



**Federal Election Commission  
Washington, DC 20463**

August 6, 2004

Heidi K. Abegg, Esq.  
Webster, Chamberlain & Bean  
1747 Pennsylvania Avenue  
Washington, DC 20006

Re: ADR 156  
Conservative Leadership PAC and David Fenner, Treasurer

Dear Ms. Abegg:

Enclosed is the signed copy of the agreement resolving the referral from the Reports Analysis Division of the Federal Election Commission (FEC/Commission) pertaining to the Conservative Leadership PAC and David Fenner, Treasurer ("Respondents"). The agreement, ADR 156 (RR 04-02) was approved by the Commission on August 4, 2004 – the effective date of the agreement.

Note that paragraph 11 of the agreement specifies that Respondents shall comply with the terms of this settlement within thirty (30) days of the effective date of the agreement, with the exception of term (a) of paragraph 8. Please forward to this office, a statement confirming Respondents' compliance with the terms listed in paragraph 8 of the aforementioned agreement. The letter should note the dates on which Respondents satisfied each of the terms, with the exception of the civil penalty which Respondents sent with the executed agreement.

As you are aware, the settlement agreement will be made part of the record that is released to the public. In addition, as of January 1, 2004, the Commission will also place on the record copies of the complaint, correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared for the Commission by this office to assist in its consideration of this matter. The Commission is obliged by Federal statute to place on the public record documents in closed enforcement and alternative dispute resolution cases; accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

As to the address for the committee (paragraph 6 and paragraph 8, term (c)) must be where the Treasurer of the committee can receive mail on behalf of the committee. When the Commission communicates with the committee, the Treasurer is the individual to whom the correspondence is addressed. The communications sent to the address on FEC records had the Treasurer's name on it, as well as the name of the committee. Even so, someone at 3127 North 17<sup>th</sup> Street, Arlington, VA 22201 had the USPS return all correspondence to the Commission as "Unknown" and "Unable to find at this Address."

This agreement resolves the matter that was initiated by the Commission pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities regarding violations of federal election campaign laws. I appreciate your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,

(S)  
Lynn M. Fraser, Assistant Director  
Alternative Dispute Resolution Office  
202-694-1665

Enclosure: Agreement



**Federal Election Commission  
Washington, DC 20463**

**Case Number: ADR 156**

**Source: RAD 04-02**

**Case Name: Conservative Leadership PAC  
and David Fenner, Treasurer**

### **NEGOTIATED SETTLEMENT**

This matter was initiated by the Federal Election Commission ("Commission") pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following review of the matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, ("FECA") and resolve this matter, the Commission entered into negotiations with Heidi Abegg, Esq. representing the Conservative Leadership PAC and David Fenner, Treasurer ("Respondents"). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

Negotiations between the Commission and Respondents addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures ("ADR") is authorized in "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 2 U.S.C. § 437g.
2. Respondents voluntarily enter into this agreement with the Commission.
3. Respondents failed to disclose contributor information for 244 of 310 contributions from individuals itemized on reports covering the 2001-2002 election cycle in violation of 2 U.S.C. § 434(b)(3)(A). Respondents did not identify a purpose for \$51,816.60 in operating expenditures disclosed during the same period in violation of 2 U.S.C. § 434(b)(5)(A). Respondents also failed to file an amended Statement of Organization when their address changed in violation of 2 U.S.C. § 433(c).
4. The FECA requires the identification of each person (other than a political committee) who makes a contribution or whose contributions have an aggregate amount or value in excess of \$200 within the calendar year. The regulations require that the committee disclose contributors' information such as a full name, address, occupation and the name of the employer, or demonstrate "best efforts" to obtain the information. 2 U.S.C. § 434(b)(3)(A), 11 C.F.R. §§ 100.12, 104.7(b), 104.8(a).
5. The Act also requires the name and address of each person to whom an expenditure in excess of \$200, or an aggregate amount in excess of \$200, is made within the calendar year by the reporting committee to meet operating expenses, together with the date, amount and purpose of such operating expenditure. 2 U.S.C. § 434(b)(5)(A), 11 C.F.R. § 104.3(b)(3)(i).

6. A committee is required to file an amended Statement of Organization reflecting any change of information previously submitted in a Statement of Organization no later than ten (10) days after the date of the change. 2 U.S.C. § 433(c), 11 C.F.R. § 102.2(a)(2)
7. Respondents acknowledge that violations of the FECA occurred due to difficulties with the vendor that Respondents contracted with for reporting software and compliance. Respondents were unable to file amended reports because the required information regarding "best efforts" and other matters was lost or destroyed.
8. Respondents, in an effort to avoid similar errors in the future, agree to: (a) designate a member of the committee staff to attend an FEC seminar within twelve (12) months of the effective date of this agreement; (b) work with FEC/RAD staff to determine how to adequately supplement the reports; (c) file an amended Statement of Organization with the current mailing address; and (d) pay a civil penalty of \$2,000.
9. Respondents agree that all information provided to resolve this matter is true and accurate to the best of their knowledge and that they sign this agreement under penalty of perjury pursuant to 28 U.S.C. § 1746.
10. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may submit any unpaid civil penalty to the U.S. Treasury for collection or undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
11. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms of the settlement within thirty (30) days from the effective date of this agreement, with the exception of term (a) in paragraph § above.
12. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 156 (RAD 04-02), and effectively resolves this matter. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

FOR THE COMMISSION:

Allan D. Silberman, Director  
Alternative Dispute Resolution Office

By:

Lynn M. Fraser  
Lynn M. Fraser, Assistant Director  
Alternative Dispute Resolution Office

August 4, 2004  
Date Signed

FOR THE RESPONDENTS:

Heidi Abegg  
Heidi Abegg, Esq.  
Counsel for the Conservative Leadership PAC and  
David Fenner, Treasurer

July 23, 2004  
Date Signed