FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 479

Date Filmed 6/4/79 Camera No. --- 2

Cameraman Y.A.Q.

7904010852

479 AA

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3.
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1. The following service is requested (check one).

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  Show to whom and date delivered ..... ¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery. $ ___

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Edward M. Shaw

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	943437	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
E. Lexaver

4. DATE OF DELIVERY 4/4/78 POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

☆ GPO : 1977—O-234-337

7 9 0 4 0 1 3 0 8 5 3

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 31, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Edward M. Shaw
522 Fifth Avenue
New York, N.Y. 10036

Re: MUR 479 (77)

Dear Mr. Shaw:

This is to notify you that with respect to the above referenced matter the Commission has found probable cause pursuant to 2 U.S.C. §437g(a)(5)(B) that H.W. Bailey has violated 2 U.S.C. §§441b(a) and 441f. Any further action by the Commission will come in the form of a civil action for relief pursuant to §437g(a)(5).

If you have any questions contact the attorney assigned to this case, Andrew Athy Jr. at 202-523-4073.

Sincerely,

William C. Oldaker
General Counsel

7 9 0 4 0 1 / 3 0 8 5 4

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 31, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Edward M. Shaw
522 Fifth Avenue
New York, N.Y. 10036

Re: MUR 479 (77)

Dear Mr. Shaw:

This is to notify you that with respect to the above referenced matter the Commission has found probable cause pursuant to 2 U.S.C. §437g(a)(5)(B) that Client H. W. Bailey has violated 2 U.S.C. §§441b(a) and 441f. Any further action by the Commission will come in the form of a civil action for relief pursuant to $437g(a)(5).

If you have any questions contact the attorney assigned to this case, Andrew Athy Jr. at 202-523-4073.

Sincerely,

William C. Oldaker
General Counsel

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Edward M. Shaw
512 Fifth Avenue
New York, N.Y. 10036

D

Re: MUR 479 (77)

Dear Mr. Shaw:

This is to notify you that with respect to the above referenced matter the Commission has found probable cause pursuant to 2 U.S.C. §437g(a)(5)(B) that Client M. W. Bailey has violated 2 U.S.C. §441b(a) and 441f. Any further action by the Commission will come in the form of a civil action for relief pursuant to §437g(a)(5).

If you have any questions contact the attorney assigned to this case, Andrew Athy Jr. at 202-523-4073.

Sincerely,

William C. Oldaker
General Counsel

7 9 0 4 0 1 3 0 0 8

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 31, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Andrew M. Lawler Jr.
630 Fifth Avenue
New York, N.Y. 10020

Re: MUR 479 (77)

Dear Mr. Lawler:

This is to notify you that with respect to the above referenced matter the Commission has found probable cause pursuant to 2 U.S.C. §437g(a)(5)(B) that James E. Cunningham has violated 2 U.S.C. §§441b(a) and 441f. Any further action by the Commission will come in the form of a civil action for relief pursuant to §437g(a)(5).

If you have any questions contact the attorney assigned to this case, Andrew Athy Jr. at 202-523-4073.

Sincerely,

William C. Oldaker
General Counsel

7 9 0 4 0 1 3 0 8 5 7

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

MUR479 Athy

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).

- ☐ Show to whom and date delivered.....____¢
- ☒ Show to whom, date, and address of delivery..____¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered.....____¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery. $____

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:

Andrew M. Lawler, Esq.
630 Fifth Avenue
New York, New York 10020

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	438020	

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

M. Waters

4. DATE OF DELIVERY 2/14/78

POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

☆ GPO : 1977—O-234-837

7 9 0 4 0 1 3 0 8 5 8

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Andrew M. Lawler Jr.
630 Fifth Avenue
New York, N.Y. 10020

Re: MUR 479 (77)

Dear Mr. Lawler:

This is to notify you that with respect to the above referenced matter the Commission has found probable cause pursuant to 2 U.S.C. §437g(a)(5)(B) that James Z. Cunningham has violated 2 U.S.C. §§441b(a) and 441f. Any further action by the Commission will come in the form of a civil action for relief pursuant to 2 U.S.C. §437g(a)(5).

If you have any questions contact the attorney assigned to this case, Andrew Athy Jr. at 202-523-4073.

Sincerely,

William C. Oldaker
General Counsel

7964 013 0857

MUR 479 AA

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).

- ☐ Show to whom and date delivered ..... ___¢
- ☒ Show to whom, date, and address of delivery .. ___¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ..... ___¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery. $___

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:

Andrew Lawler

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	943436	

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

BP [signature]

4. DATE OF DELIVERY 4-4

POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

☆ GPO : 1977—O-234-337

7 9 0 4 0 1 0 8 6 0

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 31, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Robert G. Morvillo
1290 Avenue of the Americas
New York, N.Y. 10019

Re: MUR 479 (77)

Dear Mr. Morvillo:

This is to notify you that with respect to the above referenced matter the Commission has found probable cause pursuant to 2 U.S.C. §437g(a)(5)(B) that Client John D. Dupy has violated 2 U.S.C. §§441b(a) and 441f. Any further action by the Commission will come in the form of a civil action for relief pursuant to $437g(a)(5).

If you have any questions contact the attorney assigned to this case, Andrew Athy Jr. at 202-523-4073.

Sincerely,

William C. Oldaker
General Counsel

7904010861

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Robert G. Morvillo
1290 Avenue of the Americas
New York, N.Y. 10019

Re: MUR 479 (77)

Dear Mr. Morvillo:

This is to notify you that with respect to the above referenced matter the Commission has found probable cause pursuant to 2 U.S.C. §437g(a)(5)(B) that client John D. Dupy has violated 2 U.S.C. §§441b(a) and 441f. Any further action by the Commission will come in the form of a civil action for relief pursuant to §437g(a)(5).

If you have anyquestions contact the attorney assigned to this case, Andrew Athy, 202-523-4073.

Sincerely,

William C. Oldaker
General Counsel

7 9 0 4 0 1 3 0 9 6 2

479 AA

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
- ☐ Show to whom and date delivered.....¢
- ☒ Show to whom, date, and address of delivery.....¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered.....¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery.$____
  (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Robert Marrello

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	943429	

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I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY | POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: | CLERK'S INITIALS

☆ GPO : 1977—O-234-337

7904010863

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 31, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Robert G. Morvillo
1290 Avenue of the Americas
New York, N.Y. 10019

Re: MUR 479 (77)

Dear Mr. Morvillo:

This is to notify you that with respect to the above referenced matter the Commission has found probable cause pursuant to 2 U.S.C. §437g(a)(5)(B) that John D. Dupy has violated 2 U.S.C. §§441b(a) and 441f. Any further action by the Commission will come in the form of a civil action for relief pursuant to §437g(a)(5).

If you have any questions contact the attorney assigned to this case, Andrew Athy Jr. at 202-523-4073.

Sincerely,

William C. Oldaker
General Counsel

7904010864

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	
	)	MUR 479 (77)
James E. Cunningham	)	
H.W. Bailey	)	
John W. Dupy	)	

Certification

I, Marjorie W. Emmons, Secretary to the Federal Election Commission do hereby certify that on March 29, 1978, the Commission determined by a vote of 6-0 to find there is probable cause to believe respondents have violated 2 U.S.C. §§441b(a) and 441f in the above-captioned matter and authorized the initiative of a civil action for relief against the respondents pursuant to 2 U.S.C. §437g(a)(5)(B).

Marjorie W. Emmons 3-29-78

Marjorie W. Emmons
Secretary to the Commission

Report signed: March 27, 1978
Received in Office of Commission Secretary: March 28, 1978, 1:05
Circulated on 72 hour vote basis: March 28, 1978, 3:30

7904010865

March 28, 1978

MEMORANDUM TO: Marge Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 479

Please have the attached General counsel's Report on MUR 479 distributed to the Commission on a tally sheet basis (72 hour vote).

Thank you.

7 9 0 4 0 1 3 0 8 6 6

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	MUR 479 (77)
James E. Cunningham	)	
H.W. Bailey	)	
John W. Dupy	)	

GENERAL COUNSEL'S REPORT

Statement of the Case

On January 18, 1978 the Commission found reasonable cause to believe that James E. Cunningham, H. W. Bailey and John W. Dupy violated 2 U.S.C. §§441b and 441f when each of these respondents were reimbursed with corporate funds for contributions which they made to candidates for federal office (see previous General Counsel's Reports of December 2, 1977 and January 6, 1978). Conciliation efforts having failed to produce an agreement, we are recommending that the Commission find probable cause to believe that respondents Cunningham, Bailey and Dupy violated 2 U.S.C. §§441b(a) and 441f and authorize that a civil action for relief be instituted pursuant to 2 U.S.C. §437g(a)(5)(B).

Recommendation

A finding of probable cause to believe that respondents violated 2 U.S.C. §441b(a) and §441f and authorization to institute a civil action for relief pursuant to 2 U.S.C. §437g (a)(5). Send the attached letter.

3/27/78
Date

William C. Oldaker
General Counsel

7 9 0 4 0 1 0 8 6 7

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Andrew M. Lawler Jr.
630 Fifth Avenue
New York, N.Y. 10020

Re: MUR 479 (77)

Dear Mr. Lawler:

This is to notify you that with respect to the above referenced matter the Commission has found probable cause pursuant to 2 U.S.C. §437g(a)(5)(B) that James E. Cunningham has violated 2 U.S.C. §§441b(a) and 441f. Any further action by the Commission will come in the form of a civil action for relief pursuant to §437g(a)(5).

If you have any questions contact the attorney assigned to this case, Andrew Athy Jr. at 202-523-4073.

Sincerely,

William C. Oldaker
General Counsel

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Edward M. Shaw
522 Fifth Avenue
New York, N.Y. 10036

Re: MUR 479 (77)

Dear Mr. Shaw:

This is to notify you that with respect to the above referenced matter the Commission has found probable cause pursuant to 2 U.S.C. §437g(a)(5)(B) that H.W. Bailey has violated 2 U.S.C. §§441b(a) and 441f. Any further action by the Commission will come in the form of a civil action for relief pursuant to §437g(a)(5).

If you have any questions contact the attorney assigned to this case, Andrew Athy Jr. at 202-523-4073.

Sincerely,

William C. Oldaker
General Counsel

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Robert G. Morvillo
1290 Avenue of the Americas
New York, N.Y. 10019

Re: MUR 479 (77)

Dear Mr. Morvillo:

This is to notify you that with respect to the above referenced matter the Commission has found probable cause pursuant to 2 U.S.C. §437g(a)(5)(B) that John D. Dupy has violated 2 U.S.C. §§441b(a) and 441f. Any further action by the Commission will come in the form of a civil action for relief pursuant to §437g(a)(5).

If you have any questions contact the attorney assigned to this case, Andrew Athy Jr. at 202-523-4073.

Sincerely,

William C. Oldaker
General Counsel

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 24, 1978

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS MWE

SUBJECT: MUR 479 (77) - Interim Conciliation Report dated 3-17-78
Signed by General Counsel 3-21-78
Received in Office of Commission Secretary 3-22-78, 3:34

The above-mentioned document was circulated to the Commissioners on a 24 hour no-objection basis at 10:00 a.m., March 23, 1978.

As of 12:00, this date, no objections have been received in the Office of Commission Secretary to the Interim Conciliation Report.

7904010871

March 22, 1978

MEMORANDUM TO: Marge Emmons

FROM: OGC Docket

SUBJECT: MUR 479 (77)

Please have the attached Interim Conciliation Report on MUR 479 (77) distributed to the Commission on a 24 hour no-objection basis.

Thank you.

7904010872

BEFORE THE FEDERAL ELECTION COMMISSION

March 17, 1978

In the Matter of	)	
	)	
	)	MUR 479 (77)
James E. Cunningham	)	
H.W. Bailey	)	
John W. Dupy	)	

Interim Conciliation Report

Conciliation with Cunningham, Bailey, and Dupy has been conducted together with the settlement discussions in FEC v. J. Ray McDermott & Co. Inc. et al., to which this MUR is ancillary. Respondents have been informed that if a conciliation agreement is not reached by March 22, 1978 the Office of General Counsel will recommend that the Commission find probable cause (See General Counsel Report of January 6, 1978 for statement of the case.)

3/21/78
DATE

William C. Oldaker
General Counsel

7904010087

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 15, 1978

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS

SUBJECT: MUR 479 (77) - Interim Report mwe

The above-mentioned document was circulated to the Commissioners on February 14, 1978 at 10:00.

As of 4:00, this date, no objections have been received in the Office of Commission Secretary to the Interim Report on MUR 479 (77).

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AMERICAN REVOLUTION BICENTENNIAL 1776-1976

February 13, 1978

MEMORANDUM TO: Marge Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 479

Please have the attached Interim Report distributed to the Commission on a 24 hour no-objection basis.

Thank you.

7904010875

BEFORE THE FEDERAL ELECTION COMMISSION

February 10, 1978

In the Matter of	)	
	)	MUR 479 (77)
John W. Dupy	)	
H. W. Bailey	)	
James S. Cunningham	)	

Interim Report

Conciliation Agreements incorporating admission of violations and appropriate civil penalties were forwarded to each respondent. We are awaiting replies from their respective attorneys. (See General Counsel's Report of January 10, 1978 for pertinent facts and allegations)

2/10/78
DATE

WILLIAM C. OLDAKER
GENERAL COUNSEL

7904010876

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 10, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Andrew M. Lawler, Esquire
630 Fifth Avenue
New York, New York 10020

Re: MUR 479 (77)

Dear Mr. Lawler:

Enclosed please find a conciliation agreement prepared by the Office of General Counsel. When fully executed by the respondent and approved by the Commission the agreement shall unless violated constitute a complete bar to any further action by the Commission against Mr. Cunningham, with respect to the matters set forth therein.

If you have no objection to the agreement, please sign and return it. If you have any questions, please contact Andrew Athy, Jr., the staff member assigned to this matter (202-523-4073).

Sincerely,

William C. Oldaker
General Counsel

Enclosure

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

BEFORE THE FEDRAL ELECTION COMMISSION

In the Matter of	)	
	)	
James E. Cunningham	)	MUR 479(77)
H. W. Bailey	)	
John W. Dupy	)	

CONCILIATION AGREEMENT

This matter having arisen out of an earlier Commission investigation (MUR 254), an investigation having been conducted and the Commission having found pursuant to 2 U.S.C. § 437g(a)(5)(A) reasonable cause to believe a violation of 2 U.S.C. §§ 441b(a) and 441f has occurred.

Now therefore respondent James E. Cunningham and the Federal Election Commission having duly entered into conciliation do hereby agree as follows:

I. That the Federal Election Commission has jurisdiction over the respondent and the subject matter of this proceeding.

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

III. That the pertinent facts of this matter are as follows:

(A) That the respondent served during the time of the matters set forth herein as an officer of and with respect to these matters as an agent for J. Ray McDermott and Co., Inc. Presently he serves as executive vice president and the chief financial officer of the company.

(B) That at the request of McDermott officials respondent contributed $200 on September 9, 1974 to the Henson Moore Congress Committee for which he was later reimbursed with McDermott Corporate funds and that respondent had knowledge the reimbursement would be made from corporate funds.

(C) That at the request of McDermott officials respondent contributed $200 on November 14, 1974 to the Russell B. Long Committee, for which he was later reimbursed with McDermott funds and that respondent had knowledge the reimbursement would be made from corporate funds.

IV. Wherefore, the respondent agrees:

(A) That these contributions to the Henson Moore Committee and the Russell B. Long Committee when reimbursed by corporate funds constituted a contribution of corporate funds in violation of 2 U.S.C. § 441b a .

(B) That the respondent knowingly permitted his name to be used to effect a contribution to the Henson Moore Committee and Russell B. Long Committee by McDermott and Co., Inc. and this constituted a violation of 2 U.S.C. § 441f by respondent.

V. Wherefore, the respondent agrees further:

(A) To pay a civil penalty in the amount of $750.

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(B) To testify with respect to the matters set forth herein if the Federal Election Commission institutes a civil action for relief against any other parties, pursuant to 2 U.S.C. § 437g(a)(5)(B).

GENERAL CONDITIONS

(A) 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.

(B) It is mutually agreed that this agreement shall become effective after the Commission has approved the entire agreement and all parties have executed the same.

(C) It is agreed that respondent shall have no more than 30 days from the date this agreement becomes effective to comply with the requirements of this agreement.

(D) It is agreed that upon compliance with this agreement the Commission shall be barred from taking any further action against the respondent with respect to the specific matters set forth herein.

DATE: _____

_____
For the Federal Election Commission
William C. Oldaker
General Counsel

DATE: _____

_____
For the Respondent
James E. Cunningham

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 10, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Robert G. Morvillo, Esquire
1290 Avenue of the Americas
New York, New York 10019

Re: MUR 479 (77)

Dear Mr. Morvillo:

Enclosed please find a conciliation agreement prepared by the Office of General Counsel. When fully executed by the respondent and approved by the Commission the agreement shall unless violated constitute a complete bar to any further action by the Commission against Mr. Dupy, with respect to the matters set forth therein.

If you have no objection to the agreement, please sign and return it. If you have any questions, please contact Andrew Athy, Jr., the staff member assigned to this matter (202-523-4073).

Sincerely,

William C. Oldaker
General Counsel

Enclosure

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

MUR 479 Atty

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
- ☐ Show to whom and date delivered ..... ___¢
- ☒ Show to whom, date, and address of delivery ..... ___¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ..... ___¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery . $___

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Robert G. Morvillo, Esq.
1290 Avenue of the Americas
New York, New York 10019

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	438021	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY
2/13

POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

☆ GPO : 1977—O-234-227

7904010882

BEFORE THE FEDRAL ELECTION COMMISSION

In the Matter of	)	
	)	
James E. Cunningham	)	MUR 479(77)
H. W. Bailey	)	
John W. Dupy	)	

CONCILIATION AGREEMENT

This matter having arisen out of an earlier Commission investigation (MUR 254), an investigation having been conducted and the Commission having found pursuant to 2 U.S.C. § 437g(a)(5)(A) reasonable cause to believe a violation of 2 U.S.C. §§ 441b(a) and 441f has occurred.

Now therefore respondent John W. Dupy and the Federal Election Commission having duly entered into conciliation do hereby agree as follows:

I. That the Federal Election Commission has jurisdiction over the respondent and the subject matter of this proceeding.

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

III. That the pertinent facts of this matter are as follows:

(A) That the respondent served during the time of the matters set forth herein as an officer and with respect to these matters as an agent for J. Ray McDermott and Co., Inc. Presently he serves as vice president and as a member of the management of McDermott.

(B) That at the request of McDermott officials respondent, then Treasurer of McDermott and Co., Inc., contributed $1,000 to the Victory Dinner Committee, for which he was later reimbursed in cash in September 1972 and that respondent had knowledge the reimbursement would be from corporate funds.

(C) That at the request of McDermott officials respondent contributed $200 on November 14, 1974 to the Russell B. Long Committee, for which he was later reimbursed with McDermott funds and that respondent had knowledge the reimbursement would be from corporate funds.

(D) That at the request of McDermott officials respondent contributed $500 on December 3, 1974 to the Henson Moore Congress Committee, for which he was later reimbursed with McDermott funds and that respondent had knowledge the reimbursement would be from corporate funds.

IV. Wherefore, the respondent agrees:

(A) These contributions to the Russell B. Long Committee, Henry Moore for Congress Committee and the Victory Dinner Committee when reimbursed by corporate funds constituted a contribution by respondent of corporate funds in violation of 2 U.S.C. § 441b(a),

(B) That the respondent knowingly permitted his name to be used to effect contributions made to the 1972 Victory Dinner, to the Russell B. Long Committee and to Henson Moore Congress Committee by McDermott and Co., Inc. and this constitutes a violation of 2 U.S.C. § 441f by respondent.

V. Wherefore, the respondent agrees further:

(A) To pay a civil penalty in the amount of $750.

(B) To testify with respect to the matters set forth herein if the Federal Election Commission institutes a civil action for relief against any other parties, pursuant to 2 U.S.C. § 437g(a)(5)(B).

GENERAL CONDITIONS

(A) 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.

(B) It is mutually agreed that this agreement shall become effective after the Commission has approved the entire agreement and all parties have executed the same.

(C) It is agreed that respondent shall have no more than 30 days from the date this agreement becomes effective to comply with the requirements of this agreement.

(D) It is agreed that upon compliance with this agreement the Commission shall be barred from taking any further action against the respondent with respect to the specific matters set forth herein.

DATE: _____

_____
For the Federal Election Commission
William C. Oldaker
General Counsel

DATE: _____

_____
For the Respondent
John W. Dupy

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 10, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Edward M. Shaw, Esquire
522 Fifth Avenue
New York, New York 10036

Re: MUR 479 (77)

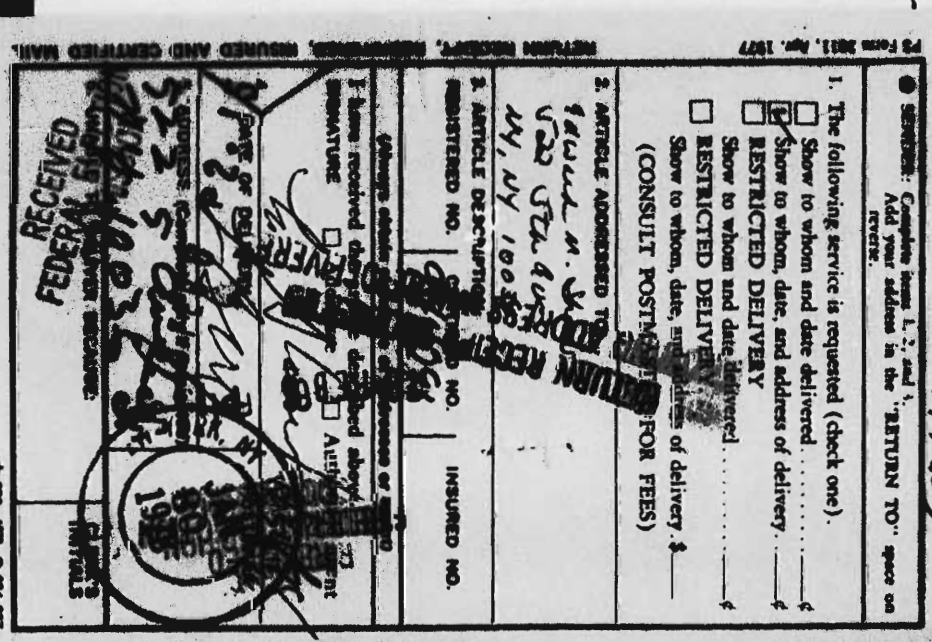
Dear Mr. Shaw:

Enclosed please find a conciliation agreement prepared by the Office of General Counsel. When fully executed by the respondent and approved by the Commission the agreement shall unless violated constitute a complete bar to any further action by the Commission against Mr. Bailey, with respect to the matters set forth therein.

If you have no objection to the agreement, please sign and return it. If you have any questions, please contact Andrew Athy, Jr., the staff member assigned to this matter (202-523-4073).

Sincerely,

C. Oldaker
Counsel



BEFORE THE FEDRAL ELECTION COMMISSION

In the Matter of	)	
	)	
James E. Cunningham	)	MUR 479(77)
H. W. Bailey	)	
John W. Dupy	)	

CONCILIATION AGREEMENT

This matter having arisen out of an earlier Commission investigation (MUR 254), an investigation having been conducted and the Commission having found pursuant to 2 U.S.C. § 437g(a)(5)(A) reasonable cause to believe a violation of 2 U.S.C. §§ 441b(a) and 441f has occurred.

Now therefore respondent H. W. Bailey and the Federal Election Commission having duly entered into conciliation do hereby agree as follows:

I. That the Federal Election Commission has jurisdiction over the respondent and the subject matter of this proceeding.

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

III. That the pertinent facts of this matter are as follows:

(A) That the respondent served during the time of the matters set forth herein as an officer of and with respect to these matters and an agent for J. Ray McDermott and Co., Inc. and presently he serves as executive vice president of the company.

(B) That at the request of McDermot officials, and with the knowledge that he would be reimbursed, respondent contributed $200 on September 9, 1974 and $500 on December 3, 1974 to the Henson Moore Congress Committee, for which he was later reimbursed with McDermott funds.

(C) That the the request of McDermott officials, and with the knowledge that he would be reimbursed, respondent contributed $200 on May 1, 1974 to the Russell B. Long Committee for which he was later reimbursed with McDermott funds.

(D) That at the request of McDermott officials and with the knowledge that he would be reimbursed, respondent contributed $200 on April 29, 1975 to the Treen for Congress Committee, for which he was later reimbursed with McDermott funds.

IV. Wherefore, the respondent agrees:

(A) These contributions to the Russell B. Long Committee, the Treen for Congress Committee, and the Henson Moore Committee when reimbursed by corporate funds constituted a contribution by respondent of corporate funds in violation of 2 U.S.C. § 441b(a).

(B) That the respondent knowingly permitted his name to be used to affect contributions to the Russell B. Long, Henson Moore and David Treen Committees by McDermott and Co., Inc. and this constituted a violation of 2 U.S.C. § 441f by respondent.

V. Wherefore, the respondent agrees further:

(A) To pay a civil penalty in the amount of $750.

(B) To testify with respect to the matters set forth herein if the Federal Election Commission institutes a civil action for relief against any other parties, pursuant to 2 U.S.C. § 437g(a)(5)(B).

GENERAL CONDITIONS

(A) 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.

(B) It is mutually agreed that this agreement shall become effective after the Commission has approved the entire agreement and all parties have executed the same.

(C) It is agreed that respondent shall have no more than 30 days from the date this agreement becomes effective to comply with the requirements of this agreement.

(D) It is agreed that upon compliance with this agreement the Commission shall be barred from taking any further action against the respondent with respect to the specific matters set forth herein.

DATE: _____

_____
For the Federal Election Commission
William C. Oldaker
General Counsel

DATE: _____

_____
For the Respondent
H. W. Bailey

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

January 26, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

H. W. Bailey
162 E. Oakridge Park
Metairie, Louisiana 70005

Re: MUR 479 (77)

Dear Mr. Bailey:

This is to inform you that with respect to the above-referenced matter the Commission has found reasonable cause to believe that you have committed a violation of 2 U.S.C. §§441b(a) and 441f.

Pursuant to 2 U.S.C. §437g(a)(5) the Commission shall make every endeavor for a period of not less than 30 days to correct such violation and enter into a conciliation agreement with you. Should the Commission be unable to correct such violation through these informal methods, it may, after a further determination, institute a civil action for relief.

Please contact us upon your receipt of this notice.

Sincerely yours,

William C. Oldaker
General Counsel

cc: Edward M. Shaw

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

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479 AP

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
- ☐ Show to whom and date delivered ..... ____¢
- ☑ Show to whom, date, and address of delivery .. ____¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ..... ____¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery. $____

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
H. W. Bailey
162 E. Oakridge Park
Metairie, La. 70005

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	94429	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
Mrs H W Bailey

4. DATE OF DELIVERY
JAN 30 1978

POSTMARK
JAN 30 1978

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

☆ GPO : 1977—O-234-037

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

January 26, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

James S. Cunningham
16 Tennyson Road
New Orleans, Louisiana 70114

Re: MUR 479 (77)

Dear Mr. Cunningham:

This is to inform you that with respect to the above-referenced matter the Commission has found reasonable cause to believe that you have committed a violation of 2 U.S.C. §§441b(a) and 441f.

Pursuant to 2 U.S.C. §437g(a)(5) the Commission shall make every endeavor for a period of not less than 30 days to correct such violation and enter into a conciliation agreement with you. Should the Commission be unable to correct such violation through these informal methods, it may, after a further determination, institute a civil action for relief.

Please contact us upon your receipt of this notice.

Sincerely yours,

William C. Oldaker
General Counsel

cc: Andrew N. Lawler, Jr.

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

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Y79 JP

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 4.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
- ☐ Show to whom and date delivered. . . . . ____¢
- ☑ Show to whom, date, and address of delivery. . ____¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered. . . . . ____¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery. $____

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
James S. Cunningham
16 Trunzon Rd.
New Orleans, La. 70114

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	944293	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. [signature]
DATE OF DELIVERY JAN 30 1978 POSTMARK JAN 31 1978

5. ADDRESS (Complete only if requested)
NOISSIMMA
ELECTION

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

☆ GPO : 1977—O-234-337

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

January 26, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John W. Dupy
5575 Bellaire Drive
New Orleans, Louisiana 70124

Re: MUR 479 (77)

Dear Mr. Dupy:

This is to inform you that with respect to the above-referenced matter the Commission has found reasonable cause to believe that you have committed a violation of 2 U.S.C. §§441b(a) and 441f.

Pursuant to 2 U.S.C. §437g(a)(5) the Commission shall make every endeavor for a period of not less than 30 days to correct such violation and enter into a conciliation agreement with you. Should the Commission be unable to correct such violation through these informal methods, it may, after a further determination, institute a civil action for relief.

Please contact us upon your receipt of this notice.

Sincerely yours,

William C. Oldaker
General Counsel

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

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479 SP

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
- ☐ Show to whom and date delivered ..... ¢
- ☑ Show to whom, date, and address of delivery .. ¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ..... ¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery. $

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
John W. Dupy
5575 Bellaire Dr.
New Orleans, Louisiana 70124

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	944295	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. Mrs. Helen Dupy

DATE OF DELIVERY 1/28/78

POSTMARK: NEW ORLEANS ... STA. JAN 28 1978

5. ADDRESS (Complete only if requested)
5875 Bellaire

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

☆ GPO : 1977—O-234-[illegible]

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 479 (77)
James E. Cunningham	)	
H. W. Bailey	)	
John W. Dupy	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on January 18, 1978, the Commission determined by a vote of 5-0 to to find there is reasonable cause to believe the respondents have violated 2 U.S.C. Sections 441b(a) and 441f in the above-captioned matter, and to so inform the respondents.

Commissioner Harris was not present at the time of the vote.

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

7904010898

January 11, 1978

MEMORANDUM TO: Marge Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 479 - Team 11 Propper

Please have the attached General Counsel's Report on MUR 479 distributed to the Commission and placed on the Compliance Agenda for the Commission meeting of January 18, 1978.

Thank you.

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Before the Federal Election Commission

January 6, 1978

In the Matter of	)	
	)	
James E. Cunningham	)	MUR 479 (77)
H. W. Bailey	)	
John W. Dupy	)	

General Counsel's Report

STATEMENT OF CASE

This matter arises out of an earlier Commission investigation (MUR 254) of political contributions using corporate treasury funds of the J. Ray McDermott Corporation. The contributions appear to have been made from an off-book account consisting of McDermott funds maintained by Charles Graves, President of McDermott. (See our previous report of June 24, 1977 for a detailed description of the underlying facts in this matter.) A civil suit has now been brought by the Commission in the U.S. District Court for the Eastern District of Louisiana charging Graves, the McDermott Corporation and E. B. Gravois (an administrative aide to a Vice-President) with violating 2 U.S.C. §§441b(a) and 441f. A third person, R. Nelson Crews, formerly a McDermott vice-president, has also been named in connection with the Commission investigation. The Commission has found reasonable cause to believe Mr. Crews violated §441b(a) and staff is presently in conciliation with Mr. Crews.

Through information obtained in the course of the above-mentioned investigation-- consisting of statements by Crews and Graves to the SEC, and a deposition of Crews conducted by members

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of the Office of General Counsel-- it seems that each of the respondents, James E. Cunningham, H. W. Bailey and John W. Dupy, were asked to make contributions to candidates for federal office by Graves (through his agents Gravois and Crews) and then were reimbursed by Graves from his off-book account. (See our previous report of December 2, 1977.) The Commission found reason to believe these respondents had violated §§441b(a) and 441f on December 7, 1977.

Letters and telephone calls have been received from counsel for each of the respondents. However, no response has been offered to the allegations made. Indeed, counsel for one respondent, H. W. Bailey, has flatly declined to submit any information until a criminal investigation by the Justice Department is concluded.

RECOMMENDATION

We recommend a finding that there is reasonable cause to believe respondents have violated 2 U.S.C. §§441b(a) and 441f. We further recommend that the attached letters be sent.

1/10/78
Dated

William C. Oldaker
General Counsel

7900010601

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

H. W. Bailey
162 E. Oakridge Park
Metairie, Louisiana 70005

Re: MUR 479 (77)

Dear Mr. Bailey:

This is to inform you that with respect to the above-referenced matter the Commission has found reasonable cause to believe that you have committed a violation of 2 U.S.C. §§441b(a) and 441f.

Pursuant to 2 U.S.C. §437g(a)(5) the Commission shall make every endeavor for a period of not less than 30 days to correct such violation and enter into a conciliation agreement with you. Should the Commission be unable to correct such violation through these informal methods, it may, after a further determination, institute a civil action for relief.

Please contact us upon your receipt of this notice.

Sincerely yours,

William C. Oldaker
General Counsel

cc: Edward M. Shaw

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

James S. Cunningham
16 Tennyson Road
New Orleans, Louisiana 70114

Re: MUR 479 (77)

Dear Mr. Cunningham:

This is to inform you that with respect to the above-referenced matter the Commission has found reasonable cause to believe that you have committed a violation of 2 U.S.C. §§441b(a) and 441f.

Pursuant to 2 U.S.C. §437g(a)(5) the Commission shall make every endeavor for a period of not less than 30 days to correct such violation and enter into a conciliation agreement with you. Should the Commission be unable to correct such violation through these informal methods, it may, after a further determination, institute a civil action for relief.

Please contact us upon your receipt of this notice.

Sincerely yours,

William C. Oldaker
General Counsel

cc: Andrew N. Lawler, Jr.

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John W. Dupy
5575 Bellaire Drive
New Orleans, Louisiana 70124

Re: MUR 479 (77)

Dear Mr. Dupy:

This is to inform you that with respect to the above-referenced matter the Commission has found reasonable cause to believe that you have committed a violation of 2 U.S.C. §§441b(a) and 441f.

Pursuant to 2 U.S.C. §437g(a)(5) the Commission shall make every endeavor for a period of not less than 30 days to correct such violation and enter into a conciliation agreement with you. Should the Commission be unable to correct such violation through these informal methods, it may, after a further determination, institute a civil action for relief.

Please contact us upon your receipt of this notice.

Sincerely yours,

William C. Oldaker
General Counsel

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

MCC 2464

RECEIVED
FEDERAL ELECTION
COMMISSION

MARTIN, OBERMAIER & MORVILLO
ATTORNEYS
1290 AVENUE OF THE AMERICAS
NEW YORK, N.Y. 10019

'78 JAN 16 AM 11:27

THOMAS FITZPATRICK
JOHN S. MARTIN, JR.
ROBERT G. MORVILLO
OTTO G. OBERMAIER

TELEPHONE
(212) 489-1500
CABLE: LITIGATOR, NEW YORK

January 12, 1978

Mr. William C. Oldaker
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

RE: MUR 479

Dear Mr. Oldaker:

I am writing in response to your letter of December 9, 1977, to my client John D. Dupy, wherein you stated the Commission has found reason to believe that Mr. Dupy has violated the Federal Election Campaigns Act. I respectfully submit that this finding was made upon insufficient evidence and, consequently, is unjustified. Specifically, while it appears from the Audit Committee Report, which is apparently the sole basis for the present finding, that there is some evidence Mr. Dupy may have made certain political campaign contributions for which he was reimbursed, the Report does not support the claim that this reimbursement came from the corporate funds of J. Ray McDermott & Co., Inc. Even if it could be said that the evidence is sufficient in this regard, which it is not, it is clearly insufficient to prove that Mr. Dupy knew the precise source of the reimbursement or that he "knowingly" permitted his name to be used to effect contributions from the corporation.

Moreover, apart from the fact that all of the alleged violations are time barred, the two relating to the contributions to Senator Long and Congressman Moore do not fall within the coverage of Section 441(b) in any event. That is, because these contributions were made after the elections in question, they were not made in connection with any election at which a Senator or Representative was "to be voted for...." (Emphasis added) 18 U.S.C. §610 (now U.S.C. §441(b).

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While not directly pertinent to the present allegation, in view of the sufficiency of the evidence, I feel a few words about Mr. Dupy's background might be helpful to the Commission in making future decisions concerning him. Mr. Dupy, who is married and the father of one child, served as an officer in the Navy during World War II after his graduation from the University of Oklahoma. Following the war, he received a masters degree in business administration from Harvard University and thereafter worked his way up through the corporate ranks of several companies, culminating in 1974 with his appointment as Vice President-Administration of J. Ray McDermott & Co., Inc. Mr. Dupy is in Who's Who in the South and Southwest and is active in the administration of his local church and in community affairs generally.

Mr. Dupy has an unblemished record in all of the aforementioned ventures. He is a man of outstanding character and integrity and has an impeccable reputation.

In view of the foregoing, I submit on behalf of Mr. Dupy that the Commission should take no further action against him.

Very truly yours,

Robert G. Morvillo

Robert G. Morvillo

RGM:kh

7904010906

MARTIN, OBERMAIER & MORVILLO
1290 AVENUE OF THE AMERICAS
NEW YORK, N.Y. 10019

NEW YORK JAN 11 '78 N.Y.

U.S. POSTAGE 0.13

'78 JAN 16 AM 11:27

COMMISSION

Mr. William C. Oldaker
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

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GCC 2379

[redacted]

MUR 479

RECEIVED
FEDERAL ELECTION
COMMISSION

'78 JAN 3 PM 12:50

EDWARD M. SHAW
ATTORNEY AT LAW
522 FIFTH AVENUE
NEW YORK, N. Y. 10036

TELEPHONE
(212) 869-8985

December 22, 1977

William C. Oldaker, General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463
Attention: Ms. Propper

Re: H. W. Bailey

Dear Mr. Oldaker:

I am counsel for H.W. Bailey, and am writing to confirm my telephone conversation yesterday with Ms. Susan Propper of your office, concerning your letter to Mr. Bailey of December 9, 1977.

Based on a full review of the facts, I believe that Mr. Bailey has not, either in connection with events referred to in your letter, or in any other instances, violated any laws relating to political contributions. However, since an investigation is still pending in the U.S. Attorney's office in New Orleans, I have had to advise Mr. Bailey that he should decline to respond at this time to the allegations made in your letter.

I hope that the United State's Attorneys' investigation will be concluded in the near future, so that Mr. Bailey may have the opportunity to make a response. Meanwhile, I would appreciate it if you would advise me directly of any developements in your inquiry.

Sincerely,

Edward M. Shaw

Edward M. Shaw

EMS:ejs
cc: Mr. W. H. Bailey
J. Ray McDermott & Co., Inc.
1010 Common St., P.O. Box 60035
New Orleans, Louisiana 70160

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DCC 2334
KRN

McGUIRE & LAWLER
ATTORNEYS
630 FIFTH AVENUE
NEW YORK, N.Y. 10020

ANDREW M. LAWLER, JR.
ROBERT J. McGUIRE

TELEPHONE
212 765-6690

RECEIVED
FEDERAL ELECTION
COMMISSION

'77 DEC 28 AM 8:13

December 23, 1977

William C. Oldaker, Esq.
General Counsel,
Federal Election Commission
1325 K Stteet N.W.
Washington, D.C. 20463

ATT: Ms. Susan Propper

RE: Mr. James E. Cunningham
Your Ref. No. MUR479

Dear Ms. Propper:

This letter will confirm our conversation of December 21, 1977 in which we informed you that this firm represented James E. Cunningham.

We would request that a copy of all future correspondence relating to this matter be forwarded to us.

Thank you.

Very truly yours,

Andrew M. Lawler, Jr.

AML/jmh

7904010907

McGUIRE & LAWLER
630 FIFTH AVENUE
NEW YORK, N.Y. 10020

'77 DEC 28 AM 8:11

FEDERAL ELECTION COMMISSION
WASHINGTON

William C. Oldaker, Esq.
General Counsel,
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

December 9, 1977

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. James E. Cunningham
16 Tennyson Road
New Orleans, Louisiana 70114

Re: MUR 479

Dear Mr. Cunningham:

This letter is to notify you that based on information obtained in the course of business, the Federal Election Commission has found reason to believe that you have violated 2 U.S.C. §441b(a) and 2 U.S.C. §441f. This information indicates that cash funds of J. Ray McDermott and Company, Inc. were distributed through you to candidates for Federal office and that you knowingly permitted your name to be used to effect contributions from the McDermott corporation. The events in question appear to include the election campaigns of Senator Russell Long and Congressman Henson Moore in 1974.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. As the Commission is under a duty to investigate this matter expeditiously, please submit all materials you believe are relevant to this inquiry within 10 days of your receipt of this letter.

The attorney assigned to this matter is Susan Propper (telephone no. 202-523-4529).

Sincerely yours,

William C. Oldaker
General Counsel

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

December 9, 1977

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. John W. Dupy
5575 Bellaire Drive
New Orleans, Louisiana 70124

Re: MUR 479

Dear Mr. Dupy:

This letter is to notify you that based on information obtained in the course of business, the Federal Election Commission has found reason to believe that you have violated 2 U.S.C. §441b(a) and 2 U.S.C. §441f. This information indicates that cash funds of J. Ray McDermott and Company, Inc., were distributed through you to candidates for Federal office and that you knowingly permitted your name to be used to effect contributions from the McDermott corporation. The events in question appear to include a Victory Dinner of the Democratic National Committee in 1972 and the election campaigns of Senator Russell Long and Congressman Henson Moore in 1974.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. As the Commission is under a duty to investigate this matter expeditiously, please submit all materials you believe are relevant to this inquiry within 10 days of your receipt of this letter.

The attorney assigned to this matter is Susan Propper (telephone no. 202-523-4529).

Sincerely yours,

William C. Oldaker
General Counsel

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

December 9, 1977

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. H. W. Bailey
162 E. Oakridge Park
Metairie, Louisiana 70005

Re: MUR 479

Dear Mr. Bailey:

This letter is to notify you that based on information obtained in the course of business, the Federal Election Commission has found reason to believe that you have violated 2 U.S.C. §441b(a) and 2 U.S.C. §441f. This information indicates that cash funds of J. Ray McDermott and Company, Inc., were distributed through you to candidates for Federal office and that you knowingly permitted your name to be used to effect contributions from the McDermott corporation. The events in question appear to include the election campaigns of Congressman Henson Moore and Senator Russell Long in 1974 and the campaign of Congressman David Treen in 1975.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. As the Commission is under a duty to investigate this matter expeditiously, please submit all materials you believe are relevant to this inquiry within 10 days of your receipt of this letter.

The attorney assigned to this matter is Susan Propper (telephone no. 202-523-4529).

Sincerely yours,

William C. Oldaker
General Counsel

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 479 (77)
James E. Cunningham	)	
H. W. Bailey	)	
John W. Dupy	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on December 7, 1977, the Commission adopted the recommendation of the General Counsel to find Reason to Believe that violations of 2 U.S.C. §441b(a) and §441f have been committed in the above-captioned matter~~s~~.

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

7904010091 4

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

December 7, 1977

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS MWE

SUBJECT: MUR 479 (77) - First General's Report

The above-mentioned document was circulated to the Commissioners on December 5, 1977.

No objections were received to the staff recommendation that Reason to Believe be found.

7904010915

December 2, 1977

MEMORANDUM TO: Marge Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 479

Please have the attached 7 Day Report on MUR 479 distributed to the Commission on a 24 hour no-objection Basis.

Thank you.

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FEDERAL ELECTION COMMISSION
1325 K Street N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION_____

MUR NO. 479
DATE COMPLAINT RECEIVED
BY OGC_____

ATTORNEY Propper

COMPLAINANT'S NAME: Internally generated through prior investigation of J. Ray McDermott Corporation

RESPONDENT'S NAME: James E. Cunningham, H.W. Bailey, John W. Dupy

RELEVANT STATUTE: 2 U.S.C. §441b(a); 2 U.S.C. §441f

INTERNAL REPORTS CHECKED: Campaign reports of various Louisiana candidates

FEDERAL AGENCIES CHECKED: SEC

SUMMARY OF ALLEGATIONS

That James E. Cunningham, H.W. Bailey, and John W. Dupy, officers of J. Ray McDermott & Co., Inc., made contributions of corporate funds to Federal candidates in violation of 2 U.S.C. §441b(a). That Respondents also violated 2 U.S.C. §441f by knowingly permitting their names to be used to effect a contribution from another person.

PRELIMINARY LEGAL ANALYSIS

This matter arises out of an earlier Commission investigation of political contributions made out of corporate treasury funds of the J. Ray McDermott corporation. The contributions appear to have been made from an off-book account maintained by Charles Graves, President of McDermott. At the conclusion of the investigation and a subsequent conciliation period, the Commission found probable cause to believe that the McDermott corporation, Charles Graves, and E.B. Gravois, an administrative aide to a vice-president, had violated 2 U.S.C. §441b(a). (See our previous report of June 24, 1977). A third person, R. Nelson Crews, formerly a McDermott vice-president, has also been named in connection with the Commission investigation. The Commission has found reasonable cause to believe Mr. Crews violated §441b(a) and staff is presently in conciliation with Mr. Crews.

Through information obtained in the course of the above-mentioned investigation, in particular sworn statements by Graves and Crews to the Securities and Exchange Commission, it seems that monies from Graves' off-book account were distributed through the three Respondents, James E. Cunningham, Executive Vice President of McDermott, H.W. Bailey, also Executive Vice President of McDermott, and John W. Dupy, a McDermott Vice President, all of whom were part of what appears to be a closely knit managerial group.

The Crews statement alludes to all three Respondents in connection with two separate groups of contributions to the 1974 congressional campaign of Henson Moore. Crews apparently acted as Graves' middleman, as Graves asked him to obtain personal checks from "other" company employees under the understanding that the donations would be reimbursed by Graves. The Graves testimony confirms the arrangement with Crews although not specifically listing the names of the employees Crews approached. Graves also alludes to a similar scheme involving the 1974 Congressional campaign of David Treen in which E.B. Gravois served as middleman. Gravois played the same role in the purchase of six dinner tickets totalling $600, to a 1974 benefit for Senator Russell Long.

RECOMMENDATION

We recommend a finding that there is reason to believe Respondents have violated 2 U.S.C. §441b(a) and §441f. We further recommend that the attached letters be sent. It should be noted that all three Respondents have already refused to be deposed, citing their Fifth Amendment privilege against self-incrimination. Accordingly, we expect that the investigation will be short.

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. H. W. Bailey
162 E. Oakridge Park
Metairie, Louisiana 70005

Re: MUR 479

Dear Mr. Bailey:

This letter is to notify you that based on information obtained in the course of business, the Federal Election Commission has found reason to believe that you have violated 2 U.S.C. §441b(a) and 2 U.S.C. §441f. This information indicates that cash funds of J. Ray McDermott and Company, Inc., were distributed through you to candidates for Federal office and that you knowingly permitted your name to be used to effect contributions from the McDermott corporation. The events in question appear to include the election campaigns of Congressman Henson Moore and Senator Russell Long in 1974 and the campaign of Congressman David Treen in 1975.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. As the Commission is under a duty to investigate this matter expeditiously, please submit all materials you believe are relevant to this inquiry within 10 days of your receipt of this letter.

The attorney assigned to this matter is Susan Propper (telephone no. 202-523-4529).

Sincerely yours,

William C. Oldaker
General Counsel

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. John W. Dupy
5575 Bellaire Drive
New Orleans, Louisiana 70124

Re: MUR 479

Dear Mr. Dupy:

This letter is to notify you that based on information obtained in the course of business, the Federal Election Commission has found reason to believe that you have violated 2 U.S.C. §441b(a) and 2 U.S.C. §441f. This information indicates that cash funds of J. Ray McDermott and Company, Inc., were distributed through you to candidates for Federal office and that you knowingly permitted your name to be used to effect contributions from the McDermott corporation. The events in question appear to include a Victory Dinner of the Democratic National Committee in 1972 and the election campaigns of Senator Russell Long and Congressman Henson Moore in 1974.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. As the Commission is under a duty to investigate this matter expeditiously, please submit all materials you believe are relevant to this inquiry within 10 days of your receipt of this letter.

The attorney assigned to this matter is Susan Propper (telephone no. 202-523-4529).

Sincerely yours,

William C. Oldaker
General Counsel

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. James E. Cunningham
16 Tennyson Road
New Orleans, Louisiana 70114

Re: MUR 479

Dear Mr. Cunningham:

This letter is to notify you that based on information obtained in the course of business, the Federal Election Commission has found reason to believe that you have violated 2 U.S.C. §441b(a) and 2 U.S.C. §441f. This information indicates that cash funds of J. Ray McDermott and Company, Inc. were distributed through you to candidates for Federal office and that you knowingly permitted your name to be used to effect contributions from the McDermott corporation. The events in question appear to include the election campaigns of Senator Russell Long and Congressman Henson Moore in 1974.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. As the Commission is under a duty to investigate this matter expeditiously, please submit all materials you believe are relevant to this inquiry within 10 days of your receipt of this letter.

The attorney assigned to this matter is Susan Propper (telephone no. 202-523-4529).

Sincerely yours,

William C. Oldaker
General Counsel

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 479

Date Filmed 6/8/79 Camera No. --- 2

Cameraman J.A.D.

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