

RECEIVED
FEDERAL ELECTION
COMMISSION

LAW OFFICE OF JOHN FOGARTY, JR. - 1 AM 7: 59
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Chicago, IL 60613
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August 30, 2016

By e-mail to mdebeau@fec.gov and jjordan@fec.gov

Federal Election Commission
Office of Complaints Examination
and Legal Administration
Attn: Mary Beth deBeau, Paralegal
999 E Street, NW
Washington, DC 20436

Re: MUR 7120

Dear Ms. deBeau:

Please be advised that my firm represents Pete for Congress ("the Committee") and its treasurer in his official capacity in connection with the above-referenced Matter Under Review.

We are in receipt of the complaint filed in this matter in which it is alleged that the Committee has received contributions from corporate entities, in violation of the FECA. The Committee has reviewed the contributions at issue, and in an abundance of caution, will return each contribution to each contributor, and has taken steps to ensure the Committee does not accept contributions of this nature in the future. These contribution refunds will be reflected on the Committee's October Quarterly filing with your agency. The Committee takes its obligations under the FECA seriously, and in no way has acted in a manner to knowingly and willfully violate the Act.

It bears noting that all but one of these contributions are from entities that, although organized as corporations, have made an "S Corp" election with the IRS. As you are aware, in many circumstances, an S Corp is the functional equivalent of an LLC, and is treated in the same manner as an LLC for tax purposes. It is also worth noting that there is no question that an LLC is permitted to contribute to federal candidates under certain circumstances. One could easily conclude (and many perhaps have concluded) that given that an S Corp often receives the same treatment as an LLC, an S Corp would likewise be permitted to participate politically in the same manner as an LLC.

Given the nuance in the law on this point, any potential error in accepting the contributions referenced in this complaint is completely understandable, and must militate toward a finding that any action taken by the Committee was not done in a manner to knowingly and willfully violate the Act. In addition, as each of these contributions will be returned, the

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Committee asks that this matter be closed. Further, pursuant to 52 U.S.C. § 30109(a)(4)(B) and § 30109(a)(12)(A), the Committee expressly desires that this matter remain confidential.

Thank you for your consideration. Should you need any additional details or materials, please do not hesitate to contact my office.

Very truly yours,

/s/ John Fogarty, Jr. /s/

John G. Fogarty, Jr.

JGF:mm

11-106060101



FEDERAL ELECTION COMMISSION
999 E Street, NW
Washington, DC 20463

STATEMENT OF DESIGNATION OF COUNSEL
Please use one form for each Respondent/Entity/Treasurer
FAX (202) 219-3923

MUR # 7120

NAME OF COUNSEL: John Fogarty

FIRM: Law Office of John Fogarty, Jr.

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TELEPHONE- (773) 549-2647 FAX (773) 681-7147

Email: john@fogartylawoffice.com

The above-named individual and/or firm 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.

8-30-14
Date

P. P. [Signature]
Respondent/Agent -Signature

Candidate
Title(Treasurer/Candidate/Owner)

RESPONDENT: Pete for Congress
(Committee Name, Company Name, or Individual Named in Notification Letter)

MAILING ADDRESS: 423 S. Addison Rd., Addison, IL 60101
(Please Print)

Email: pdicianni@ddicianni.com

TELEPHONE- HOME | _____

BUSINESS (630) 833-5100

Information is being sought as part of an investigation being conducted by the Federal Election Commission and the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section prohibits making public any investigation conducted by the Federal Election Commission without the express written consent of the person under investigation