, Esq. phone 318-(to be provided

Shreveport, LA

Additional names and addresses with phone numbers will be provided later this week. Also, I failed to mention that the videotape is filed in the Court records in Baton Rouge. I will have to go there to withdraw it and have it copied.

96043722612

I assume that it is permissible for me to bill the Commission for expenses incurred in obtaining this information along with a modest hourly charge for my time.

Sincerely,

James A. McPherson

JMcP/wp

9604372261 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 30, 1994

Louis J. Arrieta
4461 Purdue Avenue
Culver City, CA 90230

RE: MUR 3998
Louis J. Arrieta

Dear Mr. Arrieta:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), and instituted an investigation in this matter. After considering all the evidence available to the Commission, the Office of General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation occurred.

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

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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

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Should you have any questions, please contact Delanie DeWitt Painter, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
by KBK

Lawrence M. Noble
General Counsel

Enclosure
Brief

96043722615

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Louis J. Arrieta	)	MUR 3998
	)	

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

On June 22, 1994, the Federal Election Commission found reason to believe that Louis J. Arrieta ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). By letter dated July 12, 1994, the Commission notified the Respondent of the Commission's determination. Due to the Respondent's failure to respond, the Office of General Counsel sent the Respondent an additional notification on August 1, 1994. Since that time, the Postmaster has confirmed that the Commission has been directing its notifications to the Respondent at the correct address. The Respondent has failed to submit a response to this matter.

II. ANALYSIS

Pursuant to 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make a contribution to a candidate for federal office or to his authorized campaign committee in excess of $1,000.00 per election. Between January and October 1990, the Respondent contributed seven checks totaling $2,200.00 to the David Duke for U.S. Senate Committee. Respondent's contributions exceeded his limitation by $1,220.00. Therefore, the Office of General Counsel

recommends that the Commission find probable cause to believe that Louis J. Arrieta violated 2 U.S.C. § 441a(a)(1)(A).

III. **GENERAL COUNSEL'S RECOMMENDATION**

Find probable cause to believe that Louis J. Arrieta violated 2 U.S.C. § 441a(a)(1)(A).

9/30/94
Date

Lawrence M. Noble by KRC
Lawrence M. Noble
General Counsel

9604372261 7

4461 Purdue Ave.
Culver City, Cal. 90230
October 12, 1994

OCT 20 11 07 AM '94
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

Mr. Lawrence M. Noble
General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 3998
Louis J. Arrieta

Dear Mr. Noble:

With reference to your letter of Sept. 30, 1994 stating that I violated 2 U.S.C. §441a(1)(A).

You mention that I contributed seven checks totaling $2,200. to David Duke for U.S. Senate Committee and that this exceeded my limitation by $1,220.00.

I am a victim of Alzheimer's Disease

If I violated the above it was not intentional.

Furthermore, why was I not notified in 1990? and refunded the overpayment?
Thanks for your understanding + cooperation.

Sincerely,
Louis J. Arrieta

9304322618

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 21, 1994

BY FEDERAL EXPRESS

Louis J. Arrieta
4461 Purdue Avenue
Culver City, CA 90230

RE: MUR 3998
Louis J. Arrieta

Dear Mr. Arrieta:

We are in receipt of your letter dated October 12, 1994, in which you respond to the above matter. The Office of General Counsel is interested in acting on and resolving this matter as soon as possible. However, in order for this to happen, we need you to provide the Commission with more specific information related to the contributions in question.

Since we have been unable to obtain your telephone number through directory assistance, we ask that you contact us by telephone at your earliest convenience. I may be reached either at (202) 219-3690 or toll-free at (800) 424-9530.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

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MEMO NOTE

Date: October 6, 1994

Our File No.:

Re: MUR 3998 Benjamin Grob

Your File No.:

Message: Enclosed please find Mr. Grob's check in the amount of $500 representing payment of the civil penalty in this matter.

Signed:

RECEIVED FEDERAL ELECTION COMMISSION OFFICE OF GENERAL COUNSEL 94 OCT 12 AM 11:24

TO: Mr. Jack MacDonald
Federal Election Commission
Office of General Counsel
999 E Street, N.W.
Washington, DC 20463

RECEIVED 94 OCT 11 AM 11:30

HOUSEMAN, FEIND, GALLOWAY & MALLOY
ATTORNEYS AT LAW
1214 Thirteenth Avenue
Post Office Box 104
Grafton, Wisconsin 53024-0104
Telephone: 414-377-0600
Fax: 414-377-6080

Memo to File
Civil Penalty Pymt

BENJAMIN OR ERICA GROB
[redacted]

270

OCT 6 1994

79-1223/759

ORDER OF FED. ELECTION COMMISSION $ 500.00

five hundred no/100 DOLLARS

Ozaukee Bank
CEDARBURG, WISCONSIN 53012

INSURED MONEY MARKET ACCOUNT

Memo

Erica Grob

[redacted]

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 7, 1994

James A. McPherson
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998
Jeff William Smith

Dear Mr. McPherson:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission found reason to believe that your client, Jeff William Smith, violated 2 U.S.C. § 441a(a)(1)(A), and instituted an investigation in this matter. After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

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

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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

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Should you have any questions, please contact Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Brief

9604372226 2

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jeff William Smith	)	MUR 3998
	)	

GENERAL COUNSEL'S BRIEF

I. INTRODUCTION

On June 22, 1994, the Federal Election Commission found reason to believe that Jeff William Smith ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). By letter dated July 12, 1994, the Commission notified the Respondent of the Commission's determination. The Respondent and his counsel have contacted the Office of General Counsel concerning this matter, but have not submitted a responsive memorandum, or furnished any documentation or other evidence to challenge the Commission's finding in this matter.

II. STATEMENT OF THE CASE AND ANALYSIS

Pursuant to 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make a contribution to a candidate for federal office or to his authorized campaign committee in excess of $1,000.00 per election. Checks in the possession of the Commission reveal that the Respondent made three contributions totalling $1,269.19 to the David Duke for U.S. Senate Committee in the form of endorsed payroll checks from the Dial Corporation. These contributions alone exceed the Respondent's lawful limitation. In addition, records compiled and maintained by the David Duke for U.S. Senate

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Committee indicate that the Respondent made three other contributions to that committee totalling $1,531.50. Thus, the Respondent's contributions to the David Duke for U.S. Senate Committee total $2,800.69. Respondent's contributions, made between November 1989 and January 1991, exceed his lawful limitation by a total of $1,800.69. Accordingly, there is probable cause to believe that Jeff William Smith violated 2 U.S.C. § 441a(a)(1)(A).

III. GENERAL COUNSEL'S RECOMMENDATION

Find probable cause to believe that Jeff William Smith violated 2 U.S.C. § 441a(a)(1)(A).

11/4/94
Date

Lawrence M. Noble
General Counsel

9604372226 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

9/26/94

SEP 27 9 43 AM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from James A. McPherson Attorney at Law, check number 1212, dated 9/14/94, and in the amount of $450.00. 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 Cyaa

In reference to the above check in the amount of $450.00, the MUR number is 3998 and in the name of Ward A. Faulstich. 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

9-27-94
Date

9604372265

9 6 0 4 3 7 2 2 6 6

14 10 1221

14 September 19[illegible]

THIRD DISTRICT BRANCH
WHITNEY NATIONAL BANK
NEW ORLEANS, LOUISIANA

PAY TO THE ORDER OF FEDERAL ELECTION COMMISSION $ [illegible]

Four Hundred & Fifty Dollars

Lloyd [illegible]

⑆065000171⑆ 1103205980⑈ 121255

FEDERAL ELECTION COMMISSION
SECRETARIAT

Nov 7 11 39 AM '94

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	
Lloyd A. Faulstich	)	MUR 3998
	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 22, 1994, the Commission found reason to believe that eighteen individuals violated 2 U.S.C. § 441a(a)(1)(A), by making excessive contributions to the David Duke for U.S. Senate Committee. At that time, the Commission also determined to enter into conciliation with these individuals prior to a finding of probable cause to believe. Since that time, the file has been closed with respect to twelve of the individual respondents. The following is an account of the recent developments in this case relating to one of the remaining six individual respondents and our recommendations for this respondent.

II. ANALYSIS

Counsel for respondent Lloyd A. Faulstich has submitted a signed conciliation agreement for approval by the Commission.

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III. RECOMMENDATIONS

1. Accept the attached conciliation agreement with respondent Lloyd A. Faulstich.

2. Close the file with respect to this respondent.

3. Approve the appropriate letter.

Lawrence M. Noble
General Counsel

11/1/94
Date

BY: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

Attachments
1. Conciliation Agreement
2. Letter from counsel dated September 8, 1994

Staff assigned: Jack MacDonald
Delanie DeWitt Painter

9604372260

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
Lloyd A. Faulstich.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 7, 1994, the Commission decided by a vote of 6-0 to take the following actions in MUR 3998:

1. Accept the conciliation agreement with respondent Lloyd A. Faulstich, as recommended in the General Counsel's Report dated November 1, 1994.

2. Close the file with respect to this respondent.

3. Approve the appropriate letter, as recommended in the General Counsel's Report dated November 1, 1994.

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

Attest:

11-7-94
Date

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

Received in the Secretariat: Wed., Nov. 02, 1994 11:39 a.m.
Circulated to the Commission: Wed., Nov. 02, 1994 4:00 p.m.
Deadline for vote: Mon., Nov. 07, 1994 4:00 p.m.

bjr

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 9, 1994

James A. McPherson
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998
Lloyd A. Faulstich

Dear Mr. McPherson:

On November 7, 1994, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to Lloyd A. Faulstich.

This matter will become public within 30 days after it has been closed with respect to all other respondents involved. 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.

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.

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

Enclosure
Conciliation Agreement

9604372267U

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

OCT 27 12 50 PM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Lloyd A. Faulstich	)	MUR 3998
	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Lloyd A. Faulstich ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A).

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. The David Duke for U.S. Senate Committee is a principal campaign committee within the meaning of 2 U.S.C. § 431(5).

2. The Federal Election Campaign Act of 1971, as amended ("the Act") limits the amount that an individual may contribute to any candidate to $1,000 with respect to any federal election. 2 U.S.C. § 441a(a)(1)(A).

3. Between December 1989 and February 1991, Lloyd A. Faulstich contributed seven checks totaling $2,450.00 to the David Duke for U.S. Senate Committee that exceeded his contribution limitation by $1,450.00.

V. Respondent violated 2 U.S.C. § 441a(a)(1)(A) by making contributions to the David Duke for U.S. Senate Committee which exceeded his individual contribution limitation by $1,450.00.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of four hundred fifty dollars ($450.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

VIII. This agreement shall become effective as of the date that

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all parties hereto have executed same and the Commission has approved the entire agreement.

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

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: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

11/9/94
Date

FOR THE RESPONDENT:

Sam A. McPhee
(Name)
(Position)
ATTORNEY FOR Lloyd A. Faulstich

17 Oct 94
Date

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

Dec 7 10 29 AM '94

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 7, 1994 **SENSITIVE**

Wayne H. Scheuermann
2021 Hickory Avenue
P.O. Box 231164
Harahan, LA 70183-1164

RE: MUR 3998
Francis J. Shubert, Sr.

Dear Mr. Scheuermann:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission found reason to believe that your client, Francis J. Shubert, Sr., violated 2 U.S.C. § 441a(a)(1)(A), and instituted an investigation in this matter. After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

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

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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

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Should you have any questions, please contact Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble

Lawrence M. Noble
General Counsel

by RBC

Enclosure
Brief

9604572267 5

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Francis J. Shubert, Sr.	)	MUR 3998
	)	

GENERAL COUNSEL'S BRIEF

I. INTRODUCTION

On June 22, 1994, the Federal Election Commission found reason to believe that Francis J. Shubert, Sr. ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). By letter dated July 12, 1994, the Commission notified the Respondent of the Commission's determination. The Office of General Counsel mailed a second notification to the Respondent on August 1, 1994. On August 8, 1994, Counsel for the Respondent contacted the Office of General Counsel concerning this matter, but has neither submitted a responsive memorandum, nor furnished any documentation or other evidence purporting to challenge the Commission's finding in this matter.

II. STATEMENT OF THE CASE AND ANALYSIS

Pursuant to 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make a contribution to a candidate for federal office or to his authorized campaign committee in excess of $1,000.00 per election. Checks in the possession of the Commission reveal that the Respondent made sixteen contributions totalling $2,215.00 to the David Duke for U.S. Senate Committee in the form of personal checks and money orders. These contributions alone exceed the

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Respondent's lawful limitation. In addition, records compiled and maintained by the David Duke for U.S. Senate Committee indicate that the Respondent made six other contributions to that committee totalling $525.00. Thus, the Respondent's contributions to the David Duke for U.S. Senate Committee total $2,740.00. Respondent's contributions, made between December 1989 and January 1991, exceed his lawful limitation by a total of $1,740.00. Accordingly, there is probable cause to believe that Francis J. Shubert, Sr. violated 2 U.S.C. § 441a(a)(1)(A).

III. GENERAL COUNSEL'S RECOMMENDATION

Find probable cause to believe that Francis J. Shubert, Sr. violated 2 U.S.C. § 441a(a)(1)(A).

12/6/94
Date

Lawrence M. Noble by KBC
Lawrence M. Noble
General Counsel

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RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

DEC 22 1 15 PM '94

In the Matter of)
) MUR 3998
Louis J. Arrieta)

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 22, 1994, the Federal Election Commission ("the Commission") found reason to believe that Louis J. Arrieta violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by making $1,220.00 in excessive contributions to the David Duke for U.S. Senate Committee ("the Committee"). On that same date, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement prior to a finding of probable cause to believe that a violation occurred.

Mr. Arrieta did not respond to the Commission's reason to believe determination, but did submit a letter following his receipt of the General Counsel's Brief dated September 30, 1994. In his letter, Mr. Arrieta stated, inter alia, that he is afflicted with Alzheimer's disease and that he could not recall the contribution transactions at issue.

II. ANALYSIS

The Act limits the amount that an individual may contribute to any candidate to $1,000.00 with respect to any election. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1). According to a Commission audit of the Committee, Mr. Arrieta

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made seven contributions between January and October 1990 to the Committee, totaling $2,200.00, which, as noted exceeded his individual contribution limitation by $1,220.00.

As noted, Mr. Arrieta did not respond to the Commission's reason to believe finding, which was mailed to him on July 12, 1994. A second notice was sent to Mr. Arrieta on August 1, 1994. After Mr. Arrieta failed to respond to the second notice, this Office prepared and mailed Mr. Arrieta a brief setting forth the position of this Office in this case and recommending that the Commission find probable cause that a violation occurred in this matter.

On October 20, 1994, the Commission received the previously mentioned letter from Mr. Arrieta stating that he has Alzheimer's disease

Although he does not dispute the Commission's findings in this matter, Mr. Arrieta states that his actions were not intentional. Id.

We have attempted without success to speak with Mr. Arrieta by telephone. Although it is apparent that we have Mr. Arrieta's correct address, he has not furnished us with a phone number, and directory assistance has no telephone listing for Mr. Arrieta. This Office sent a letter to Mr. Arrieta on October 21, 1994, notifying him of our receipt of his letter to the Commission. See Attachment 2. The letter of October 21 explains that this Office is

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interested in resolving this matter as soon as possible and requests Mr. Arrieta to provide the Commission with more specific information related to the contributions in question and to provide the Commission with a telephone number for contact purposes. As of this date, we have not received a response from Mr. Arrieta.

During the interim, however, this Office was able to speak with an individual named Molly Siegel who has lived next to Mr. Arrieta for the past 46-47 years. She stated that Mr. Arrieta is very sick

According to Ms. Siegel, Mr. Arrieta was formerly in a Veterans Administration hospital and is now living at his home in the care of his sister.1/ Ms. Siegel stated that she does not know Mr. Arrieta's telephone number.

Due to Mr. Arrieta's stated illness, the corroborating statement of Molly Siegel, and the relatively small amount of money in question, we believe that it would be appropriate not to pursue this matter further and for the Commission to take no further action against the Respondent, and close the file as it pertains to Louis J. Arrieta.

1/ In light of Mr. Arrieta's apparent condition, there is reason to speculate that the letter from Mr. Arrieta was written and mailed on his behalf by his sister.

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III. **RECOMMENDATIONS**

1. Take no further action against Louis J. Arrieta.
2. Close the file with respect to Louis J. Arrieta.
3. Approve the appropriate letter.

Lawrence M. Noble
General Counsel

12/22/94
Date

BY: Kim Bright-Coleman (By KEH)
Kim Bright-Coleman
Associate General Counsel

Attachments
1. Letter from Louis J. Arrieta dated October 12, 1994
2. Letter to Louis J. Arrieta dated October 21, 1994

Staff assigned: Jack MacDonald

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
Louis J. Arrieta.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 5, 1995, the Commission decided by a vote of 6-0 to take the following actions in MUR 3998:

1. Take no further action against Louis J. Arrieta.

2. Close the file with respect to Louis J. Arrieta.

3. Approve the appropriate letter, as recommended in the General Counsel's Report dated December 22, 1994.

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

Attest:

1-6-95
Date

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

Received in the Secretariat: Thurs., Dec. 22, 1994 4:16 p.m.
Circulated to the Commission: Fri., Dec. 23, 1994 12:00 p.m.
Deadline for vote: Thurs., Jan. 05, 1995 4:00 p.m.

bjr

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 9, 1995

Louis J. Arrieta
4461 Purdue Avenue
Culver City, CA 90230

RE: MUR 3998
Louis J. Arrieta

Dear Mr. Arrieta:

On July 12, 1994, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). On September 30, 1994, you were mailed a General Counsel's Brief concerning this matter. The Commission subsequently received your response to the brief in a letter dated October 12, 1994.

After considering the circumstances of the matter, the Commission determined on January 5, 1995 to take no further action against you and closed the file as it pertains to you. 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.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 20 2 52 PM '94

12/20/94

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from E.R. McElveen, check number 10883, dated 12/12/94, and in the amount of $ 500.00. 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 $ 500.00, the MUR number is 3998 and in the name of E.R. McElveen. 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

12-20-94
Date

9604372614

CREDIT BUREAU OF BOGALUSA-FRANKLINTON 01-70 10883
CREDIT BUREAU REPORTS [redacted]
BOGALUSA 732-4261
444 MEMPHIS ST.
BOGALUSA, LA 70427

84-108/852

12-12 19 97

PAY TO THE ORDER OF Federal Election Commission $ 500.00

Five Hundred and 00/100 DOLLARS

FIRST STATE BANK AND TRUST COMPANY
Washington · St. Tammany Parishes

CREDIT BUREAU OF BOGALUSA-FRANKLINTON
E. R. McELVEEN

FOR FEC / CONCILIATION MUR3998

⑈010883⑈ ⑆065201064⑆ 02 4427 9 ⑈

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RECEIVED
FEDERAL ELECTION
COMMISSION
JAN 10 1 2 11 '95

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	
E.R. McElveen	)	MUR 3998
	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 22, 1994, the Commission found reason to believe that eighteen individuals violated 2 U.S.C. § 441a(a)(1)(A), by making excessive contributions to the David Duke for U.S. Senate Committee. At that time, the Commission also determined to enter into conciliation with these individuals prior to a finding of probable cause to believe. Since that time, the file has been closed with respect to thirteen of the individual respondents. The following is an account of the recent developments in this case relating to one of the remaining five individual respondents and our recommendations for this respondent.

II. ANALYSIS

Counsel for respondent E.R. McElveen has submitted a signed conciliation agreement for approval by the Commission.

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III. RECOMMENDATIONS

1. Accept the attached conciliation agreement with respondent E.R. McElveen.

2. Close the file with respect to this respondent.

3. Approve the appropriate letter.

Lawrence M. Noble
General Counsel

1/10/95
Date

BY: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

Attachments
1. Conciliation Agreement
2. Letter from counsel dated September 8, 1994

Staff assigned: Jack MacDonald

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
E. R. McElveen.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 13, 1995, the Commission decided by a vote of 5-0 to take the following actions in MUR 3998:

1. Accept the conciliation agreement with respondent E. R. McElveen, as recommended in the General Counsel's Report dated January 10, 1995.

2. Close the file with respect to this respondent.

3. Approve the appropriate letter, as recommended in the General Counsel's Report dated January 10, 1995.

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

Attest:

1-13-95
Date

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

Received in the Secretariat:	Tues.,	Jan. 10, 1995	1:18 p.m.
Circulated to the Commission:	Tues.,	Jan. 10, 1995	4:00 p.m.
Deadline for vote:	Fri.,	Jan. 13, 1995	4:00 p.m.

bjr

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 19, 1995

James A. McPherson
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998
E.R. McElveen

Dear Mr. McPherson:

On January 13, 1995, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to E.R. McElveen.

This matter will become public within 30 days after it has been closed with respect to all other respondents involved. 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.

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.

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

Enclosure
Conciliation Agreement

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

DEC 20 2 52 PM '94

DEC 20 8 26 AM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
E.R. McElveen	)	MUR 3998
	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that E.R. McElveen ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A).

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.

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

1. The David Duke for U.S. Senate Committee is a principal campaign committee within the meaning of 2 U.S.C. § 431(5).

2. The Federal Election Campaign Act of 1971, as amended ("the Act") limits the amount that an individual may contribute to any candidate to $1,000 with respect to any federal election. 2 U.S.C. § 441a(a)(1)(A).

3. Between January and September 1990, E.R. McElveen contributed five checks totaling $3,100.00 to the David Duke for U.S. Senate Committee that exceeded his contribution limitation by $2,100.00.

V. Respondent violated 2 U.S.C. § 441a(a)(1)(A) by making contributions to the David Duke for U.S. Senate Committee which exceeded his individual contribution limitation by $2,100.00.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of five hundred dollars ($500.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

VIII. This agreement shall become effective as of the date that

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all parties hereto have executed same and the Commission has approved the entire agreement.

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

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: Kim Bright-Coleman 1/19/95
Kim Bright-Coleman Date
Associate General Counsel

FOR THE RESPONDENT:

Janet A. McPherson 14 DEC 94
(Name) JANET A. MCPHERSON Date
(Position) ATTORNEY

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

8/18/94

TWO WAY MEMORANDUM

RECEIVED FEDERAL ELECTION COMMISSION OFFICE OF GENERAL COUNSEL
Aug 19 2 11 PM '94

TO: OGC, Docket

FROM: Rosa Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from JERRIE Graham, check number 0611, dated 8/8/94, and in the amount of $ 50.00. 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 Swinton
Accounting Technician

FROM: OGC, Docket Byaa

In reference to the above check in the amount of $ 50.00, the MUR number is 3998 and in the name of Jerrie Bellow. 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

8-19-94
Date

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[redacted]

JERRIE TRAHAN

[redacted]

0611

8-8 1994

Pay to the order of Federal Election Commission $ 50.00

Fifty & no/100 dollars

PremierBank Lafayette, La.

Bank Code 87

For penalty MUR-3998 Jerrie Trahan

Jerrie Bellow

[redacted]

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

FEB 8 11 31 AM '95

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jerrie Trahan	)	MUR 3998
	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 22, 1994, the Commission found reason to believe that eighteen individuals violated 2 U.S.C. § 441a(a)(1)(A), by making excessive contributions to the David Duke for U.S. Senate Committee. At that time, the Commission also determined to enter into conciliation with these individuals prior to a finding of probable cause to believe. Since that time, the file has been closed with respect to fifteen of the individual respondents. The following is an account of the recent developments in this case relating to one of the remaining three individual respondents and our recommendations for this respondent.

II. ANALYSIS

Respondent Jerrie Bellow has changed her name to Jerrie Trahan. Ms. Trahan has submitted a signed conciliation agreement for approval by the Commission.

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III. RECOMMENDATIONS

1. Accept the attached conciliation agreement with respondent Jerrie Trahan.

2. Close the file with respect to this respondent.

3. Approve the appropriate letter.

Lawrence M. Noble
General Counsel

2/7/95
Date

BY: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

Attachments
1. Conciliation Agreement
2. Letter from respondent dated August 8, 1994

Staff assigned: Jack MacDonald

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jerrie Trahan.	)	MUR 3998

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 13, 1995, the Commission decided by a vote of 6-0 to take the following actions in MUR 3998:

1. Accept the conciliation agreement with respondent Jerrie Trahan, as recommended in the General Counsel's Report dated February 7, 1995.

2. Close the file with respect to this respondent.

3. Approve the appropriate letter, as recommended in the General Counsel's Report dated February 7, 1995.

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

Attest:

2-13-95
Date

Delores Hardy
for Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat:	Wed.,	Feb. 08, 1995	11:31 a.m.
Circulated to the Commission:	Wed.,	Feb. 08, 1995	4:00 p.m.
Deadline for vote:	Mon.,	Feb. 13, 1995	4:00 p.m.

bjr

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 14, 1995

Jerrie Trahan
4403 Moss Street
Lafayette, LA 70507

RE: MUR 3998
Jerrie Trahan

Dear Ms. Trahan:

On February 13, 1995, the Federal Election Commission accepted the signed conciliation agreement submitted by you in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to you.

This matter will become public within 30 days after it has been closed with respect to all other respondents involved. 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.

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.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the remaining $450 balance of 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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

Enclosure
Conciliation Agreement

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
JAN 31 12 38 PM '95

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jerrie Trahan	)	MUR 3998
	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Jerrie Trahan (formerly known as Jerrie Bellow) ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A).

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.

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

1. The David Duke for U.S. Senate Committee is a principal campaign committee within the meaning of 2 U.S.C. § 431(5).

2. The Federal Election Campaign Act of 1971, as amended ("the Act") limits the amount that an individual may contribute to any candidate to $1,000 with respect to any federal election. 2 U.S.C. § 441a(a)(1)(A).

3. Between January and December 1990, Jerrie Trahan contributed $2,500.00 in the form of six checks to the David Duke for U.S. Senate Committee. Respondent exceeded her contribution limitation by $1,500.00.

V. Respondent violated 2 U.S.C. § 441a(a)(1)(A) by making contributions to the David Duke for U.S. Senate Committee which exceeded her individual contribution limitation by $1,500.00.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of five hundred dollars ($500.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

9 5 0 4 3 7 2 2 6 0

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

IX. Respondent shall have no more than 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: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

Date 2/14/95

FOR THE RESPONDENT:

Jerrie Trahan
(Name)
(Position)

Date 1-30-95

96043722661

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
David Duke for U.S. Senate	)	MUR 3998
	)	

DECLARATION OF MARC ELLIS, ESQ.

Marc Ellis, Esq. makes the following declaration:

1. My address is 805 Constitution Drive, Slidell, LA 70458. For identification purposes my Social Security number is [redacted]

2. During 1990, I worked as a paid staff person for David Duke's campaign for U.S. Senate. My responsibilities primarily involved scheduling events for the candidate as well as coordinating schedules with the news media.

3. I recall that rallies were scheduled in two ways. Either someone would call and ask me to schedule an appearance by the candidate in their area, or, the candidate or a member of his staff would direct me to schedule rallies at specified places and times.

4. I recall attending approximately several rallies that were located in Southern Louisiana. Specifically, these included rallies in Slidell (2), Metarie (2), and maybe Baton Rouge. Attendance at the rallies ranged from 50-60 people up to 2,000 people.

5. I personally observed that at the rallies the candidate gave a speech and then asked for contributions. I recall he always made the FEC rules clear; I never heard the candidate not mention the FEC rules. In his instructions to the audience he made clear

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that cash donations could not be accepted over a certain amount and if supporters wanted to contribute more than that amount the candidate requested a check with pre-printed information.

6. I recall that the field office coordinator for the campaign organized ushers who sold merchandise and passed a bucket into which supporters would place contributions. Either David Duke or a field office coordinator instructed ushers as to the cash contribution rules and specifically instructed them to watch for excessive cash contributions.

7. I don't recall who was in charge of the money raised at a rally, but it wasn't the candidate. Either Billy Hankins, who traveled with Duke, or the local coordinator may have handled the money. It is my recollection that money collected was counted at the rally and then counted again when it reached Metarie for deposit.

8. I recall attending a rally in St. Charles Parish where I counted the money and delivered it to Metarie. I recall that a Ms. Jewell Tardiff was in charge of handling the money at Metarie headquarters and for depositing the money in the bank.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Marc Ellis, Esq.
805 Constitution Drive
Slidell, LA 70458

Executed on Feb 20th, 1995.

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RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

FEB 9 2 22 PM '95

In the Matter of	)	
	)	MUR 3998
Francis J. Shubert, Sr.	)	
and Jeff William Smith	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

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I. BACKGROUND

On June 22, 1994, the Federal Election Commission ("the Commission") found reason to believe that Francis J. Shubert, Sr. and Jeff William Smith violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by making excessive contributions to the David Duke for U.S. Senate Committee ("the Committee"). On that same date, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement with these individuals prior to a finding of probable cause to believe that a violation occurred. After failing to reach agreements prior to this stage in the enforcement process, this Office prepared and mailed a General Counsel's Brief to counsel for Mr. Shubert on December 7, 1994, and to counsel for Mr. Smith on November 7, 1994. As of this date, no response has been submitted by counsel for Mr. Shubert or Mr. Smith to the General Counsel's Briefs.

II. ANALYSIS

A. Francis J. Shubert, Sr.

In the course of the Commission's audit of the Committee, it was revealed that Mr. Shubert made twenty-two contributions between December 1989 and April 1991 to the Committee, totaling

$2,740.00, which exceeded his individual contribution limitation by $1,740.00. See 2 U.S.C. § 441a(a)(1)(A).

As noted, counsel for the respondent has submitted neither a responsive brief, nor any documentation or other evidence purporting to challenge the Commission's finding in this matter. Accordingly, we recommend that the Commission find probable cause to believe that Francis J. Shubert, Sr. violated 2 U.S.C. § 441a(a)(1)(A).

B. Jeff William Smith

The audit revealed that Mr. Smith made six contributions between November 1989 and January 1991 to the Committee, totaling $2,800.69, which exceeded his individual contribution limitation by $1,800.69.

Mr. Smith has not submitted a responsive memorandum, or any documentation or other evidence purporting to challenge the Commission's finding in this matter.

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See Attachment 1.

Accordingly, we recommend that the Commission find probable cause to believe that Jeff William Smith violated 2 U.S.C. § 441a(a)(1)(A).

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

IV. RECOMMENDATIONS

1. Find probable cause to believe that Francis J. Shubert, Sr. and Jeff William Smith violated 2 U.S.C. § 441a(a)(1)(A).

2. Approve the attached conciliation agreements and appropriate letters.

2/9/95
Date

Lawrence M. Noble
General Counsel

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Attachments:
1. Letter from Smith counsel dated September 8, 1994
2. Conciliation Agreement for Francis J. Shubert, Sr.
3. Conciliation Agreement for Jeff William Smith

Staff assigned: Jack MacDonald

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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 14, 1995

SUBJECT: MUR 3998 - GENERAL COUNSEL'S REPORT DATED FEBRUARY 9, 1995.

The above-captioned document was circulated to the Commission on Thursday, February 9, 1995 at 4:00.

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

Commissioner Aikens	
Commissioner Elliott	XXX
Commissioner McDonald	
Commissioner McGarry	
Commissioner Potter	
Commissioner Thomas	

This matter will be placed on the meeting agenda for Tuesday, February 28, 1995.

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

9604372268

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
Francis J. Shubert, Sr.	)	
and Jeff William Smith	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on February 28, 1995, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 3998:

1. Find probable cause to believe that Francis J. Shubert, Sr. and Jeff William Smith violated 2 U.S.C. § 441a(a)(1)(A).

2. Approve the conciliation agreements and appropriate letters recommended in the General Counsel's February 9, 1995 report.

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

Attest:

3-2-95
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 7, 1995

James A. McPherson
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998
Jeff William Smith

Dear Mr. McPherson:

On February 28, 1995, the Federal Election Commission found that there is probable cause to believe your client, Jeff William Smith, violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the above-captioned matter.

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

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission within ten days. I will then recommend that the Commission accept the agreement. Please make the check for the civil penalty payable to the Federal Election Commission.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Conciliation Agreement

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 7, 1995

Wayne H. Scheuermann
2021 Hickory Avenue
P.O. Box 231164
Harahan, LA 70183-1164

RE: MUR 3998
Francis J. Shubert, Sr.

Dear Mr. Scheuermann:

On February 28, 1995, the Federal Election Commission found that there is probable cause to believe your client, Francis J. Shubert, Sr., violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the above-captioned matter.

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

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission within ten days. I will then recommend that the Commission accept the agreement. Please make the check for the civil penalty payable to the Federal Election Commission.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory

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conciliation agreement, please contact Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Conciliation Agreement

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 4, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jerrie Trahan
4403 Moss Street
Lafayette, LA 70507

RE: MUR 3998
Jerrie Trahan

Dear Ms. Trahan:

On February 14, 1995, the Federal Election Commission entered into a conciliation agreement with you in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A). According to the agreement, you were required to pay a civil penalty of $500, with the remaining balance of $450 due within 30 days of the conciliation agreement's effective date.

According to Commission records, your payment of $450 was due by March 16, 1995 and has not been received. Please be advised that, pursuant to 2 U.S.C. § 437g(a)(5)(D), violation of any provision of the conciliation agreement may result in the institution of a civil suit for relief in the United States District Court and an additional civil penalty. If there are circumstances preventing you from making this payment, you should contact Jack MacDonald of this Office immediately in order for us to resolve this matter prior to a Commission action of filing suit to remedy this violation. Otherwise, you should immediately remit your payment of $450 to the Federal Election Commission.

If you believe the Commission's records are in error, or if you have any questions, please contact Jack MacDonald at (202) 219-3690.

Sincerely,

Kenneth E. Kellner
Assistant General Counsel

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FAXED 4-19-95

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 19, 1995

BY TELECOPIER AND FIRST CLASS MAIL

James A. McPherson
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998
Jeff William Smith

Dear Mr. McPherson:

I write to you to confirm our conversation of April 17, 1995, during which we discussed the above-captioned matter. When you and I last spoke about this matter on March 22, 1995, you stated that you had received the Commission's March 7, 1995 notification letter concerning its finding of probable cause that your client violated 2 U.S.C. § 441a(a)(1)(A). You also informed me that you sent a copy of the letter to your client and requested that he contact you about this matter. Since you had not heard from Mr. Smith by March 22, 1995, you agreed to attempt to contact him and call me as soon as possible.

As the Commission's letter of March 7, 1995 explains, the Commission has a duty to attempt to correct violations of the law for a period of 30 to 90 days by informal methods of conference, conciliation, and persuasion, and by entering into a conciliation agreement with a respondent. During our April 17, 1995 conversation, I informed you that we had already reached the 48 day point of the 90 day period, and that it is extremely important for us to resolve this matter immediately. You acknowledged the urgency of resolving this matter and stated that you would contact Mr. Smith at once, and would contact me by Monday, April 24, 1995, with an offer from Mr. Smith.

I look forward to hearing from you no later than April 24, 1995. You can contact me by fax at (202) 219-1043 and by telephone at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
APR 25 9 30 AM '95

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
David Duke for U.S. Senate	)	
	)	

DECLARATION OF TERRY SENN

Terry Senn makes the following declaration:

1. My address is 513 Papworth Ave, Metarie, LA 70005. For identification purposes my Social Security number is [redacted]

2. During 1990, I worked as a paid staff person for David Duke's campaign for U.S. Senate. My title was Computer Supervisor.

3. We [the staff] had been told by the accountant, Paul Allen, that contributions for incorporated businesses could not be accepted. Therefore, when checks from businesses were received we would try and determine whether the business was incorporated.

4. We were instructed that if the check appeared to be from a corporation we had to return the check. I recall that if the business name on the check said "incorporated" we would send the checks back with a letter explaining that such contributions were not permissible. If we weren't sure whether the contribution was permissible we set aside the check until we could verify the status of the business. For example, if the check came from a "business" without any notation as to corporate status we would call to ask about their status.

5. One of my responsibilities included contacting businesses by phone or by letter to find out if they were incorporated.

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6. I may have verified the permissible status of entities that made contributions that had been placed in the state committee account. I do recall calling a lot of businesses and that we were very careful to keep up with all the rules.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Jerry Senn

Jerry Senn
513 Papworth Ave.
Metarie, LA 70005

Executed on 4/14, 1995.

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FEDERAL ELECTION
COMMISSION
SECRETARIAT

Aug 23 4 33 PM '95

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of David Duke for U.S. Senate and James A. McPherson, as Treasurer	)))))	MUR 3998 **SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 22, 1994, the Federal Election Commission found that there is reason to believe that the David Duke for U.S. Senate Committee ("Committee") and James A. McPherson, as treasurer, violated 2 U.S.C. §§ 441a(f), 441b(a), 432(c)(2) and 434(b)(3)(A), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and 11 C.F.R. § 110.4(c)(3) of the Commission's regulations.[1/] The Commission simultaneously approved a subpoena for documents and an order to answer written questions.

This report contains our analysis of the Committee's response and includes a recommendation that the Commission enter into pre-probable cause conciliation with the Committee.

II. ANALYSIS

A. Excessive Contributions from Individuals

The Committee has furnished no evidence refuting that it received 192 excessive contributions totalling $53,901.72, from 80

1/ On that same date, the Commission made findings against 18 individuals who made excessive contributions to the Committee. To date, the file has been closed with respect to 16 of the respondents.

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individuals that were not refunded or reattributed.[2/] Nor has the Committee furnished evidence that the Committee has taken any action to refund the excessive contributions.[3/] Rather, the Committee states that the large number of excessive contributions were actually general election contributions for a general election which was never held. The general election was canceled two days before the election due to the withdrawal of the third candidate. Thus, $31,185.50 in contributions designated for the general election were never refunded. The Committee also states that it was not aware that it was required to obtain the signatures of both spouses in order to attribute approximately $20,000 in contributions received from spouses holding a joint account. Attachment 1 at 2.

The Commission's regulations, however, are explicit. Contributions are attributable to the person who signs the check. See 11 C.F.R. §§ 104.8(i) and 110.1(k). Moreover, it was erroneous for the Committee to treat excessive portions of undesignated contributions from individuals as general election contributions where no general election was held. Thus, it appears that the Committee violated 2 U.S.C. § 441a(f) in connection with these contributions.

2/ This total includes two excessive in-kind contributions from two individuals, each reported in the amount of $2,000. The Committee provided no documentation to verify the nature of these two in-kind contributions.

3/ The Committee has also not disclosed the excessive contributions as debts as recommended in the Interim Audit Report.

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B. Transfers From Candidate's Nonfederal Account Containing Possible Prohibited Funds

The Committee received three transfers, totalling $19,922.58 from the candidate's 1989 nonfederal committee for his campaign for state representative (the "Nonfederal Committee"). Since Louisiana state law permits contributions from corporations and labor unions, the Commission found reason to believe that the Committee violated 2 U.S.C. § 441b.

Pursuant to 11 C.F.R. § 110.3(c)(6)(i), the cash on hand from which the transfer is made shall be considered to consist of the funds most recently received by the transferor committee. Moreover, the transferor committee must be able to demonstrate that such cash on hand contains sufficient funds at the time of the transfer that comply with the limitations and prohibitions of the Act to cover the amount transferred. While the Committee has conceded that all or part of the $13,500 transfer was made up of corporate funds, the Committee has furnished documentation demonstrating that the remaining two transfers, in the amounts of $5,067 and $1,355, were made up of mostly permissible sources. Attachment 1 at 4.

Specifically, the Committee provided the Audit staff with a list of contributions from individuals which made up the deposit into the nonfederal account from which the $1,355 transfer was made. Attachment 1 at 4.[4/] The remaining $5,067 transfer was made up of contributions from a list of over eighty entities whose

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4/ The Final Audit Report on the Committee noted that a significant portion of the $1,355 transfer may have been made up of permissible funds. Attachment 6 at 11.

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non-corporate status was unconfirmed. Fifty-six of these entities contributed $25 or less to the Committee. The assistant treasurer, Paul Allen, maintains that volunteers for the Committee were instructed to verify the permissible status of these entities. Attachment 1 at 4. We have obtained a declaration from Terry Senn, the Committee's computer supervisor, whose testimony tends to corroborate Mr. Allen's assertion that the businesses at issue were contacted and that their representatives stated that they were not incorporated.[5/] Attachment 5. Accordingly, we recommend that the Commission take no further action with regard to the $1,355 and $5,067 transfers and proceed to conciliate the $13,500 transfer which appears to violate 2 U.S.C. § 441b(a).[6/]

C. Itemization of Contributions from Individuals

A sample review conducted by the Audit Division indicated that the Committee failed to itemize 16.54% of individual contributions aggregating in excess of $200 in a calendar year as required by 2 U.S.C. § 434(b)(3)(G). Following the audit, the Committee was provided with a listing of 1,089 contributors whose contributions appeared to require itemization, and told to amend

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5/ This Office checked the status of a random sample of 24 out of the eighty entities with the Louisiana Secretary of State's Office. Twenty-two out of the 24 entities checked were confirmed unincorporated. The two apparent corporate entities were Jay's Donuts and Grace Baptist Temple which contributed $25 and $5 to the candidate's state campaign, respectively. Due to the small amounts involved, we concluded that it would not be worth the necessary resources to review the corporate status of all 80 entities.

6/ We note that Section 110.3(c)(6) of the Commission's regulations has been revised to completely prohibit the transfer of funds from state to federal campaign committees under 11 C.F.R. § 110.3(d).

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its reports to correctly itemize all contributors required to be itemized.

The Committee did not amend its reports. The Committee does not contest that it violated 2 U.S.C. § 434(b)(3)(G), but contends that it lacks the funds and personnel to reconstruct the information sought by the Commission.

D. Anonymous Contributions of Currency

In conjunction with the Commission's reason to believe finding, the Commission authorized an investigation regarding the receipt and recordkeeping by the Committee of approximately $193,005.14 in anonymous cash contributions. As discussed herein, during the course of our investigation we conducted informal telephone interviews with witnesses who attended or participated in Duke rallies, reviewed information gathered from the Committee during the Commission audit, and obtained and viewed a videotape provided by the Committee of the candidate's campaign activities.

The Committee stated that the candidate held hundreds of rallies with large turnouts in Louisiana, and that in every public speech, the candidate instructed contributors that the maximum they could contribute in cash was $50, and that larger amounts must be contributed by check. Attachment 1 at 3; Attachment 2 at 2; Attachment 3 at 2. The Committee further avers that campaign volunteers, who passed around a hat or bucket, were instructed to only accept cash contributions of $50 or less. Id.

We have obtained a sworn declaration from a campaign staff person, Marc Ellis, who personally observed several rallies. His statement appears to corroborate the assertions made by the

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Committee. Attachment 4. He recalls that Mr. Duke gave a speech and then asked for contributions. Mr. Ellis maintains that in Mr. Duke's instructions he made clear that cash contributions could not be accepted over a certain amount and if supporters wanted to contribute more than that amount, the candidate requested a check. Mr. Ellis also recalls that the ushers who collected the money were similarly instructed. Another rally participant, J. Minos Simon, in a telephone interview with staff from this Office, recalled that the crowd was instructed that if they made contributions under $25, those contributions did not have to be individually reported to Mr. Duke's campaign committee. Indeed, Mr. Simon stated that he personally observed people putting one or two dollar bills into a hat which was circulated amongst the crowd at a rally in Lafayette.

In fact, a close examination of the notations on the memo lines of the Committee's deposit slips as well as the amounts deposited, indicate that the cash contributions accepted by the Committee were more likely than not made up of contributions of $50 or less.[7/] The Committee received 337 deposits of cash in excess of $50.00. One third of the deposits, however, were in amounts under $150.00, suggesting small donations at smaller rallies. Conversely, just 60 of the 337 deposits were over $1,000.

7/ Examples of notations include; Washington Rally Crawfish Boil, Waggama Coffee Party, Franklin Rally T-shirts, Papa Joe's Rally, Lake Charles Rally and Raceland Rally Donations.

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The Committee also furnished the Commission with a videotape which, in the context of Mr. Duke's 1991 race for state governor, contains footage of a rally in which the candidate in fact gave detailed instructions to his audience as to the limitations on cash contributions. In addition, the videotape contains footage of a bucket being passed through a crowd in order to collect contributions. While the videotape did not contain footage of instructions given at rallies held during Mr. Duke's race for U.S. Senate, the evidence at least minimally corroborates the Committee's contention that it complied with the prohibition against accepting anonymous cash contributions over $50.00.[8/]

While it is entirely possible that an occasional anonymous contribution in excess of $50 was accepted, we recommend that the Commission accept the Committee's assertions in this area. Accordingly, in light of the aforementioned analysis, we recommend the Commission take no further action with regard to the Commission's finding of reason to believe that the Committee violated 2 U.S.C. § 432(a)(2) and 11 C.F.R. § 110.4(c)(3).

We note also that the Committee's recordkeeping system reasonably fulfilled the requirements delineated in Advisory Opinion 1980-99, in that they recorded the name of the event on the check, and the dates the contributions were deposited

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8/ The videotape also contains footage of speeches, press conferences and other events from Mr. Duke's 1991 race for governor and Mr. Duke's 1990 U.S. Senate race.

correspond reasonably with the day of the event.[9/] However, the Committee did not have a consistent system of recording the amount collected per rally that corresponded with the amounts and dates deposited as required by 2 U.S.C. § 432(c)(2). Therefore, if the Commission approves the recommendations to take no further action with respect to these issues, the notification letter to the respondents will include an admonishment to comply fully with the recordkeeping requirements in the future.

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

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9/ In Advisory Opinion 1980-99, a registered political committee asked whether cumulative donor records must be kept by the committee of contributions under $50 for aggregation and reporting purposes. The opinion stated that,

> [t]here are at least two possible accounting methods which would satisfy the recording keeping requirement for contributions under $50.00. An account could be kept, as for contributions over $50, of the name and address of each contributor and the date and amount of the contribution. This system could be easily implemented for contributions made by check. An alternative method would be to record the name of the event, the date(s) contributions were received for that event, and the total amount of contributions received on each day for that event.

Advisory Opinion 1980-99.

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IV. RECOMMENDATIONS

1. Take no further action against David Duke for U.S. Senate, and James A. McPherson, as treasurer, with respect to violations

of 2 U.S.C. § 432(c)(2) and 11 C.F.R. § 110.4(c)(3).

2. Enter into conciliation with David Duke for U.S. Senate and James A. McPherson, as treasurer, prior to a finding of probable cause to believe with respect to the remaining violations.

3. Approve the attached proposed conciliation agreement and the appropriate letter.

Lawrence M. Noble
General Counsel

8/23/95
Date

BY: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

Attachments
1. Response to the Audit Division of Paul Allen, Assistant Treasurer.
2. Response of James A. McPherson, Treasurer.
3. Response of Paul Allen, Assistant Treasurer.
4. Declaration of Marc Ellis, Esq.
5. Declaration of Terry Senn
6. Final Audit Report - Matters Referred to OGC
7. Proposed Conciliation Agreement

Staff assigned: Lorraine E. Raushenbush

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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: AUGUST 30, 1995

SUBJECT: MUR 3998 - GENERAL COUNSEL'S REPORT DATED AUGUST 23, 1995.

The above-captioned document was circulated to the Commission on Thursday, August 24, 1995 at 11:00.

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

Commissioner Aikens	
Commissioner Elliott	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Potter	XXX
Commissioner Thomas	

This matter will be placed on the meeting agenda for Tuesday, September 12, 1995.

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

9604372267

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
David Duke for U.S. Senate and	)	
James A. McPherson, as Treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on September 12, 1995, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 3998:

1. Take no further action against David Duke for U.S. Senate, and James A. McPherson, as treasurer, with respect to violations of 2 U.S.C. § 432(c)(2) and 11 C.F.R. § 110.4(c)(3).

2. Enter into conciliation with David Duke for U.S. Senate and James A. McPherson, as treasurer, prior to a finding of probable cause to believe with respect to the remaining violations.

(continued)

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3. Approve the proposed conciliation agreement and the appropriate letter as recommended in the General Counsel's August 23, 1995 report.

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

Attest:

9-13-95
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

September 18, 1995

James A. McPherson, Treasurer
David Duke for U.S. Senate
9128 Quince St.
New Orleans, Louisiana 70118

RE: MUR 3998
David Duke for U.S. Senate and
James A. McPherson, as treasurer.

Dear Mr. McPherson:

On June 22, 1994 the Federal Election Commission found reason to believe that the David Duke for U.S. Senate Committee ("Committee") and you, as treasurer, violated 2 U.S.C. §§ 441a(f), 441b(a), 432(c)(2) and 434(b)(3)(A), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and 11 C.F.R. § 110.4(c)(3) of the Commission's regulations. On September 12, 1995, the Commission determined to enter into conciliation prior to a finding of probable cause to believe with respect to apparent violations of 2 U.S.C. §§ 441a(f), 441b(a) and 434(b)(3)(A). The Commission also determined to take no further action with regard to violations of 2 U.S.C. § 432(c)(2) and 11 C.F.R. § 110.4(c)(3), but to admonish the Committee to comply fully with the recordkeeping requirements of 2 U.S.C. § 432(c)(1) in the future. See Advisory Opinion 1980-99, Fed. Election Camp. Fin. Guide [CCH] ¶ 5550.

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

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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) 219-3690.

Sincerely,

Lorraine Raushenbush

Lorraine Raushenbush
Attorney

Enclosure
Conciliation Agreement

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FEDERAL ELECTION
COMMISSION
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

OCT 12 12 48 PM '95

In the Matter of	)	
	)	MUR 3998
Francis J. Shubert, Sr.	)	
and Jeff William Smith	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On February 28, 1995, the Federal Election Commission ("the Commission") found probable cause to believe that Francis J. Shubert, Sr. and Jeff William Smith violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by making excessive contributions to the David Duke for U.S. Senate Committee ("the Committee"). On that same date, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement with these individuals prior to filing a civil suit in United States District Court to seek payment of a civil penalty. Having failed to reach agreements at this stage in the enforcement process, this Office recommends that the Commission take no further action with respect to these two respondents and close the file as it pertains to them.1/

9604372262

1/ On June 22, 1994, the Commission found reason to believe that these individuals, and sixteen others, violated 2 U.S.C. § 441a(a)(1)(A). As of this date, the file has been closed with respect to the other sixteen respondents. We further note that if the Commission approves the instant recommendations, the only remaining respondents in this matter will be the David Duke for U.S. Senate Committee and its treasurer, and the Commission is presently engaged in pre-probable cause conciliation with these respondents.

II. ANALYSIS

A. Francis J. Shubert, Sr.

In the course of a Commission audit of the Committee, it was discovered that Mr. Shubert made twenty-two contributions between December 1989 and April 1991 to the Committee, totaling $2,740.00, which exceeded his individual contribution limitation by $1,740.00. See 2 U.S.C. § 441a(a)(1)(A).

Counsel for the respondent has submitted neither a responsive brief, nor any documentation or other evidence purporting to challenge the Commission's findings in this matter. After the Commission found probable cause to believe that a violation had occurred, this Office attempted to engage in conciliation negotiations with counsel during a period of ninety days. During this time, counsel never submitted a settlement offer and failed to return several telephone calls from this Office.

Although the Commission has determined that there is probable cause to believe Francis J. Shubert, Sr. violated 2 U.S.C. § 441a(a)(1)(A), due to the amount and the nature of the violation at issue, we believe that it would not be a prudent use of the Commission's resources to further pursue this respondent through litigation.2/ Therefore, we recommend that the Commission take no further action against Francis J. Shubert, Sr., admonish Mr. Shubert for his actions in the Commission's closing letter, and close the file as it pertains to this respondent.

2/ We note that according to the Commission's computer index of contributors, dating 1979 to the present, Mr. Shubert is not listed as having made any contributions other than those at issue in this matter.

9 5 0 4 3 1 2 2 6 7 3

B. Jeff William Smith

The audit revealed that Mr. Smith made six contributions between November 1989 and January 1991 to the Committee, totaling $2,800.69, which exceeded his individual contribution limitation by $1,800.69.

Mr. Smith has not submitted a responsive memorandum, or any documentation or other evidence purporting to challenge the Commission's finding in this matter.

As noted, the Commission has found probable cause to believe that Jeff William Smith violated 2 U.S.C. § 441a(a)(1)(A). However, as is the case with respondent Shubert, we believe that it would not be productive for the Commission to further pursue this respondent through litigation. Therefore, we recommend that the Commission take no further action against Jeff William Smith, admonish Mr. Smith for his actions in the Commission's closing letter, and close the file as it pertains to this respondent.

9604322674

III. RECOMMENDATIONS

1. Take no further action with respect to Francis J. Shubert, Sr. and Jeff William Smith.

2. Close the file as it pertains to Francis J. Shubert, Sr. and Jeff William Smith.

3. Approve the appropriate letters.

10/1/95
Date

Lawrence M. Noble
General Counsel

Attachments:
1. Letter from Smith counsel dated September 8, 1994

Staff assigned: Jack MacDonald

95043722675

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Francis J. Shubert, Sr. and	)	MUR 3998
Jeff William Smith.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 17, 1995, the Commission decided by a vote of 4-0 to take the following actions in MUR 3998:

1. Take no further action with respect to Francis J. Shubert, Sr. and Jeff William Smith.

2. Close the file as it pertains to Francis J. Shubert, Sr. and Jeff William Smith.

3. Approve the appropriate letters, as recommended in the General Counsel's Report dated October 11, 1995.

Commissioners Aikens, Elliott, McGarry, and Thomas voted affirmatively for the decision; Commissioners McDonald and Potter did not cast votes.

Attest:

10-18-95
Date

Delores Hardy
for Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Thurs., Oct. 12, 1995 12:48 p.m.
Circulated to the Commission: Thurs., Oct. 12, 1995 4:00 p.m.
Deadline for vote: Tues., Oct. 17, 1995 4:00 p.m.

bjr

9604322626

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 20, 1995

Wayne H. Scheuermann
824 Elmwood Park Boulevard
Suite 145
Harahan, LA 70123

RE: MUR 3998
Francis J. Shubert, Sr.

Dear Mr. Scheuermann:

On February 28, 1995, the Federal Election Commission found probable cause to believe that your client, Francis J. Shubert, Sr., violated 2 U.S.C. § 441a(a)(1)(A), by making excessive contributions to the David Duke for U.S. Senate Committee ("Duke Committee"). However, after considering the circumstances of this matter, the Commission determined on October 17, 1995, to take no further action against your client, and closed its file in this matter as it pertains to Mr. Shubert.

The file will be made public within 30 days after the 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 you that Mr. Shubert's contributions to the Duke Committee appear to be a violation of 2 U.S.C. § 441a(a)(1)(A). Your client should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please contact Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
by KBC

Lawrence M. Noble
General Counsel

9604312467

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 20, 1995

James A. McPherson
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998
Jeff William Smith

Dear Mr. McPherson:

On February 28, 1995, the Federal Election Commission found probable cause to believe that your client, Jeff William Smith, violated 2 U.S.C. § 441a(a)(1)(A), by making excessive contributions to the David Duke for U.S. Senate Committee ("Duke Committee"). However, after considering the circumstances of this matter, the Commission determined on October 17, 1995, to take no further action against your client, and closed its file in this matter as it pertains to Mr. Smith.

The file will be made public within 30 days after the 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 you that Mr. Smith's contributions to the Duke Committee appear to be a violation of 2 U.S.C. § 441a(a)(1)(A). Your client should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please contact Jack MacDonald, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
by KBC

Lawrence M. Noble
General Counsel

9604372268

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL

No. 7 ... 95

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

NOVEMBER 6, 1995

TWO WAY MEMORANDUM

TO: OGC Docket

FROM: Rosa E. Swinton, Accounting Technician
Leslie D. Brown, Disbursement Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from JAMES A MCPHERSON, check number 103, dated Nov. 2, 1995, for the amount of $5,000.00. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

TO: Rosa E. Swinton, Accounting Technician
Leslie D. Brown, Disbursement Technician

FROM: OGC Docket By aa

SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of $5,000.00, the MUR/Case number is 3998 and in the name of David Duke for U.S. Senate Cmte. Place this deposit in the account indicated below:

✓ Budget Clearing Account (OGC), 95F3875.16

___ Civil Penalties Account, 95-1099.160

___ Other: _____

Anita Alexander
Signature

11-7-95
Date

Celebrating the Commission's 20th Anniversary
YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

JAMES A. McPHERSON

[redacted]

103

14-17/850

Nov 2 19 95

PAY TO THE ORDER OF FEDERAL ELECTION COMMISSION $5,000 00/00

FIVE THOUSAND AND NO/100 DOLLARS

WHITNEY NATIONAL BANK
NEW ORLEANS, LOUISIANA

FOR COMPLIANCE OF MUR3998 James A. McPherson

[redacted]

©HAFLAND 1993

9505437227CU

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

12/18/95

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
DEC 18 3 17 PM '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 David Duke for U.S. Senate, check number 106, dated 12/11/95, 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 By aa

In reference to the above check in the amount of $1,000.00, the MUR number is 3998 and in the name of David Duke for U.S. Senate. 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 M. Alexander
Signature

12-18-95
Date

9604372701

JAMES A. McPHERSON

[redacted]

106

14-17/650

11 DEC 1995

PAY TO THE ORDER OF FEDERAL ELECTION COMMISSION $1,000 00/00

ONE THOUSAND AND NO/100 DOLLARS

WHITNEY NATIONAL BANK
NEW ORLEANS, LOUISIANA

FOR MUR 3998

James A. McPherson

[redacted]

© HARLAND 1993

9604372272 02

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

12/26/95

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from David Duke for U.S. Senate, check number 707, dated 12/18/95, 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 3998 and in the name of David Duke for U.S. Senate. 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

12/28/95
Date

9604372373

JAMES A. McPHERSON

[redacted]

107

14-17/650

18 DEC 19 95

PAY TO THE ORDER OF FEDERAL ELECTION COMMISSION $ 1,000 00/100

ONE THOUSAND AND NO/100 DOLLARS

WHITNEY NATIONAL BANK

NEW ORLEANS, LOUISIANA

FOR MUR 3998

[redacted]

James A. McPherson

©HARLAND 1993

9604572274

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT
JAN 18 12 13 PM '96

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of David Duke for U.S. Senate and James A. McPherson, as treasurer	))))	MUR 3998

SENSITIVE

GENERAL COUNSEL'S REPORT

On June 22, 1994, the Federal Election Commission found reason to believe that the David Duke for U.S. Senate Committee ("Committee") and James A. McPherson, as treasurer, violated 2 U.S.C. §§ 441a(f), 441b(a), 432(c)(2) and 434(b)(3)(A), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and 11 C.F.R. § 110.4(c)(3) of the Commission's regulations. The Commission simultaneously approved a subpoena for documents and an order to answer written questions.

On September 12, 1995, the Commission decided to take no further action with respect to violations of 2 U.S.C. § 432(c)(2) and 11 C.F.R. § 110.4(c)(3). Additionally, the Commission authorized this Office to enter into negotiations with the Committee, directed toward reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

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RECOMMENDATIONS

1. Accept the attached conciliation agreement with David Duke for U. S. Senate and James A. McPherson, as treasurer;

2. Close the file; and

3. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

Date 1/18/96

BY: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

9604372270 6

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
David Duke for U.S. Senate	)	MUR 3998
and James A. McPherson, as treasurer.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 23, 1996, the Commission decided by a vote of 5-0 to take the following actions in MUR 3998:

1. Accept the conciliation agreement with David Duke for U.S. Senate and James A. McPherson, as treasurer, as recommended in the General Counsel's Report dated January 18, 1996.

2. Close the file.

3. Approve the appropriate letters, as recommended in the General Counsel's Report dated January 18, 1996.

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

Attest:

1-23-96
Date

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

Received in the Secretariat: Thurs., Jan. 18, 1996 12:13 p.m.
Circulated to the Commission: Thurs., Jan. 18, 1996 4:00 p.m.
Deadline for vote: Tues., Jan. 23, 1996 4:00 p.m.

bjr

9604372277

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 26, 1996

James A. McPherson
Attorney at Law
9128 Quince St.
New Orleans, Louisiana 70118

RE: MUR 3998
David Duke for U. S. Senate and
James A. McPherson, as treasurer

Dear Mr. McPherson:

On January 23, 1996, the Federal Election Commission approved a revised conciliation agreement with you in settlement of violations of 2 U.S.C. §§ 432(c)(2), 434 (b)(3)(A), 441a(f), and 441b(a), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and 11 C.F.R. § 110.4(c)(3) of the Commission's Regulations.

Enclosed you will find a copy of the agreement. Please sign and return the agreement to the Commission. Please note that the civil penalty balance payment of $8,000 is due within 120 days. A copy of the fully executed conciliation agreement will be forwarded to you for your files. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Lorraine Raushenbush

Lorraine E. Raushenbush
Attorney

Enclosure
Conciliation Agreement

Celebrating the Commission's 20th Anniversary
YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

James A. McPherson
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998
Lloyd A. Faulstich, E.R. McElveen,
and Jeff William Smith

Dear Mr. McPherson:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372279

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

Wayne H. Scheuermann
824 Elmwood Park Boulevard
Suite 145
Harahan, LA 70123

RE: MUR 3998
Francis J. Shubert, Sr.

Dear Mr. Scheuermann:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372710

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

John R. Rarick
482 Royal Street
P.O. Box 1924
St. Francisville, LA 70775

RE: MUR 3998
John R. Rarick

Dear Mr. Rarick:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604322711

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

Maria Danna
P.O. Box 483, Highway 139
Swartz, LA 71281

RE: MUR 3998
Maria Danna

Dear Ms. Danna:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372712

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

Robert L. Feind, Jr.
Houseman, Feind, Gallo & Malloy
1214 Thirteenth Avenue
Post Office Box 104
Grafton, Wisconsin 53024-0104

RE: MUR 3998
Benjamin Grob

Dear Mr. Feind:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372713

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

Jerome Layton
1 Cherry Lane
Berea, KY 40403

RE: MUR 3998
Jerome Layton

Dear Mr. Layton:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372714

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

Paul E. Kitchens
Kitchens, Benton, Kitchens & Warren
420 Broadway, P.O. Box 740
Minden, LA 71058-0740

RE: MUR 3998
L.M. Neilson

Dear Mr. Kitchens:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604322715

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

William M. Fumich, Jr.
Seeley, Savidge & Aussem
800 Bank One Center
600 Superior Avenue, East
Cleveland, Ohio 44114-2655

RE: MUR 3998
Mary P. Donta

Dear Mr. Fumich:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372716

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

Ray Cater
Rt. 1 Box 13-H
Ferriday, LA 71334

RE: MUR 3998
Ray Cater

Dear Mr. Cater:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372227 17

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

Vincent A. Canfield
Box 222, R.R. 1
Equinunk, PA 18417

RE: MUR 3998
Vincent A. Canfield

Dear Mr. Canfield:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604322718

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

Jerrie Trahan
4403 Moss Street
Lafayette, LA 70507

RE: MUR 3998
Jerrie Trahan

Dear Ms. Trahan:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372719

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

Eleanor Parker Adam
416 Westmeade Drive
Gretna, LA 70056

RE: MUR 3998
Eleanor Parker Adam

Dear Ms. Adam:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372270

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

Louis J. Arrieta
4461 Purdue Avenue
Culver City, CA 90230

RE: MUR 3998
Louis J. Arrieta

Dear Mr. Arrieta:

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) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

9604372291

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1996

James A. McPherson
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998
David Duke for U.S. Senate and James A. McPherson, as treasurer

Dear Mr. McPherson:

The Federal Election Commission is in receipt of the conciliation agreement signed by you in settlement of the above referenced matter. Accordingly, the file has been closed in this matter. The confidentiality provisions at 2 U.S.C. § 437(g)(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 part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. To date, the Commission has received a total of $8,000 in payments towards the $15,000 civil penalty. Please be reminded that the conciliation agreement you signed states that after the initial payments reach $7,000, the Respondents will pay $2,000 a month, starting in January 1996, for the next four months, by the 15th day of each month. Please be advised that as of this date, the Commission has only received one installment payment of $1,000. Our records indicate that you are behind in your payments by $3,000. You should take immediate steps to ensure that you comply with the schedule of payments you agreed to in the conciliation agreement.

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

9 5 0 4 3 7 2 2 7 9 2

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Rhonda J. Vosdingh

Rhonda J. Vosdingh
Assistant General Counsel

Enclosure
Conciliation Agreement

9604372273

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
Feb 9 12 46 PM '96

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3998
David Duke for U.S. Senate	)	
and James A. McPherson,	)	
as treasurer	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that David Duke for U.S. Senate Committee and James A. McPherson, as treasurer ("Respondents"), violated 2 U.S.C. § 441a(f), 2 U.S.C. § 432(c)(2), and 2 U.S.C. § 441b(a).

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. The David Duke for U.S. Senate Committee is a political committee within the meaning of 2 U.S.C. § 431(4), and was the authorized principal campaign committee for David Duke's 1990 senatorial campaign.

2. James A. McPherson is the treasurer of the David Duke for U.S. Senate Committee.

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3. An individual may contribute up to $1,000 to any candidate with respect to any election. 2 U.S.C. § 441a(a)(1)(A). Moreover, no candidate or political committee shall knowingly accept any contribution which exceeds the contribution limitations. 2 U.S.C. § 441a(f).

4. It is unlawful for a corporation or labor organization to make a contribution or expenditure in connection with any federal election. 2 U.S.C. § 441b(a); 11 C.F.R. § 114.2. Moreover, this section prohibits a candidate, political committee or other person from knowingly accepting or receiving any corporate or union contribution. Id.

5. Commission regulations in force during 1990 permitted a transfer of funds from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee for a federal election provided that the funds transferred are not composed of contributions that would be in violation of the Act. 11 C.F.R. §§ 110.3(c)(6) (current version at 11 C.F.R. § 110.3(d)). The cash on hand from which the transfer is made shall be considered to consist of the funds most recently received by the transferor committee. 11 C.F.R. § 110.3(c)(6). The transferor committee must be able to demonstrate that it had sufficient funds that comply with the limitations and prohibitions of the Act to make the transfer at the time of the transfer. Id.

6. The Act requires a political committee to disclose the identification of each person who makes a contribution to the committee in an aggregate amount in excess of $200 per calendar year, together with the date and amount of the contribution. 2 U.S.C. § 434(b)(3)(A). Identification of an individual includes the name, mailing address, occupation, and name of employer of the individual. 2 U.S.C. § 431(13)(A).

7. During the 1990 election cycle, the Committee accepted 192 contributions from 80 individual contributors which exceeded the limitations of 2 U.S.C. § 441a(f), totalling $53,901.72. This total includes two excessive in-kind contributions from two individuals in the amount of $2,000. The Committee has not refunded any portion of the excessive contributions, nor reattributed any portion of the excessive contributions pursuant to 11 C.F.R. § 110.1(k)(3).

8. The Committee received a transfer of $13,500.00 from the candidate's committee for his previous state representative campaign (the "Nonfederal Committee") which

9 6 0 4 3 1 2 2 7 0 5

consists of contributions from prohibited sources. The transfer was made in the form of a $13,500 check received from the nonfederal account and deposited on July 11, 1990, which was reported by the Committee as a loan from the candidate.

9. A review of the Committee's records revealed that the Committee failed to itemize 16.54% of individual contributions aggregating in excess of $200 in a calendar year during the 1990 election cycle. Following the audit, the Committee was provided with a list of 1,089 contributors whose contributions appeared to require itemization. However, the Committee did not amend its report to correctly itemize any of the contributions required to be itemized, including the 1,089 contributors identified by the Commission's auditors.

V. 1. David Duke for U.S. Senate Committee and James A. McPherson, as treasurer, violated 2 U.S.C. § 441a(f) by accepting $53,901.72 in contributions in excess of the limitations.

2. David Duke for U.S. Senate Committee and James A. McPherson, as treasurer, violated 2 U.S.C. § 441b(a) by accepting a transfer totalling $13,500, which contained funds from sources prohibited from making contributions.

3. David Duke for U.S. Senate Committee and James A. McPherson, as treasurer, violated 2 U.S.C. § 434(b)(3)(A) by failing to properly identify individual contributors on its disclosure reports.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of fifteen thousand dollars ($15,000) pursuant to 2 U.S.C. § 437g(a)(5)(A). Respondents sent a check for five thousand dollars ($5,000) that was received on November 7, 1995 and an additional two checks, each for $1,000, received on December 18, 1995 and December 26, 1995, respectively. To this date, Respondents have paid seven thousand dollars ($7,000), leaving an outstanding balance of eight thousand dollars ($8,000). Respondents will pay the balance of the penalty as follows:

1. Two Thousand dollars ($2,000) a month, starting in January 1996, for the next four months, by the 15th day of each month.

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2. In the event that any installment payment is not received by the Commission by the fifth day after it is 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 respondent. Failure by the Commission to accelerate the 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 requirements 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: Kim Bright-Coleman
Kim Bright-Coleman
Associate General Counsel

2/21/96
Date

9604372277

FOR THE RESPONDENTS:

James A, McPherson
Attorney

4 FEB 96
Date

96043022708

FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

THIS IS THE END OF MUR # 3998

DATE FILMED 3-11-96 CAMERA NO. ___

CAMERAMAN JMN

9604372279

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 3/29/96

✓ Microfilm

_____ Public Records

_____ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3998

9604373124 3

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

MAR 25 10 54 AM '96

James A. McPherson
Attorney at Law
9128 Quince Street
New Orleans, Louisiana 70118
Telephone (504) 486-2022
Fax (504) 486-6050

March 21, 1996

Lorraine Raushenbush, Esq.
Federal Election Commission
Office of General Counsel
999 E. Street, N. W.
Washington, D.C. 20463

Re: MUR 3998
David Duke for U.S. Senate

Dear Ms. Raushenbush:

Enclosed is a check for Two Thousand and no/100 ($2,000.00) Dollars.

Sincerely,

James A. McPherson/MES

James A. McPherson

JMcP/mes
Enclosure: $2,000.00 check

9604373124

JAMES A. McPHERSON
TRUST ACCOUNT
9128 QUINCE ST
NEW ORLEANS, LA 70118

119

14-17/650

3-21 1996

PAY TO THE ORDER OF Federal Election Commission $2,000.00

Two Thousand & no/100 DOLLARS

WHITNEY NATIONAL BANK
NEW ORLEANS, LOUISIANA

FOR David Duke MUR 3998

[redacted]

9604373112 45

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

MAR 28 12 36 PM '96

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 28, 1996

TWO WAY MEMORANDUM

TO: OGC Docket

FROM: Rosa E. Swinton, Accounting Technician
Leslie D. Brown, Disbursement Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from JAMES A. McPHERSON, check number 119, dated March 21, 1996, for the amount of $2,000.00. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

==========

TO: Rosa E. Swinton, Accounting Technician
Leslie D. Brown, Disbursement Technician

FROM: OGC Docket By aa

SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of $2,000.00, the MUR/Case number is 3998 and in the name of David Duke for U.S. Senate Cmte. Place this deposit in the account indicated below:

✓ Budget Clearing Account (OGC), 95F3875.16

___ Civil Penalties Account, 95-1099.160

___ Other: _____

Anita M Alexander
Signature

3-28-96
Date

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

96043312345

James A. McPherson
Attorney at Law
9128 Quince Street
New Orleans, Louisiana 70118
Telephone (504) 486-2022
Fax (504) 486-6050

March 25, 1996

Lorraine Raushenbush, Esq.
Federal Election Commission
Office of General Counsel
999 E. Street, N. W.
Washington, D.C. 20463

Re: MUR 3998
David Duke for U.S. Senate

Dear Ms. Raushenbush:

Enclosed is a check for Three Thousand and no/100 ($3,000.00) Dollars.

Sincerely,

Jim McPherson

James A. McPherson

JMcP/mes
Enclosure: $3,000.00 check

9604331247

9 6 0 4 3 7 3 1 2 4 8

JAMES A. McPHERSON
TRUST ACCOUNT
9128 QUINCE ST
NEW ORLEANS, LA 70118

120

14-17/650

24 MAR 19 96

PAY TO THE ORDER OF FEDERAL ELECTION COMMISSION $3,000 00/100

THREE THOUSAND AND NO/100 DOLLARS

WHITNEY NATIONAL BANK
NEW ORLEANS, LOUISIANA

FOR MUR 3998

James A. McPherson

[redacted]

©HARLAND 1993

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

MAR 28 12 36 PM '96

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 28, 1996

TWO WAY MEMORANDUM

TO: OGC Docket

FROM: Rosa E. Swinton, Accounting Technician
Leslie D. Brown, Disbursement Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from James A. McPherson, check number 120, dated March 24, 1996, for the amount of $3,000.00. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

TO: Rosa E. Swinton, Accounting Technician
Leslie D. Brown, Disbursement Technician

FROM: OGC Docket

SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of $3,000.00, the MUR/Case number is 3998 and in the name of David Duke for U.S. Senate Cmte. Place this deposit in the account indicated below:

✓ Budget Clearing Account (OGC), 95F3875.16

___ Civil Penalties Account, 95-1099.160

___ Other: _____

Anita M Alexander
Signature

3-28-96
Date

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

9604031249

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 4/16/96

✓ Microfilm

_____ Public Records

_____ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3998

96043732373

James A. McPherson
Attorney at Law
9128 Quince Street
New Orleans, Louisiana 70118
Telephone (504) 486-2022
Fax (504) 486-6050

April 1, 1996

Greg Baker
Federal Election Commission
Office of General Counsel
999 E. Street, N. W.
Washington, D.C. 20463

Re: MUR 3998
David Duke for U.S. Senate

Dear Mr. Baker:

Enclosed is a check for Two Thousand and no/100 ($2,000.00) Dollars, the final payment due under the conciliation agreement.

Sincerely,

James A. McPherson

JMcP/mes
Enclosure: $2,000.00 check

P.S. PLEASE CONFIRM THAT THIS IS PAYMENT IN FULL. JMcP

9604373374

RECEIVED
FEDERAL ELECTION
COMMISSION
ACCOUNTING OFFICE
Apr 15 9 41 AM '96

9604373375

JAMES A. McPHERSON
TRUST ACCOUNT
9128 QUINCE ST
NEW ORLEANS, LA 70118

123

14-17/650

1 APR 1996

PAY TO THE ORDER OF FEDERAL ELECTION COMMISSION $2,000 00/100

TWO THOUSAND AND NO/100 DOLLARS

WHITNEY NATIONAL BANK
NEW ORLEANS, LOUISIANA

FOR DAVID DUKE MUR 3998

James A. McPherson

[redacted]

© HARLAND 1993

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Apr 16 9 44 AM '96

4/15/96

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECt: Account Determination for Funds Received

We recently received a check from David Duke for U.S. Senate, check number 123, dated April 1, 1996, and in the amount of $2,000.00. 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 $2,000.00, the MUR number is 3998 and in the name of David Duke for U.S. Senate. 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

4-16-96
Date

9604373376

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 4/21/96

✓ Microfilm

_____ Public Records

_____ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3998

9604323377

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 17, 1996

James A. McPherson
9128 Quince Street
New Orleans, LA 70118

RE: MUR 3998
David Duke for U.S. Senate and
James A. McPherson, as treasurer

Dear Mr. McPherson:

This acknowledges the Commission's receipt of the final installment payment for the civil penalty in the above-captioned matter.

Sincerely,

Rhonda J. Vosdingh
Assistant General Counsel

9604323378