



Federal Election Commission
Washington, DC 20463

September 13, 2005

Serge and Julie Morel
22 Lakeside Drive
Windsor, NY 12553

Re: ADR 238 (MUR 5529)

Dear Mr. and Mrs. Morel:

On September 15, 2004, the Federal Election Commission ("FEC" or "Commission") notified Serge and Julie Morel, of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with the notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against the Respondents Serge and Julie Morel in its memorandum to the Commission, dated September 6, 2005, this office stated and recommended:

The Complainant, Brad Hoylman, alleges that the Committee failed to report disbursements and expenditures for such things as advertising, rent on two campaign offices and administrative expenses. The complaint also alleges Respondents received excessive and/or prohibited contributions, and failed to have disclaimers on public communications. The Committee contends that one "campaign office" was, in fact, the candidate's residence and the second, in a building scheduled for demolition, was reported as an in-kind contribution from the buyer of the building. The Committee concedes the need for clarification on some items and filed amended reports accordingly. While the Committee also contends that the Committee received no prohibited or excessive contributions, it concedes that their website and electronic communications may not have had adequate disclaimers as required. The Committee argues that the sign on the truck used for advertising did have a disclaimer on it, and additional disclaimer notices were added to the website and e-mail communications.

The allegations raised in the complaint as to the other individuals or commercial entities failed to substantiate a violation of the FECA by these Respondents.

FEDERAL ELECTION COMMISSION, ALTERNATIVE DISPUTE RESOLUTION OFFICE
999 E STREET N.W., WASHINGTON, DC 20463
TELEPHONE: 202.694.1670 FAX: 202.219.0613

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RECOMMENDATIONS:

1. Approve the attached Settlement Agreement for Peter Hort for Congress and Tal Weitzman, Treasurer.
2. Dismiss the complaint as it pertains to the Rema Hort Mann Foundation, Inc., Michael and Susan Hort, Nucisera, Ltd., 145 Sixth Avenue Associates, LLC, Crash Mansion/BLVD and *Serge and Julie Morel*.
3. Approve the appropriate letters.
4. Close the file on this matter.

(highlight added)

Accordingly, the Commission closed its file in this matter on September 12, 2005.

The FEC is obligated by federal regulations to make a finding to terminate its proceedings public, as well as the basis therefore. 11 C.F.R. § 111.20(b). In addition, the Commission will also place on the record copies of the complaint, correspondence exchanged between Respondents and the Commission, and reports prepared for the Commission by this office to assist in its consideration of this matter. Accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

If you have any questions regarding this matter please be in touch. My telephone number is 202-694-1665.

Sincerely,

Lynn M. Fraser
Assistant Director, ADR Office