



FEDERAL ELECTION COMMISSION

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

THIS IS THE END OF TLR # 1159

Date Filmed 9/18/80 Camera No. --- 2

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FEDERAL ELECTION COMMISSION

Conciliator Material

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

- | | |
|--|---|
| ☐ (1) Classified Information | ☐ (6) Personal privacy |
| ☐ (2) Internal rules and practices | ☐ (7) Investigatory files |
| ☐ (3) Exempted by other statute | ☐ (8) Banking Information |
| ☐ (4) Trade secrets and commercial or financial information | ☐ (9) Well Information (geographic or geophysical) |
| ☐ (5) Internal Documents | |

Signed

Deborah Curry

date

8-27-80

FEC 9-21-77

0004001168



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 15, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

James Sumner, Chairman
Re-Elect Les AuCoin Committee
P.O. Box 1211
Portland, Oregon 97207

Re: MUR 1159

Dear Mr. Sumner:

This is in reference to the complaint you filed with the Commission on February 7, 1980, concerning alleged violations of the Federal Election Campaign Act by the Committee to Elect Lynn Engdahl.

After finding reason to believe that the Committee to Elect Lynn Engdahl violated provisions of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et seq., the Commission conducted an investigation in this matter. On August 5, 1980, a conciliation agreement signed by the respondent was accepted by the Commission, thereby concluding the matter. A copy of this agreement is enclosed for your information.

The file number in this matter is MUR 1159. If you have any questions, please contact Deborah Curry, the attorney assigned to this matter, at (202) 523-4060.

Sincerely,

A handwritten signature in dark ink, appearing to read "C. Steele", is written over the typed name of Charles N. Steele.

Charles N. Steele
General Counsel

Enclosure
Conciliation Agreement

00040211169



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 15, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

James Cason
Committee to Elect Lynn Engdahl
1142 S.W. 12th Street
Portland, Oregon 97207

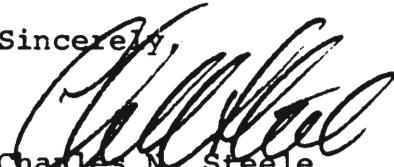
Re: MUR 1159

Dear Mr. Cason:

On August 5, 1980, the Commission accepted the conciliation agreement signed by Lynn Engdahl in settlement of a violation of 2 U.S.C. §§ 441b(a) and 441e. Accordingly, the file has been closed in this matter, and it will become a part of the public record within thirty days. However, 2 U.S.C. § 437g(a)(4)(B) prohibits any information derived in connection with any conciliation attempt from becoming public without the written consent of the respondent and the Commission. Should you wish any such information to become a part of the public record, please advise us in writing.

Enclosed you will find a fully executed copy of the final conciliation agreement for your files.

Sincerely,


Charles N. Steele
General Counsel

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
 Committee to Elect Lynn Engdahl) MUR 1159

CONCILIATION AGREEMENT

This matter having been initiated by a signed, sworn, and no-tarized complaint by James Sumner, Chairman to and on behalf of the Re-Elect Les AuCoin Committee, an investigation having been conducted after the Commission having found reason to believe that the Committee to Elect Lynn Engdahl, Respondent, violated:

(1) 2 U.S.C. § 441e by accepting a contribution from a foreign national.

(2) 2 U.S.C. § 441b(a) by accepting a corporate contribution from A/C/M.

NOW, THEREFORE, the Commission and Respondent, having duly participated in informal methods of conciliation, 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 a conciliation agreement under 2 U.S.C. § 437g(a)(4)(A).

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 Respondent is a political committee registered with the Federal Election Commission.

80 JUL 23 410:54

RECEIVED
 OFFICE OF THE
 GENERAL COUNSEL

171120000

(2) Respondent accepted a \$1,200 loan from Friouz Farivar.

(3) A loan constitutes a contribution under the Act.

2 U.S.C. § 431(8)(A)(i).

(4) Firoux Farivar is a foreign national.

(5) 2 U.S.C. § 441e makes it unlawful for any person to accept a contribution from a foreign national.

(6) The Committee to Elect Lynn Engdahl violated 2 U.S.C. § 441e by accepting a prohibited contribution from a foreign national.

(7) A/C/M Real Estate sent out a letter soliciting campaign contributions to potential contributors in Oregon on behalf of Lynn Engdahl. The total cost of the solicitation letter was \$8.20.

(8) A/C/M Real Estate is registered in the state of Oregon as a corporation.

(9) 2 U.S.C. § 441b(a) prohibits corporate contributions in connection with federal elections. The knowing receipt and/or acceptance of such a contribution by a candidate or committee is in violation of this section.

(10) The Committee to Elect Lynn Engdahl committed a violation of 2 U.S.C. § 441b by accepting a corporate contribution in the form of a solicitation letter by A/C/M.

WHEREFORE, Respondent agrees:

V. The above facts represent violations of the Federal Election Campaign Act, as amended, as set forth above in the Commission's findings.

VI. Respondent is not required to pay a civil penalty under this agreement due to the circumstances of this matter. However, the fact that no civil penalty is required, does not diminish the

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serious nature of the violations of FECA as found by the Commission.

VII. Respondent shall not undertake any activity which is in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431 et seq.

GENERAL CONDITIONS

VIII. 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.

IX. It is mutually agreed that this agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. It is agreed that 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.

14 August 1980
Date


Charles N. Steele
General Counsel
Federal Election Commission

Date

Respondent's Name
BY: 
ITS: _____

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1159
Committee to Elect Lynn Engdahl)

CERTIFICATION

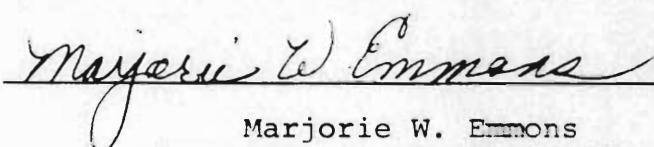
I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on August 5, 1980, the Commission decided by a vote of 6-0 to take the following actions regarding MUR 1159:

1. Accept the conciliation agreement, as attached to the General Counsel's July 31, 1980 memorandum, which has been signed by Lynn Engdahl.
2. CLOSE THE FILE.

Voting for this determination were Commissioners Aikens, Friedersdorf, Harris, McGarry, Reiche, and Tiernan.

Attest:

8/5/80
Date


Marjorie W. Emmons
Secretary to the Commission

Received in Office of the Commission Secretary: 7-31-80, 3:11
Circulated on 48 hour vote basis: 8- 1-80, 2:00

July 11, 1960

MEMORANDUM TO: Marjorie W. Simmons
FROM: Elissa T. Gann
SUBJECT: MUR 1159

Please have the attached Memo distributed to the
Commission on a 48 hour tally basis. Thank you.

00040211175

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 S. _____
(CONSULT POSTMASTER FOR THIS)

2. ARTICLE ADDRESSED TO
JAMES CASON
COMMITTEE TO ELECT LYNN ENGDAHL
1142 S.W. 12TH STREET
PORTLAND, OREGON 97207

3. ARTICLE DESCRIPTION
REGISTERED NO. _____ CERTIFIED NO. _____ INSURED NO. _____
15hShb

(Always obtain signature of addressee *Signature*)
I have received the article described above.
SIGNATURE ☒ Addressee ☐ Authorized agent
James E. Cason

4. DATE OF DELIVERY **JUL 8 1980** POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE

JUL 8 1980
CLERK'S INITIALS

RETURN RECEIPT REGISTERED, INSURED AND CERTIFIED MAIL

1159 CASON Cary

June 30, 1980

MEMORANDU : TO: Marjorie W. Eamon-
FROM: Elissa T. Carr
SUBJECT: MUR 1159

Please have the attached Memo distributed to the
Commission on a 24 hour no-objection basis. Thank you.

00040211177



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 18, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Committee to Elect Lynn
Engdahl
c/o Kenneth B. Ross
1142 Southwest 12 Street
Portland, Oregon 97205

Re: MUR 1159

Dear Mr. Ross:

The Federal Election Commission notified you on February 15, 1980, of a complaint which alleges that your committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, the Commission, on April 17, 1980, determined that there is reason to believe that you violated 2 U.S.C. § 441e and § 441b(a).

Specifically, the Commission found reason to believe that your committee violated 2 U.S.C. § 441e by accepting a prohibited contribution from a foreign national, and also the Commission found reason to believe that your committee violated 2 U.S.C. § 441b(a) accepting a contribution from a corporation.

The Committee to Elect Lynn Engdahl
c/o Kenneth B. Ross
Page Two

In the absence of any additional information which demonstrates that no further action should be taken against your committee, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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 matter to be made public.

If you have any question, please contact Deborah Curry, the attorney assigned to this matter at (202) 523-4060.

Sincerely,

Robert O. Tiernan

ROBERT O. TIERNAN
Chairman

00040211179

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 <i>Committee to Elect Lynn Engdahl</i>		3. ARTICLE DESCRIPTION: REGISTERED NO. <i>944589</i> CERTIFIED NO. INSURED NO.		4. I have received the article described above. SIGNATURE <i>J. Casor</i> ☐ Addressee ☐ Authorized agent DATE OF DELIVERY <i>7/1</i>		5. ADDRESS (Complete only if requested) <i>1159 Curry</i>		6. UNABLE TO DELIVER BECAUSE CLERK'S INITIALS	
--	--	---	--	---	--	---	--	--	--	--	--	--	--

PS Form 3811, April 1973

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

ST 6761 1976-272-312



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 18, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

A/C/M/ Real Estate
Suite 202, Riviera Plaza
Building
1618 Southwest First
Portland, Oregon 97201

Re: MUR 1159

Dear Sirs:

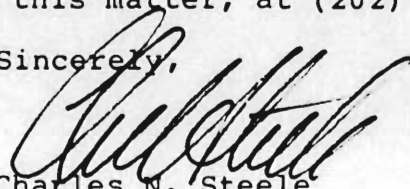
On February 15, 1980, the Commission notified you of a complaint alleging that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act").

The Commission, on April 17, 1980 determined that on the basis of the information in the complaint and information provided by you that no further action should be taken.

The Commission reminds you that a corporate contribution is a serious violation of the Act which expressly forbids such contributions in connection with federal elections. 2 U.S.C. § 441b(a). Use of corporate stationery raises the presumption that the letter is such a prohibited corporate contribution. You should take immediate steps to insure that this type of activity does not occur in the future.

If you have any questions please direct them to Deborah Curry, the attorney assigned to this matter, at (202) 523-4060.

Sincerely,



Charles N. Steele
General Counsel

PS Form 3811, April 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

A/C/M Real Estate

• 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 _____ C

☐ Show to whom, date, and address of delivery _____ C

☐ RESTRICTED DELIVERY
Show to whom and date delivered _____ C

☐ RESTRICTED DELIVERY
Show to whom, date, and address of delivery \$ _____
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO: *A/C/M Real Estate*
Suite 202, Riviera Plaza Bldg.
1618 Southwest First
Portland, Oregon 97201

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	<i>944531</i>	

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

Ann Zaida

DATE OF DELIVERY <i>4/25/80</i>	POSTMARK
------------------------------------	----------

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

PS 3811-2-249-595

MUR 1159



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

A/C/M/ Real Estate
Suite 202, Riviera Plaza
Building
1618 Southwest First
Portland, Oregon 97201

Re: MUR 1159

Dear Sirs:

On February 15, 1980, the Commission notified you of a complaint alleging that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act").

The Commission, on , 1980 determined that on the basis of the information in the complaint and information provided by you that no further action should be taken.

The Commission reminds you that a corporate contribution is a serious violation of the Act which expressly forbids such contributions in connection with federal elections. 2 U.S.C. § 441b(a). Use of corporate stationery raises the presumption that the letter is such a prohibited corporate contribution. You should take immediate steps to insure that this type of activity does not occur in the future.

If you have any questions please direct them to Deborah Curry, the attorney assigned to this matter, at (202) 523-4060. D.C.

Sincerely,

Charles N. Steele
General Counsel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 18, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Firouz Farivar
2715 North Main, #8
Forest Grove, Oregon 97116

Re: MUR 1159

Dear Mr. Farivar:

On February 15, 1980, the Commission notified you of a complaint alleging that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act").

The Commission, on April 17, 1980, determined that on the basis of the information in the complaint and information provided by you that no further action should be taken.

The Commission reminds you that a contribution^{1/} to a candidate or political committee by a foreign national in connection with federal elections is nevertheless a violation of the Act. 2 U.S.C. § 441e. You should take immediate steps to insure that this type of activity does not occur in the future.

If you have any questions, please direct them to Deborah Curry, the attorney assigned to this matter, at (202) 523-4060.

Sincerely,

A handwritten signature in dark ink, appearing to read "Charles N. Steele".

Charles N. Steele
General Counsel

^{1/} 2 U.S.C. § 431(8)(A)(i) defines contribution as: any gift subscription, loan, ... made by any person for the purpose of influencing any election for Federal office;... (emphasis added).



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Firouz Farivar
2715 North Main, #8
Forest Grove, Oregon 97116

Re: MUR 1159

Dear Mr. Farivar:

On February 15, 1980, the Commission notified you of a complaint alleging that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act").

The Commission, on April , 1980, determined that on the basis of the information in the complaint and information provided by you that no further action should be taken.

The Commission reminds you that a contribution^{1/} to a candidate or political committee by a foreign national in connection with federal elections is nevertheless a violation of the Act. 2 U.S.C. § 441e. You should take immediate steps to insure that this type of activity does not occur in the future.

If you have any questions, please direct them to Deborah D. Curry, the attorney assigned to this matter, at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

^{1/} 2 U.S.C. § 431(8)(A)(i) defines contribution as: any gift subscription, loan, ... made by any person for the purpose of influencing any election for Federal office;... (emphasis added).

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 THIS)

2. ARTICLE ADDRESSED TO: **Lynn Engdahl**
c/o Comte. to Elect Lynn Engdahl
1142 S.W. 12th Street
Portland, Oregon 97205

3. ARTICLE DESCRIPTION:
 REGISTERED NO. _____ CERTIFIED NO. **444776** INSURED NO. _____
 (Always obtain signature of addressee or agent)

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

4. DATE OF DELIVERY _____ POSTMARK **1980**

5. ADDRESS (Complete only if requested): _____

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

1159

Curry

☆ GPO: 1978-272-182



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 12, 1980

MEMORANDUM

TO: Jane Colgrove
FROM: Debbie Curry
SUBJECT: MUR 1159

The letter to candidate Lynn Engdahl notifying him of RTB of the committee was returned on April 15, 1980. It was resent to Lynn Engdahl in care of the Committee on May 12, 1980 at the following address:

Lynn Engdahl
c/o Committee to Elect Lynn
Engdahl
1142 Southwest 12th Street
Portland, Oregon 97205

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

POSTAGE AND FEES PAID

747084

☐ HOLD

DATE 4/25/80

1ST NOTICE

2ND NOTICE

RETURN

Obtained from
PS Form 3840-A
Feb. 1979



UNKNOWN
AS shown
146n

Lynn Engdahl
1618 S.W. First Avenue
Suite 202
Portland, Oregon 97201

CERTIFIED
744386



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 18, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Lynn Engdahl
1618 S.W. First Avenue
Suite 202
Portland, Oregon 97201

Re: MUR 1159

Dear Mr. Engdahl:

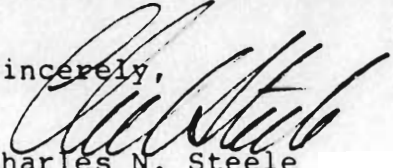
This is to advise you that on April 17, 1980, the Federal Election Commission found reason to believe that your committee, the Committee to Elect Lynn Engdahl, violated 2 U.S.C. § 441e and § 441b. These sections of the Federal Election Campaign Act of 1971, as amended ("the Act"), (a) preclude the acceptance of contributions by foreign nationals and (b) preclude the acceptance of contributions made by corporations.

While the Committee treasurer is responsible for the acceptance of contributions made by a political committee, we believe that you, as the candidate should be aware of this development. A copy of our letter to your Committee treasurer is enclosed.

Under 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) this matter will remain confidential unless the Committee notifies the Commission in writing that it wishes the investigation to be made public.

If you have any questions, please contact Deborah Curry, the attorney assigned to this matter at (202) 523-4060. We have numbered this matter MUR 1159.

Sincerely,


Charles N. Steele
General Counsel

Enclosure

0004021187



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Lynn Engdahl
1618 S.W. First Avenue
Suite 202
Portland, Oregon 97201

Re: MUR 1159

Dear Mr. Engdahl:

This is to advise you that on April , 1980, the Federal Election Commission found reason to believe that your committee, the Committee to Elect Lynn Engdahl, violated 2 U.S.C. § 441e and § 441b. These sections of the Federal Election Campaign Act of 1971, as amended ("the Act"), (a) preclude the acceptance of contributions by foreign nationals and (b) preclude the acceptance of contributions made by corporations.

While the Committee treasurer is responsible for the acceptance of contributions made by a political committee, we believe that you, as the candidate should be aware of this development. A copy of our letter to your Committee treasurer is enclosed.

Under 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) this matter will remain confidential unless the Committee notifies the Commission in writing that it wishes the investigation to be made public.

If you have any questions, please contact Deborah Curry, *D.C.* the attorney assigned to this matter at (202) 523-4060. We have numbered this matter MUR 1159.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1159
The Committee to Elect Lynn Engdahl)
Firouz Farivar)
A/C/M/ Real Estate)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on April 17, 1980, the Commission decided by a vote of 5-0 to take the following actions regarding MUR 1159:

1. Find REASON TO BELIEVE that the Committee to Elect Lynn Engdahl committed a violation of 2 U.S.C. § 441e by accepting a contribution from a foreign national.
2. Find REASON TO BELIEVE that the Committee to Elect Lynn Engdahl committed a violation of 2 U.S.C. § 441b by accepting a corporate contribution from A/C/M.
3. Take no further action against Firouz Farivar and A/C/M in this matter.
4. Approve and send the letters as attached to the First General Counsel's Report dated April 15, 1980.

Voting for this determination were Commissioners Aikens, Friedersdorf, Harris, McGarry, and Tiernan.

Attest:

4-17-80
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Received in Office of the Commission Secretary: 4-15-80, 11:17
Circulated on 48 hour vote basis: 4-15-80, 4:00

April 15, 1980

MEMORANDUM TO: Marjorie W. Emmons
FROM: Jane Golgrove
SUBJECT: MUR 1159

Please have the attached First General Counsel's
Report on MUR 1159 distributed to the Commission on an
48 hour tally basis.

Thank you.

00040241190

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

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

80 APR 15 All: 17

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION APR 15 1980

MUR # 1159
DATE COMPLAINT RECEIVED
BY OGC 2-11-80

STAFF MEMBER Curry

COMPLAINANT'S NAME: Re-Elect Les AuCoin Committee

RESPONDENT'S NAME: The Committee to Elect Lynn Engdahl, Firouz Farivar,
A/C/M Real Estate

RELEVANT STATUTE: 2 U.S.C. §§ 441e, 441b(a)

INTERNAL REPORTS CHECKED: Lynn Engdahl Report 1979-80

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

On February 18, 1980, the Office of General Counsel received a notarized complaint from the Re-Elect Les AuCoin Committee. Their complaint alleged the following:

(1) The Committee to Elect Lynn Engdahl had received an excessive contribution in the form of a loan from a foreign national, 2 U.S.C. §§ 441a(a)(1)(A), 441a(f), 441e; 11 C.F.R. §§ 110.1(a)(1), 110.9, 110.4(a)(1), (2).

(2) The Committee to Elect Lynn Engdahl received a corporate contribution in the form of a solicitation letter, 2 U.S.C. § 441b, 11 C.F.R. § 114.2; and

(3) The corporation failed to state who paid for the mailing and whether it was authorized by Lynn Engdahl, 2 U.S.C. § 441d.

FACTUAL AND LEGAL ANALYSIS

Allegation 1 - Loan of \$1,200

Complainant alleges that according to a contribution and expenditure report filed on October 10, 1979, by the Committee to Elect Lynn Engdahl, the committee received a \$1,200 loan from Firouz Farivar. Complainant believes Firouz Farivar is a foreign national.

2 U.S.C. § 441a(a)(1)(A) prohibits contributions made by any person to "any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate exceed \$1,000;...." 2 U.S.C. § 441a(f) makes unlawful the knowing acceptance of contributions or expenditures in violation of the limitations imposed by § 441a. See 11 C.F.R. § 110.1(a)(1) and § 110.9.

Review of the October 10, 1979 Quarterly Report of Receipts and Expenditures for the Committee to Elect Lynn Engdahl does reveal an entry of a loan of \$1,200 from Firouz Farivar. The loan made by Firouz Farivar for \$1,200 may constitute a violation of 2 U.S.C. § 441a(a)(1)(A). 1/ Its acceptance by the Committee to Elect Lynn Engdahl may be in violation of 2 U.S.C. § 441a(f).

2 U.S.C. § 441e makes it unlawful for a foreign national to make any contribution in connection with an election. Under 2 U.S.C. § 441e, it is also unlawful for any person to accept a contribution from such a foreign national. 2/ See 11 C.F.R. § 110.4 (a)(1) and § 110.4(a)(2). Therefore, if Firoux Farivar is a foreign national, the giving of a loan of \$1,200 and its receipt by the Committee to Elect Lynn Engdahl would be in violation of 2 U.S.C. § 441e.

1/ 2 U.S.C. § 431(8)(A)(i) defines contribution as: any gift, subscription, loan,...made by any person for the purpose of influencing any election for Federal office;... (emphasis added).

2/ 2 U.S.C. § 441e(b)(2) defines foreign national as: an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence,....

Both Firouz Farivar and the Committee to Elect Lynn Engdahl responded to these allegations after receipt of the complaint, in writing, pursuant to 2 U.S.C. § 437g(a)(1). Their responses indicate that Firouz Farivar is in fact a foreign national. Therefore the prohibition on contributions by a foreign national and the receipt of such by a political committee is controlling on this issue. 2 U.S.C. § 441e. The allegation of excessive contribution raises no issue at this time, as contributions by foreign nationals are dealt with separately in 2 U.S.C. § 441e. Under this section contributions by foreign nationals and the receipt of such by a political committee are expressly forbidden.

However, due to mitigating circumstances we recommend that no further action be taken against Firouz Farivar. There is no evidence that he is a representative or agent of a foreign government, nor is there any evidence of prior participation in U.S. politics. The facts show that Firouz Farivar has lived with the Lynn Engdahl family for many years (7 years). The loan made by Firouz Farivar was made more as a personal favor to Lynn Engdahl whose home he had shared for many years. Therefore, the Office of General Counsel recommends that no further action be taken against Firouz Farivar, but instead that the attached letter of admonishment be sent.

Though there were mitigating factors as to the Committee to Elect Lynn Engdahl, the ultimate responsibility should rest with the Committee in this instance for receipt of the forbidden contribution by a foreign national. Therefore, the Office of General Counsel recommends that the Commission find reason to believe that a violation of 2 U.S.C. § 441e has been committed by the Committee to Elect Lynn Engdahl.

Allegation 2 - Solicitation Letter

On October 5, 1979, a letter soliciting campaign contributions on behalf of the Committee to Elect Lynn Engdahl was mailed to potential contributors in Oregon. The letter was sent by A/C/M Real Estate.

The office of the Secretary of State, Corporate Division in the state of Oregon lists A/C/M Real Estate as a corporation. Complainants also allege that the sending of the letter was done with the knowledge and approval of Lynn Engdahl and the Committee to Elect Lynn Engdahl. The solicitation letter did not contain an authorization or non-authorization statement.

2 U.S.C. § 441b(a) prohibits corporate contributions in connection with federal elections. It also prohibits the knowing receipt and/or acceptance of contributions in violation of this section by a candidate or a political committee. See also 11 C.F.R. § 114.2(b) and § 114.2(c).

Since A/C/M is in fact a corporation, its financing of the solicitation letter would be a corporate contribution in violation of the Act. 2 U.S.C. § 441b(a). The acceptance of this prohibited contribution by the Committee to Elect Lynn Engdahl would also be in violation of the Act. 2 U.S.C. § 441b(a).

The prohibition on corporate contributions is controlling in this instance. Therefore, the allegation of cooperation with the candidate or his committee and the lack of an authorization statement does not raise any issue at this time. These above mentioned sections relate only to independent expenditures by individuals or committees. Corporations are dealt with separately under 2 U.S.C. § 441b. Under this section contributions made by corporations from treasury funds are expressly forbidden.

Both the Committee to Elect Lynn Engdahl and A/C/M responded to these allegations after receipt of the complaint, in writing, pursuant to 2 U.S.C. § 437g(a)(1). Their responses verify that A/C/M is in fact a corporation. Due to mitigating circumstances it is recommended that the Commission take no further action against A/C/M. Indeed, it is clear that use of corporate stationery raises a presumption of a corporate contribution. However, here such corporate contribution is de minimis due to the small quantity and cost of the mailings. The facts show that Martin Zinda of A/C/M mailed 68 letters at a cost of \$8.20. Furthermore, this is not a clear case of circumvention of the Act by A/C/M. A/C/M is a closed corporation consisting of three parties Martin Zinda (1/3), Lynn Engdahl (1/3) and James Cason (1/3), all members of the Committee to Elect Lynn Engdahl. All the parties state that the solicitation letter was a personal letter signed by Martin Zinda but on the stationery of the corporation.

Due to the de minimis nature of this activity, the Office of General Counsel recommends that the Commission take no further action against A/C/M, but find reason to believe a violation of 2 U.S.C. § 441b(a) has been committed by the Committee to Elect Lynn Engdahl. The primary responsibility for acceptance of this prohibited contribution should rest with the committee in this instance.

RECOMMENDATION

1. Find reason to believe that the Committee to Elect Lynn Engdahl committed a violation of 2 U.S.C. § 441e by accepting a contribution from a foreign national.
2. Find reason to believe that the Committee to Elect Lynn Engdahl committed a violation of 2 U.S.C. § 441b by accepting a corporate contribution from A/C/M.
3. Take no further action against Firouz Farivar and A/C/M in this matter.
4. Approve and send the attached letters.

Attachments

1. Complaint
2. Proposed Letters (4)
3. Responses (3)

COMPLAINT TO THE FEDERAL ELECTION COMMISSION

Complainants:

Re-Elect Les AuCoin Committee
James Sumner

Address & Telephone number of Complainants

P.O. Box 1211
Portland, Oregon 97207
503-283-1559

For their Complaint, the complainants allege:

I

Complainants bring this Complaint pursuant to section 309, Federal Election Campaign Act (1980) and Federal Election Commission Regulation 111.2. Complainants bring this Complaint at the request of Les AuCoin who is a candidate for re-election as a United States Representative of the First Congressional District in the state of Oregon.

II

The Re-Elect Les AuCoin Committee is registered with the Federal Election Commission (identification no. HR035980) as the principal campaign committee for the re-election of Les AuCoin and is authorized by him to receive contributions and to make expenditures on his behalf. James Sumner is chairman of the committee.

III

The Committee To Elect Lynn Engdahl is registered with the Federal Election Commission (identification no. 086002) as the principal campaign committee for the election of Lynn Engdahl as United States Representative from the First Congressional District in the state of Oregon.

IV

According to the contribution and expenditure report filed by the Committee To Elect Lynn Engdahl on October 10, 1979, that committee has received a loan of \$1,200 from Firoux Farivar, 2715 North Main, No. 8, Forest Grove, Oregon, 97116. Complainants are informed and believe that Firoux Farivar is a foreign national.

V

Acceptance of the loan from Firoux Farivar constitutes a violation of 2 USC 441 (b), now §315 (f) of the Federal Election Campaign Act (1980) which prohibits a political committee from knowingly accepting any contribution in violation of the contribution and expenditure limitations of the Act. The loan in excess of \$1,000 violates 2 USC 441 (a)(1)(A), now §315 (a)(1)(A) of the Act and reg. 110.1 (a)(1).

VI

Acceptance of the contribution from Firoux Farivar constitutes a violation of 2 USC 441 (e), now §319 of the Act and reg. 110.4 (2) prohibiting any person to accept or receive a contribution from a foreign national.

VII

On October 5, 1979 a letter soliciting campaign contributions on behalf of the Committee To Elect Lynn Engdahl was mailed within the First Congressional District of Oregon to potential contributors. The letter was sent by A_oC₁M₂Real Estate. A copy of the letter is attached hereto as exhibit 'A'. Complainants are informed and believe that A_oC₁M₂Real Estate is an Oregon corporation. Complainants believe that the sending of the letter was done with the knowledge and approval of the Committee To Elect Lynn Engdahl and with the knowledge and

approval of Mr. Engdahl himself.

VIII

The sending of the fund solicitation letter described above constitutes an in-kind contribution from A_oC₁M₂Real Estate to the Committee To Elect Lynn Engdahl, 2 USC §431 (e)(1), now §315 (8) (A)(1) of the Act, and represents an expenditure made by A_oC₁M₂ Real Estate to influence the election of Lynn Engdahl to federal office, 2 USC §431 (f)(1), now §315 (9)(A)(i) of the Act. Receipt of such contribution and making of such expenditure is in violation of 2 USC §441 b (a), now §316 (a) of the Act.

IX

The fund solicitation letter sent by A_oC₁M₂Real Estate on behalf of the Committee To Elect Lynn Engdahl fails to state that it has been authorized by Lynn Engdahl and the Committee To Elect Lynn Engdahl and fails to state who paid for the mailing. This violates 2 USC §441 d, now §318 (a) of the Act.

X

Complainants request the Federal Election Commission to initiate action pursuant to section 309 of the Act. to compel compliance with the Federal election laws by Lynn Engdahl, the Committee To Elect Lynn Engdahl, A_oC₁M₂Real Estate and persons operating in conjunction with them.

James M. Sumner
Re-Elect Les AuCoin Committee
By James Sumner, Chairman

James M. Sumner
James Sumner

STATE OF OREGON)
) ss.
County of Marion)

I, James Sumner, being first duly sworn say that I am the chairman of the Re-Elect Les AuCoin Committee and that the foregoing Complaint is true as I verily believe.

James M. Sumner
James Sumner

Subscribed and sworn to before me this 7th day of February,
1980.

Paul S. Blake
Notary Public for Oregon
My comm. exp.: 11/9/82

A₀|C₁|M₂ REAL ESTATE

A₀PARTMENT|C₁OMMERCIAL|M₂ANUFACTURING-INDUSTRIAL|SITE SEARCH

October 5, 1979



I am actively supporting LYNN ENGDAHL in the Congressional race for the District # 1 seat. The seat is currently held by Les Aucoin.

You know how hard you have to work for your dollars and you know how many of those dollars the government takes every month. Congress has consistently voted to spend: Even beyond the vast sums of tax dollars taken every day. Congress's lack of fiscal responsibility typifies the attitude of the government.in general; the end result is INFLATION.

The positions Lynn Engdahl has taken are quite different than those of the incumbent. Lynn Engdahl supports the free enterprise system. Lynn Engdahl supports federal fiscal responsibility. Because the House controls the purse strings, these virtues are indeed important.

Successful campaigns are waged with money - lots of it - particularly against an incumbent. If you feel, as I do, that it is time to throw the spenders out of the House, then NOW is the time to ACT!!!

Your contribution to this campaign is needed. This is an early start for the 1980 elections. This campaign is being conducted on a professional level and the organization has been put in place. Your contribution will be used to put a better man in Congress, one who will work in your interest.

Thanking you in advance for your contribution.

Sincerely,

H. M. Zinda

P.S. Enclosed please find a return envelope that I picked up at the campaign headquarters. Write your check payable to the Committee to Elect Lynn Engdahl and mail it today. Thanks!



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Lynn Engdahl
1618 S.W. First Avenue
Suite 202
Portland, Oregon 97201

Re: MUR 1159

Dear Mr. Engdahl:

This is to advise you that on April , 1980, the Federal Election Commission found reason to believe that your committee, the Committee to Elect Lynn Engdahl, violated 2 U.S.C. § 441e and § 441b. These sections of the Federal Election Campaign Act of 1971, as amended ("the Act"), (a) preclude the acceptance of contributions by foreign nationals and (b) preclude the acceptance of contributions made by corporations.

While the Committee treasurer is responsible for the acceptance of contributions made by a political committee, we believe that you, as the candidate should be aware of this development. A copy of our letter to your Committee treasurer is enclosed.

Under 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) this matter will remain confidential unless the Committee notifies the Commission in writing that it wishes the investigation to be made public.

If you have any questions, please contact Deborah Curry, the attorney assigned to this matter at (202) 523-4060. We have numbered this matter MUR 1159.

Sincerely,

Charles N. Steele
General Counsel

Enclosure



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

A/C/M/ Real Estate
Suite 202, Riviera Plaza
Building
1618 Southwest First
Portland, Oregon 97201

Re: MUR 1159

Dear Sirs:

On February 15, 1980, the Commission notified you of a complaint alleging that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act").

The Commission, on , 1980 determined that on the basis of the information in the complaint and information provided by you that no further action should be taken.

The Commission reminds you that a corporate contribution is a serious violation of the Act which expressly forbids such contributions in connection with federal elections. 2 U.S.C. § 441b(a). Use of corporate stationery raises the presumption that the letter is such a prohibited corporate contribution. You should take immediate steps to insure that this type of activity does not occur in the future.

If you have any questions please direct them to Deborah Curry, the attorney assigned to this matter, at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Firouz Farivar
2715 North Main, #8
Forest Grove, Oregon 97116

Re: MUR 1159

Dear Mr. Farivar:

On February 15, 1980, the Commission notified you of a complaint alleging that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act").

The Commission, on April , 1980, determined that on the basis of the information in the complaint and information provided by you that no further action should be taken.

The Commission reminds you that a contribution^{1/} to a candidate or political committee by a foreign national in connection with federal elections is nevertheless a violation of the Act. 2 U.S.C. § 441e. You should take immediate steps to insure that this type of activity does not occur in the future.

If you have any questions, please direct them to Deborah Curry, the attorney assigned to this matter, at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

^{1/} 2 U.S.C. § 431(8)(A)(i) defines contribution as: any gift subscription, loan, ... made by any person for the purpose of influencing any election for Federal office;... (emphasis added).



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Committee to Elect Lynn
Engdahl
c/o Kenneth B. Ross
1142 Southwest 12 Street
Portland, Oregon 97205

Re: MUR 1159

Dear Mr. Ross:

The Federal Election Commission notified you on February 15, 1980, of a complaint which alleges that your committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, the Commission, on April , 1980, determined that there is reason to believe that you violated 2 U.S.C. § 441e and § 441b(a).

Specifically, the Commission found reason to believe that your committee violated 2 U.S.C. § 441e by accepting a prohibited contribution from a foreign national, and also the Commission found reason to believe that your committee violated 2 U.S.C. § 441b(a) accepting a contribution from a corporation.

The Committee to Elect Lynn Engdahl
c/o Kenneth B. Ross
Page Two

In the absence of any additional information which demonstrates that no further action should be taken against your committee, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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 matter to be made public.

If you have any question, please contact Deborah Curry, the attorney assigned to this matter at (202) 523-4060.

Sincerely,

00040011205

March 6, 1980

Charles N. Steele
General Counsel
Federal Election Commission
1325 K. St. NW
Washington D.C. 20463

MUR: 1150

Dear Mr. Steele,

6888

000078

I am confused. I have received a copy of a complaint from your office which implies that some violation of the Federal Election Campaign Act has taken place. However, after several, careful readings of the complaint and the attached literature, I still can't figure out if I've done anything wrong.

It would appear that the Committee to Elect Lynn Engdahl made some errors, but that I am party to this only because I made the loan. I hope this is the case. I don't know how you would expect me to be aware of all your election campaign laws.

I have never been involved in U.S. politics before. I would not now be involved except for the fact that I have been part of the Engdahl home for many years. Therefore when Lynn Engdahl decided to run for office I wanted to help in whatever way I could, though the assistance I could lend would be small in amount.

When Lynn started the campaign he asked if I could help with a loan so that telephones could be put into his campaign office. We agreed that a short term loan of \$1,200.00 could be made if I could receive the funds back within a couple of months.

With that agreement and following a discussion with the co-signer on my account, Mrs. Engdahl (Lynn's wife), we agreed to make the loan.

The arrangement went satisfactorily until early October when I unexpectedly received \$300.00 back on the loan. It was explained to me that Jim Cason had discovered that you wouldn't allow a loan of over \$1000.00. Hence, with partial repayment the loan became \$900.00, which is under your limit.

Then, as per our agreement, I received the balance of the loan back in early November.

In December, I asked Jim Cason if I could make a donation to the campaign. He said "No" because he couldn't accept any fund from me without my having a green card. (If you'll remember, President Carter ordered all Iranian students to report for questioning in December. Your Dept. of Immigration people had a sudden lapse of memory as to their permission for me to work. I, then, received a letter from Jim Cason, acting as character witness.)

Since December, I haven't had any contact with the campaign, except for my normal visits to the Engdahl home. From reading the complaint and

62:2 11 MAR 11 1980

RECEIVED
GENERAL COUNSEL
FEDERAL ELECTION COMMISSION

knowing my part of the situation, I don't think I've done anything wrong. I have enough problems with school & living here without adding some more for a loan that was repaid a long time ago.

I hope I've been of help to you. There really isn't much to tell and it seems to be a rather insignificant matter. I await your further communication.

Sincerely,

A handwritten signature in cursive script, appearing to read "Firouz Farivar".

Firouz Farivar

12150 N.W. Barnes Rd. #23-H
Portland, Oregon 97229

March 5, 1980

Charles Steele
Federal Election Commission
1325 K. Street N.W.
Washington D.C. 20463

copy

Dear Mr. Steele,

006885

I can see that our campaign has gained the attention of others. Unfortunately, as always, when one makes a mistake it seems to follow one forever.

I have received your communication regarding the complaint filed by Les AuCoin's watchdog (MUR: 1159). It is a problem that was discovered quite some time ago, however as in every circumstance of life, an error made can never be undone.

Early in this campaign, we were trying to get the ball rolling to get a real fired up campaign. At that time, I sent the letter complained about to a group of my Real Estate Associates. At the time it was sent, I thought that I would be helping out the campaign. As it turns out, all that has been accomplished is to make more work.

To specifically respond to the assertions of the complainant, it is a fact that I made a small mailing of the letter cited and that I did not put a disclaimer on it. Since that day I have gotten an earful about how it should have been done differently.

As for trying to rectify that mistake I have kept out of the campaign mailing business since then. We discussed a remailing to the same group using another letter with a disclaimer, however it was decided that

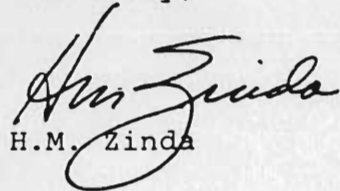
- 1) it wouldn't change the fact that the first letter had been sent,
- 2) the disclaimer on the second letter wouldn't be read anyway, and
- 3) why waste money remailing to a list that didn't produce anything the first time. If you have a way to correct it any better just let me know.

As for the corporate contribution aspect, I can only offer conjecture. ACM is currently a corporation, though not long ago, I owned ACM as a DBA. As you will notice on the letterhead attached to the complaint there is no "Inc." denoting corporate status. I can't prove that that particular stationary was owned by me personally from my DBA period, but there is certainly room for doubt as to its "corporate" origin.

Given the minute contributory nature of my stationary for this mailing we did not record it as a contribution to the campaign. If you decide this matter has need of further action, I would be willing to pay cash to the company for the stationary and have an In-Kind contribution recorded to me. It's futile for me to try to foretell your eventual proposed solution, so I won't even try. Just let it be noted that I am willing to help with whatever solution you come up with.

I hope that I've been of assistance. I can see that my enthusiasm to help with the campaign has created problems. I would hope that the solutions can be achieved as easily as the problems were made. What's next?

Sincerely,

A handwritten signature in cursive script, appearing to read "H.M. Zinda".

H.M. Zinda

P.S. Why does the law have to be so complicated and difficult to work with? Incidentally, I have avoided using my normal stationary for fear that that might be wrong too. Is it? As I understand it your office won't even give direction on that without an official advisory opinion.

00040211200

RECEIVED
ENGDAHL FOR CONGRESS
GENERAL COUNSEL

Federal Station
P.O. Box 1980
Portland, OR 97207

February 27, 1980

MAR 11 AM 11:20

MUR: 1159

Charles N. Steele
General Counsel
Federal Elections Commission
1325 K. ST. N.W.
Washington, D.C. 20463

006062

Dear Mr. Steele,

We are in receipt of your communication dated February 15, 1980, which details the complaints filed against our campaign by James Sumner, Chairman, of the Re-Elect Les AuCoin Committee.

Our treasurer, Kenneth Ross, has passed the information into my hands, due to the fact that I am more intimately familiar with the circumstances that surround the early stages of our campaign. To introduce myself, I am Jim Cason, Campaign manager for the Committee to Elect Lynn Engdahl. I started this campaign with zero political knowledge, with a candidate who had minimal technical expertise in the political world. I have since learned a great many things in very short order (having participated in numerous political seminars, the RNCC Campaign Management course, and many hours of reading followed by Q & A sessions with Oregon politico's). However, I can't profess to have been perfect in my performance. This complaint illustrates the point.

I readily admit that a few errors have been made during the early stages of this campaign. It would probably be difficult to find a new campaign that didn't make some error. We do feel that the errors that we've made were minor in nature. Further, we think that the fact remains that we have tried to rectify and correct any errors we've made in the past without any prompting or pressure from outside our campaign.

After discussing the complaints with our campaign staff, we can only describe the details surrounding the alleged violations and wait for your decision as to how we might correct any violation that has not been remedied satisfactorily already.

Our interest is and always has been to run a campaign which is totally legal and above board. We are willing to take whatever measures are necessary to rectify our past mistakes to the satisfaction of your office.

As for our violations, it is often said that ignorance of the law is no excuse. That may be true, but it still remains our only real defense. As you can see from our FEC filings, we began the process of getting this campaign organized and off the ground in August of 1979. We filed our initial statements of Candidacy, then started the mechanics of getting some volunteers with political knowledge, selecting an office site, began to put together information on how to run a campaign, etc. In essence, we were doing those things that we were told campaigns must do. During this period we received materials from the FEC that gave basic instructions on campaign law. Of course, they were read, though it appears that total comprehension did not take place.

Section V of the complaint infers that our campaign "knowingly accepted a contribution in violation of the contribution and expenditure limits". Further, it infers that Firouz Farivar was conceived of as a foreign national at the time we received the loan. Neither of these assertions are true.

Paid for and authorized by the Committee to Elect Lynn Engdahl.
1142 S.W. 12th, Portland, OR 97207 / Ph. 503-227-LYNN.

A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

The fact of the matter is we did accept a loan of \$1,200.00 and we do realize now that Firouz Farivar is classified for FEC purposes as a foreign national. However, at the time of the incident we had no knowledge that we would be violating FEC regulations by accepting the loan.

As you will note, the loan from Firouz Farivar was obtained on August 31, 1979. At the time, Firouz Farivar loaned us \$1,200.00 under a short term agreement. We knew at the time that a contribution in excess of \$1,000.00 could not be taken, but did not know that for FEC purposes a loan of \$1,200.00 would be considered the same as a contribution. Obviously, at that time, we were under the impression that loans were to be conceived of as a different thing than contributions.

As you will also note, we were ignorant of this until the filing of our first report (October 10, 1979). Otherwise, we would have certainly recognized it as an error and taken care of it as a problem prior to our first filing. It would have been ridiculous to have done otherwise. The item stands out so blatantly that it can only be attributed to ignorance.

After we had filed our October 10 statement, we realized that the FEC treated contributions and loans as the same thing. In response to that we attempted to rectify that situation by immediately repaying \$300.00 of the loan (on October 10, 1979), thus reducing the loan to acceptable limits. At that point, we assumed that problem was taken care of.

As for his status as a foreign national, I can only tell you that I know now that he is a foreign national. I have known Firouz Farivar for approximately five years. He lived for years before that in the Engdahl home. He seemed just about as American as the rest of us. So it didn't seem necessary to pursue that angle. It would appear that as a result of this situation that I would have to ask everyone who donates about their citizenship status. I suppose that a mitigating factor ~~here~~ is that Mrs. Engdahl is also of foreign decent, but I know that she is a citizen of the U.S. I had just assumed an appropriate status for Firouz Farivar, and had therefore discounted the foreign national aspect.

Our end of the year report details the fact that the balance of the loan was repaid on November 8, 1979. We had gone through **the entire period without** questioning his green card or citizenship status. I finally discovered the nature of his residence in December when he went in for conference with the Dept. of Immigration as per President Carter's order to do so.

At that point in time, the loan had already been repaid so it didn't seem like there was anything else we could do to rectify our past error. If there is something we should do now, please let us know.

With regard to the letter sent to Martin Zinda's friends over ACM letterhead, it is true that the letter was sent, that ACM is an Oregon corporation and that the letter did not have a disclaimer on it. Though the following factors will not change the situation, it might at least help to explain our thinking at that time.

ACM Real Estate is an Oregon corporation owned by candidate, Lynn Engdahl (1/3), campaign chairman, Martin Zinda (1/3) and by myself, Jim Cason (1/3). I state this to illustrate the fact that in law we are defined as a corporation, but in practice we are a closed corporation akin to a partnership. Therefore, there are no stockholders who are unaware of anything that influences our business. We also know that corporations can't make political contributions, therefore we have made a very conscious and direct effort to keep the two entities totally separate.

At that time, Martin Zinda asked if he could send a letter to his real estate buddies to help the campaign. Since he is the campaign chairman, though with only minimal involvement, the obvious answer was "Sure, write a letter". As you can see from the letter attached to the complaint, he did in fact send a letter to his buddies. The letter was one from Martin Zinda personally, which just happened to be on our corporate letterhead. At the time, we didn't think a thing about it, due to the fact that people perceive ACM Real Estate and Martin Zinda as virtually the same. So the letterhead acts as his own personal letterhead in normal situations as well as the cited incident.

Obviously, the letter had no disclaimer because we did not know that that type of letter required one. We had assumed that a letter sent over someone's signature that was personal in nature needed no disclaimer. We learned of this mistaken notion after sending Martin Zinda's letter (10/5/79) and similar letter signed by a Dr. Smith (10/10/79).

When I discovered this mistaken notion, I verbally coached the people associated with the campaign that we had to be careful to put disclaimers on everything. We have had only one other mistake as far as I know that is of a similar nature. During a vacation absence, a new, over exuberant volunteer committed the same mistake. Approximately one fourth of the mailing went out with out a disclaimer. I got back from vacation at that point, immediately stopped the mailing, yelled and screamed (as calmly as possible) and had the rest of the mailing destroyed and reprinted with a disclaimer.

To further emphasize the seriousness of the matter, I wrote a memo to the volunteer (who was responsible for the mailing error) and to the Candidate (who is ultimately responsible for every campaign action). For your information, I have included a copy of that memo. We have instituted a hard and fast rule that everything that goes out of this office is approved by me first. If I'm not here, it doesn't go out.

Again, you can see we unknowingly erred in our ways. And again, before being prompted by anyone we took internal measures to stop the problem from happening again.

To give you full details on our disclaimerless mailing, we have researched the mailings and have concluded:

Martin Zinda - 68 people mailed		
Cost of stationary (approximately)		\$4.80
Cost of Zeroxing (approximately)		3.40
Cost of postage (our stamps)		0.00
Maximum cost to Martin		\$8.20*

*Since we know that we cannot accept a corporate contribution we are more than willing to repay ACM Real Estate this cost or further correct our error in any way you see fit. Sixty eight pieces of stationary usually isn't given much consideration, explaining why it wasn't thought of as being of noteworthy value.

We know now that others have attributed much more value to it than we did so please tell us how to deal with 68 pieces of stationary. Incidentally, the response to this letter was exactly zero as far as we can tell. So we didn't necessarily gain any advantage.

Dr. Smith - 40 people mailed		
Cost of stationary (1 page)		\$?
Cost of printing (we printed it)		0
Cost of postage (our stamps)		0
Cost to Dr. Smith		0.00

This letter also had minimal response.

Phil Bladine - Total of 800 (+ or -)
1 piece of stationary
We paid printing and postage

We corrected this mailing in midstream and have informed Phil of the situation.

We can't admit to being error free thus far in our campaign. However, we believe that once we learned of an error, we were responsible in our handling of it. In each case, we informed those people directly involved, and we took measures to correct them. We believe that we have done many things to make our campaign error free and we have done everything possible to rectify our early mistakes.

Therefore, we feel that this complaint is untimely and the compliance sought in Section X of the complaint has already been achieved. Further, we respectfully submit that no further action should be taken against the Committee to Elect Lynn Engdahl, its volunteers or its personnel.

Sincerely,

Jim Cason

Jim Cason
Campaign Manager
Committee to Elect Lynn Engdahl

P. S. Thank you for your prompt consideration of our response. If there are any other questions I might answer to further clarify the situation, please feel free to call me at the campaign office, (503) 227-5966.

Memo to: Helen Snow, Assistant Campaign Manager
Lynn Engdahl, Candidate

Memo From: Jim Cason
Campaign Manager

Date: January 8, 1980

RE: Solicitation mailing to Bladine list

Attached to this memo please find a copy of the letter sent to approximately one fourth of Phil Bladine's mailing list. You will notice that there is a large red circle at the bottom of the page. Inside that circle, there should have been a disclaimer that read, " Paid for and authorized by the Committee to Elect Lynn Engdahl. A copy of our report is filed with and is available for purchase from the Federal Election Commission, Washington D.C." Obviously, someone has not been listening to my tirades concerning the necessity to adhere totally and strictly to the laws governing this activity.

I assume that this act of omission was of an unconscious nature. However, the reason for the mistake does not preclude the potential liability ensuing as a result of the omission. We are clearly liable for our mistake at this time and are subject to the sanctions of the Federal Elections Commission.

Further, so that no future confusion is possible let me quote the "Campaign Guide for Congressional Candidates and their Committees," sent to us by the Federal Elections Commissions. In Part II, Subsection 1 & 2, it states:

- 1) All fundraising materials must include the following solicitation notice:

A copy of our report is filed with the Federal Elections Commission and is available for purchase from the Federal Elections Commission Washington D.C.

- 2) The notice must appear on the face or front page of printed literature or advertisement, or at the beginning or end of any broadcast solicitation. 102.13 and 110.11 (c).

- 2) Fundraising materials must also include a notice indicating they have been authorized by the campaign.

For your further information, I have included a copy of Appendix D of the same document thereby providing you a copy of acceptable notices.

Finally, it appears that extra caution becomes necessary at this point in time. Therefore, it now becomes policy that nothing is sent out of this office concerning this campaign without my prior approval. This campaign does not need the negative effects created by an FEC investigation, nor could it survive if this unprofessional approach is maintained.

Hopefully, this second reminder is worded strongly enough to provide the impetus in your mind to ensure that this mistake does not take on a recurring nature.

ANY QUESTIONS!!

From the desk of:

Phil Bladine

January 7, 1980

Dear *Paul*,

It is time for true commitment: I need your support for a political campaign. In 1976 I ran for Congress for Oregon District #1. You gave me support and, as you know, I am extremely grateful. In making the run, I laid the groundwork for a strong bid for that seat to return a person favoring fiscal responsibility and less government control.

We have a candidate this year who can build on my foundation and will win the race! We need to give him full support.

LYNN ENGDAHL

is my choice for District #1, U.S. Congress. I urge you to give generously. Campaigns cost more now than four years ago, so I urge you to give him at least as large a donation as you gave to me. The earlier we get behind Lynn, the more powerful his successful bid for office will be.

I enclose a donor's card and a return envelope for your use. Please don't disregard it.

Lynn would appreciate a personal visit.
His office is open at:

1142 S.W. 12th
Portland, Oregon

227-5966 (227-LYNN)

P.O. Box 1980
Federal Station
Portland, OR 97207

TAKE TIME TO CONTACT HIM AND GET TO KNOW HIM BETTER!!

Thank you for remaining concerned about our government and thank you for helping me with the difficult task of turning Congress around.

Sincerely,

Phil Bladine

DISCLAIMER GOES HERE !!!

D APPENDIX ON SAMPLE NOTICES OF AUTHORIZATION

The Federal Election Commission has issued the following examples of the proper wording for the notice of authorization required in connection with political announcements and statements.

1. A political communication which is paid for by John Smith which advocates the election of Robert Jones, which is authorized by Robert Jones' campaign committee, and which solicits contributions to candidate Jones campaign, would have as a notice sufficient to meet the legal requirements of both a broadcast or non-broadcast political communication the following:

Paid for by John Smith and authorized by Robert Jones for Congress Committee. A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.

2. If the same communication was financed and authorized by Robert Jones' campaign committee, Robert Jones for Congress, the notice would state:

Paid for by Robert Jones for Congress Committee. A copy of our report is filed and is available for purchase from the Federal Election Commission, Washington, D.C.

3. If a political committee, the Good Government Committee (whose parent is the ABC Corporation) issues a political advertisement which advocates the defeat of Robert Jones, which is not authorized by any candidate who opposes Robert Jones, and which does not solicit contributions, the notice would state:

Paid for by Good Government Committee (ABC Corporation) and not authorized by any candidate.

4. If, of course, the same political advertisement solicited contributions and was authorized by the campaign committee of Robert Jones' opponent, Larry Loe for Congress, the notice would state:

Paid for by the Good Government Committee and authorized by Larry Loe for Congress. A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.

5. In the final example, the ABC Political Committee issues a political communication advocating the election of Larry Loe instead of the defeat of Robert Jones, and, although unauthorized by Larry Loe, his campaign committee, or any of their agents, solicits contributions to Larry Loe as is the previous example. In this case, the notice would state:

Paid for by the Good Government Committee (ABC Corporation) and not authorized by any candidate. A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.

AKK# 1268

1151

RECEIVED

ENGDAHL FOR CONGRESS

Federal Station
P.O. Box 1980
Portland, OR 97207

80 MAY '6 AM 11:52

May 1, 1980

Deborah Curry
Federal Election Commission
1325 K. Street N.W.
Washington, D.C. 20463

Dear Deborah,

It was a pleasure talking to you on the phone regarding our MUR. However, I must admit, the subject matter is low on my list of favorite subjects to chat about. Perhaps after this matter is finished we will have occasion to talk of something that doesn't involve problems.

As we requested in our initial response and as I reiterated on the phone, we would like to finish this matter in the most expedient manner possible. Therefore, we respectfully request you to begin informal conciliation procedures.

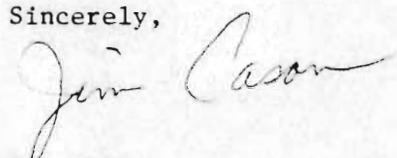
As I mentioned on the phone, we have never denied that we made a mistake, however the mitigating circumstances reduce that mistakes down to very small proportions in our opinions.

Lastly we did everything we could to rectify each mistake. Accordingly, we feel that informal conciliation will not do anything that we hadn't voluntarily done months ago. Nonetheless, we are willing to go through the motions and are very grateful for your help in getting this matter taken care of.

If you have any further questions, please call our campaign office at (503) 227-5966.

Have a nice day.

Sincerely,



Jim Cason
Campaign Manager

04:40
MAY 7 1980
FEDERAL ELECTION COMMISSION

Paid for and authorized by the Committee to Elect Lynn Engdahl,
1142 S.W. 12th, Portland, OR 97207 / Ph. 503-227-LYNN.

A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

ENGDAHL FOR CONGRESS

Federal Station
P.O. Box 1980
Portland, Oregon 97207



OGE

Deborah Curry
Federal Elections Commission
1325 K. Street N.W.
Washington D.C. 20463

60 MAY 11 11:52 AM '80

RECEIVED

March 5, 1980

Charles Steele
Federal Election Commission
1325 K. Street N.W.
Washington D.C. 20463

Dear Mr. Steele,

006085

I can see that our campaign has gained the attention of others. Unfortunately, as always, when one makes a mistake it seems to follow one forever.

I have received your communication regarding the complaint filed by Les AuCoin's watchdog (MUR: 1159). It is a problem that was discovered quite some time ago, however as in every circumstance of life, an error made can never be unmade.

Early in this campaign, we were trying to get the ball rolling to get a real fired up campaign. At that time, I sent the letter complained about to a group of my Real Estate Associates. At the time it was sent, I thought that I would be helping out the campaign. As it turns out, all that ~~has~~ been accomplished is to make more work.

To specifically respond to the assertions of the complainant, it is a fact that I made a small mailing of the letter cited and that I did not put a disclaimer on it. Since that day I have gotten an earful about how it should have been done differently.

As for trying to rectify that mistake I have kept out of the campaign mailing business since then. We discussed a remailing to the same group using another letter with a disclaimer, however it was decided that

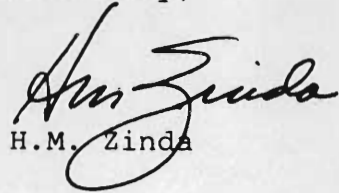
- 1) it wouldn't change the fact that the first letter had been sent,
- 2) the disclaimer on the second letter wouldn't be read anyway, and
- 3) why waste money remailing to a list that didn't produce anything the first time. If you have a way to correct it any better just let me know.

As for the corporate contribution aspect, I can only offer conjecture. ACM is currently a corporation, though not long ago, I owned ACM as a DBA. As you will notice on the letterhead attached to the complaint there is no "Inc." denoting corporate status. I can't prove that that particular stationary was owned by me personally from my DBA period, but there is certainly room for doubt as to its "corporate" origin.

Given the minute contributory nature of my stationary for this mailing we did not record it as a contribution to the campaign. If you decide this matter has need of further action, I would be willing to pay cash to the company for the stationary and have an In-Kind contribution recorded to me. It's futile for me to try to foretell your eventual proposed solution, so I won't even try. Just let it be noted that I am willing to help with whatever solution you come up with.

I hope that I've been of assistance. I can see that my enthusiasm to help with the campaign has created problems. I would hope that the solutions can be achieved as easily as the problems were made. What's next?

Sincerely,

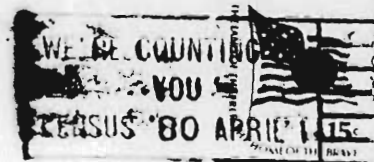
A handwritten signature in cursive script, appearing to read "H.M. Zinda".

H.M. Zinda

P.S. Why does the law have to be so complicated and difficult to work with? Incidentally, I have avoided using my normal stationary for fear that that might be wrong too. Is it? As I understand it your office won't even give direction on that without an official advisory opinion.

00040311220

004021122
MARTIN ZINDA
2630 SW Vista
Portland, Oregon 97201



Charles Steele
Federal Election Commission
1325 K. Street, NW
Washington, D.C. 20463

GCF#
688

March 6, 1980

Charles N. Steele
General Counsel
Federal Election Commission
1325 K. St. NW
Washington D.C. 20463

MUR: 1150

006876

Dear Mr. Steele,

I am confused. I have received a copy of a complaint from your office which implies that some violation of the Federal Election Campaign Act has taken place. However, after several, careful readings of the complaint and the attached literature, I still can't figure out if I've done anything wrong.

It would appear that the Committee to Elect Lynn Engdahl made some errors, but that I am party to this only because I made the loan. I hope this is the case. I don't know how you would expect me to be aware of all your election campaign laws.

I have never been involved in U.S. politics before. I would not now be involved except for the fact that I have been part of the Engdahl home for many years. Therefore when Lynn Engdahl decided to run for office I wanted to help in whatever way I could, though the assistance I could lend would be small in amount.

When Lynn started the campaign he asked if I could help with a loan so that telephones could be put into his campaign office. We agreed that a short term loan of \$1,200.00 could be made if I could receive the funds back within a couple of months.

With that agreement and following a discussion with the co-signer on my account, Mrs. Engdahl (Lynn's wife), we agreed to make the loan.

The arrangement went satisfactorily until early October when I unexpectedly received \$300.00 back on the loan. It was explained to me that Jim Cason had discovered that you wouldn't allow a loan of over \$1000.00. Hence, with partial repayment the loan became \$900.00, which is under your limit.

Then, as per our agreement, I received the balance of the loan back in early November.

In December, I asked Jim Cason if I could make a donation to the campaign. He said "No" because he couldn't accept any fund from me without my having a green card. (If you'll remember, President Carter ordered all Iranian students to report for questioning in December. Your Dept. of Immigration people had a sudden lapse of memory as to their permission for me to work. I, then, received a letter from Jim Cason, acting as character witness.)

Since December, I haven't had any contact with the campaign, except for my normal visits to the Engdahl home. From reading the complaint and

62:2 d 11 MAR 80

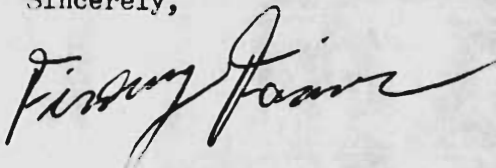
RECEIVED
OFFICE OF THE
GENERAL COUNSEL

00040311222

knowing my part of the situation, I don't think I've done anything wrong. I have enough problems with school & living here without adding some more for a loan that was repaid a long time ago.

I hope I've been of help to you. There really isn't much to tell and it seems to be a rather insignificant matter. I await your further communication.

Sincerely,

A handwritten signature in cursive script, appearing to read "Firouz Farivar".

Firouz Farivar

12450 N.W. Barnes Rd. #23-H
Portland, Oregon 97229

00040211223

00402113
Firouz Farivar
1200 N.W. Barnes Rd. # 23-H
Portland, Oregon 97229

RETURN RECEIPT
REQUESTED

CERTIFIED

P05 5373661

MAIL

Mr. Charles N. Steele
General Counsel
Federal Election Commission
1325 K. St. NW
Washington D.C. 20463



RECEIVED
DEFENSE COUNSEL
ENGDAHL FOR CONGRESS

Federal Station
P.O. Box 1980
Portland, OR 97207

February 27, 1980

MAR 11 11:20

MUR: 1159

Charles N. Steele
General Counsel
Federal Elections Commission
1325 K. ST. N.W.
Washington, D.C. 20463

006862

Dear Mr. Steele,

We are in receipt of your communication dated February 15, 1980, which details the complaints filed against our campaign by James Sumner, Chairman, of the Re-Elect Les AuCoin Committee.

Our treasurer, Kenneth Ross, has passed the information into my hands, due to the fact that I am more intimately familiar with the circumstances that surround the early stages of our campaign. To introduce myself, I am Jim Cason, Campaign manager for the Committee to Elect Lynn Engdahl. I started this campaign with zero political knowledge, with a candidate who had minimal technical expertise in the political world. I have since learned a great many things in very short order (having participated in numerous political seminars, the RNCC Campaign Management course, and many hours of reading followed by Q & A sessions with Oregon politico's). However, I can't profess to have been perfect in my performance. This complaint illustrates the point.

I readily admit that a few errors have been made during the early stages of this campaign. It would probably be difficult to find a new campaign that didn't make some error. We do feel that the errors that we've made were minor in nature. Further, we think that the fact remains that we have tried to rectify and correct any errors we've made in the past without any prompting or pressure from outside our campaign.

After discussing the complaints with our campaign staff, we can only describe the details surrounding the alleged violations and wait for your decision as to how we might correct any violation that has not been remedied satisfactorily already.

Our interest is and always has been to run a campaign which is totally legal and above board. We are willing to take whatever measures are necessary to rectify our past mistakes to the satisfaction of your office.

As for our violations, it is often said that ignorance of the law is no excuse. That may be true, but it still remains our only real defense. As you can see from our FEC filings, we began the process of getting this campaign organized and off the ground in August of 1979. We filed our initial statements of Candidacy, then started the mechanics of getting some volunteers with political knowledge, selecting an office site, began to put together information on how to run a campaign, etc. In essence, we were doing those things that we were told campaigns must do. During this period we received materials from the FEC that gave basic instructions on campaign law. Of course, they were read, though it appears that total comprehension did not take place.

Section V of the complaint infers that our campaign "knowingly accepted a contribution in violation of the contribution and expenditure limits". Further, it infers that Firouz Farivar was conceived of as a foreign national at the time we received the loan. Neither of these assertions are true.

The fact of the matter is we did accept a loan of \$1,200.00 and we do realize now that Firouz Farivar is classified for FEC purposes as a foreign national. However, at the time of the incident we had no knowledge that we would be violating FEC regulations by accepting the loan.

As you will note, the loan from Firouz Farivar was obtained on August 31, 1979. At the time, Firouz Farivar loaned us \$1,200.00 under a short term agreement. We knew at the time that a contribution in excess of \$1,000.00 could not be taken, but did not know that for FEC purposes a loan of \$1,200.00 would be considered the same as a contribution. Obviously, at that time, we were under the impression that loans were to be conceived of as a different thing than contributions.

As you will also note, we were ignorant of this until the filing of our first report (October 10, 1979). Otherwise, we would have certainly recognized it as an error and taken care of it as a problem prior to our first filing. It would have been ridiculous to have done otherwise. The item stands out so blatantly that it can only be attributed to ignorance.

After we had filed our October 10 statement, we realized that the FEC treated contributions and loans as the same thing. In response to that we attempted to rectify that situation by immediately repaying \$300.00 of the loan (on October 10, 1979), thus reducing the loan to acceptable limits. At that point, we assumed that problem was taken care of.

As for his status as a foreign national, I can only tell you that I know now that he is a foreign national. I have known Firouz Farivar for approximately five years. He lived for years before that in the Engdahl home. He seemed just about as American as the rest of us. So it didn't seem necessary to pursue that angle. It would appear that as a result of this situation that I would have to ask everyone who donates about their citizenship status. I suppose that a mitigating factor here is that Mrs. Engdahl is also of foreign decent, but I know that she is a citizen of the U.S. I had just assumed an appropriate status for Firouz Farivar, and had therefore discounted the foreign national aspect.

Our end of the year report details the fact that the balance of the loan was repaid on November 8, 1979. We had gone through **the entire period without questioning** his green card or citizenship status. I finally discovered the nature of his residence in December when he went in for conference with the Dept. of Immigration as per President Carter's order to do so.

At that point in time, the loan had already been repaid so it didn't seem like there was anything else we could do to rectify our past error. If there is something we should do now, please let us know.

With regard to the letter sent to Martin Zinda's friends over ACM letterhead, it is true that the letter was sent, that ACM is an Oregon corporation and that the letter did not have a disclaimer on it. Though the following factors will not change the situation, it might at least help to explain our thinking at that time.

ACM Real Estate is an Oregon corporation owned by candidate, Lynn Engdahl (1/3), campaign chairman, Martin Zinda (1/3) and by myself, Jim Cason (1/3). I state this to illustrate the fact that in law we are defined as a corporation, but in practice we are a closed corporation akin to a partnership. Therefore, there are no stockholders who are unaware of anything that influences our business. We also know that corporations can't make political contributions, therefore we have made a very conscious and direct effort to keep the two entities totally separate.

At that time, Martin Zinda asked if he could send a letter to his real estate buddies to help the campaign. Since he is the campaign chairman, though with only minimal involvement, the obvious answer was "Sure, write a letter". As you can see from the letter attached to the complaint, he did in fact send a letter to his buddies. The letter was one from Martin Zinda personally, which just happened to be on our corporate letterhead. At the time, we didn't think a thing about it, due to the fact that people perceive ACM Real Estate and Martin Zinda as virtually the same. So the letterhead acts as his own personal letterhead in normal situations as well as the cited incident.

Obviously, the letter had no disclaimer because we did not know that that type of letter required one. We had assumed that a letter sent over someone's signature that was personal in nature needed no disclaimer. We learned of this mistaken notion after sending Martin Zinda's letter (10/5/79) and similar letter signed by a Dr. Smith (10/10/79).

When I discovered this mistaken notion, I verbally coached the people associated with the campaign that we had to be careful to put disclaimers on everything. We have had only one other mistake as far as I know that is of a similar nature. During a vacation absence, a new, over exuberant volunteer committed the same mistake. Approximately one fourth of the mailing went out with out a disclaimer. I got back from vacation at that point, immediately stopped the mailing, yelled and screamed (as calmly as possible) and had the rest of the mailing destroyed and reprinted with a disclaimer.

To further emphasize the seriousness of the matter, I wrote a memo to the volunteer (who was responsible for the mailing error) and to the Candidate (who is ultimately responsible for every campaign action). For your information, I have included a copy of that memo. We have instituted a hard and fast rule that everything that goes out of this office is approved by me first. If I'm not here, it doesn't go out.

Again, you can see we unknowingly erred in our ways. And again, before being prompted by anyone we took internal measures to stop the problem from happening again.

To give you full details on our disclaimerless mailing, we have researched the mailings and have concluded:

Martin Zinda - 68 people mailed		
Cost of stationary (approximately)		\$4.80
Cost of Zeroxing (approximately)		3.40
Cost of postage (our stamps)		0.00
Maximum cost to Martin		\$8.20*

*Since we know that we cannot accept a corporate contribution we are more than willing to repay ACM Real Estate this cost or further correct our error in any way you see fit. Sixty eight pieces of stationary usually isn't given much consideration, explaining why it wasn't thought of as being of noteworthy value.

We know now that others have attributed much more value to it than we did so please tell us how to deal with 68 pieces of stationary. Incidentally, the response to this letter was exactly zero as far as we can tell. So we didn't necessarily gain any advantage.

Dr. Smith - 40 people mailed		
Cost of stationary (1 page)		\$?
Cost of printing (we printed it)		0
Cost of postage (our stamps)		0
Cost to Dr. Smith		0.00

This letter also had minimal response.

Phil Bladine - Total of 800 (+ or -)
1 piece of stationary
We paid printing and postage

We corrected this mailing in midstream and have informed Phil of the situation.

We can't admit to being error free thus far in our campaign. However, we believe that once we learned of an error, we were responsible in our handling of it. In each case, we informed those people directly involved, and we took measures to correct them. We believe that we have done many things to make our campaign error free and we have done everything possible to rectify our early mistakes.

Therefore, we feel that this complaint is untimely and the compliance sought in Section X of the complaint has already been achieved. Further, we respectfully submit that no further action should be taken against the Committee to Elect Lynn Engdahl, its volunteers or its personnel.

Sincerely,

Jim Cason

Jim Cason
Campaign Manager
Committee to Elect Lynn Engdahl

P. S. Thank you for your prompt consideration of our response. If there are any other questions I might answer to further clarify the situation, please feel free to call me at the campaign office, (503) 227-5966.

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From the desk of:

Phil Bladine

January 7, 1980

Dear *Paul*,

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We have a candidate this year who can build on my foundation and will win the race! We need to give him full support.

LYNN ENGDAHL

is my choice for District #1, U.S. Congress. I urge you to give generously. Campaigns cost more now than four years ago, so I urge you to give him at least as large a donation as you gave to me. The earlier we get behind Lynn, the more powerful his successful bid for office will be.

I enclose a donor's card and a return envelope for your use. Please don't disregard it.

Lynn would appreciate a personal visit.
His office is open at:

1142 S.W. 12th
Portland, Oregon

227-5966 (227-LYNN)

P.O. Box 1980
Federal Station
Portland, OR 97207

TAKE TIME TO CONTACT HIM AND GET TO KNOW HIM BETTER!!

Thank you for remaining concerned about our government and thank you for helping me with the difficult task of turning Congress around.

Sincerely,

Phil Bladine

DISCLAIMER GOES HERE !!!

D. APPENDIX ON SAMPLE NOTICES OF AUTHORIZATION

The Federal Election Commission has issued the following examples of the proper wording for the notice of authorization required in connection with political announcements and statements.

1. A political communication which is paid for by John Smith which advocates the election of Robert Jones, which is authorized by Robert Jones' campaign committee, and which solicits contributions to candidate Jones campaign, would have as a notice sufficient to meet the legal requirements of both a broadcast or non-broadcast political communication the following:

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2. If the same communication was financed and authorized by Robert Jones' campaign committee, Robert Jones for Congress, the notice would state:

Paid for by Robert Jones for Congress Committee. A copy of our report is filed and is available for purchase from the Federal Election Commission, Washington, D.C.

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4. If, of course, the same political advertisement solicited contributions and was authorized by the campaign committee of Robert Jones' opponent, Larry Loe for Congress, the notice would state:

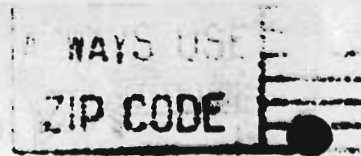
Paid for by the Good Government Committee and authorized by Larry Loe for Congress. A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.

5. In the final example, the ABC Political Committee issues a political communication advocating the election of Larry Loe instead of the defeat of Robert Jones, and, although unauthorized by Larry Loe, his campaign committee, or any of their agents, solicits contributions to Larry Loe as is the previous example. In this case, the notice would state:

Paid for by the Good Government Committee (ABC Corporation) and not authorized by any candidate. A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.

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004021202
ENGDAHL FOR CONGRESS

Federal Station
P.O. Box 1980
Portland, Oregon 97207



CERTIFIED

P133076804

MAIL

Charles N. Steele
General Counsel
Federal Elections Commission
1325 K. ST. N.W.
Washington, D.C. 20463



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 15, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re-Elect Les AuCoin Committee
James Sumner, Chairman
P.O. Box 1211
Portland, Oregon 97207

Dear Sirs:

This letter is to acknowledge receipt of your complaint of February 7, 1980, against the Committee to Elect Lynn Engdahl, Firoux Farivar, and A/C/M Real Estate which alleges violations of the Federal Election Campaign laws. A staff member has been assigned to analyze your allegations. The respondents will be notified of this complaint within 5 days and a recommendation to the Federal Election Commission as to how this matter should be handled will be made 15 days after the respondents' notification. You will be notified as soon as the Commission takes final action on your complaint. Should you have or receive any additional information in this matter, please forward it to this office. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles N. Steele", is written over the typed name.

Charles N. Steele
General Counsel

Enclosure

00040211233

PS Form 3811, Aug. 1978

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: <i>James Sumner</i>								
3. ARTICLE DESCRIPTION: <table border="1"><tr><td>REGISTERED NO.</td><td>CERTIFIED NO.</td><td>INSURED NO.</td></tr><tr><td></td><td>943874</td><td></td></tr></table> (Always obtain signature of addressee or agent) I have received the article described above SIGNATURE ☐ Addressee ☐ Authorized Agent <i>SE 570</i>			REGISTERED NO.	CERTIFIED NO.	INSURED NO.		943874	
REGISTERED NO.	CERTIFIED NO.	INSURED NO.						
	943874							
4. DATE OF DELIVERY		POSTMARK FEB 23 1980						
5. ADDRESS (Complete only if requested)								
6. UNABLE TO DELIVER BECAUSE:		CLERK'S INITIALS						

☆ GPO: 1978-272-382

1159



FEDERAL ELECTION COMMISSION

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

February 15, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

A/C/M/ Real Estate
Suite 202, Riviera Plaza Building
1618 Southwest First
Portland, Oregon 97201

Re: MUR 1159

Dear Sirs:

This letter is to notify you that on February 11, 1980, the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of the complaint is enclosed. We have numbered this matter MUR 1159. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against you in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

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 matter to be made public.

If you intend to be represented by counsel in this matter, please advise the Commission by sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications

from the Commission.

If you have any questions, please contact Kathy Perkins, the attorney assigned to this matter at (202) 523-4175. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
Charles N. Steele
General Counsel

Enclosures

1. Complaint
2. Procedures

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.	
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: <i>A CM Real Estate</i>	
3. ARTICLE DESCRIPTION: REGISTERED NO. <i>943879</i>	CERTIFIED NO. INSURED NO.
I have received the article described above: SIGNATURE <i>Charles N. Steele</i> ☐ Addressee ☐ Authorized agent (Always obtain signature of addressee or agent)	
4. DATE OF DELIVERY FEB 27 1980 POSTMARK	
5. ADDRESSEE'S (Complete only if requested):	
6. UNABLE TO DELIVER BECAUSE:	
CLERK'S INITIALS	

PS Form 3811, Aug. 1978

RETURN RECEIPT REGISTERED, INSURED AND CERTIFIED MAIL

1159

☆ GPO: 1978-278-382



FEDERAL ELECTION COMMISSION

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

February 15, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Firoux Farivar
2715 North Main, #8
Forest Grove, Oregon 97116

Re: MUR 1159

Dear Mr. Farivar:

This letter is to notify you that on February 11, 1980, the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of the complaint is enclosed. We have numbered this matter MUR 1159. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against you in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

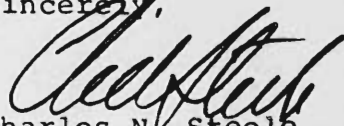
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If you have any questions, please contact Kathy Perkins, the attorney assigned to this matter at (202) 523-4175. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,


Charles N. Steele
General Counsel

Enclosures

1. Complaint
2. Procedures



FEDERAL ELECTION COMMISSION

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

February 15, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Committee to Elect Lynn Engdahl
c/o Kenneth B. Ross
1142 Southwest 12th Street
Portland, Oregon 97205

Re: MUR 1159

Dear Sirs:

This letter is to notify you that on February 11, 1980, the Federal Election Commission received a complaint which alleges that your committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of the complaint is enclosed. We have numbered this matter MUR 1159. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against your committee in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

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 matter to be made public.

If you intend to be represented by counsel in this matter, please advise the Commission by sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Kathy Perkins, the attorney assigned to this matter at (202) 523-4175. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

[Handwritten Signature]
 Charles N. Steele
 General Counsel

Enclosures

1. Complaint
2. Procedures

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: <i>Comm to Elect Lyna Engdahl</i>	
3. ARTICLE DESCRIPTION: REGISTERED NO. <i>943878</i>	INSURED NO.
4. I have received the article described above. SIGNATURE <i>J. C. Luson</i> ☐ Addressee ☐ Authorized agent (Always obtain signature of addressee or agent)	
DATE OF DELIVERY	5. ADDRESS (Complete only if requested)
6. UNABLE TO DELIVER BECAUSE	
CLERK'S INITIALS	

PS Form 3811, Aug. 1978

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

1159

COMPLAINT TO THE FEDERAL ELECTION COMMISSION

Complainants:

Re-Elect Les AuCoin Committee
James Sumner

Address & Telephone number of Complainants

P.O. Box 1211
Portland, Oregon 97207
503-283-1559

For their Complaint, the complainants allege:

I

Complainants bring this Complaint pursuant to section 309, Federal Election Campaign Act (1980) and Federal Election Commission Regulation 111.2. Complainants bring this Complaint at the request of Les AuCoin who is a candidate for re-election as a United States Representative of the First Congressional District in the state of Oregon.

II

The Re-Elect Les AuCoin Committee is registered with the Federal Election Commission (identification no. HR035980) as the principal campaign committee for the re-election of Les AuCoin and is authorized by him to receive contributions and to make expenditures on his behalf. James Sumner is chairman of the committee.

III

The Committee To Elect Lynn Engdahl is registered with the Federal Election Commission (identification no. 086002) as the principal campaign committee for the election of Lynn Engdahl as United States Representative from the First Congressional District in the state of Oregon.

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COMMISSION

'80 FEB 11 PM 1:23

COPY TO
GROSS
2-12-80

GCC#
349

MUR 1157

0000011241

IV

According to the contribution and expenditure report filed by the Committee To Elect Lynn Engdahl on October 10, 1979, that committee has received a loan of \$1,200 from Firoux Farivar, 2715 North Main, No. 8, Forest Grove, Oregon, 97116. Complainants are informed and believe that Firoux Farivar is a foreign national.

V

Acceptance of the loan from Firoux Farivar constitutes a violation of 2 USC 441 (b), now §315 (f) of the Federal Election Campaign Act (1980) which prohibits a political committee from knowingly accepting any contribution in violation of the contribution and expenditure limitations of the Act. The loan in excess of \$1,000 violates 2 USC 441 (a)(1)(A), now §315 (a)(1)(A) of the Act and reg. 110.1 (a)(1).

VI

Acceptance of the contribution from Firoux Farivar constitutes a violation of 2 USC 441 (e), now §319 of the Act and reg. 110.4 (2) prohibiting any person to accept or receive a contribution from a foreign national.

VII

On October 5, 1979 a letter soliciting campaign contributions on behalf of the Committee To Elect Lynn Engdahl was mailed within the First Congressional District of Oregon to potential contributors. The letter was sent by A.C.M. Real Estate. A copy of the letter is attached hereto as exhibit 'A'. Complainants are informed and believe that A.C.M. Real Estate is an Oregon corporation. Complainants believe that the sending of the letter was done with the knowledge and approval of the Committee To Elect Lynn Engdahl and with the knowledge and

approval of Mr. Engdahl himself.

VIII

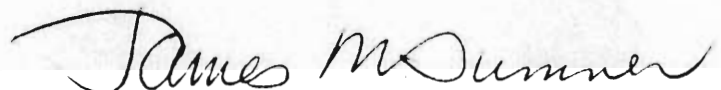
The sending of the fund solicitation letter described above constitutes an in-kind contribution from A_oC₁M₂Real Estate to the Committee To Elect Lynn Engdahl, 2 USC §431 (e)(1), now §315 (8) (A)(1) of the Act, and represents an expenditure made by A_oC₁M₂Real Estate to influence the election of Lynn Engdahl to federal office, 2 USC §431 (f)(1), now §315 (9) (A)(i) of the Act. Receipt of such contribution and making of such expenditure is in violation of 2 USC §441 b (a), now §316 (a) of the Act.

IX

The fund solicitation letter sent by A_oC₁M₂Real Estate on behalf of the Committee To Elect Lynn Engdahl fails to state that it has been authorized by Lynn Engdahl and the Committee To Elect Lynn Engdahl and fails to state who paid for the mailing. This violates 2 USC §441 d, now §318 (a) of the Act.

X

Complainants request the Federal Election Commission to initiate action pursuant to section 309 of the Act. to compel compliance with the Federal election laws by Lynn Engdahl, the Committee To Elect Lynn Engdahl, A_oC₁M₂Real Estate and persons operating in conjunction with them.


Re-Elect Les AuCoin Committee
By James Sumner, Chairman


James Sumner

STATE OF OREGON)
) ss.
County of Marion)

I, James Sumner, being first duly sworn say that I am the chairman of the Re-Elect Les AuCoin Committee and that the foregoing Complaint is true as I verily believe.

James M. Sumner
James Sumner

Subscribed and sworn to before me this 7th day of February,
1980.

Burke J. Blake
Notary Public for Oregon
My comm. exp.: 11/7/82

A₀|C₁|M₂ REAL ESTATE

A₀PARTMENT|C₁OMMERCIAL|M₂ANUFACTURING-INDUSTRIAL|SITE SEARCH

October 5, 1979



I am actively supporting LYNN ENGDAHL in the Congressional race for the District # 1 seat. The seat is currently held by Les Aucoin.

You know how hard you have to work for your dollars and you know how many of those dollars the government takes every month. Congress has consistently voted to spend: Even beyond the vast sums of tax dollars taken every day. Congress's lack of fiscal responsibility typifies the attitude of the government in general; the end result is INFLATION.

The positions Lynn Engdahl has taken are quite different than those of the incumbent. Lynn Engdahl supports the free enterprise system. Lynn Engdahl supports federal fiscal responsibility. Because the House controls the purse strings, these virtues are indeed important.

Successful campaigns are waged with money - lots of it - particularly against an incumbent. If you feel, as I do, that it is time to throw the spenders out of the House, then NOW is the time to ACT!!!

Your contribution to this campaign is needed. This is an early start for the 1980 elections. This campaign is being conducted on a professional level and the organization has been put in place. Your contribution will be used to put a better man in Congress, one who will work in your interest.

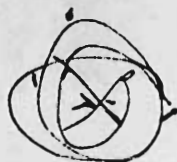
Thanking you in advance for your contribution.

Sincerely,

H. M. Zinda

P.S. Enclosed please find a return envelope that I picked up at the campaign headquarters. Write your check payable to the Committee to Elect Lynn Engdahl and mail it today. Thanks!

K/C/M Real Estate
Suite 202, Riviera Plaza Building
1618 Southwest First 97201
Portland, OR



LYNN ENGDAHL
Federal Station - Box 1980
Portland, Oregon 97207

Thank
You
Lynn

James M. Sumner
348 Washington St., S.
Salem, OR 97302



6004021124
60 FEB 11 PM 1:23

RECEIVED
FEDERAL ELECTION
COMMISSION

Federal Election Commission
1325 "K" Street, N.W.
Washington, D.C. 20463



FEDERAL ELECTION COMMISSION

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

THIS IS THE BEGINNING OF FUR # 1159

Date Filmed 9/18/80 Camera No. --- 2

Cameraman SPC