FEDERAL ELECTION COMMISSION

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

THIS IS THE END OF MUR # 1484

Date Filmed 8/7/85 Camera No. --- 2

Cameraman AS

8504035567

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 12, 1985

Robert F. Bauer, Esquire
Perkins, Coie, Stone, Olsen
and Williams
1110 Vermont Avenue, N.W.
Washington, D.C. 20005

RE: MUR 1484
Ruff Political Action
Committee
Hatch Election Committee
Friends of Orrin Hatch

Dear Mr. Bauer:

This is in reference to the complaint you filed with the Commission on October 14, 1982, on behalf of the Wilson for Utah Committee concerning the Ruff Political Action Committee, the Hatch Election Committee and the Friends of Orrin Hatch.

After conducting an investigation in this matter, the Commission determined there was probable cause to believe that the Ruff Political Action Committee violated 2 U.S.C. §§ 441a(a)(2)(A), 434(b)(4)(H)(i), and 441d, provisions of the Federal Election Campaign Act of 1971, as amended. On June 5 , 1985, a conciliation agreement signed by the Ruff Political Action Committee was accepted by the Commission, thereby concluding the matter. A copy of this agreement is enclosed for your information.

In addition, the Commission determined there was probable cause to believe the Hatch Election Committee and Friends of Orrin Hatch violated 2 U.S.C. §§ 441a(f) and 434(b)(2)(D) and (3)(A). The Commission voted, on , 1985, to close the file without reaching a conciliation agreement with these committees.

8504053568

The file number in this matter is MUR 1484. If you have any questions, please contact Stephen H. Mims, the attorney assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

8504053569

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 12, 1985

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

RE: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On June 5 , 1985, the Commission accepted the conciliation agreement signed by you on behalf of the Ruff Political Action Committee and a civil penalty in settlement of a violation of 2 U.S.C. §§ 434(b)(4)(H)(i) and 441d, provisions of the Federal Election Campaign Act of 1971, as amended. 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 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

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

8504053570

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1484
Ruff Political Action Committee	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by the Wilson for Utah Committee. An investigation has been conducted, and the Commission found probable cause to believe that the Ruff Political Action Committee ("Respondent") violated:

1) 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch;

2) 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch; and

3) 2 U.S.C. § 441d by failing to affix a proper disclaimer notice on a solicitation paid for by Ruff PAC.

NOW, THEREFORE, the Commission and Respondent, having duly entered into conciliation pursuant to 2 U.S.C. § 437g(a)(4)(A)(i), do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent, and the subject matter of this proceeding.

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.

3504053571

IV. The pertinent facts in this matter are as follows:

1. Ruff PAC is a political committee registered with the Federal Election Commission.

2. The Hatch Election Committee and Friends of Orrin Hatch are authorized political committees of Senator Orrin Hatch and are registered with the Federal Election Commission.

3. During the 1981-82 election cycle, Ruff PAC distributed two mailings through direct mail which had, as a purpose, the influencing of Senator Hatch's reelection campaign. Approximately 2.5% of the names in each mailing had Utah addresses. A biography of Senator Hatch was offered as a premium to contributors.

4. From November 1981 to June 1982, Respondent shared office space with the Hatch Election Committee. Conversations between representatives of the two organizations occurred during that time. During that time, Ruff PAC and the Hatch Election Committee exchanged mailing lists.

5. Respondent's contacts with the Hatch reelection campaign led Ruff PAC to decide that it would be precluded from making independent expenditures on behalf of Senator Hatch's reelection efforts. In addition, Ruff PAC did not transfer any funds to the Hatch reelection campaign.

6. The total costs of the two mailings was $40,999.83. All costs were paid by Ruff PAC.

8504053572

7. 2 U.S.C. § 441a(a)(7)(B)(ii) states that "expenditures made by any person in cooperation, or concert with, or at the request or suggestion of, a candidate, his authorized political committee or their agents, shall be considered to be contributions made to such candidates."

8. 2 U.S.C. § 441a(a)(2)(A) states that no multicandidate political committee shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceeds $5,000.

9. 2 U.S.C. § 434(b)(4)(H)(i) requires that a political committee report contributions which it makes to other political committees.

10. By failing to report any in-kind contributions to Senator Hatch, Ruff PAC also failed to satisfy the requirements of 2 U.S.C. § 434(b)(4)(H)(i).

V. Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch.

VI. Ruff PAC violated 2 U.S.C. § 441d by failing to affix a proper disclaimer notice on a solicitation made by Ruff PAC.

VII. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of Five Hundred Dollars ($500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

8504053573

VIII. Respondent agrees to file an amendment to its reports to identify the pro rated value of the two mailings as in-kind contributions on behalf of Senator Hatch's 1982 reelection campaign.

IX. Respondent agrees that it 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.

X. 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.

XI. This agreement shall become effective as of the date all parties hereto have executed the same and the Commission has approved the entire agreement.

XII. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XIII. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and

8504053574

no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be valid.

FOR THE COMMISSION:

Charles N. Steele
General Counsel

BY: Kenneth A. Gross Date June 12, 1985
Kenneth A. Gross
Associate General Counsel

FOR THE RESPONDENTS:

Jan W. Baran Date 5/15/85
Counsel

8504053575

GCC #2374 RECEIVED AT THE FEC

85 MAY 15 P 1:01

BAKER & HOSTETLER

ATTORNEYS AT LAW

WASHINGTON SQUARE, SUITE 1100

1050 CONNECTICUT AVE., N.W.

WASHINGTON, D.C. 20036

(202) 861-1500

TELECOPIER (202) 296-0577

TELEX 440-275-7876

IN CLEVELAND, OHIO
3200 NATIONAL CITY CENTER
CLEVELAND, OHIO 44114
(216) 621-0200
TWX 810 421 8378

IN COLUMBUS, OHIO
65 EAST STATE STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
SUITE 1100, 303 EAST 17TH AVENUE
DENVER, COLORADO 80203
(303) 861-0600

IN ORLANDO, FLORIDA
13TH FLOOR BARNETT PLAZA
ORLANDO, FLORIDA 32801
(305) 841-1111

WRITER'S DIRECT DIAL NO.:
(202) 861 - 1572

May 15, 1985

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

Re: MUR 1484 (Ruff Political Action Committee)

Dear Mr. Steele:

I am in receipt of your letter of May 3, 1985 regarding the above-captioned matter. My client, Ruff Political Action Committee, has reviewed the proposed conciliation agreement attached to your letter and has authorized me to sign it on its behalf.

Enclosed please find the conciliation agreement which I have executed on behalf of my client. Also enclosed is a check to the United States Treasurer in the sum of five hundred dollars ($500.00) which constitutes payment of the civil penalty contained in the agreement.

Sincerely,

Jan W. Baran

JWB:df
Enclosures

cc: Neal B. Blair

85 MAY 17 A9:45

RECEIVED
OFFICE OF
GENERAL COUNSEL

8504053576

Rec'd 5/16/85 GCC # 7474

MEMORANDUM

TO: CHERYL THOMAS

FROM: JOAN HARRIS

TO: JOAN HARRIS

FROM: CHERYL THOMAS

CHECK NO. ~~1862~~ 1862 (a copy of which is attached) RELATING TO MUR 1484 AND NAME Ruff PAC

WAS RECEIVED ON May 17, 1985. PLEASE INDICATE THE ACCOUNT INTO WHICH IT SHOULD BE DEPOSITED:

/✓/ BUDGET CLEARING ACCOUNT (#95F3875.16)

/ / CIVIL PENALTIES ACCOUNT (#95-1099.160)

/ / OTHER _____

SIGNATURE Cheryl R Thomas DATE 5/20/85

8504035577

H. J. RUFF - PAC
13924 BRADDOCK ROAD
P.O. BOX 881
CENTREVILLE, VA 22020

1862

88-790
560

May 10 1985

PAY TO THE ORDER OF U S TREASURER $ 500.00

Five hundred and no/100---------- DOLLARS

DOMINION BANK
Vienna, Va. 22180

FOR FEC settlement

⑈001862⑈ ⑆056007604⑆ 27803700⑈

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Ruff Political Action Committee	)	MUR 1484
Hatch Election Committee	)	
Friends of Orrin Hatch	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of April 2, 1985, do hereby certify that the Commission took the following actions in MUR 1484:

1. Failed on a vote of 3-2 to pass a motion to -

   a) Reject the counterproposals submitted by Ruff PAC and the Hatch Election Committee and Friends of Orrin Hatch.

   b) Authorize the Office of General Counsel to file a civil suit pursuant to 2 U.S.C. § 437g(a)(6)(A) against Ruff PAC, the Hatch Election Committee and the Friends or Orrin Hatch, but eliminate from the suit any reference to Mailing #3.

   c) Send appropriate letters pursuant to the above actions.

   Commissioners Harris, McDonald, and Reiche voted affirmatively for the decision; Commissioners Elliott and McGarry dissented. Commissioner Aikens was not present at the time of the vote.

(continued)

8504033573

2. Decided by a vote of 4-0 to direct the Office of General Counsel to continue conciliation with counsel for Ruff PAC.

Commissioners Elliott, Harris, McDonald, and McGarry voted affirmatively for the decision; Commissioner Reiche abstained; Commissioner Aikens was not present at the time of the vote.

Attest:

4-2-85
Date

Marjorie W. Emmons
Secretary of the Commission

8504053579

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Ruff Political Action Committee	)	MUR 1484
Hatch Election Committee	)	
Friends of Orrin Hatch	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of April 2, 1985, do hereby certify that the Commission took the following actions in MUR 1484:

1. Failed on a vote of 3-2 to pass a motion to -

   a) Reject the counterproposals submitted by Ruff PAC and the Hatch Election Committee and Friends of Orrin Hatch.

   b) Authorize the Office of General Counsel to file a civil suit pursuant to 2 U.S.C. § 437g(a)(6)(A) against Ruff PAC, the Hatch Election Committee and the Friends or Orrin Hatch, but eliminate from the suit any reference to Mailing #3.

   c) Send appropriate letters pursuant to the above actions.

   Commissioners Harris, McDonald, and Reiche voted affirmatively for the decision; Commissioners Elliott and McGarry dissented. Commissioner Aikens was not present at the time of the vote.

(continued)

8504053580

2. Decided by a vote of 4-0 to direct the Office of General Counsel to continue conciliation with counsel for Ruff PAC.

Commissioners Elliott, Harris, McDonald, and McGarry voted affirmatively for the decision; Commissioner Reiche abstained; Commissioner Aikens was not present at the time of the vote.

Attest:

4-2-85
Date

Marjorie W. Emmons
Secretary of the Commission

8504053581

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 12, 1985

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

RE: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On June 5 , 1985, the Commission accepted the conciliation agreement signed by you on behalf of the Ruff Political Action Committee and a civil penalty in settlement of a violation of 2 U.S.C. §§ 434(b)(4)(H)(i) and 441d, provisions of the Federal Election Campaign Act of 1971, as amended. 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 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

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

8504053582

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1484
Ruff Political Action Committee	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by the Wilson for Utah Committee. An investigation has been conducted, and the Commission found probable cause to believe that the Ruff Political Action Committee ("Respondent") violated:

1) 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch;

2) 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch; and

3) 2 U.S.C. § 441d by failing to affix a proper disclaimer notice on a solicitation paid for by Ruff PAC.

NOW, THEREFORE, the Commission and Respondent, having duly entered into conciliation pursuant to 2 U.S.C. § 437g(a)(4)(A)(i), do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent, and the subject matter of this proceeding.

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.

8504035835

IV. The pertinent facts in this matter are as follows:

1. Ruff PAC is a political committee registered with the Federal Election Commission.

2. The Hatch Election Committee and Friends of Orrin Hatch are authorized political committees of Senator Orrin Hatch and are registered with the Federal Election Commission.

3. During the 1981-82 election cycle, Ruff PAC distributed two mailings through direct mail which had, as a purpose, the influencing of Senator Hatch's reelection campaign. Approximately 2.5% of the names in each mailing had Utah addresses. A biography of Senator Hatch was offered as a premium to contributors.

4. From November 1981 to June 1982, Respondent shared office space with the Hatch Election Committee. Conversations between representatives of the two organizations occurred during that time. During that time, Ruff PAC and the Hatch Election Committee exchanged mailing lists.

5. Respondent's contacts with the Hatch reelection campaign led Ruff PAC to decide that it would be precluded from making independent expenditures on behalf of Senator Hatch's reelection efforts. In addition, Ruff PAC did not transfer any funds to the Hatch reelection campaign.

6. The total costs of the two mailings was $40,999.83. All costs were paid by Ruff PAC.

8504053584

7. 2 U.S.C. § 441a(a)(7)(B)(ii) states that "expenditures made by any person in cooperation, or concert with, or at the request or suggestion of, a candidate, his authorized political committee or their agents, shall be considered to be contributions made to such candidates."

8. 2 U.S.C. § 441a(a)(2)(A) states that no multicandidate political committee shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceeds $5,000.

9. 2 U.S.C. § 434(b)(4)(H)(i) requires that a political committee report contributions which it makes to other political committees.

10. By failing to report any in-kind contributions to Senator Hatch, Ruff PAC also failed to satisfy the requirements of 2 U.S.C. § 434(b)(4)(H)(i).

V. Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch.

VI. Ruff PAC violated 2 U.S.C. § 441d by failing to affix a proper disclaimer notice on a solicitation made by Ruff PAC.

VII. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of Five Hundred Dollars ($500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

8504053585

VIII. Respondent agrees to file an amendment to its reports to identify the pro rated value of the two mailings as in-kind contributions on behalf of Senator Hatch's 1982 reelection campaign.

IX. Respondent agrees that it 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.

X. 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.

XI. This agreement shall become effective as of the date all parties hereto have executed the same and the Commission has approved the entire agreement.

XII. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XIII. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and

8504053536

no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be valid.

FOR THE COMMISSION:

Charles N. Steele
General Counsel

BY: Kenneth A. Gross Date June 12, 1985
Kenneth A. Gross
Associate General Counsel

FOR THE RESPONDENTS:

Jan W. Baran Date 5/15/85
Counsel

8504053537

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 12, 1985

Robert F. Bauer, Esquire
Perkins, Coie, Stone, Olsen
and Williams
1110 Vermont Avenue, N.W.
Washington, D.C. 20005

RE: MUR 1484
Ruff Political Action
Committee
Hatch Election Committee
Friends of Orrin Hatch

8504053538

Dear Mr. Bauer:

This is in reference to the complaint you filed with the Commission on October 14, 1982, on behalf of the Wilson for Utah Committee concerning the Ruff Political Action Committee, the Hatch Election Committee and the Friends of Orrin Hatch.

After conducting an investigation in this matter, the Commission determined there was probable cause to believe that the Ruff Political Action Committee violated 2 U.S.C. §§ 441a(a)(2)(A), 434(b)(4)(H)(i), and 441d, provisions of the Federal Election Campaign Act of 1971, as amended. On June 5 , 1985, a conciliation agreement signed by the Ruff Political Action Committee was accepted by the Commission, thereby concluding the matter. A copy of this agreement is enclosed for your information.

In addition, the Commission determined there was probable cause to believe the Hatch Election Committee and Friends of Orrin Hatch violated 2 U.S.C. §§ 441a(f) and 434(b)(2)(D) and (3)(A). The Commission voted, on , 1985, to close the file without reaching a conciliation agreement with these committees.

The file number in this matter is MUR 1484. If you have any questions, please contact Stephen H. Mims, the attorney assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

8504053589

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1484
Ruff Political Action Committee	)	
Hatch Election Committee	)	
Friends of Orrin Hatch	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 5, 1985, the Commission decided by a vote of 5-1 to take the following actions in MUR 1484:

1. Approve and sign the conciliation agreement submitted by Ruff PAC on May 15, 1985.
2. Close the file.
3. Approve and send the letters attached to the General Counsel's Report signed May 31, 1985.

Commissioners Aikens, Elliott, Harris, McDonald and McGarry voted affirmatively in this matter; Commissioner Reiche dissented.

Attest:

6/6/85
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary: 5-31-85, 12:14
Circulated on 48 hour tally basis: 6- 3-85, 11:00

8504053590

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
FEC
SECRETARY

In the Matter of	)	
	)	
Ruff Political Action Committee	)	MUR 1484
Hatch Election Committee	)	
Friends of Orrin Hatch	)	

'85 MAY 31 P12:14

SENSITIVE

GENERAL COUNSEL'S REPORT

On April 2, 1985, the Commission voted not to authorize a civil suit against the Ruff Political Action Committee ("Ruff PAC"), the Hatch Election Committee and the Friends of Orrin Hatch. A counterproposed conciliation agreement submitted by Ruff PAC was considered by the Commission and was rejected*/ with instructions to the Office of General Counsel to continue conciliation efforts with Ruff PAC.

On May 3, 1985, the Office of General Counsel drafted a new counterproposal adopting the views expressed by the Commission at the meetings of March 26 and April 2, 1985, and forwarded it to counsel for Ruff PAC. On May 15, 1985, this Office received the signed agreement, without modification, together with a check for the civil penalty.

The General Counsel's Office recommends, therefore, that the Commission accept the signed conciliation agreement and close the file in this matter.

8504053591

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*/ The General Counsel's Office does not view the response submitted by the Hatch Election Committee and Friends of Orrin Hatch on January 16, 1985, as a counterproposal. The letter, in our view, constituted a rejection of the Commission's proposed agreement.

RECOMMENDATIONS

1. Approve and sign the conciliation agreement submitted by Ruff PAC on May 15, 1985.

2. Close the file.

3. Approve and send the attached letters.

Charles N. Steele
General Counsel

May 31, 1985
Date

BY: Kenneth A. Gross
Associate General Counsel

Attachments
Conciliation Agreement
Letters (3)

8504053592

GCC # 7474 RECEIVED AT THE FEC
85 MAY 15 P1:21
Mims

BAKER & HOSTETLER
ATTORNEYS AT LAW
WASHINGTON SQUARE, SUITE 1100
1050 CONNECTICUT AVE., N.W.
WASHINGTON, D. C. 20036
(202) 861-1500
TELECOPIER (202) 466-2367
TELEX 650-235-7876

IN CLEVELAND, OHIO
3200 NATIONAL CITY CENTER
CLEVELAND, OHIO 44114
(216) 621-0200
TWX 810 421 8375

IN COLUMBUS, OHIO
65 EAST STATE STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
SUITE 1100, 303 EAST 17TH AVENUE
DENVER, COLORADO 80203
(303) 861-0600

IN ORLANDO, FLORIDA
13TH FLOOR BARNETT PLAZA
ORLANDO, FLORIDA 32801
(305) 841-1111

WRITER'S DIRECT DIAL NO.:
(202) 861-1572

May 15, 1985

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

Re: MUR 1484 (Ruff Political Action Committee)

Dear Mr. Steele:

I am in receipt of your letter of May 3, 1985 regarding the above-captioned matter. My client, Ruff Political Action Committee, has reviewed the proposed conciliation agreement attached to your letter and has authorized me to sign it on its behalf.

Enclosed please find the conciliation agreement which I have executed on behalf of my client. Also enclosed is a check to the United States Treasurer in the sum of five hundred dollars ($500.00) which constitutes payment of the civil penalty contained in the agreement.

Sincerely,

Jan W. Baran

JWB:df
Enclosures

cc: Neal B. Blair

85 MAY 17 A9:45
RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

Attachment 1
Page 1

8504053593

MEMORANDUM

TO: CHERYL THOMAS

FROM: JOAN HARRIS

TO: JOAN HARRIS

FROM: CHERYL THOMAS

CHECK NO. 1862 (a copy of which is attached) RELATING TO MUR 1484 AND NAME Ruff PAC

WAS RECEIVED ON May 17, 1985. PLEASE INDICATE THE ACCOUNT INTO WHICH IT SHOULD BE DEPOSITED:

/✓/ BUDGET CLEARING ACCOUNT (#95F3875.16)

/ / / CIVIL PENALTIES ACCOUNT (#95-1099.160)

/ / / OTHER _____

SIGNATURE Cheryl R Thomas DATE 5/20/85

8504053594

H. J. RUFF - PAC
13924 BRADDOCK ROAD
P.O. BOX 881
CENTREVILLE, VA 22020

1862

88-760/560

May 10 1985

PAY TO THE ORDER OF U S TREASURER $ 500.00

Five hundred and no/100---------- DOLLARS

DOMINION BANK
Vienna, Va. 22180

FOR FEC settlement

⑈001862⑈ ⑆056007604⑆ 27803700⑈

Attachment 1
Page 2

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1484
Ruff Political Action Committee	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by the Wilson for Utah Committee. An investigation has been conducted, and the Commission found probable cause to believe that the Ruff Political Action Committee ("Respondent") violated:

1) 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch;

2) 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch; and

3) 2 U.S.C. § 441d by failing to affix a proper disclaimer notice on a solicitation paid for by Ruff PAC.

NOW, THEREFORE, the Commission and Respondent, having duly entered into conciliation pursuant to 2 U.S.C. § 437g(a)(4)(A)(i), do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent, and the subject matter of this proceeding.

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.

Attachment 1
Page 3

8504035935

IV. The pertinent facts in this matter are as follows:

1. Ruff PAC is a political committee registered with the Federal Election Commission.

2. The Hatch Election Committee and Friends of Orrin Hatch are authorized political committees of Senator Orrin Hatch and are registered with the Federal Election Commission.

3. During the 1981-82 election cycle, Ruff PAC distributed two mailings through direct mail which had, as a purpose, the influencing of Senator Hatch's reelection campaign. Approximately 2.5% of the names in each mailing had Utah addresses. A biography of Senator Hatch was offered as a premium to contributors.

4. From November 1981 to June 1982, Respondent shared office space with the Hatch Election Committee. Conversations between representatives of the two organizations occurred during that time. During that time, Ruff PAC and the Hatch Election Committee exchanged mailing lists.

5. Respondent's contacts with the Hatch reelection campaign led Ruff PAC to decide that it would be precluded from making independent expenditures on behalf of Senator Hatch's reelection efforts. In addition, Ruff PAC did not transfer any funds to the Hatch reelection campaign.

6. The total costs of the two mailings was $40,999.83. All costs were paid by Ruff PAC.

8504053596

Attachment 1
Page 4

7. 2 U.S.C. § 441a(a)(7)(B)(ii) states that "expenditures made by any person in cooperation, or concert with, or at the request or suggestion of, a candidate, his authorized political committee or their agents, shall be considered to be contributions made to such candidates."

8. 2 U.S.C. § 441a(a)(2)(A) states that no multicandidate political committee shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceeds $5,000.

9. 2 U.S.C. § 434(b)(4)(H)(i) requires that a political committee report contributions which it makes to other political committees.

10. By failing to report any in-kind contributions to Senator Hatch, Ruff PAC also failed to satisfy the requirements of 2 U.S.C. § 434(b)(4)(H)(i).

V. Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch.

VI. Ruff PAC violated 2 U.S.C. § 441d by failing to affix a proper disclaimer notice on a solicitation made by Ruff PAC.

VII. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of Five Hundred Dollars ($500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

8504053597

Attachment 1
Page 5

VIII. Respondent agrees to file an amendment to its reports to identify the pro rated value of the two mailings as in-kind contributions on behalf of Senator Hatch's 1982 reelection campaign.

IX. Respondent agrees that it 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.

X. 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.

XI. This agreement shall become effective as of the date all parties hereto have executed the same and the Commission has approved the entire agreement.

XII. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XIII. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and

8504053598

Attachment 1
Page 6

no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be valid.

FOR THE COMMISSION:

Charles N. Steele
General Counsel

Date

FOR THE RESPONDENTS:

Jan W. Baran
Counsel

5/15/85
Date

8504050359 9

Attachment 1
Page 7

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

RE: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On , 1985, the Commission accepted the conciliation agreement signed by you on behalf of the Ruff Political Action Committee and a civil penalty in settlement of a violation of 2 U.S.C. §§ 434(b)(4)(H)(i) and 441d, provisions of the Federal Election Campaign Act of 1971, as amended. 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 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

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

Attachment 2

8504053600

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

J. Curtis Herge, Esquire
Sedam and Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

RE: MUR 1484
Hatch Election Committee
Friends of Orrin Hatch

Dear Mr. Herge:

This is to advise you that on , 1985, the entire file in this matter was closed and will become part of the public record within thirty days.

Should you have any questions, contact Stephen H. Mims, the attorney assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Attachment 3

8504053601

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Robert F. Bauer, Esquire
Perkins, Coie, Stone, Olsen
and Williams
1110 Vermont Avenue, N.W.
Washington, D.C. 20005

RE: MUR 1484
Ruff Political Action
Committee
Hatch Election Committee
Friends of Orrin Hatch

Dear Mr. Bauer:

This is in reference to the complaint you filed with the Commission on October 14, 1982, on behalf of the Wilson for Utah Committee concerning the Ruff Political Action Committee, the Hatch Election Committee and the Friends of Orrin Hatch.

After conducting an investigation in this matter, the Commission determined there was probable cause to believe that the Ruff Political Action Committee violated 2 U.S.C. §§ 441a(a)(2)(A), 434(b)(4)(H)(i), and 441d, provisions of the Federal Election Campaign Act of 1971, as amended. On , 1985, a conciliation agreement signed by the Ruff Political Action Committee was accepted by the Commission, thereby concluding the matter. A copy of this agreement is enclosed for your information.

In addition, the Commission determined there was probable cause to believe the Hatch Election Committee and Friends of Orrin Hatch violated 2 U.S.C. §§ 441a(f) and 434(b)(2)(D) and (3)(A). The Commission voted, on , 1985, to close the file without reaching a conciliation agreement with these committees.

8504053602

Attachment 4
Page 1

The file number in this matter is MUR 1484. If you have any questions, please contact Stephen H. Mims, the attorney assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

8504053360 3

Attachment 4
Page 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 12, 1985

J. Curtis Herge, Esquire
Sedam and Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

RE: MUR 1484
Hatch Election Committee
Friends of Orrin Hatch

Dear Mr. Herge:

This is to advise you that on June 5 , 1985, the entire file in this matter was closed and will become part of the public record within thirty days.

Should you have any questions, contact Stephen H. Mims, the attorney assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

8504053604

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

J. Curtis Herge, Esquire
Sedam and Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

RE: MUR 1484
Hatch Election Committee
Friends of Orrin Hatch

Dear Mr. Herge:

This is to advise you that on , 1985, the entire file in this matter was closed and will become part of the public record within thirty days.

Should you have any questions, contact Stephen H. Mims, the attorney assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

SHM 6/7/85

8504053605

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 12, 1985

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

RE: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On June 5 , 1985, the Commission accepted the conciliation agreement signed by you on behalf of the Ruff Political Action Committee and a civil penalty in settlement of a violation of 2 U.S.C. §§ 434(b)(4)(H)(i) and 441d, provisions of the Federal Election Campaign Act of 1971, as amended. 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 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

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

8504053606

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1484
Ruff Political Action Committee	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by the Wilson for Utah Committee. An investigation has been conducted, and the Commission found probable cause to believe that the Ruff Political Action Committee ("Respondent") violated:

1) 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch;

2) 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch; and

3) 2 U.S.C. § 441d by failing to affix a proper disclaimer notice on a solicitation paid for by Ruff PAC.

NOW, THEREFORE, the Commission and Respondent, having duly entered into conciliation pursuant to 2 U.S.C. § 437g(a)(4)(A)(i), do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent, and the subject matter of this proceeding.

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.

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IV. The pertinent facts in this matter are as follows:

1. Ruff PAC is a political committee registered with the Federal Election Commission.

2. The Hatch Election Committee and Friends of Orrin Hatch are authorized political committees of Senator Orrin Hatch and are registered with the Federal Election Commission.

3. During the 1981-82 election cycle, Ruff PAC distributed two mailings through direct mail which had, as a purpose, the influencing of Senator Hatch's reelection campaign. Approximately 2.5% of the names in each mailing had Utah addresses. A biography of Senator Hatch was offered as a premium to contributors.

4. From November 1981 to June 1982, Respondent shared office space with the Hatch Election Committee. Conversations between representatives of the two organizations occurred during that time. During that time, Ruff PAC and the Hatch Election Committee exchanged mailing lists.

5. Respondent's contacts with the Hatch reelection campaign led Ruff PAC to decide that it would be precluded from making independent expenditures on behalf of Senator Hatch's reelection efforts. In addition, Ruff PAC did not transfer any funds to the Hatch reelection campaign.

6. The total costs of the two mailings was $40,999.83. All costs were paid by Ruff PAC.

8504053608

7. 2 U.S.C. § 441a(a)(7)(B)(ii) states that "expenditures made by any person in cooperation, or concert with, or at the request or suggestion of, a candidate, his authorized political committee or their agents, shall be considered to be contributions made to such candidates."

8. 2 U.S.C. § 441a(a)(2)(A) states that no multicandidate political committee shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceeds $5,000.

9. 2 U.S.C. § 434(b)(4)(H)(i) requires that a political committee report contributions which it makes to other political committees.

10. By failing to report any in-kind contributions to Senator Hatch, Ruff PAC also failed to satisfy the requirements of 2 U.S.C. § 434(b)(4)(H)(i).

V. Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch.

VI. Ruff PAC violated 2 U.S.C. § 441d by failing to affix a proper disclaimer notice on a solicitation made by Ruff PAC.

VII. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of Five Hundred Dollars ($500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

8504053609

VIII. Respondent agrees to file an amendment to its reports to identify the pro rated value of the two mailings as in-kind contributions on behalf of Senator Hatch's 1982 reelection campaign.

IX. Respondent agrees that it 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.

X. 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.

XI. This agreement shall become effective as of the date all parties hereto have executed the same and the Commission has approved the entire agreement.

XII. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XIII. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and

3 0 4 0 5 3 3 6 1 0

no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be valid.

FOR THE COMMISSION:

Charles N. Steele
General Counsel

BY: _____ Date June 12, 1985
Kenneth A. Gross
Associate General Counsel

FOR THE RESPONDENTS:

_____ Date 5/15/85
Jan W. Baran
Counsel

8504050361 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

J. Curtis Herge, Esquire
Sedam and Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

RE: MUR 1484
Hatch Election Committee
Friends of Orrin Hatch

Dear Mr. Herge:

This is to advise you that on , 1985, the entire file in this matter was closed and will become part of the public record within thirty days.

Should you have any questions, contact Stephen H. Mims, the attorney assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

8504053612

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Robert F. Bauer, Esquire
Perkins, Coie, Stone, Olsen
and Williams
1110 Vermont Avenue, N.W.
Washington, D.C. 20005

RE: MUR 1484
Ruff Political Action
Committee
Hatch Election Committee
Friends of Orrin Hatch

8504053613

Dear Mr. Bauer:

This is in reference to the complaint you filed with the Commission on October 14, 1982, on behalf of the Wilson for Utah Committee concerning the Ruff Political Action Committee, the Hatch Election Committee and the Friends of Orrin Hatch.

After conducting an investigation in this matter, the Commission determined there was probable cause to believe that the Ruff Political Action Committee violated 2 U.S.C. §§ 441a(a)(2)(A), 434(b)(4)(H)(i), and 441d, provisions of the Federal Election Campaign Act of 1971, as amended. On , 1985, a conciliation agreement signed by the Ruff Political Action Committee was accepted by the Commission, thereby concluding the matter. A copy of this agreement is enclosed for your information.

In addition, the Commission determined there was probable cause to believe the Hatch Election Committee and Friends of Orrin Hatch violated 2 U.S.C. §§ 441a(f) and 434(b)(2)(D) and (3)(A). The Commission voted, on , 1985, to close the file without reaching a conciliation agreement with these committees.

SWM 6/7/85

The file number in this matter is MUR 1484. If you have any questions, please contact Stephen H. Mims, the attorney assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

8504053614

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Robert F. Bauer, Esquire
Perkins, Coie, Stone, Olsen
and Williams
1110 Vermont Avenue, N.W.
Washington, D.C. 20005

RE: MUR 1484
Ruff Political Action
Committee
Hatch Election Committee
Friends of Orrin Hatch

8504053615

Dear Mr. Bauer:

This is in reference to the complaint you filed with the Commission on October 14, 1982, on behalf of the Wilson for Utah Committee concerning the Ruff Political Action Committee, the Hatch Election Committee and the Friends of Orrin Hatch.

After conducting an investigation in this matter, the Commission determined there was probable cause to believe that the Ruff Political Action Committee violated 2 U.S.C. §§ 441a(a)(2)(A), 434(b)(4)(H)(i), and 441d, provisions of the Federal Election Campaign Act of 1971, as amended. On , 1985, a conciliation agreement signed by the Ruff Political Action Committee was accepted by the Commission, thereby concluding the matter. A copy of this agreement is enclosed for your information.

In addition, the Commission determined there was probable cause to believe the Hatch Election Committee and Friends of Orrin Hatch violated 2 U.S.C. §§ 441a(f) and 434(b)(2)(D) and (3)(A). The Commission voted, on , 1985, to close the file without reaching a conciliation agreement with these committees.

The file number in this matter is MUR 1484. If you have any questions, please contact Stephen H. Mims, the attorney assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

8504053361 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

RE: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On , 1985, the Commission accepted the conciliation agreement signed by you on behalf of the Ruff Political Action Committee and a civil penalty in settlement of a violation of 2 U.S.C. §§ 434(b)(4)(H)(i) and 441d, provisions of the Federal Election Campaign Act of 1971, as amended. 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 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

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

JKM 6/7/85

8504053617

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

RE: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On , 1985, the Commission accepted the conciliation agreement signed by you on behalf of the Ruff Political Action Committee and a civil penalty in settlement of a violation of 2 U.S.C. §§ 434(b)(4)(H)(i) and 441d, provisions of the Federal Election Campaign Act of 1971, as amended. 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 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

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

8504053618

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84 NOV 19 A9:38

SEDAM & HERGE
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
8300 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 821-1000

GLENN J. SEDAM, JR.
J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
CHRISTOPHER S. MOFFITT
PHILIP H. BANE
DONNA LYNN MILLER

OF COUNSEL
THOMAS J. FADOUL, JR.

TELEX: 710-831-0896
CABLE: SEDAMHERG
SEDAM, HERGE & REED
SUITE 1000
1250 EYE STREET, N.W.
WASHINGTON, D.C. 20005
(202) 898-0200
CHARLES D. REED, RESIDENT PARTNER
JOHN D. HEFFNER

November 15, 1984

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

Attention: Gary Johansen, Esq.

RE: MUR 1484

84 NOV 19 A11:46

Dear Mr. Steele:

On behalf of our clients, Hatch Election Committee and Friends of Orrin Hatch, I am writing to acknowledge the receipt of your letter of November 13, 1984, in which you reported that the Federal Election Commission determined there is probable cause to believe our clients violated the provisions of 2 U.S.C. 434(b)(2)(D), 434(b)(3)(A) and 441a(f) in connection with MUR 1484. Enclosed with your letter was a proposed conciliation agreement in suggested settlement of this matter.

I have forwarded a copy of your letter and of the proposed conciliation agreement to our clients for consideration and comment. I am scheduled, however, to be out of the country from Wednesday, November 21, 1984, until Monday, December 10, 1984. As a consequence, I shall not be able to consult with my client about this matter until after I return. It is my expectation that I will be in a position to give you a substantive reply on or before December 14, 1984.

Sincerely yours,

J. Curtis Herge

8504053619

CDAM & HERGE
PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
8300 GREENSBORO DRIVE
CLEAN, VIRGINIA 22102

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84 NOV 19 A 9:58

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

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 13, 1984

Jan W. Baran, Esquire
Baker and Host
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1484
Ruff Political Action
Committee

Dear Mr. Baran:

On November 6, 1984, the Commission determined that there is probable cause to believe your client committed a violation of 2 U.S.C. § 441a(a)(2)(A), 2 U.S.C. § 434(b)(4)(H)(i), and 2 U.S.C. § 441d, provisions of the Federal Election Campaign Act of 1971, as amended, in connection with MUR 1484.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it along with the civil penalty to the Commission within ten days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the U.S. Treasurer.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Gary Johansen, the attorney assigned to this matter, at (202)523-4143.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Conciliation Agreement

8504033621

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 13, 1984

J. Curtis Herge, Esquire
Sedam and Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

RE: MUR 1484
Hatch Election Committee
Friends of Orrin Hatch

Dear Mr. Herge:

On November 6, 1984, the Commission determined that there is probable cause to believe your clients committed a violation of 2 U.S.C. § 441a(f) and 2 U.S.C. § 434(b)(2)(D) and (3)(A) provisions of the Federal Election Campaign Act of 1971, as amended, in connection with MUR 1484.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it along with the civil penalty to the Commission within ten days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the U.S. Treasurer.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Gary Johansen, the attorney assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Conciliation Agreement

8504053622

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Ruff Political Action Committee	)	MUR 1484
Hatch Election Committee	)	
Friends of Orrin Hatch	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of November 6, 1984, do hereby certify that the Commission took the following actions in MUR 1484:

1. Decided by a vote of vote of 4-2 to find probable cause to believe that Ruff Political Action Committee violated 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch.

2. Decided by a vote of 4-2 to find probable cause to believe that Ruff Political Action Committee violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch.

3. Decided by a vote of 4-2 to find probable cause to believe that Ruff Political Action Committee violated 2 U.S.C. § 441d by failing to affix a proper disclaimer on a solicitation paid for by Ruff Political Action Committee.

(continued)

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4. Decided by a vote of 4-2 to find probable cause to believe that the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. § 441a(f) by accepting contributions from Ruff Political Action Committee in excess of the limitations set forth at 2 U.S.C. § 441a(a)(2)(A).

5. Decided by a vote of 4-2 to find probable cause to believe that the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) by failing to report the receipt of in-kind contributions from Ruff Political Action Committee.

6. Decided by a vote of 4-2 to approve and authorize the sending of the letters and conciliation agreements attached to the FEC General Counsel's report dated October 30, 1984.

Commissioners Harris, McDonald, McGarry, and Reiche voted affirmatively for each of the decisions; Commsisioners Aikens and Elliott dissented.

Attest:

Nov 7, 1984
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

8504053362 4

SENSITIVE

RECEIVED
THE FEC
SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Ruff Political Action Committee) MUR 1484
Hatch Election Committee)
Friends of Orrin Hatch)

84 OCT 30 P 5:04

GENERAL COUNSEL'S REPORT

EXECUTIVE SESSION
NOV 6 1984

I. BACKGROUND

On October 14, 1982, the Wilson for Utah Committee submitted a complaint to the Commission which alleged that certain expenditures made by the Ruff Political Action Committee ("Ruff PAC") on behalf of the Hatch Election Committee and the Friends of Orrin Hatch Committee, were coordinated expenditures. As such, the complainant asserted they exceeded the limitations of 2 U.S.C. § 441a(a)(2)(A). The complainant further alleged that the respondents violated 2 U.S.C. § 434 by their failure to report the expenditures as contributions on behalf of the Hatch campaign.

The Commission, on January 5, 1983, found there was reason to believe that: (1) Ruff PAC violated 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch; (2) Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch; (3) the Hatch Election Committee and the Friends of Orrin Hatch Committee violated 2 U.S.C. § 441a(f) by accepting contributions from Ruff PAC in excess of the

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limitations set forth at 2 U.S.C. § 441a(a)(2)(A); and, (4) the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) by failing to report the receipt of in-kind contributions from Ruff PAC.

During the course of the Commission's investigation, Ruff PAC submitted to the Commission a copy of an additional solicitation not previously available to the Commission. Because the solicitation failed to provide the proper disclaimer, the Commission, on February 14, 1984, found reason to believe Ruff PAC violated 2 U.S.C. § 441d.

Ruff PAC, the Hatch Election Committee and Friends of Orrin Hatch submitted written responses to the complaint and submitted written answers to interrogatories. In addition, depositions were taken of Mr. Neal Blair, consultant to Ruff PAC and Mr. Stanley Parrish, finance chairman of Senator Hatch's reelection campaign.

On August 20, 1984, briefs stating the position of the General Counsel were mailed to Ruff Political Action Committee and the Hatch Election Committee and Friends of Orrin Hatch. Respondents requested extensions of time to submit reply briefs. The extensions of time to respond were granted. Reply briefs have now been submitted by the respondents.

II. LEGAL ANALYSIS

There are two issues in this case. The first concerns whether Ruff PAC made in-kind contributions to the Hatch Election Committee and the Friends of Orrin Hatch. The second concerns

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whether Ruff PAC affixed a proper 2 U.S.C. § 441d notice to one of its mailings.

For a complete discussion of the legal analysis of the General Counsel see the General Counsel's Brief dated August 17, 1984. For a complete discussion of respondents position in this case see the reply brief submitted on September 10, 1984, by the Hatch Committee and the Friends of Orrin Hatch and the reply brief submitted on October 2, 1984, by Ruff PAC.

A. In-Kind Contributions

This issue centers around three mailings made by Ruff PAC during the 1982 campaign. All three mailings solicit funds to Ruff PAC and all were made during the 1981-82 election campaign cycle. The language of the mailings raise the question as to whether the mailings are expenditures by Ruff PAC made for the purpose of influencing Senator Hatch's reelection campaign. 2 U.S.C. § 431(9)(A). If the mailings are expenditures, then the second question raised is whether the relationship between Ruff PAC and the Hatch campaign is sufficient to meet the tests of "coordination" under 2 U.S.C. § 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1. If coordinated, then the mailings are in-kind contributions to the Hatch Campaign.

Ruff PAC, the Hatch Election Committee, and Friends of Orrin Hatch respond in their briefs that the mailings were not made in cooperation, consultation or concert with each other.

The Office of General Counsel recommends to the Commission that pursuant to 2 U.S.C. § 431(9)(A) mailings #2 and #3 are

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expenditures made for the purpose of influencing Senator Hatch's reelection campaign. The Office of General Counsel also recommends to the Commission that the costs of mailings #2 and #3 are in-kind contributions to the Hatch committees. Since the total of these in-kind contributions exceed the $5,000 contribution limitation of 2 U.S.C. § 441a(a)(2)(A), the Office of General Counsel recommends that the Commission find probable cause to believe that Ruff PAC violated 2 U.S.C. § 441a(a)(2)(A) and that the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. § 441a(f). Further, since the in-kind contributions were not reported, the Office of General Counsel recommends that the Commission find probable cause to believe that Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) and that the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. § 434(b)(2)(D) and (3)(A).

B. Failure to provide the notice required by 2 U.S.C. § 441d.

The only notice that appears on mailing #3, says "[p]rinted and mailed by Ruff PAC." No mention is made regarding whether candidate Hatch authorized the mailing or who paid for the mailing. There is the possibility that the reader could have been misled as to who was ultimately responsible for the communication since it appears to be an official letter from Senator Hatch.

Ruff PAC responds that there was sufficient notice on the letter to inform the reader that the letter was paid for by Ruff PAC and not authorized by any candidate.

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The General Counsel recommends that the Commission find probable cause to believe Ruff PAC violated 2 U.S.C. § 441d.

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

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IV. GENERAL COUNSEL'S RECOMMENDATIONS

The Office of General Counsel recommends that the Commission:

1) find probable cause to believe that Ruff Political Action Committee violated 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch;

2) find probable cause to believe that Ruff Political Action Committee violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch;

3) find probable cause to believe that Ruff Political Action Committee violated 2 U.S.C. § 441d by failing to affix a proper disclaimer on a solicitation paid for by Ruff Political Action Committee;

4) find probable cause to believe that the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. § 441a(f) by accepting contributions from Ruff Political Action Committee in excess of the limitations set forth at 2 U.S.C. § 441a(a)(2)(A);

5) find probable cause to believe that the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) by failing to report the receipt of in-kind contributions from Ruff Political Action Committee; and

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6) approve and authorize the sending of the attached letters and conciliation agreements to the respondents.

30 October 1984
Date

Charles N. Steele
General Counsel

Attachments
1) Letter and Conciliation Agreement to Ruff PAC
2) Letter and Conciliation Agreement to Hatch Election Committee and Friends of Orrin Hatch

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ATTACHMENT I

(1)

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Jan W. Baran, Esquire
Baker and Host
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1484
Ruff Political Action
Committee

Dear Mr. Baran:

On , 1984, the Commission determined that there is probable cause to believe your client committed a violation of 2 U.S.C. § 441a(a)(2)(A), 2 U.S.C. § 434(b)(4)(H)(i), and 2 U.S.C. § 441d, provisions of the Federal Election Campaign Act of 1971, as amended, in connection with MUR 1484.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it along with the civil penalty to the Commission within ten days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the U.S. Treasurer.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Gary Johansen, the attorney assigned to this matter, at (202)523-4143.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Conciliation Agreement

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ATTACHMENT II

(7)

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

J. Curtis Herge, Esquire
Sedam and Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

RE: MUR 1484
Hatch Election Committee
Friends of Orrin Hatch

Dear Mr. Herge:

On , 1984, the Commission determined that there is probable cause to believe your clients committed a violation of 2 U.S.C. § 441a(f) and 2 U.S.C. § 434(b)(4)(2)(A) and (3)(A) provisions of the Federal Election Campaign Act of 1971, as amended, in connection with MUR 1484.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it along with the civil penalty to the Commission within ten days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the U.S. Treasurer.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Gary Johansen, the attorney assigned to this matter, at (202)523-4143.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Ruff Political Action Committee) MUR 1484 SENSITIVE

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On October 14, 1982, the Wilson for Utah Committee submitted a complaint to the Commission which alleged that certain expenditures made by the Ruff Political Action Committee ("Ruff PAC") on behalf of the Hatch Election Committee and the Friends of Orrin Hatch Committee, were coordinated expenditures. As such, the complainant asserted they exceeded the limitations of 2 U.S.C. § 441a(a)(2)(A). The complainant further alleged that the respondents violated 2 U.S.C. § 434 by their failure to report the expenditures as contributions on behalf of the Hatch campaign.

The Commission, on January 5, 1983, found there was reason to believe that: (1) Ruff PAC violated 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch; and, (2) Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch.

During the course of the Commission's investigation, Ruff PAC submitted to the Commission a copy of an additional solicitation not previously available to the Commission. Because the solicitation failed to provide the proper disclaimer, the

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Commission, on February 14, 1984, found reason to believe Ruff PAC violated 2 U.S.C. § 441d.

Ruff PAC, the Hatch Election Committee and Friends of Orrin Hatch have submitted written responses to the complaint and have submitted written answers to interrogatories. In addition, depositions were taken of Mr. Neal Blair, consultant to Ruff PAC and Mr. Stanley Parrish, finance chairman of Senator Hatch's reelection campaign. After a review of the evidence the Office of General Counsel recommends that the Commission find probable cause to believe that: (1) Ruff PAC violated 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch; (2) Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch; and, (3) Ruff PAC violated 2 U.S.C. § 441d by failing to affix a proper disclaimer on a solicitation paid for by Ruff PAC.

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II. Factual and Legal Analysis

There are two issues in this case. The first concerns whether Ruff PAC made in-kind contributions to the Hatch Election Committee and the Friends of Orrin Hatch. The second concerns whether Ruff PAC affixed a proper 2 U.S.C. § 441d notice to one of its mailings.

A. In-Kind Contributions

This issue centers around three mailings made by Ruff PAC during the 1982 campaign. All three mailings solicit funds to

Ruff PAC. In addition, the language of the mailings raise the question as to whether the mailings are expenditures by Ruff PAC made for the purpose of influencing Senator Hatch's reelection campaign. 2 U.S.C. § 431(9)(A). If the mailings are expenditures, then the second question raised is whether the relationship between Ruff PAC and the Hatch campaign is sufficient to meet the tests of "coordination" under 2 U.S.C. § 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1. If coordinated, then the mailings are "in-kind contributions" to the Hatch Campaign.1/

1. Review of Mailings

In its investigation the Office of General Counsel has reviewed three mailings made by Ruff PAC. All three of the mailings were made during the 1981-82 election campaign cycle. The Office of General recommends to the Commission that pursuant to 2 U.S.C. § 431(9)(A) two of the three mailings are expenditures made for the purpose of influencing Senator Hatch's reelection campaign. An analysis of each of the mailings follows.

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1/ In one of the Ruff PAC mailings, referred to as mailing #2 infra, Ruff PAC indicated that it was going to make "independent expenditures" on behalf of Senator Orrin Hatch. Complainant alleges that because of the closeness of the relationship between Ruff PAC and the 1982 Hatch reelection efforts, such expenditures could not be "independent", but would be "in-kind contributions." In fact, Mr. Blair, a Ruff PAC consultant, testified that such "independent expenditures" referred to in mailing #2 were never made by Ruff PAC.

a. Mailing #1: "With A View Towards 1982"

Mailing #1 (Attachment A) consists of two pages. It appears to be intended solely to solicit contributions to Ruff PAC. Ruff PAC estimates the cost of the mailing was $10,138.74. The total amount received by Ruff PAC in response to the mailing was $15,881. The mailing provides a statistical summary of Ruff PAC's success rate for the 1980 election. The mailing also notes those states that will be "targeted" by Ruff PAC in 1982. Senator Hatch's state, Utah, is mentioned only in the context of Ruff-PAC's general interest in Congressional activities in that State. The mailing does not contain the name of Senator Hatch. Therefore, the Office of General Counsel does not believe that this mailing should be viewed as an expenditure made by Ruff PAC to influence Senator Hatch's reelection campaign.

b. Mailing #2: Letter Offering Biography as a Premium

Mailing #2 (Attachment B) consists of four pages. It consists of two communications signed by Mr. Neal Blair and a flyer offering a copy of a book on Senator Orrin Hatch. Ruff PAC estimates the cost of the mailing was $34,777.62. The total amount received by Ruff PAC in response to the mailing was $43,119.60. The mailing requests its readers to contribute funds to Ruff PAC in order that contributions may be made to the Hatch campaign. The letter states: "With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's [Hatch] record. We will write press releases, make

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phone calls, and stump the streets to let voters know the facts." The mailing has as its focal point Utah voters: "We want to let at least one million voters in Utah know the facts about Senator Orrin Hatch." The letter finally advises the reader that Ruff PAC will be able to "donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth."

In order to induce contributors to support Ruff PAC's efforts to support Senator Hatch, a premium is offered to the contributors. Persons who contributed more than $25 were to receive a free copy of a biography of Senator Hatch entitled Orrin Hatch. Challenging the Washington Establishment. The book is described as relating "the highlights of Senator Hatch's outstanding rise to national leadership and service to Utah." The letter also advises the reader to "[g]ive copies [of the book] to your friends -- it could make the difference in this election."

Finally, the return coupon portion of the letter states: "I believe that Ruff PAC can make a significant difference in the Orrin Hatch Campaign in 1982. It is vital we support candidates who will represent our views. Please accept my donation in the amount I've listed below."

Hatch campaign personnel knew that the biography was to be offered as a premium for contributions received by Ruff PAC. Further, the mailing and book offer occurred during Senator Hatch's reelection efforts.

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There is no question that mailing #2 had as it purpose to influence the election of Senator Hatch.2/ It talks of the need to make a significant difference in the Hatch campaign for election in 1982. In Advisory Opinion 1980-106 the Commission pointed out that the test of whether a mailing is an expenditure includes an examination of the mailing to determine whether "the information actually presented and the manner in which it is presented are designed to influence the reader's choice in the ... election, rather than simply to promote a discussion of the issues." The Advisory Opinion notes a distinction between a committee publishing a summary of a candidate's voting record and making its own assessment of the candidate's position on the issues considered important by the organization.

Unlike the first mailing, this effort was by its own words directed to the voters in Utah, espoused the virtues of Senator Hatch, spoke of the need to make a difference in the 1982 Hatch election, and promised that the funds raised would go towards affecting the outcome of Senator Hatch's reelection efforts. The mailing was subjective and applied its own assessment of Senator Hatch's record in endorsing his efforts. Thus, it is the Office of General Counsel's belief that the mailing is an expenditure made for the purpose of influencing Senator Hatch's reelection campaign.

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2/ The Office of the General Counsel notes that it is possible that an expenditure may have more than one purpose. Whether the particular expenditure had a dual purpose depends upon the facts. The fact that a committee may legitimately claim that the purpose of a particular expenditure was to raise money for that committee does not preclude a finding that the same expenditure was also made to influence a particular candidate's election.

c. Mailing # 3: A letter from Senator Hatch

Mailing #3 (Attachment C) is a two page letter signed by Senator Hatch. The mailing is on letterhead similar to the official United States stationery used by Senator Hatch. Ruff PAC estimates the cost of the mailing was $6,222.21. It is estimated that the mailing was sent to roughly 15,750 persons. The total amount received by Ruff PAC in response to the mailing was $20,628.34. The mailing informs the reader of Ruff PAC's goals for the 1982 elections and clearly implies that these goals are shared by Senator Hatch. The mailing states "[n]ow, let me tell you a little bit about our need for the 1982 election in order to keep electing the kind of men and women that made the tax cut possible." [emphasis added] The letter continues, urging the reader to contribute to Ruff PAC in order to assist it in directly affecting the election efforts of federal candidates. "Massive, yes massive funds are needed to elect free enterprise candidates to the U.S. Senate and House of Representatives in 1982. Ruff PAC needs you now to fund these efforts."

Senator Hatch's references to Howard Ruff, Ruff PAC's Chairman as a friend and a "public-spirited American" lead the reader to the conclusion that Senator Hatch endorses the views of Howard Ruff and, as a candidate for reelection in 1982, Senator Hatch would benefit by Ruff PAC's efforts in affecting the outcome of the 1982 elections. Certainly a significant factor in Ruff PAC's choice of Senator Hatch as a spokesman for Howard Ruff must have been the fact that because Howard Ruff and Senator

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Hatch share similar views it would follow that those who would support Howard Ruff and Ruff PAC would also support Senator Hatch's campaign. This notion is illustrated by the fact that the mailing was made to subscribers of Howard Ruff's financial newsletter the Ruff Times.

Here again, the information presented in the mailing and the manner in which it is presented influences the reader's choice to support Senator Hatch in the upcoming election. Therefore, it is the Office of General Counsel's belief that the mailing is an expenditure made for the purpose of infuencing Senator Hatch's reelection campaign.

2. The Relationship between Ruff PAC and the 1982 Hatch Campaign

An examination of the relationship between Ruff PAC and the Hatch reelection campaign reveals that the two organizations were closely related. Accordingly, the Office of General Counsel concludes that mailing #2 and mailing #3 constituted coordinated expenditures pursuant to 2 U.S.C. § 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1 by Ruff PAC on behalf of the Hatch campaign. An analysis of the relationship between Ruff PAC and the 1982 Hatch Campaign follows.

a. Shared office

From November 1981 through June 1982, Ruff PAC rented office space from the Hatch Election Committee. During this time, both Ruff PAC and the Hatch Election Committee occupied the office. The office was located in Washington, D.C. By the rental

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agreement, Ruff PAC paid the Hatch Election Committee $150 rent per month and its share of the overhead costs.3/ The lease agreement was open-ended in that, according to Mr. Blair, it would continue "[u]ntil my needs expanded for personnel and more space." Ruff PAC did not have its own secretary at the office. Instead the secretary employed by the Hatch campaign answered calls and provided incidental services for Ruff PAC. In addition, Ruff PAC had a sign installed outside the building which had the names of the Hatch Election Committee and Ruff PAC on the same board. The sign was paid for by Ruff PAC.

b. Conversations

During the 1982 election period, conversations took place between personnel of Ruff PAC and the Hatch campaign. One of the conversations included a suggestion by Mr. Blair of Ruff PAC that the Hatch campaign offer as a premium to contributors a biography of Senator Hatch. The Hatch campaign decided not to offer the biography to its contributors because of its cost effectiveness. However, Ruff PAC, with the knowledge of the Hatch campaign, then offered the Hatch biography as a premium to Ruff PAC contributors. The biography was offered in Ruff PAC's mailing #2 discussed previously. This mailing was distributed during the period of time Senator Hatch was running for reelection.

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3/ Respondents have estimated that the total cost to Ruff PAC which included rent, overhead, and use of a copy machine was $802.40.

c. Mailing list exchange

During the time period in question, the two organizations also made a one-time exchange of mailing lists. The list provided by Ruff PAC contained the names of subscribers to the Ruff Times, a publication prepared by Howard Ruff. Ruff PAC, in turn, received a list of contributors to the Hatch campaign.4/ The exchange of the mailing list is another indicia of the cooperation and coordination of activities which took place between Ruff PAC and the Hatch campaign.

d. Hatch letter

In September 1981, Senator Hatch wrote a two page letter on behalf of Ruff PAC. The letter, referred to as mailing #2, was discussed previously. The mailing was paid for by Ruff PAC. The mailing solicited funds for Ruff PAC in order to assist in electing individuals in 1982 (like Senator Hatch) who supported the tax cut and who were in favor of the free enterprise system. The letter is a clear example of the extent to which Ruff PAC and the Hatch campaign worked together to promote their common goals.

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4/ There is no evidence that one list had a commercially greater value than the other. Due to the fact that both lists were privately owned, there appears to be no independent basis upon which they may be valued aside from the subjective valuation made by the parties to the exchange. The Office of General Counsel, therefore, recommends not pursuing the issue of whether this exchange should be viewed as a contribution or expenditure (See Advisory Opinions 1982-41 and 1981-46).

e. Testimony

Perhaps the most compelling evidence of the coordination which existed between Ruff PAC and the Hatch campaign was how Ruff PAC and the Hatch campaign committees viewed their relationship. As Mr. Blair, a Ruff PAC consultant, testified in his desposition, "[b]ecause of the close relationship of Mr. Ruff [Chairman of Ruff PAC] with Mr. Hatch and my relationship with Mr. Hatch we knew an independent expenditure would be totally out of the question so it was never contemplated."

3. Conclusion

In summary, mailing #2 and mailing #3 constituted expenditures made by Ruff PAC for the purpose of influencing Senator Hatch's reelection campaign. A close relationship existed between Ruff PAC, the Hatch campaign and Senator Hatch. Ruff PAC shared an office space with the Hatch Election Commmittee, conversations took place between personnel of Ruff PAC and the Hatch Committee, Ruff PAC distributed copies of Senator Hatch's biography, Ruff PAC and the Hatch Committee exchanged mailing lists, Senator Hatch signed a campaign letter on behalf of Ruff PAC, and Ruff PAC and the Hatch committees viewed their relationship as preventing independent expenditures.

2 U.S.C. § 441a(a)(7)(B)(ii) states that "expenditures made by any person in cooperation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees/or their agents, shall be considered to be

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contributions made to such candidates." Therefore, the costs of mailing #2 ($34,777.62) and of mailing #3 ($6,222.21) are considered in-kind contributions from Ruff PAC to the Hatch campaign committees. Since the total of these in-kind contributions exceed the $5,000 contribution limitation of 2 U.S.C. § 441a(a)(2)(a), there is probable cause to believe that Ruff PAC violated 2 U.S.C. § 441a(a)(2)(a). Further, since the in-kind contributions were not reported, there is probable cause to believe that Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i).

B. Failure to provide the notice required by 2 U.S.C. § 441d.

Mailing #3 (Attachment C) is a letter signed by Senator Hatch and is on letter head similar to the official United States stationary used by Senator Hatch. The letter solicits contributions to Ruff PAC. The only notice that appears on the mailing, however, says "[p]rinted and mailed by Ruff PAC." No mention is made regarding whether candidate Hatch authorized the mailing or who paid for the mailing.

2 U.S.C. § 441d and 11 C.F.R. § 110.11 requires that "whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicit any contribution through any direct mailing such communication" shall clearly state who paid for the mailing and whether it was authorized by a candidate. Mailing #2 does not comply with this provision. Further, there is the possibility that the reader

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could have been misled as to who was ultimately responsible for the communication since it appears to be an official letter from Senator Hatch. Accordingly, the General Counsel recommends that the Commission determine there is probable cause to believe Ruff PAC violated 2 U.S.C. § 441d.

III. Recommendation

The Office of General Counsel recommends that the Commission find probable cause to believe that:

1) Ruff PAC violated 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch;

2) Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch; and

3) Ruff PAC violated 2 U.S.C. § 441d by failing to affix a proper disclaimer on a solicitation paid for by Ruff PAC.

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17 August 1984
Date

Charles N. Steele
General Counsel

Attachments
1) Mailing #1
2) Mailing #2
3) Mailing #3

ATTACHMENT A-7

In 1950, Ruff-PAC supported [redacted] congressional candidates with direct financial support, assistance with campaign strategy, and independent expenditures. Of these candidates, 27 were victorious... and that translates Ruff-PAC's efforts into a 77% success rate. More than dramatic results considering that RuffPAC supported only underdogs and closely contested races!

But 1952 represents an even greater challenge. First, being an off year election, we can expect the traditional resurgence of the opposition party. This historical trend is expected to manifest itself across the country where free enterprise candidates meet opponents backed by liberal special interests. But more importantly, the opposition has learned much from the 1950 elections. We can expect their strategy to incorporate some of the hard lessons learned in 1950. In short, without your help now, it will become increasingly difficult to maintain the trend only begun in the last election.

As no worthy effort goes unfunded, no worthy candidate can be elected without donations from those who can offer critical financial support. We are asking for your support now, so we have the vast financial resources needed for 1952. There is a great deal that remains unfinished, and only your assistance can help put America back on the right track.

Listed below are Ruff-PAC's *initial target states* for 1952. In these states, Ruff-PAC will work through direct contributions, direct campaign strategy assistance, or independent expenditures to elect strong free enterprise candidates who will support fiscally sound and morally prudent legislation.

U.S. SENATE RACES	HOUSE OF REPRESENTATIVE RACES
Arizona	Arizona
California	California
Connecticut	Colorado
Maine	Florida
Michigan	Maine
Nevada	New Mexico
New Jersey	Oregon
New York	Tennessee
Ohio	Texas
Texas	Utah
Vermont	Washington

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Howard J. Ruff
Chairman

P.S. Remember that it is nearing the end of the calendar year. The first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

HOWARD - I believe that Ruff PAC can make a significant difference in 1952. It is vital that we support candidates that will represent our views while maintaining gains made in 1950. Please accept my donation in the amount I've listed below. My check or charge card information enclosed.

Name: _____
Address: _____
_____
City/State: _____
Zip: _____

My donation is as follows:
___Check ___Chargecard
Name of Card _____
Expiration Date _____
Signature _____

___$100 ___$750 ___$500
___$250 ___$100 ___$50 ___Other

___I would also like to donate my time or services.

[redacted]

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A-2

Chairman's Report on Ruff-PAC, A National ★★★★★★★ Independent Political Action Committee ★★★★★★★

THE 1980 ELECTIONS...THE RECORD SPEAKS FOR ITSELF

Ruff-PAC experienced great success in 1980. Take a close look at Ruff-PAC's record...winning 27 of 35 races. All of Ruff-PAC's candidates were either decided underdogs or in closely contested races!

U.S. SENATE

Ruff-PAC Won/lost	Ruff-PAC's Candidate	Ruff-PAC's Opposition	State
WON	JEREMIAH DENTON	Jim Folsom, Jr.	ALABAMA
WON	FRANK MURKOWSKI	Clark Gruening	ALASKA
Lost	Mary Buchanan	Gary Hart	Colorado
WON	PAULA HAWKINS	Bill Gunter	FLORIDA
WON	STEVEN SYMMS	Frank Church	IDAHO
Lost	David O'Neal	Alan Dixon	Illinois
WON	DAN QUAYLE	Birch Bayh	INDIANA
WON	CHARLES GRASSLEY	John C. Culver	IOWA
Lost	Gene McNary	Thomas Eagleton	Missouri
WON	ALFONSE M. D'AMATO	Elizabeth Holtzman	NEW YORK
WON	JOHN P. EAST	Robert Morgan	N. CAROLINA
WON	DONALD NICKLES	Andy Coats	OKLAHOMA
WON	JAMES ABDNOR	George McGovern	S. DAKOTA
Lost	Steward Lieberter	Patrick Leahy	Vermont
WON	ROBERT W. KASTEN	Gaylord Nelson	WISCONSIN
WON	SLADE GORTON	Warren Magnuson	WASHINGTON

HOUSE OF REPRESENTATIVES (Congressional District Noted by State)

				Dist.
Lost	Richard H. Hull	Morris Udall	Arizona	2
WON	EUGENE CHAPPIE	Harold Johnson	CALIFORNIA	1
WON	BOBBI FIEDLER	James Corman	CALIFORNIA	21
WON	ROBERT K. DORNAN	Cary Peck	CALIFORNIA	27
WON	DAVID DREIER	James Lloyd	CALIFORNIA	35
WON	JOHN PATRICK HILER	John Brademas	INDIANA	3
WON	JIM JEFFRIES	Sam Keys	KANSAS	2
WON	BILL EMERSON	Bill Burlison	MISSOURI	10
Lost	Anne Bagnal	Stephen Neal	N. Carolina	5
WON	BOB McEWEN	Ted Strickland	OHIO	6
WON	DENNIS SMITH	Al Ullman	OREGON	2
Lost	David C. DiCarlo	Marc Marks	Pennsylvania	24
WON	CLAUDINE SCHNEIDER	Edward Beard	R. ISLAND	2
WON	THOMAS R. HARTNETT	Mendel Davis	S. CAROLINA	3
WON	JACK M. FIELDS	Bob Eckhardt	TEXAS	8
Lost	Jim Bradshaw	James Wright	Texas	12
WON	RON PAUL	Mike Andrews	TEXAS	22
WON	JAMES V. HANSEN	Gunn McKay	UTAH	1
WON	FRANK R. WOLF	Joseph Fisher	VIRGINIA	10

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ATTACHMENT B-1

1835 South State St., Suite 150, Orem, Utah 840
1-801-225-0522

Dear Friend:

Will you help me get the facts out on Orrin Hatch? We want to let at least one million people in Utah know the facts about Senator Orrin Hatch.

Will you, after reading this letter, fill out the coupon and return it to us with your contribution?

As our gift to you, our way of saying thank you, we would like to send you a free complimentary first edition of the new, exciting, and highly informative hardback entitled Orrin Hatch. Challenging the Washington Establishment. This is a fascinating behind-the-scenes account.

Why are we doing all of this? We are not members of Hatch's campaign staff. We're not even advisors.

We are an independent political action committee determined to let Utah know the facts about Orrin Hatch—to let them evaluate him. Not on cheap innuendoes or demagoguery. But evaluate him with his record. Most Utahns will agree—Senator Orrin Hatch has done an outstanding job for Utah and the United States.

With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's record. We will write press releases, make phone calls, and stump the streets to let voters know the facts.

As part of this endeavor, we are offering Dr. Richard Vetterli's insightful and carefully prepared biography on Senator Hatch. Orrin was a bit reluctant to have a biography—he felt it was a bit much. Afterall, who is he?

Well, who is he? Just what has he done?

Orrin Hatch. Challenging the Washington Establishment chronicles his amazing challenge and victory over established Senator Frank Moss. The first few chapters tell in a fresh, crisp style one of the most interesting success stories in United States Senate-race history.

Without dropping the pace, the author then relates the highlights of Senator Hatch's outstanding rise to national

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this fast pace narrative.

B-2

Won't you help Ruff-PAC perform this critical service? As an independent political action committee, we can donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth.

This we will do with your help. But time is running out on us. The time to act is now.

So if you'll quickly send your donation either by check or with your VISA/Mastercard information (as provided for on the coupon) in the next five days, we'll quickly send you a free gift of the hardback first edition, nearly 200-page biography of Senator Orrin Hatch. Give copies to your friends—it could make the difference in this election.

Thank you sincerely for your support.

Very truly yours,

Neal

Neal B. Blair
President

P.S. Remember the first $100 contributed in a calendar-year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help.

P.P.S. Contributors who send more than $25 will receive the Orrin Hatch book absolutely free. Send us $100 and we'll give you five books. Send $250 and we'll give you 15 books. Send $500 and you can give 35 friends a copy. Could you also include $1 for postage and handling? Our thanks for your concern and generosity.

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NEAL—I believe that Ruff PAC can make a significant difference in the Orrin Hatch campaign in 1982. It is vital we support candidates who will represent our views! Please accept my donation in the amount I've listed below. Please send me ___ of the Orrin Hatch biography. My check or charge card information is enclosed.

Name_____ Address_____

City/State/ZIP_____

My donation is as follows: _____Check _____Charge Card

VISA/Mastercard No. ____ ____ ____ ____ ____ ____ ____ ____ ____ ____ ____ ____ ____ ____ ____ ____

Expiration Date_____

Signature_____

___$1000 ___$750 ___$500 ___$250 ___$100 ___$50 ___$25 ___Other

Make check payable to: Ruff PAC 1835 South State Street, Suite 150, Orem, Utah 8

Howard J. Ruff, Chairman
Neal B. Blair, President

Chairman

B-3

1875 South State Street, Suite 1400, Orem, Utah 84057

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOOK "ORRIN HATCH"



Dear Friend of Orrin Hatch,

For one month only, Ruff-PAC, a national citizen's political action committee dedicated to supporting free enterprise candidates, will give a copy of the book to any Hatch supporter who donates $25 or more to Ruff-PAC. Our way of saying thank you for your generous contribution. This is a minimum contribution. If you can give more, please do. For Ruff-PAC is one of Hatch's biggest supporters. Federal law allows us to contribute up to $10,000 to Hatch's election campaign. We plan to do just that with the contributions we receive.

READ OF THE INNER WORKINGS OF WASHINGTON.

Discover the incredible backroom dealings surrounding action on abortion, also the never before told stories of the creation and impetus behind the balanced budget and tax limitation amendment.

FIND OUT WHAT THE IRON TRIANGLE IS AND HOW IT AFFECTS LEGISLATIVE DECISIONS.

Rarely has a book been able to capture the imagination while being a phenominal educational tool. Reading "Orrin Hatch", Americans will receive a clearly outlined vision of a careful course out of the mire.

Ruff-PAC is overwhelmed with the opportunity of giving you this profound, factual hardback book. Ruff is dedicated to electing strong free-enterprise candidates who will fight to strengthen our economy and our national defense.

Feel free to use the enclosed postage paid return envelope to mail your contribution to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of "Orrin Hatch" the moment it gets off the press. Please add $1 for each book ordered for postage and handling.

For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you tow books with a contribution of $50 or more and three books when you contribute $100 or more.

Thank you so much for your support and we hope you thoroughly enjoy "Orrin Hatch"

Compliments of Ruff-PAC

With warm regards,

Neal B. Blair
President

I believe Ruff-PAC can make a significant difference in 1982. Please send me _____ copy (copies) of Orrin Hatch. Please accept my donation in the amount I've listed.

My donation is as follows:

___$1000 ___$750 ___$500 ___$250 ___$100 ___$50 ___Other

___Check ___Visa/Mastercard

Name _____

Visa/Mastercard Number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Address _____

Expiration Date _____

City State Zip _____

Signature _____

Make check payable to: Ruff-PAC, 1875 South State Street, Suite 1400, Orem, Utah 84057 (801) 225

B-4

A[illegible]FFER FOR YOU TO RECE[illegible]A
COMPLIME[illegible]TARY COPY OF THE COM[illegible]MORATIVE
FIRST EDITION HARDBACK BOOK

ORRIN HATCH

by Dr. Richard Vetterli

Discover the incredible backroom dealings surrounding legislative action on abortion.
Find out what the Iron Triangle is and how it affects daily legislative decisions.

[illegible]n a few weeks, one of the most profound and insightful books on the inner workings of our government will roll off the presses. *Orrin Hatch* is filled with exciting and provocative stories surrounding the rise in national prominence of Senator Orrin Hatch as well as an insightful understanding of the American political process. *Orrin Hatch* is destined to be an American classic.

Only a limited number of copies will be available in this first commemorative edition. We want you to have one as our gift.

Only a limited number of contributors to Ruff-PAC will be able to receive an advanced hardback copy of the book — your own copy before it hits the national bookstores.

For one month only, Ruff-PAC will give a copy of the book to any subscriber who donates $25 or more to Ruff-PAC. Our way of saying thank you for the generous contribution. This is a minimum contribution. If you can give more, please do.

Orrin Hatch is a provocative look at how an unknown but remarkably talented Salt Lake City lawyer rose to national prominence overnight, becoming one of the foremost champions of the conservative cause and, amazingly, in just 48 months, became the chairman of the most significant and largest oversight committee in the United States Senate. No success story has ever read like that of Utah's Orrin Hatch.

Scholar and writer Dr. Richard Vetterli explains in detail how the United States has gotten into the financial and moral mess it is currently in as he shows how the Senator from Utah fought toe-to-toe against the Kennedys, McGoverns, and Metzenbaums of the Senate. He carefully draws the background and depicts the struggles of the conservative movement against the onslaught of the modern liberals and their plans for an egalitarian, monolithic society.

Not only are the life and times and struggles of Orrin Hatch chronicled, but the emergence of the New Right is simply and accurately explained. *Orrin Hatch* portrays the classic liberal. Rarely has anyone written with such clarity, insight, and detail. The book is filled with classic stories of political battles — battles that Hatch sometimes won, sometimes lost — but regardless of the results, the senator remains steadfast to his convictions and unyielding to the pressures of national prominence.

Feel free to use the coupon below to make your donation to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of *Orrin Hatch*, the moment it rolls off the press. Please add $1 or more for postage and handling. For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you two books with a contribution of $50 or more, and three books when you contribute $100 or more. But we must urge you to remember the supply of first edition hardback copies is limited and the deadline is in one month. Act today so you won't be disappointed as missing out on this exclusive offer.

ATTACHMENT C-1

ORRIN G. HATCH
UTAH

UNITED STATES SENATOR
WASHINGTON, D.C.

September 22, 1981

Mr. J. R. Wiltberger
16511 Hedgecroft #228
Houston, Texas 77060

Dear Mr. Wiltberger:

If thousands of dollars of immediate tax benefits is worth one minute of your time, consider yourself engaged.

Because you personally are a generous supporter of political efforts endorsed by Howard J. Ruff, he has commissioned the famed tax expert, B. Ray Anderson to prepare a timely report on President Reagan's new tax bill. No more comprehensive analysis and interpretation exists!

Did you know, for instance, that most Americans are now eligible for a minimum $2,000 tax deferral through expanded IRA and Keogh Programs starting in 1982? It is well worth a small fortune, in the opportunities it reveals and the pitfalls it exposes.

Again, just indicate that you want the report and Ruff-PAC will send it to you as a "thank you" with absolutely no strings attached!

Now, let me tell you a little bit about our needs for the 1982 election in order to keep electing the kind of men and women that made the tax cut possible.

Massive, yes massive, funds are needed to elect free enterprise candidates to the U.S. Senate and House of Representatives in 1982. Ruff-PAC needs you now to fund these efforts.

Please allow me to tell you a little bit about Howard Ruff, Ruff-PAC's chairman. Howard is an honest and courageous man, and is fast becoming one of America's most influential opinion-makers. His book, How to Prosper in the Coming Bad Years, is now the biggest selling financial book in history, and many millions of people have been immensely helped by his newsletter and his TV and radio shows.

I know him best as a friend and a public-spirited American who, at considerable financial and personal risk, got involved in the American political process in 1981, and as much as any individual, helped to give the U.S. Senate and House of Representatives a free-market majority.

Howard stuck his neck out ten miles when he decided in March, 1980 to risk his reputation and his subscription revenues to use his influence to help stem the tide of inflation and the growth of government power. He knew that

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Printed and mailed by Ruff-PAC, an Independent Political Action Committee
A copy of our report is on file with
the Federal Election Commission, Washington, D.C.

many subscribers to his financial newsletter, The Ruff Times, would disapprove of his partisan political activities and refuse to renew their subscriptions, and he was right. He lost about $1 million in revenues.

When he accepted the call to become National Finance Co-Chairman of another independent Political Action Committee that raised and spent $1.5 million on behalf of Ronald Reagan, it was at great personal risk. His publishing business is vulnerable to harassment by over-regulation by the SEC, the FTC, the IRS, and the postal authorities, and if President Reagan had lost the election, who knows what a long memory the Carter White House would have had. As it was, due to pressure from the Carter-Mondale Committe, twenty radio stations dropped his show after a broadcast criticizing the administration's unsuccessful Iranian hostage rescue mission.

Ruff-PAC wrote to Howard's newsletter subscribers and rallied them to raise thousands of dollars to provide what may have been the decisive financial and advertising support for at least two Senate and two House races, besides financial support in 31 other Senate and House races; the point is that it demonstrated that one concerned American, along with generous support, if they have the courage to try, can make a real difference within the spirit and the letter of our Constitutional Democratic Republic when concerned citizens continue to join in a concerted effort.

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously but only give what you can afford and what feels right.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Orrin Hatch

Orrin Hatch

P.S. Remember that the first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

P.S.S. Don't forget - if you can not assist at this time, please order your copy of B. Ray Anderson's Comprehensive Tax Analysis as a thank you for your wonderful past support.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 20, 1984

Jan W. Baron, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

RE: MUR 1484
Ruff Political Action
Committee

Dear Mr. Baron:

Based on a complaint filed with the Commission on October 14, 1982, and information supplied by your client, Ruff Political Action Committee, the Commission determined on January 5, 1983, that there was reason to believe that your client had violated 2 U.S.C. § 441a(a)(2)(a) and 2 U.S.C. § 434(b)(4)(H)(i), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and instituted an investigation of this matter.

Further, based on information ascertained in the course of the investigation, the Federal Election Commission, on February 15, 1983, found reason to believe that your client had violated 2 U.S.C. § 441d a provision of the Act, and instituted an investigation in this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

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If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days.

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Gary Johansen, the attorney assigned to handle this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Hatch Election Committee	)	MUR 1484
Friends of Orrin Hatch	)	

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On October 14, 1982, the Wilson for Utah Committee submitted a complaint to the Commission which alleged that certain expenditures made by the Ruff Political Action Committee ("Ruff PAC") on behalf of the Hatch Election Committee and the Friends of Orrin Hatch Committee, were coordinated expenditures. As such, the complainant asserted they exceeded the limitations of 2 U.S.C. § 441a(a)(2)(A). The complainant further alleged that the respondents violated 2 U.S.C. § 434 by their failure to report the expenditures as contributions on behalf of the Hatch campaign.

The Commission, on January 5, 1983, found there was reason to believe that: (1) the Hatch Election Committee and the Friends of Orrin Hatch Committee violated 2 U.S.C. § 441a(f) by accepting contributions from Ruff PAC in excess of the limitations set forth at 2 U.S.C. § 441a(a)(2)(A); and, (2) the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) by failing to report the receipt of in-kind contributions from Ruff PAC.

Ruff PAC, the Hatch Election Committee and Friends of Orrin Hatch have submitted written responses to the complaint and have

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submitted written answers to interrogatories. In addition, depositions were taken of Mr. Neal Blair, consultant to Ruff PAC and Mr. Stanley Parrish, finance chairman of Senator Hatch's reelection campaign. After a review of the evidence the Office of General Counsel recommends that the Commission find probable cause to believe that: (1) the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. § 441a(f) by accepting contributions from Ruff PAC in excess of the limitations set forth at 2 U.S.C. § 441a(a)(2)(A); and, (2) the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) by failing to report the receipt of in-kind contributions from Ruff PAC.

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II. Factual and Legal Analysis

The issue in this case concerns whether Ruff PAC made in-kind contributions to the Hatch Election Committee and the Friends of Orrin Hatch.

This issue centers around three mailings made by Ruff PAC during the 1982 campaign. All three mailings solicit funds to Ruff PAC. In addition, the language of the mailings raise the question as to whether the mailings are expenditures by Ruff PAC made for the purpose of influencing Senator Hatch's reelection campaign. 2 U.S.C. § 431(9)(A). If the mailings are expenditures, then the second question raised is whether the relationship between Ruff PAC and the Hatch campaign is sufficient to meet the tests of "coordination" under 2 U.S.C.

§ 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1. If coordinated, then the mailings are "in-kind contributions" to the Hatch Campaign.1/

A. Review of Mailings

In its investigation the Office of General Counsel has reviewed three mailings made by Ruff PAC. All three of the mailings were made during the 1981-82 election campaign cycle. The Office of General recommends to the Commission that pursuant to 2 U.S.C. § 431(9)(A) two of the three mailings are expenditures made for the purpose of influencing Senator Hatch's reelection campaign. An analysis of each of the mailings follows.

1. Mailing #1: "With A View Towards 1982"

Mailing #1 (Attachment A) consists of two pages. It appears to be intended solely to solicit contributions to Ruff PAC. Ruff PAC estimates the cost of the mailing was $10,138.74. The total amount received by Ruff PAC in response to the mailing was $15,881. The mailing provides a statistical summary of Ruff PAC's success rate for the 1980 election. The mailing also notes those states that will be "targeted" by Ruff PAC in 1982. Senator Hatch's state, Utah, is mentioned only in the context of

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1/ In one of the Ruff PAC mailings, referred to as mailing #2 infra, Ruff PAC indicated that it was going to make "independent expenditures" on behalf of Senator Orrin Hatch. Complainant alleges that because of the closeness of the relationship between Ruff PAC and the 1982 Hatch reelection efforts, such expenditures could not be "independent", but would be "in-kind contributions." In fact, Mr. Blair, a Ruff PAC consultant, testified that such "independent expenditures" referred to in mailing #2 were never made by Ruff PAC.

Ruff-PAC's general interest in Congressional activities in that State. The mailing does not contain the name of Senator Hatch. Therefore, the Office of General Counsel does not believe that this mailing should be viewed as an expenditure made by Ruff PAC to influence Senator Hatch's reelection campaign.

2. Mailing #2: Letter Offering Biography as a Premium

Mailing #2 (Attachment B) consists of four pages. It consists of two communications signed by Mr. Neal Blair and a flyer offering a copy of a book on Senator Orrin Hatch. Ruff PAC estimates the cost of the mailing was $34,777.62. The total amount received by Ruff PAC in response to the mailing was $43,119.60. The mailing requests its readers to contribute funds to Ruff PAC in order that contributions may be made to the Hatch campaign. The letter states: "With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's [Hatch] record. We will write press releases, make phone calls, and stump the streets to let voters know the facts." The mailing has as its focal point Utah voters: "We want to let at least one million voters in Utah know the facts about Senator Orrin Hatch." The letter finally advises the reader that Ruff PAC will be able to "donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth."

In order to induce contributors to support Ruff PAC's efforts to support Senator Hatch, a premium is offered to the

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contributors. Persons who contributed more than $25 were to receive a free copy of a biography of Senator Hatch entitled Orrin Hatch. Challenging the Washington Establishment. The book is described as relating "the highlights of Senator Hatch's outstanding rise to national leadership and service to Utah." The letter also advises the reader to "[g]ive copies [of the book] to your friends -- it could make the difference in this election."

Finally, the return coupon portion of the letter states: "I believe that Ruff PAC can make a significant difference in the Orrin Hatch Campaign in 1982. It is vital we support candidates who will represent our views. Please accept my donation in the amount I've listed below."

Hatch campaign personnel knew that the biography was to be offered as a premium for contributions received by Ruff PAC. Further, the mailing and book offer occurred during Senator Hatch's reelection efforts.

There is no question that mailing #2 had as it purpose to influence the election of Senator Hatch.2/ It talks of the need to make a significant difference in the Hatch campaign for election in 1982. In Advisory Opinion 1980-106 the Commission

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2/ The Office of the General Counsel notes that it is possible that an expenditure may have more than one purpose. Whether the particular expenditure had a dual purpose depends upon the facts. The fact that a committee may legitimately claim that the purpose of a particular expenditure was to raise money for that committee does not preclude a finding that the same expenditure was also made to influence a particular candidate's election.

pointed out that the test of whether a mailing is an expenditure includes an examination of the mailing to determine whether "the information actually presented and the manner in which it is presented are designed to influence the reader's choice in the ... election, rather than simply to promote a discussion of the issues." The Advisory Opinion notes a distinction between a committee publishing a summary of a candidate's voting record and making its own assessment of the candidate's position on the issues considered important by the organization.

Unlike the first mailing, this effort was by its own words directed to the voters in Utah, espoused the virtues of Senator Hatch, spoke of the need to make a difference in the 1982 Hatch election, and promised that the funds raised would go towards affecting the outcome of Senator Hatch's reelection efforts. The mailing was subjective and applied its own assessment of Senator Hatch's record in endorsing his efforts. Thus, it is the Office of General Counsel's belief that the mailing is an expenditure made for the purpose of influencing Senator Hatch's reelection campaign.

3. Mailing # 3: A letter from Senator Hatch

Mailing #3 (Attachment C) is a two page letter signed by Senator Hatch. The mailing is on letterhead similar to the official United States stationery used by Senator Hatch. Ruff PAC estimates the cost of the mailing was $6,222.21. It is estimated that the mailing was sent to roughly 15,750 persons. The total amount received by Ruff PAC in response to the mailing

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was $20,628.34. The mailing informs the reader of Ruff PAC's goals for the 1982 elections and clearly implies that these goals are shared by Senator Hatch. The mailing states "[n]ow, let me tell you a little bit about <u>our need</u> for the 1982 election in order to keep electing the kind of men and women that made the tax cut possible." [emphasis added] The letter continues, urging the reader to contribute to Ruff PAC in order to assist it in directly affecting the election efforts of federal candidates. "Massive, yes massive funds are needed to elect free enterprise candidates to the U.S. Senate and House of Representatives in 1982. Ruff PAC needs you now to fund these efforts."

Senator Hatch's references to Howard Ruff, Ruff PAC's Chairman as a friend and a "public-spirited American" lead the reader to the conclusion that Senator Hatch endorses the views of Howard Ruff and, as a candidate for reelection in 1982, Senator Hatch would benefit by Ruff PAC's efforts in affecting the outcome of the 1982 elections. Certainly a significant factor in Ruff PAC's choice of Senator Hatch as a spokesman for Howard Ruff must have been the fact that because Howard Ruff and Senator Hatch share similar views it would follow that those who would support Howard Ruff and Ruff PAC would also support Senator Hatch's campaign. This notion is illustrated by the fact that the mailing was made to subscribers of Howard Ruff's financial newsletter the Ruff Times.

Here again, the information presented in the mailing and the manner in which it is presented influences the reader's choice to

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support Senator Hatch in the upcoming election. Therefore, it is the Office of General Counsel's belief that the mailing is an expenditure made for the purpose of infuencing Senator Hatch's reelection campaign.

B. The Relationship between Ruff PAC and the 1982 Hatch Campaign

An examination of the relationship between Ruff PAC and the Hatch reelection campaign reveals that the two organizations were closely related. Accordingly, the Office of General Counsel concludes that mailing #2 and mailing #3 constituted coordinated expenditures pursuant to 2 U.S.C. § 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1 by Ruff PAC on behalf of the Hatch campaign. An analysis of the relationship between Ruff PAC and the 1982 Hatch Campaign follows.

1. Shared office

From November 1981 through June 1982, Ruff PAC rented office space from the Hatch Election Committee. During this time, both Ruff PAC and the Hatch Election Committee occupied the office. The office was located in Washington, D.C. By the rental agreement, Ruff PAC paid the Hatch Election Committee $150 rent per month and its share of the overhead costs.3/ The lease agreement was open-ended in that, according to Mr. Blair, it

3/ Respondents have estimated that the total cost to Ruff PAC which included rent, overhead, and use of a copy machine was $802.40.

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would continue "[u]ntil my needs expanded for personnel and more space." Ruff PAC did not have its own secretary at the office. Instead the secretary employed by the Hatch campaign answered calls and provided incidental services for Ruff PAC. In addition, Ruff PAC had a sign installed outside the building which had the names of the Hatch Election Committee and Ruff PAC on the same board. The sign was paid for by Ruff PAC.

2. Conversations

During the 1982 election period, conversations took place between personnel of Ruff PAC and the Hatch campaign. One of the conversations included a suggestion by Mr. Blair of Ruff PAC that the Hatch campaign offer as a premium to contributors a biography of Senator Hatch. The Hatch campaign decided not to offer the biography to its contributors because of its cost effectiveness. However, Ruff PAC, with the knowledge of the Hatch campaign, then offered the Hatch biography as a premium to Ruff PAC contributors. The biography was offered in Ruff PAC's mailing #2 discussed previously. This mailing was distributed during the period of time Senator Hatch was running for reelection.

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3. Mailing list exchange

During the time period in question, the two organizations also made a one-time exchange of mailing lists. The list provided by Ruff PAC contained the names of subscribers to the Ruff Times, a publication prepared by Howard Ruff. Ruff PAC, in

turn, received a list of contributors to the Hatch campaign.4/ The exchange of the mailing list is another indicia of the cooperation and coordination of activities which took place between Ruff PAC and the Hatch campaign.

4. Hatch letter

In September 1981, Senator Hatch wrote a two page letter on behalf of Ruff PAC. The letter, referred to as mailing #2, was discussed previously. The mailing was paid for by Ruff PAC. The mailing solicited funds for Ruff PAC in order to assist in electing individuals in 1982 (like Senator Hatch) who supported the tax cut and who were in favor of the free enterprise system. The letter is a clear example of the extent to which Ruff PAC and the Hatch campaign worked together to promote their common goals.

5. Testimony

Perhaps the most compelling evidence of the coordination which existed between Ruff PAC and the Hatch campaign was how Ruff PAC and the Hatch campaign committees viewed their relationship. As Mr. Blair, a Ruff PAC consultant, testified in his desposition, "[b]ecause of the close relationship of Mr. Ruff [Chairman of Ruff PAC] with Mr. Hatch and my relationship with Mr. Hatch we knew an independent expenditure would be totally out of the question so it was never contemplated."

4/ There is no evidence that one list had a commercially greater value than the other. Due to the fact that both lists were privately owned, there appears to be no independent basis upon which they may be valued aside from the subjective valuation made by the parties to the exchange. The Office of General Counsel, therefore, recommends not pursuing the issue of whether this exchange should be viewed as a contribution or expenditure (See Advisory Opinions 1982-41 and 1981-46).

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III. Conclusion

In summary, mailing #2 and mailing #3 constituted expenditures made by Ruff PAC for the purpose of influencing Senator Hatch's reelection campaign. A close relationship existed between Ruff PAC, the Hatch campaign and Senator Hatch. Ruff PAC shared an office space with the Hatch Election Commmittee, conversations took place between personnel of Ruff PAC and the Hatch Committee, Ruff PAC distributed copies of Senator Hatch's biography, Ruff PAC and the Hatch Committee exchanged mailing lists, Senator Hatch signed a campaign letter on behalf of Ruff PAC, and Ruff PAC and the Hatch committees viewed their relationship as preventing independent expenditures.

2 U.S.C. § 441a(a)(7)(B)(ii) states that "expenditures made by any person in cooperation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees/or their agents, shall be considered to be contributions made to such candidates." Therefore, the costs of mailing #2 ($34,777.62) and of mailing #3 ($6,222.21) are considered in-kind contributions from Ruff PAC to the Hatch campaign committees. Since the total of these in-kind contributions exceed the $5,000 contribution limitation of 2 U.S.C. § 441a(a)(2)(a), there is probable cause to believe that the Hatch Election Committee and Friends of Orrin Hatch violated 2 U.S.C. § 441a(f). Further, since the in-kind contributions were not reported, there is probable cause to believe that the Hatch Election Committee and Friends of Orrin Hatch violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A).

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IV. **Recommendation**

The Office of General Counsel recommends that the Commission find probable cause to believe that:

1) the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. § 441a(f) by accepting contributions from Ruff PAC in excess of the limitations set forth at 2 U.S.C. § 441a(a)(2)(A); and

2) the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) by failing to report the receipt of in-kind contributions from Ruff PAC.

17 August 1984
Date

Charles N. Steele
General Counsel

Attachments
1) Mailing #1
2) Mailing #2
3) Mailing #3

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In 1980, Ruff-PAC supported [illegible] gressional candidates with direct fin[illegible] support, assistance with campaign strategy, and independent expen[illegible]ures. Of these candidates, 27 were v[illegible]rious. . . and that translates Ruff-PAC's efforts into a 77% succes[illegible]e. More than dramatic results cons[illegible]ing that RuffPAC supported only underdogs and closely contested races!

But 1982 represents an even greater challenge. First, being an off year election, we can expect the traditional resurgence of the opposition party. This historical trend is expected to manifest itself across the country where free enterprise candidates meet opponents backed by liberal special interests. But more importantly, the opposition has learned much from the 1980 elections. We can expect their strategy to incorporate some of the hard lessons learned in 1980. In short, without your help now, it will become increasingly difficult to maintain the trend only begun in the last election.

As no worthy effort goes unfunded, no worthy candidate can be elected without donations from those who can offer critical financial support. We are asking for your support now, so we have the vast financial resources needed for 1982. There is a great deal that remains unfinished, and only your assistance can help put America back on the right track.

Listed below are Ruff-PAC's *initial target states* for 1982. In these states, Ruff-PAC will work through direct contributions, direct campaign strategy assistance, or independent expenditures to elect strong free enterprise candidates who will support fiscally sound and morally prudent legislation.

U.S. SENATE RACES	HOUSE OF REPRESENTATIVE RACES
Arizona	Arizona
California	California
Connecticut	Colorado
Maine	Florida
Michigan	Maine
Nevada	New Mexico
New Jersey	Oregon
New York	Tennessee
Ohio	Texas
Texas	Utah
Vermont	Washington

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Howard J. Ruff
Chairman

P.S. Remember that it is nearing the end of the calendar year. The first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

HOWARD - I believe that Ruff PAC can make a significant difference in 1982. It is vital that we support candidates that will represent our views while maintaining gains made in 1980. Please accept my donation in the amount I've listed below. My check or charge card information enclosed.

Name: _____
Address: _____
_____
City/State: _____
Zip: _____

My donation is as follows:
___Check ___Chargecard
Name of Card _____
Expiration Date _____
Signature _____

___$100 ___$750 ___$500
___$250 ___$100 ___$50 ___Other

___I would also like to donate my time or services.

Make check payable to: Ruff PAC

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F-CC#4954

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WRITER'S DIRECT DIAL NO.:
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October 2, 1984

Ms. Marjorie W. Emmons, Secretary
Federal Election Commission
1325 L Street, N.W.
Washington, D.C. 20463

Re: MUR 1484, Brief of Respondent
Ruff Political Action Committee

Dear Madam Secretary:

Pursuant to 11 C.F.R. § 111.16(c) please find enclosed an original and ten copies of the Brief of Respondent Ruff Political Action Committee and attachments thereto for filing with your office with respect to the above-captioned matter.

By copy of this letter I am transmitting three additional copies to the Office of General Counsel to the attention of Gary L. Johansen, Esquire.

Sincerely,

Jan W. Baran

JWB:df
Enclosures

cc: Gary L. Johansen, Esquire
Neal B. Blair

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BEFORE THE FEDERAL ELECTION COMMISSION
OF THE UNITED STATES OF AMERICA

In the Matter of	)	
	)	MUR 1484
Ruff Political Action Committee	)	

BRIEF OF RESPONDENT RUFF
POLITICAL ACTION COMMITTEE

Respondent Ruff Political Action Committee ("RUFFPAC") files this brief pursuant to 2 U.S.C. § 437g (1)(3) and 11 C.F.R. § 111.16(c), and in response to the General Counsel's Brief ("G.C. Brief") of August 17, 1984. For the reasons stated below, the Federal Election Commission ("FEC" or "Commission") should reject the recommendations of the General Counsel and in lieu thereof find no probable cause to believe RUFFPAC violated 2 U.S.C. §§ 434(b)(4)(H)(i), 441a(a)(2)(A), or 441d.

FACTS

RUFFPAC is a qualified multi-candidate committee registered with the FEC. On October 14, 1982 the Wilson for Utah Committee filed a complaint alleging that RUFFPAC had made and planned to make expenditures on behalf of Senator Orrin Hatch which expenditures constituted contributions in excess of statutory limits. Appended to the complaint were two mailings which are Attachments A and B to the General Counsel's Brief and which have been denominated Mailing #1

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("With a View Towards 1982") and Mailing #2 (Hatch Biography as Premium), respectively. Mailing #1 is a solicitation for RUFFPAC signed by Howard J. Ruff. The mailing requests contributions to RUFFPAC, and lists "target" states in which RUFFPAC planned to make contributions in support of Senate candidates. The State of Utah is not listed. Mailing #1 was sent in the Spring of 1982. See RUFFPAC Responses of June 16, 1983, Response #9; RUFFPAC Responses of March 2, 1983, Response #2a.

Mailing #2 is a solicitation for RUFFPAC. It offers contributors of over $25 a copy of a biography of Senator Hatch. The letter suggests that RUFFPAC will make independent expenditures with the proceeds of such contributions in order to "detail the Senator's record." These, and other representations of RUFFPAC's plans were erroneous and had been made without review by and the approval of Neal B. Blair on whose behalf the letter was signed by a RUFFPAC employee. Deposition of Neal B. Blair at 93-95 & 97-100 (July 28, 1984), attached hereto [hereinafter "Blair Dep."]. RUFFPAC had no plans to make independent expenditures, did not make such expenditures nor make any contribution to the Hatch campaign. Id.; Affidavit of Neal B. Blair ¶ 9 [attached hereto and hereinafter "Blair Aff."]. The mailing was planned, produced and mailed without the cooperation, prior consent of, consultation with, request or suggestion

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of Senator Hatch or any agent or authorized committee of Senator Hatch. Blair Aff. ¶ 10. Approximately 2.5% of those persons who received this mailing (or 327 persons) were Utah addressees. Id. ¶ 7. All contributions were payable to and addressed to RUFFPAC. Blair Dep. 95.

A third mailing on behalf of RUFFPAC was sent in September 1981 and signed by Senator Hatch. This mailing is Attachment C of the General Counsel's Brief and is referred to as Mailing #3. This mailing expressly requested contributions to RUFFPAC, did not refer to Senator Hatch as a candidate, did not advocate his election nor solicit contributions on his behalf. This mailing was also mailed to RUFFPAC contributors approximately 400 of whom at that time were Utah addressees. Id. ¶ 5.

The sole purpose of all three mailings was to raise contributions for RUFFPAC. Id. ¶ 8.

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ARGUMENT

I. Mailing #1 Is Not a Contribution

The spending of money is not a contribution to a candidate unless the disbursement is for the purpose of influencing the candidate's election, 2 U.S.C. § 431 (8)(A)(i), and is coordinated with the candidate or his agents, id. § 441a (a)(F)(B)(i). Only then would the disbursement be subject to a contribution limit. See Buckley v. Valeo, 424 U.S. 1, n. 24 & 25 (1976).

Respondent agrees with the General Counsel's Brief that Mailing #1 (Attachment A) is not a contribution in-kind, to Senator Hatch or any other candidate, G.C. Brief 4, but disagrees with the reasoning. The General Counsel's Brief suggests that no contribution is made because the "mailing does not contain the name of Senator Hatch." Id. As set forth in greater detail below in regards to Mailing #3, the appearance or use of a candidate's name does not result in a contribution under a variety of circumstances.

Mailing #1 is not a contribution to Senator Hatch for other compelling reasons. First it solicits contributions to RUFFPAC, not for a candidate. Second, like the other mailings, it was sent to all RUFFPAC contributors, only 2.5% of whom are Utah residents. Blair Aff. ¶ 4. It also does not advocate the election of any candidate. Furthermore, RUFFPAC had no intention of making contributions or expenditures on behalf of Senator Hatch, id.; Blair Dep. 93-95, and in fact never made such contributions or expenditures, Blair Aff. ¶ 9. There was no purpose to influence Senator Hatch's election.

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II. Mailing #2 Is Not a Contribution

A. The Purpose of Mailing #2 Was Not to Influence the Election of Senator Hatch

It is undisputed that RUFFPAC never had plans to contribute to Senator Hatch or to make independent expenditures on his behalf. Id. ¶ 4; Blair Dep. 93-95. Mr. Blair has stated under oath that no contributions were planned or made because Senator Hatch "was an incumbent Senator that [sic] was running a very expensive media campaign successfully, was way ahead of his opposition and there did not seem to be any need." Blair Dep. 93-94. For this reason, RUFFPAC never sent a contribution to the Hatch campaign, in spite of several requests. Id.

RUFFPAC had no intentions of making an independent expenditure because RUFFPAC believed that the relationships among Howard Ruff, Neal Blair and Senator Hatch would make expenditures vulnerable to accusations, including unfounded accusations, of coordination. Id. 94. Representations of RUFFPAC's contrary intentions were contained in Mailing #2. Mr. Blair did not review and correct the letter copy. Id. 94-95.

The General Counsel's Brief states that Mailing #2 was "directed to the voters in Utah." G.C. Brief 6. This is not true. This mailing was sent to an estimated 13,100 persons, only 2.5% of whom (327) had Utah addresses. Blair

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Aff. ¶ 7. Furthermore, it is undisputed that all contributions in response to this mailing went only to RUFFPAC. Blair Dep. 95-96.

It is a common industry practice to offer premiums (see, AO 1979-35), including books by politicians, in return for voluntary contributions. Id. 96-97. As a specific example of another committee's use of a book premium, attached hereto is a mailing by W. Averell Harriman on behalf of Democrats for the 80's. Contributors of over $35 receive a book authored by Senators Kennedy and Hatfield. The letter was sent in 1982 prior to the election and warned that candidates "like Edward Kennedy, Don Riegle, Paul Sarbanes, and Howard Metzenbaum . . . must not go down to defeat this November" (emphasis added). The letter also urges the election of a Democratic majority in the Senate in order to take that body from "the grip of New Right Republican leaders like Jesse Helms, Strom Thurmond, and Orrin Hatch" (emphasis added). Mr. Harriman boasts of having written the forward to candidate Kennedy's book. This suggests what is a matter of common knowledge, i.e., that Mr. Harriman has a long standing political and personal relationship with Senator Kennedy and his family.

The Harriman mailing is strikingly similar to RUFFPAC Mailing #2. Unlike RUFFPAC, Democrats for the 80's made contributions to candidate-author Kennedy, the other

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mentioned Democratic Senators and to opponents of certain incumbent Republicans, including complainant Wilson who opposed Senator Hatch.

The Harriman mailing and RUFFPAC Mailing #2, while referring to candidates, each seeks to raise contributions for its respective political committee. The reference to candidates and the use of books about or by politicians is a widely used fundraising technique which furthers the sole purpose of such an appeal, i.e., raising PAC money. See Blair Dep. 95 & 97; Blair Aff. ¶ 8. Presumably Mr. Harriman is prepared to swear under oath that the purpose of his letter and offer of a book premium was not for the purpose of influencing Senator Kennedy's reelection, but rather to raise money for Democrats for the 80's. This is what Mr. Blair has done with respect to RUFFPAC's lack of intent to further the Hatch campaign. Blair Dep. 95; Blair Aff. ¶ 8. Under these similar circumstances, both gentlemen deserve to be believed by the Commission.[1/]

The purpose of Mailing #2 was not to influence Senator Hatch's election, and therefore did not constitute a contribution to his campaign.

1/ Of course, if the FEC concludes that RUFFPAC made a contribution to Senator Hatch, it should promptly start an investigation of Democrats for the 80's under the same theory.

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B. Mailing #2 Was Not Coordinated With Senator Hatch or An Agent or Authorized Committee of Senator Hatch

In addition to not being sent for the purpose of influencing the election of Senator Hatch, Mailing #2 "was planned, produced and mailed without the cooperation, prior consent of, consultation with, request or suggestion of Senator Hatch or any agent or authorized committee of Senator Hatch." Blair Aff. ¶ 10.

The General Counsel's Brief states that "RUFFPAC, with the knowledge of the Hatch campaign, then offered the Hatch biography as a premium to RUFFPAC contributors." G.C. Brief 9. This statement is made without citation to any evidence. It is utterly false. Mr. Blair has stated under oath that he did not confer with the Hatch campaign on this mailing. Blair Aff. ¶ 10. Blair never discussed any of the mailings with Senator Hatch. Blair Dep. 16. He never discussed mailings that RUFFPAC was planning with Stanley Parrish of the Hatch Committee. Id. 50. All that Parrish heard from Blair were "corney jokes." Id. 51-52. Parrish has testified under oath that he never "talked to Neal Blair or anybody associated with RUFFPAC about the production" of Mailing #2 and did not know of its existence or the offer of the Hatch biography as a premium until after the filing of the complaint. Deposition of Stanley B. Parrish at 86 (July 27, 1984) [hereinafter "Parrish Dep."].

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Thus there is no evidence that Mailing #2 was coordinated with the Hatch campaign.

III. Mailing #3 Is Not a Contribution

Mailing #3 is a mailing on behalf of RUFFPAC signed by Senator Hatch. It was mailed in September 1981 to RUFFPAC contributors, 2.5% (400) of whom were Utah residents. Blair Aff. ¶ 5. The letter does not solicit any contributions to Senator Hatch nor does it advocate his election. It was mailed over a year prior to the 1982 general election. RUFFPAC received $20,628.34 in contributions from this mailing. RUFFPAC Responses of March 2, 1983, Response #1c. None of the proceeds were contributed to Senator Hatch. Blair Aff. ¶ 9.

The FEC has permitted candidates to participate in fundraising and other activity without incurring a contribution from the sponsoring entity even though the "media or other public appearances by candidates may benefit their election campaigns", provided that there is no solicitation on behalf of the candidate nor advocacy of the candidate's election. AO 1982-56. Under these conditions the FEC has allowed candidates to raise funds for charity, AO 1978-15, and against ratification of the Panama Canal Treaty, AO 1977-54, during an election period and even though the audience consisted entirely of the candidates' electorate.

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In this case, only a fraction of the addressees were Utah residents and therefore were even eligible to vote for Senator Hatch.

The FEC has noted that a PAC may pay for a picture advertisement of a candidate, in a state party convention publication without such expense counting as a contribution to the candidate. AO 1983-40. The FEC also has permitted a political party to pay for ads advocating the election of a candidate for convention delegate which ads featured a person who was a candidate for Congress. AO 1980-28.

Finally, the FEC permitted a congressional candidate to appear in pre-election television ads advocating the election of a candidate for local office. AO 1982-56. These ads were broadcast in a geographical area which was entirely within the endorsing candidate's congressional district. Thus, every viewer was a potential voter for that candidate.

In light of these numerous advisory opinions which clearly establish that a candidate may participate in, endorse and raise funds for a variety of causes so long as his election is not advocated nor funds solicited for him, it is patently inconsistent to hold that Senator Hatch, by signing a fundraising letter on behalf of RUFFPAC, incurred a contribution in-kind. All the opinions cited above, particularly AO 1982-56, dictate that Senator Hatch could sign a RUFFPAC letter such as Mailing #3 and RUFFPAC could

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send it only to Utah residents provided the letter did not advocate Hatch's election or solicit contributions for him. The fact of the matter is that only 2.5% of RUFFPAC contributors were Utah residents. Blair Aff. ¶ 5.

Accordingly, RUFFPAC did not make a contribution to Senator Hatch by paying for Mailing #3.

IV. RUFFPAC Provided Adequate Notice Pursuant to 2 U.S.C. § 441d and Regulations Thereunder

Section 441d of 2 U.S.C. requires in solicitations a notice as to who paid for the solicitation and whether it was authorized by a candidate. No specific language for the notice is set out in the statute.

In Mailing #3 on the bottom of the letterhead is printed the following:

> Printed and mailed by Ruff-Pac, an independent Political Action Committee. A copy of our report is on file with the Federal Election Commission, Washington, D.C.

This notice was on a letter sent to RUFFPAC contributors. Blair Aff. ¶ 4. The letter solicited contributions to RUFFPAC. These RUFFPAC contributors received a letter requesting additional contributions to RUFFPAC, were informed that the letter was printed by RUFFPAC, mailed by PUFFPAC, and that RUFFPAC is "independent." Those who responded wrote out a check made payable to RUFFPAC and sent

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it to RUFFPAC (see Blair Dep. 95). Under these circumstances there was sufficient notice that the letter was paid for by RUFFPAC and not authorized by any candidate. The General Counsel's recommendation to the contrary should be rejected by the Commission.

CONCLUSION

For the reasons set forth above, the FEC should find no probable cause to believe that RUFFPAC violated 2 U.S.C. §§ 434(b)(4)(H)(i), 441a(a)(2)(A) or 441d.

Jan W. Baran
Baker & Hostetler
818 Connecticut Avenue
Washington, D.C. 20006

Attorneys for Respondent
Ruff Political Action Committee

October 1, 1984

6JWB(D)9(3)

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W. AVERELL HARRIMAN

Dear Friend,

Nuclear Freeze ...

Those two simple words are capturing the hearts and minds of our people.

For citizens frustrated and angry over their powerlessness to bring about nuclear weapons reduction, nuclear freeze has created a rallying point -- an understandable and sensible idea for them to unite around.

But for right-wing Republican politicians eager to pursue an arms race and the myth of nuclear superiority in an age of 50,000 nuclear weapons, the nuclear freeze has become a whipping boy.

And for those politicians who have missed the massive grassroots movement of citizens working on nuclear weapons reduction for the last 18 months, the nuclear freeze movement has jolted them with the power of citizen activism.

The nuclear freeze movement has jolted the country with the power of citizen activism. It has shown politicians and policymakers that there is massive grassroots concern about nuclear weapons, a popular revolt against building more and more missiles and bombs while doing less and less to insure that those arms are never used.

One thing is crystal clear: the American people, conservative and liberal alike, are mobilizing to fight fear. They have decided that the nightmare of nuclear war is something they can and must wipe out of their lives and their children's.

Insensitive political leaders and war-game strategists are prolonging the nuclear nightmare by their talk of "winning" a nuclear war, of fighting a "protracted" nuclear war, of firing "demonstration strikes," of "horizontal escalation" and "hard-target kill capability." President Reagan's civil defense plans -- based on the questionable idea that our society (or the planet) can survive nuclear devastation -- have alarmed Americans, not reassured them.

Recently, Democrats for the 80's took a stand on the nuclear weapons issue. We went on record as supporting the reasoned bipartisan proposal put forth on March 10th by Senator Edward Kennedy, D-Massachusetts, and Senator Mark Hatfield, R-Oregon.

(over, please)

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The Kennedy-Hatfield Senate Resolution is supported by 26 Senate signers and 169 U.S. Representatives.

I am proud to be behind this important resolution. I have been engaged in public affairs for more than 60 years. Most of my efforts have been devoted to the search for peace.

As Ambassador to the Soviet Union and Great Britain, as advisor to five American Presidents, and even as Governor of New York, I participated in the major debates over the course of American foreign policy.

I have devoted my life to the preservation of peace and American national security. I had to deal with Stalin more times than I care to remember and was one of the earliest to warn that the Soviets would not remain allies once World War II was over.

Often I have disagreed with our Presidents, both Democratic and Republican.

Yet never have I been more concerned about the direction of American foreign policy than I am today -- especially our nuclear arms policies.

A few years ago, I did not expect I would have to be involved again in political fundraising.

But I cannot in conscience permit the advocates of reactionary and simplistic solutions to be unopposed as they undermine peace and America's position in the world. Bipartisanship in foreign policy has been, and continues to be, important to our national security.

To help make the voices of logic and reason heard on the floor of the Senate and the House and inside their committees, I am inviting you to join with me and other concerned citizens in Democrats for the 80's.

In December 1980, my wife Pamela and I organized Democrats for the 80's, along with such outstanding public servants as Senators Byrd, Cranston, and Inouye, and former Senators Muskie and Church.

Democrats for the 80's is a political group. It is our goal to elect Democrats so that they can shape domestic policies which do justice to our country's needs and foreign policies which preserve both our strength and our commitment to peace.

Democrats for the 80's has also made it a priority to support a sane and responsible nuclear weapons policy. We have added our weight to that of the physicians, scientists, religious leaders, and others who have endorsed the Nuclear Freeze resolution. We have taken our stand because the issue is one of life or death.

(next page, please)

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What will become of the Kennedy-Hatfield Nuclear Arms Freeze Resolution? For one thing, it will be hotly debated. Also, the newspapers and magazines and talk shows will pick it up and analyze it in great detail.

But mainly the Resolution stands as a symbolic reminder to New Right Republicans that the people and moderate leaders of both political parties want an end to the saber-rattling language of President Reagan and his cabinet members.

More than any other branch of government, the U.S. Senate is the one place where presidential decisions about nuclear weapons can be effectively challenged. And it is the one place where an arms limitation treaty can be ratified.

But currently our U.S. Senate is in the grip of New Right Republican leaders like Jesse Helms, Strom Thurmond, and Orrin Hatch. These men are all opposed to the SALT Treaty and exert enormous influence over our nuclear policy.

You and I must make sure that the five seats needed for a Democratic majority in the U.S. Senate this year are won by Democrats who seek a reasoned and responsible position on nuclear weapons reduction.

Men like Edward Kennedy, Don Riegle, Paul Sarbanes, and Howard Metzenbaum. These incumbent Senators, targets of NCPAC and other right-wing groups, must not go down to defeat this November. For if they do, my hopes and your hopes for a reversal of the frightening nuclear weapons policies of our government will be destroyed.

The stakes in the U.S. Senate election are as high as they could possibly be -- the future of life on this planet!

Of course the complexities of the nuclear arms issue are nearly overwhelming. But you and I must remember that the one place we can get leverage on the reduction is the U.S. Senate.

I urge you to help me restore the Senate to a Democratic majority. I could name countless good reasons why Democrats need to control the U.S. Senate. My reasons would run from economic policy to protection of our elderly. But all these reasons pale alongside this one -- a sane and reasoned military defense and nuclear weapons policy can come about only through a Democratic Party majority leading the U.S. Senate.

I urge you to help Democrats for the 80's do everything in our power to restore the Senate to a Democratic majority. Please understand that unless you and I act now, the threat of nuclear catastrophe will grow. Democratic victory depends on your strong financial commitment now.

(over, please)

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Therefore I ask you to join me in Democrats for the 80's today. And I'll make sure that your gift is used for the direct support of the U.S. Senate candidates who will represent the concerns and longings of our people for peace and negotiated reductions of nuclear weapons.

You and I must decide with our most personal commitment that the escalation of nuclear arms will be halted -- quickly.

In 1981, the Republican committees raised over $70 million. Democrats raised less than $10 million. If we are to win back the U.S. Senate, we need you to become a Charter Member of Democrats for the '80s today. As a member, you'll receive our informative quarterly newsletter.

Please take a moment now to write your check and send it back to me right away.

Sincerely,

W. Averell Harriman

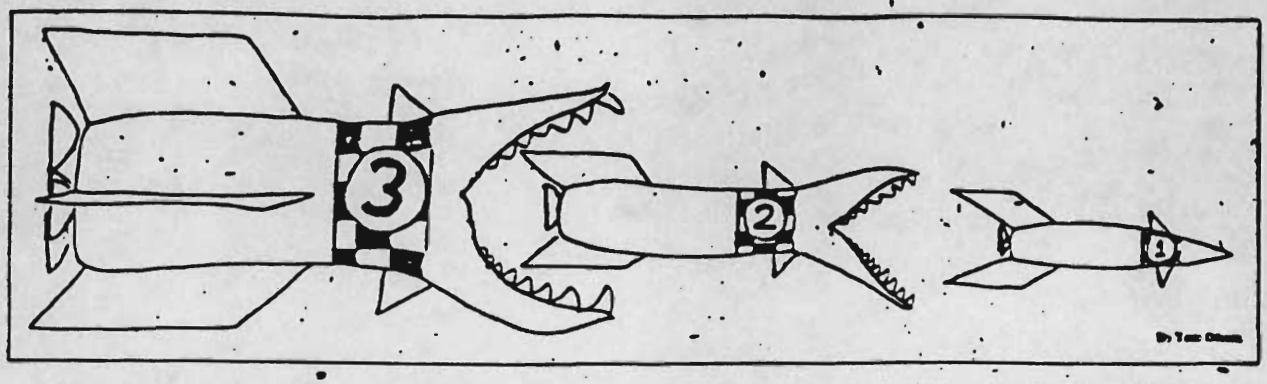
P.S. I've enclosed for you a copy of a Washington Post article I wrote several months ago on the nuclear arms issue.

P.P.S. In addition, I have just completed the foreword for a new book entitled Freeze: How You Can Help Prevent Nuclear War. I have asked our staff to send a complimentary copy of the book to all contributors of $35 or more. Please join with us in this crucial campaign!

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W. Averell Harriman

The Window of Opportunity



We are in danger of ceding our destiny to the whims of nuclear weapons, trusting to good fortune to see us through the nuclear arms race when we should be trusting to ourselves.

The strategic forces of the United States and the Soviet Union carry explosive power more than 100,000 times greater than the Hiroshima bomb. Far from saying "enough," both nations are increasing these forces.

We are moving to deploy thousands of nuclear-armed cruise missiles, by their nature difficult to count because of their small size. These missiles—unverifiable—will make existing agreements to reduce the numbers of nuclear arms obsolete and future agreements impossible. We are allowing the seduction of a momentary technological advantage to foreclose future limits on Soviet forces.

Today there are five nations that have tested nuclear weapons; in 10 years there could be 10 more, as well as terrorists adding nuclear explosives to their menace. Yet our policy to prevent the spread of these weapons now features promotion of the exports and technologies that could be fashioned to destroy us.

The SALT II treaty, which put a cap on the strategic arms race and placed significant limits on Soviet military power, has been abandoned. In place of the "real arms control" we were promised a year ago, we have only the promise of endless talks on nuclear arms in Europe and no talks at all on strategic arms until next year.

The results: a restive, divided NATO alliance that questions our competence to lead in a nuclear world; a progressive weakening of the negotiated restraints that can bound Soviet nuclear power and an emphasis on *nuclear* forces that are unusable in countering the Soviet challenge around the globe.

As we become more remote from the horrors of Hiroshima, there are doctrines of war fighting based on the fantasy of using nuclear destruction for some "rational" end. These doctrines blur the vital distinction between nuclear and non-nuclear weapons. And they encourage the nuclear choice by telling all nations that nuclear weapons are just another instrument of military power.

The truth is that nuclear weapons exist for one purpose only—to deter nuclear war. Once used, they will be instruments of mass destruction, consuming the destroyer as well as the destroyed.

If all Americans should be concerned about these developments, so should we be angered by those who weave a myth of America as a second-rate nuclear power, inferior to the Soviet Union. This myth demoralizes our friends, and it could tempt the Soviet Union to test our power when testing that power could have catastrophic consequences.

The nuclear arms race has a simple, unchanging rule: without limits, without verifiable negotiated restrictions, the United States can add to its nuclear forces, but so can the Soviet Union. For this reason, the MX missile and the B1 bomber are inadequate measures for American security. They merely attempt to match the Soviet military threat; they cannot reduce it. And they do nothing to reduce the risk of nuclear war.

Rather than seeking to close a false "window" of vulnerability," America must take advantage of the window of opportunity it now has to limit nuclear arms. Without decisive leadership, suspicion and the weapons both nations are developing will see that this opportunity recedes perhaps forever beyond the reach of humanity. This means serious negotiations with the Soviet Union and mutual restraint while we negotiate. The objective should be major, equitable and verifiable reductions of nuclear arms, coupled with limits on the introduction of new weapons systems.

I emphasize the word "serious," for many in both nations will counsel proposals designed to be rejected by the other side but useful as an excuse for doing nothing.

Negotiations to limit nuclear arms and reduce the risk of war are hardheaded exercises to improve our national security. They signal no approval of other Soviet actions, such as Afghanistan—no more than do sales of American grain to the Soviet Union. They seek, despite the irreconcilable ideologies of our two nations, the common goal that nuclear weapons have made a necessity—the prevention of nuclear war.

In our short time on Earth, we have a choice about the kind of world we leave behind. With nuclear weapons in our custody, our generation carries a heavy obligation. There will be no historian to record one day that we failed on our watch.

Gov. Harriman was formerly ambassador to Moscow and undersecretary of state.

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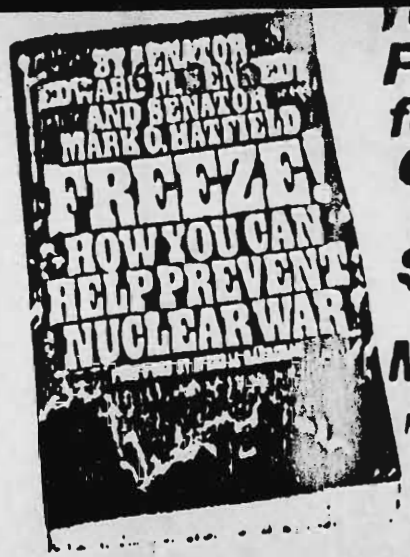
The United States Senate is the only place where presidential decisions about nuclear weapons can be effectively challenged.

I strongly endorse *Democrats for the 80's* support for the Kennedy-Hatfield Nuclear Arms Freeze Resolution. I want to make sure our U.S. Senate is restored to Democratic control this November so that a sane and responsible arms control policy can be established.

That's why I'm joining *Democrats for the 80's* and enclosing my contribution for:

☐ $25 ☐ $35 ☐ $50 ☐ $75 ☐ $100 ☐ Other $_____

[redacted]



Yours Free for a Gift of $35 or More

Foreword by W. Averell Harriman.

Please make your check payable to Democrats for the 80's and return it with this form to P.O. Box 37500, Washington, D.C. 20013

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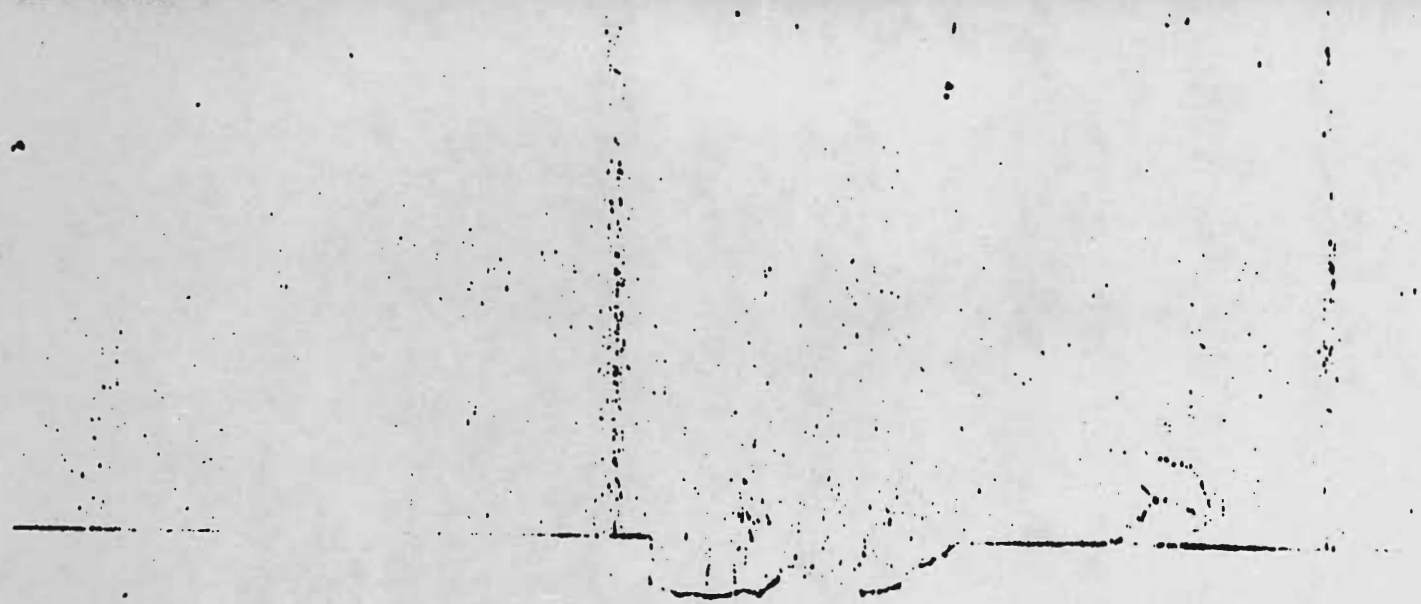
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BEFORE THE FEDERAL ELECTION COMMISSION
OF THE UNITED STATES OF AMERICA

In the Matter of)
) MUR 1484
Ruff Political Action Committee)

AFFIDAVIT OF NEAL B. BLAIR

Neal B. Blair for his affidavit deposes and says:

1. I have personal knowledge of the facts contained herein and am competent to testify thereto.

2. I am a consultant to and President of Ruff Political Action Committee ("RUFFPAC").

3. I have read the General Counsel's Brief in this matter and am personally familiar with the RUFFPAC mailings attached thereto and designated Attachments A, B and C.

4. All three mailings referred to in paragraph 3 above were mailed to persons who were RUFFPAC contributors at that time.

5. In September 1981 RUFFPAC's list of contributors contained approximately 15,750 names and addresses. Approximately 400 of those addresses or 2.5% were in the state of Utah.

6. In the Spring of 1982 RUFFPAC started a review of its contributor list in order to delete duplicate names.

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The list contained duplicate addresses in all states including Utah.

7. The letter referred to in the General Counsel's Brief as Attachment B (offering a biography of Senator Hatch as a premium) was mailed in 1982 to an estimated 13,100 names and addresses. Because of the deletion process referred to in the preceding paragraph the estimated percentage of addressees within the state of Utah could not have been any more than 2.5%, or 327 addressees.

8. The sole purpose of all three mailings referred to as Attachments A, B and C in the General Counsel's Brief was to raise funds for RUFFPAC.

9. RUFFPAC did not make a contribution on behalf of Senator Hatch's 1982 reelection campaign.

10. The mailing referred to as Attachment C (offering a biography of Senator Hatch as a premium) was planned, produced and mailed without the cooperation, prior consent of, consultation with, request or suggestion of Senator Hatch or any agent or authorized committee of Senator Hatch.

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Neal B. Blair

Subscribed and sworn to before me this 2nd day of October, 1984

Kathleen M. Bowan
Notary Public

My commission expires 14 February 1985

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JOHN D. HEFFNER

GLENN J. SEDAM, JR
J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
CHRISTOPHER S. MOFFITT
PHILIP H. BANE
DONNA LYNN MILLER

OF COUNSEL
THOMAS J. FADOUL, JR.

September 7, 1984

Ms. Marjorie Emmons
Commission Secretary
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
GENERAL COUNSEL
84 SEP 10 P4: 09

RE: MUR 1484

Dear Ms. Emmons:

Pursuant to 11 CFR 111.16(c), we are filing with you the brief of the Hatch Election Committee and Friends of Orrin Hatch in connection with the above-captioned matter. Ten (10) copies of the brief, including the signed original, are enclosed.

By copy of this letter, I am filing three (3) copies of the brief under separate cover with the General Counsel.

Sincerely yours,

(Sgd) J. Curtis Herge

J. Curtis Herge
Counsel to Hatch Election
Committee and Friends of
Orrin Hatch

cc: ✓General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463
Attention: Gary Johansen
(with enclosures)

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of HATCH ELECTION COMMITTEE FRIENDS OF ORRIN HATCH	MUR 1484

BRIEF FOR RESPONDENTS HATCH ELECTION COMMITTEE AND FRIENDS OF ORRIN HATCH

STATEMENT OF THE CASE

A. The Complaint

On October 14, 1982, the Wilson for Utah Committee submitted a complaint to the Federal Election Commission which alleged that certain expenditures made by the Ruff Political Action Committee ("Ruff PAC") were coordinated expenditures made on behalf of respondents, Hatch Election Committee and Friends of Orrin Hatch, the authorized campaign committees of Senator Orrin G. Hatch. Attached to that complaint were copies of two letters produced and mailed by Ruff PAC. Copies of those two letters are attached to the General Counsel's Brief in this matter as Attachment A and Attachment B, and are referred to in the General Counsel's Brief as "Mailing #1" and "Mailing #2," respectively. (The letter attached to the General Counsel's Brief as Attachment C and which is referred to in the General Counsel's Brief as "Mailing #3" was not part of the original complaint. This is the

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first opportunity respondents have had to address the issues raised by the Office of General Counsel as to the so-called Mailing #3.)

B. Proceedings to Date

On January 5, 1983, the Commission found reason to believe that respondents violated 2 U.S.C. §§434(b)(2)(D) and (3)(A) and 441a(f). Specifically, it was reported to respondents that it appears that respondents may have accepted contributions in-kind from Ruff PAC that exceeded $5,000, in the form of coordinated expenditures, and failed to report the receipt of such contributions to the Commission. As a consequence, counsel to respondents requested by letter dated January 11, 1983 to know "...specifically of the actions or expenditures by Ruff Political Action Committee which gave rise to the Commission's findings." By letter dated January 26, 1983, the General Counsel replied "(t)he evidence relied upon is set forth in the complaint which you have been given." Notwithstanding this lack of clarity or direction, it will also be noted that Mailing #3 was not referenced in the complaint.

Subsequent to the preliminary finding by the Commission, Ruff PAC and respondents submitted written answers to interrogatories. In addition, depositions were taken of Mr.

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Stanley B. Parrish,* Finance Chairman of the Hatch committees, and of Mr. Neal B. Blair, President of Ruff PAC. That constitutes the entire evidentiary record before the Commission.

C. Recommendations of the Office of General Counsel

In its brief the Office of General Counsel recommends that the Commission take no further action with respect to Mailing #1. On the other hand, the Office of General Counsel does recommend that the Commission find probable cause to believe that respondents violated 2 U.S.C. §§434(b)(2)(D) and (3)(A) and 441a(f) by reason of the expenditures made by Ruff PAC in producing and mailing Mailing #2 and Mailing #3.

With respect to Mailing #2, a Ruff PAC fund-raising letter which offered an unauthorized biography of Senator Hatch as a premium to contributors, the probable cause recommendation is predicated upon the provisions of 2 U.S.C. §441a(a)(7)(B)(i), to wit: "expenditures made by any person in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees, or their agents, shall be considered to be a contribution made to such candidate." In support thereof, the General Counsel's Brief asserts to the Commission that "Hatch campaign personnel knew the

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*Mr. Parrish's deposition is reported in the deposition itself as having been taken on July 28, 1983. In fact, it was taken on July 27, 1983.

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biography was to be offered as a premium for contributions received by Ruff PAC" (General Counsel's Brief at 5); and, that "Ruff PAC, with the knowledge of the Hatch campaign, then offered the Hatch biography as a premium to Ruff PAC contributors" (General Counsel's Brief at 9).

With respect to Mailing #3, a Ruff PAC fund-raising letter signed by Senator Hatch, the probable cause recommendation is predicated upon a suggestion by the Office of General Counsel that the letter contained buzz-words and innuendos that would lead any average citizen to conclude that the letter was not a request for contributions to Ruff PAC, but really a direct appeal to voters to elect Senator Hatch. Such a suggestion is ludicrous.

It shall be demonstrated that both recommendations are based upon inaccurate analyses of the evidence and the law and that they should be rejected forthwith.

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SUMMARY OF ARGUMENT

There is nothing in the evidentiary record before the Commission which suggests that the expenditures made by Ruff PAC in producing and mailing Mailing #2 were made in cooperation, consultation, or concert, with, or at the request or suggestion of, Senator Hatch, his authorized political committees, or their agents. In fact, the evidence is clear, unambiguous and uncontradicted that Senator Hatch, his authorized political committees

and their agents, had no advance knowledge whatsoever about the plans of Ruff PAC to produce Mailing #2. A reading of the record, particularly of the depositions taken in this case, confirms that conclusion beyond any reasonable doubt. Furthermore, with respect to Mailing #3, a typical run-of-the-mill fund-raising letter signed by an individual of note, it will be observed (1) that Senator Hatch was not identified as a candidate; (2) that no solicitation was made for contributions to the Senator's authorized committees; and, (3) that the letter did not advocate the election or defeat of any clearly identified candidate. The Commission long ago established the principle that, in the absence of the foregoing characteristics, no contribution results in cases such as this.

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MAILING #2

The Office of General Counsel describes Mailing #2 as consisting of two communications signed by Mr. Neal Blair and a flyer offering a copy of a book on Senator Orrin Hatch. The book in question, which was offered as a premium to persons who contributed a minimum amount, was a biography of Senator Hatch written by Dr. Richard Vetterli - an independent work not authorized by Senator Hatch. The Office of General Counsel asserts, without supporting citation or authority, that the "Hatch campaign personnel knew that the biography was to be offered as a premium for contributions received by Ruff PAC" and

that "Ruff PAC, with the knowledge of the Hatch campaign, then offered the Hatch biography as a premium to Ruff PAC contributors." General Counsel's Brief at 5 and 9. These statements are made in an effort to induce the Commission to conclude that Ruff PAC and respondents coordinated their respective activities, thus triggering the provisions of 2 U.S.C. §441a(a)(7)(B)(i). Let us examine the record.

At page 74 of Mr. Parrish's deposition, Mr. Parrish testified that Mr. Blair approached him and asked if he (Mr. Parrish) would be interested in using the biography as part of a direct-mail solicitation for the Hatch campaign.* Mr. Parrish responded to Mr. Blair with a definitive "no," saying it was not a cost-effective technique. Mr. Parrish testified further that Mr. Blair made no mention or suggestion of the fact that Ruff PAC was then going to offer the book as a premium in connection with its own fund-raising program. Id. In fact, Mr. Parrish testified that, not only did he have no knowledge that Ruff PAC planned to use the book as a premium, the first time he ever heard of Mailing #2 was after it had been mailed. See pages 76 and 86 of Mr. Parrish's deposition.

In his deposition, Mr. Blair testified that he offered Mr. Parrish the suggestion of using the Vetterli book as a

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*Mr. Parrish testified that, as Finance Chairman, he was responsible for all the direct mail of the Hatch campaign. See pages 37 and 61 of Mr. Parrish's deposition.

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premium and that Mr. Parrish rejected the idea. See page 26 of Mr. Blair's deposition. He also testified, at pages 16, 40, 41 and 50 of his deposition, that he did not discuss proposed Ruff PAC mailings, specifically Mailing #2, with Senator Hatch, Mr. Parrish or with any other individual associated with the Hatch campaign. Furthermore, Mr. Blair stated, at page 29 of his deposition, that he did not discuss the results of Mailing #2 with Senator Hatch or Mr. Parrish. Mr. Blair testified, at pages 93-96 of his deposition, that the purpose of Mailing #2 was solely to generate funds for Ruff PAC; that Ruff PAC did not intend to make a contribution to, or independent expenditures in support of, Senator Hatch; and, that the book was offered solely to increase the results of the mailing.

While there is no contradiction or doubt in the record, there is attached to this brief an affidavit* of Mr. Parrish in which he states that (1) neither he nor, to the best of his knowledge, anyone associated with Senator Hatch's campaign, including Senator Hatch, had any knowledge that Ruff PAC planned to offer the book as a premium, or that Ruff PAC planned to produce Mailing #2; and, (2) Mailing #2 was NOT produced by Ruff PAC in cooperation with, in concert with, or at the request or

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*The attached affidavit was prepared for submission in response to the allegations concerning Mailing #3. However, paragraph 5 of that affidavit relates to Mailing #2.

suggestion of Mr. Parrish, Senator Hatch or anyone associated with the Senator's campaign.

How do these sworn statements, the depositions and the affidavit, as augmented by the answers to the interrogatories, translate into the "Hatch campaign personnel knew" the biography was to be offered as a premium, or that Ruff PAC acted "with the knowledge of the Hatch campaign in producing Mailing #2"? How can respondents be found in violation of 2 U.S.C. §441a(f), which requires a "knowing" acceptance of an excessive contribution, when respondents had no knowledge, no idea, no suggestion, no inkling of the fact that Ruff PAC was to produce Mailing #2 and/or offer the book as a premium? Is it because Hatch campaign and Ruff PAC personnel shared an office, or had conversations with each other, or exchanged mailing lists? The record does reveal that they shared an office, that they talked to each other and that they exchanged mailing lists, but it categorically belies any suggestion that their respective activities were coordinated.

The depositions of Messrs. Parrish and Blair are replete with statements that each minded his own and his principal's business and neither concerned himself with the other's activities. With reference to Mr. Parrish's deposition, Mr. Parrish had no idea of Mr. Blair's comings and goings, p.22; Mr. Parrish paid no attention to Mr. Blair's business, p.24; Mr. Parrish had no recollection of seeing any Ruff PAC mail, p.27, or

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of discussing Ruff PAC activities with Mr. Blair, pp.28-29; Mr. Parrish did not discuss Hatch campaign activities with Mr. Blair, p.31 and p.66, or with any other person associated with Ruff PAC, p.72. Mr. Parrish stated that the sole reason for the office sharing arrangement was to "help defray expenses" and that he "didn't care about [Mr. Blair's] business." Parrish deposition at page 30.

Mr. Blair, who represented numerous clients in addition to Ruff PAC,* testified that he never discussed Ruff PAC mailings with Senator Hatch, p.16; that he never discussed the Hatch campaign with Mr. Parrish, p.73; that he never discussed Hatch campaign mailings with agents of the Hatch campaign, p.59; and, that the only conversations he had with Senator Hatch and/or Mr. Parrish about Ruff PAC related to inquiries by Messrs. Hatch and Parrish about the possiblity of Ruff PAC making a direct contribution to the Hatch campaign, pp.85 and 93. As Mr. Blair testified, Ruff PAC had no intention of contributing to Senator Hatch, a candidate who, they believed, did not need their support. See, for example, pages 93-95 of the Blair deposition. In fact, Ruff PAC made no contribution to the Hatch campaign.

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*It will be noted, with reference to Mr. Blair's deposition, that Mr. Blair served as a consultant to numerous clients. The reason he personally entered into the office sharing arrangement, as Neal Blair Consultants, was to be near the Capitol, where he undertook lobbying activities on behalf of his clients.

It is evident that the record is clear: respondents did not even discuss Mailing #2, much less coordinate with Ruff PAC in the production of that mailing. For those reasons, the recommendation of the General Counsel that probable cause be found that respondents violated the Act with respect to Mailing #2 must be rejected.

MAILING #3

While respondents have had no previous opportunity to address the allegations concerning Mailing #3, they are confident that the Commission will find it constitutes no violation of the Act. As noted, Mailing #3 is a run-of-the-mill fund-raising letter, the type found used by virtually every candidate and political committee on a daily basis.* The purpose of the letter was to raise funds for the general purposes of Ruff PAC by utilizing the endorsement of Senator Hatch. The Senator was not identified as a candidate; there was no solicitation of funds to his campaign; and, it did not advocate that Senator Hatch be elected or that his opponent be defeated.

It is established that an appearance by one candidate in a second candidate's commercial does not result in the second

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*It will be observed that, like Mailing #2, Mailing #3 also offered a premium to contributors. As Mr. Blair testified in his deposition, the use of premiums by Ruff PAC was a common technique.

candidate making a contribution to the first candidate if the commercial: (1) contains no mention of the first candidate's candidacy, (2) does not advocate the election of the first candidate or the defeat of his opponent and (3) contains no solicitation of funds to the first candidate's campaign. For example, in Advisory Opinion 1982-56, the Commission reviewed a television commercial produced by the Ann Delaney for Prosecutor Committee, which featured an endorsement of Ann Delaney by then-candidate Congressman Andy Jacobs. The advertisement included a visual depiction of Congressman Jacobs and his verbal endorsement of Ann Delaney. It also identified the Congressman as "Congressman Andy Jacobs." The Commission concluded - notwithstanding the fact that the advertisement was to be broadcast exclusively within candidate Jacobs' congressional district - that the costs of the advertisement would not constitute an in-kind contribution to the Congressman and would not be reportable by his campaign committee. The Commission made that determination upon finding that the advertisement "contains no mention of [Congressman Jacobs'] own candidacy, does not advocate his election or the defeat of his opponent, and contains no solicitation of funds to his campaign."

In Advisory Opinion 1983-40, the Commission reviewed an advertisement in a directory to be published by the Kansas Republican Party, depicting then-candidate Senator Dole. In view of the fact that the advertisement identified Senator Dole as an

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incumbent United States Senator and not as a candidate, the Commission concluded that the cost of the advertisement, paid for by a multicandidate political committee, did not constitute a contribution to Senator Dole's campaign.

Both AO 1982-56 and AO 1983-40 dealt with communications which depicted a candidate before his own voting constituency, e.g., Rep. Jacobs in commercials broadcast in his congressional district and Sen. Dole in his State's party journal. Mailing #3 should not have even gone that far. In the attached affidavit, Mr. Parrish states that it was the established policy of Senator Hatch and of his campaign that letters, such as Mailing #3, not be mailed into the State of Utah; and, that when authority was given to have Mailing #3 bear Senator Hatch's signature, it was done so on the express understanding that those letters NOT be mailed into Utah. That policy was adopted and followed - not because Federal Election Commission regulations and advisory opinions suggest it - but to avoid even the allegation of impropriety made here by the Office of General Counsel.*

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*The Office of General Counsel also makes much of what is no more than a casual remark in Mailing #3, to wit: "...let me tell you a little bit about our needs for the 1982 election...." (Emphasis added.) The Office of General Counsel seems to suggest that the word, "our," is a code for: "I am a candidate, vote for me, send me your contributions." In fact, the word, "our," simply referred to the generic population which shared common beliefs.

CONCLUSION

The recommendations by the Office of General Counsel, that probable cause be found that the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. §§434(b)(2)(D) and (3)(A) and 441a(f), must be rejected. There is no support in the record whatsoever that Ruff PAC produced Mailing #2 in coordination with respondents. Indeed, respondents knew nothing about Mailing #2 until after it was mailed. A finding to the contrary would simply not be sustainable. Furthermore, with respect to Mailing #3, Commission precedent is clear that expenditures for such communications do not constitute contributions in-kind to someone who endorses another. The added factor in this case is that Ruff PAC was told not to mail Mailing #3 into Senator Hatch's State. The Commission should reject the recommendations on the grounds that they are not supportable in fact or in law.

September 7, 1984

Respectfully submitted,

J. CURTIS HERGE
Sedam & Herge, P.C.
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

Counsel for Hatch Election
Committee and Friends of
Orrin Hatch

8504053706

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of HATCH ELECTION COMMITTEE FRIENDS OF ORRIN HATCH	MUR 1484

AFFIDAVIT OF STANLEY B. PARRISH

DISTRICT OF COLUMBIA: ss:

STANLEY B. PARRISH, being duly sworn, deposes and says:

1. That he served as the Finance Chairman of the Hatch Election Committee, the duly authorized principal campaign committee of Senator Orrin G. Hatch, who was a candidate for election in 1982 to the United States Senate from the State of Utah; and, that he has personal knowledge of the facts relevant to the matter pending before the Federal Election Commission known as MUR 1484.

2. That, with respect to fund-raising solicitation letters signed by Senator Orrin G. Hatch on behalf of other candidates and political committees other than his own authorized committees during the 1981-1982 election cycle, it was the policy of Senator Orrin G. Hatch and of the Hatch Election Committee that the authority to use the Senator's signature was subject to the proscription that such solicitation letters NOT be mailed into the State of Utah. That policy was adopted to avoid any suggestion, such as that proffered by the Office of General

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Counsel in this matter, that the letters were intended to influence the voters of the State of Utah.

3. That, with reference to the letter signed by Senator Hatch on behalf of Ruff PAC, a copy of which is attached to the General Counsel's Brief as Attachment C and which is referred to in the General Counsel's Brief as "Mailing #3," your deponent instructed representatives of Ruff PAC at the time the letter was approved by Senator Hatch that copies of those letters were NOT to be mailed into the State of Utah.

4. That the sole reason approval was given to Ruff PAC to produce the so-called Mailing #3 over the signature of Senator Hatch was to assist Ruff PAC in raising funds for its general purposes. It was not intended that that letter serve to advance the Senator's election; no promise or suggestion was requested or made that Ruff PAC would make a contribution to the Senator's authorized campaign committees in consideration of his signing that letter; and, Ruff PAC in fact made no contribution to the Senator's authorized campaign committees during the 1981-1982 election cycle.

5. That, with reference to the letter attached to the General Counsel's Brief as Attachment B and which is referred to in the General Counsel's Brief as "Mailing #2," neither your deponent nor, to the best of his knowledge, anyone associated with Senator Hatch's campaign, including Senator Hatch, had any knowledge that Ruff PAC planned to produce and distribute Mailing

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#2 or that Ruff PAC planned to offer copies of the biography of Senator Hatch as premiums for contributions received by Ruff PAC. Mailing #2 was not produced by Ruff PAC in cooperation with, in concert with, or at the request or suggestion of your deponent, Senator Hatch or anyone associated with the Senator's authorized campaign committees.

IN WITNESS WHEREOF, your deponent has executed this affidavit this 6th day of September, 1984.

Stanley B. Parrish

Sworn to before me this 6th day of September, 1984.

Notary Public

My commission expires:
14 May 88

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FEC#4954

BAKER & HOSTETLER

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IN DENVER, COLORADO
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ORLANDO, FLORIDA 32801
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WRITER'S DIRECT DIAL NO.:
(202) 861-1572

October 2, 1984

84 OCT 2 P4:38

Ms. Marjorie W. Emmons, Secretary
Federal Election Commission
1325 L Street, N.W.
Washington, D.C. 20463

Re: MUR 1484, Brief of Respondent
Ruff Political Action Committee

Dear Madam Secretary:

Pursuant to 11 C.F.R. § 111.16(c) please find enclosed an original and ten copies of the Brief of Respondent Ruff Political Action Committee and attachments thereto for filing with your office with respect to the above-captioned matter.

By copy of this letter I am transmitting three additional copies to the Office of General Counsel to the attention of Gary L. Johansen, Esquire.

Sincerely,

Jan W. Baran

JWB:df
Enclosures

cc: Gary L. Johansen, Esquire
Neal B. Blair

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BEFORE THE FEDERAL ELECTION COMMISSION
OF THE UNITED STATES OF AMERICA

In the Matter of	)	
	)	MUR 1484
Ruff Political Action Committee	)	

BRIEF OF RESPONDENT RUFF
POLITICAL ACTION COMMITTEE

Respondent Ruff Political Action Committee ("RUFFPAC") files this brief pursuant to 2 U.S.C. § 437g (1)(3) and 11 C.F.R. § 111.16(c), and in response to the General Counsel's Brief ("G.C. Brief") of August 17, 1984. For the reasons stated below, the Federal Election Commission ("FEC" or "Commission") should reject the recommendations of the General Counsel and in lieu thereof find no probable cause to believe RUFFPAC violated 2 U.S.C. §§ 434(b)(4)(H)(i), 441a(a)(2)(A), or 441d.

FACTS

RUFFPAC is a qualified multi-candidate committee registered with the FEC. On October 14, 1982 the Wilson for Utah Committee filed a complaint alleging that RUFFPAC had made and planned to make expenditures on behalf of Senator Orrin Hatch which expenditures constituted contributions in excess of statutory limits. Appended to the complaint were two mailings which are Attachments A and B to the General Counsel's Brief and which have been denominated Mailing #1

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("With a View Towards 1982") and Mailing #2 (Hatch Biography as Premium), respectively. Mailing #1 is a solicitation for RUFFPAC signed by Howard J. Ruff. The mailing requests contributions to RUFFPAC, and lists "target" states in which RUFFPAC planned to make contributions in support of Senate candidates. The State of Utah is not listed. Mailing #1 was sent in the Spring of 1982. See RUFFPAC Responses of June 16, 1983, Response #9; RUFFPAC Responses of March 2, 1983, Response #2a.

Mailing #2 is a solicitation for RUFFPAC. It offers contributors of over $25 a copy of a biography of Senator Hatch. The letter suggests that RUFFPAC will make independent expenditures with the proceeds of such contributions in order to "detail the Senator's record." These, and other representations of RUFFPAC's plans were erroneous and had been made without review by and the approval of Neal B. Blair on whose behalf the letter was signed by a RUFFPAC employee. Deposition of Neal B. Blair at 93-95 & 97-100 (July 28, 1984), attached hereto [hereinafter "Blair Dep."]. RUFFPAC had no plans to make independent expenditures, did not make such expenditures nor make any contribution to the Hatch campaign. Id.; Affidavit of Neal B. Blair ¶ 9 [attached hereto and hereinafter "Blair Aff."]. The mailing was planned, produced and mailed without the cooperation, prior consent of, consultation with, request or suggestion

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of Senator Hatch or any agent or authorized committee of Senator Hatch. Blair Aff. ¶ 10. Approximately 2.5% of those persons who received this mailing (or 327 persons) were Utah addressees. Id. ¶ 7. All contributions were payable to and addressed to RUFFPAC. Blair Dep. 95.

A third mailing on behalf of RUFFPAC was sent in September 1981 and signed by Senator Hatch. This mailing is Attachment C of the General Counsel's Brief and is referred to as Mailing #3. This mailing expressly requested contributions to RUFFPAC, did not refer to Senator Hatch as a candidate, did not advocate his election nor solicit contributions on his behalf. This mailing was also mailed to RUFFPAC contributors approximately 400 of whom at that time were Utah addressees. Id. ¶ 5.

The sole purpose of all three mailings was to raise contributions for RUFFPAC. Id. ¶ 8.

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ARGUMENT

I. Mailing #1 Is Not a Contribution

The spending of money is not a contribution to a candidate unless the disbursement is for the purpose of influencing the candidate's election, 2 U.S.C. § 431 (8)(A)(i), and is coordinated with the candidate or his agents, id. § 441a (a)(F)(B)(i). Only then would the disbursement be subject to a contribution limit. See Buckley v. Valeo, 424 U.S. 1, n. 24 & 25 (1976).

Respondent agrees with the General Counsel's Brief that Mailing #1 (Attachment A) is not a contribution in-kind to Senator Hatch or any other candidate, G.C. Brief 4, but disagrees with the reasoning. The General Counsel's Brief suggests that no contribution is made because the "mailing does not contain the name of Senator Hatch." Id. As set forth in greater detail below in regards to Mailing #3, the appearance or use of a candidate's name does not result in a contribution under a variety of circumstances.

Mailing #1 is not a contribution to Senator Hatch for other compelling reasons. First it solicits contributions to RUFFPAC, not for a candidate. Second, like the other mailings, it was sent to all RUFFPAC contributors, only 2.5% of whom are Utah residents. Blair Aff. ¶ 4. It also does not advocate the election of any candidate. Furthermore, RUFFPAC had no intention of making contributions or expenditures on behalf of Senator Hatch, id.; Blair Dep. 93-95, and in fact never made such contributions or expenditures, Blair Aff. ¶ 9. There was no purpose to influence Senator Hatch's election.

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II. Mailing #2 Is Not a Contribution

A. The Purpose of Mailing #2 Was Not to Influence the Election of Senator Hatch

It is undisputed that RUFFPAC never had plans to contribute to Senator Hatch or to make independent expenditures on his behalf. Id. ¶ 4; Blair Dep. 93-95. Mr. Blair has stated under oath that no contributions were planned or made because Senator Hatch "was an incumbent Senator that [sic] was running a very expensive media campaign successfully, was way ahead of his opposition and there did not seem to be any need." Blair Dep. 93-94. For this reason, RUFFPAC never sent a contribution to the Hatch campaign, in spite of several requests. Id.

RUFFPAC had no intentions of making an independent expenditure because RUFFPAC believed that the relationships among Howard Ruff, Neal Blair and Senator Hatch would make expenditures vulnerable to accusations, including unfounded accusations, of coordination. Id. 94. Representations of RUFFPAC's contrary intentions were contained in Mailing #2. Mr. Blair did not review and correct the letter copy. Id. 94-95.

The General Counsel's Brief states that Mailing #2 was "directed to the voters in Utah." G.C. Brief 6. This is not true. This mailing was sent to an estimated 13,100 persons, only 2.5% of whom (327) had Utah addresses. Blair

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Aff. ¶ 7. Furthermore, it is undisputed that all contributions in response to this mailing went only to RUFFPAC. Blair Dep. 95-96.

It is a common industry practice to offer premiums (see, AO 1979-35), including books by politicians, in return for voluntary contributions. Id. 96-97. As a specific example of another committee's use of a book premium, attached hereto is a mailing by W. Averell Harriman on behalf of Democrats for the 80's. Contributors of over $35 receive a book authored by Senators Kennedy and Hatfield. The letter was sent in 1982 prior to the election and warned that candidates "like Edward Kennedy, Don Riegle, Paul Sarbanes, and Howard Metzenbaum . . . must not go down to defeat this November" (emphasis added). The letter also urges the election of a Democratic majority in the Senate in order to take that body from "the grip of New Right Republican leaders like Jesse Helms, Strom Thurmond, and Orrin Hatch" (emphasis added). Mr. Harriman boasts of having written the forward to candidate Kennedy's book. This suggests what is a matter of common knowledge, i.e., that Mr. Harriman has a long standing political and personal relationship with Senator Kennedy and his family.

The Harriman mailing is strikingly similar to RUFFPAC Mailing #2. Unlike RUFFPAC, Democrats for the 80's made contributions to candidate-author Kennedy, the other

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mentioned Democratic Senators and to opponents of certain incumbent Republicans, including complainant Wilson who opposed Senator Hatch.

The Harriman mailing and RUFFPAC Mailing #2, while referring to candidates, each seeks to raise contributions for its respective political committee. The reference to candidates and the use of books about or by politicians is a widely used fundraising technique which furthers the sole purpose of such an appeal, i.e., raising PAC money. See Blair Dep. 95 & 97; Blair Aff. ¶ 8. Presumably Mr. Harriman is prepared to swear under oath that the purpose of his letter and offer of a book premium was not for the purpose of influencing Senator Kennedy's reelection, but rather to raise money for Democrats for the 80's. This is what Mr. Blair has done with respect to RUFFPAC's lack of intent to further the Hatch campaign. Blair Dep. 95; Blair Aff. ¶ 8. Under these similar circumstances, both gentlemen deserve to be believed by the Commission.[1/]

The purpose of Mailing #2 was not to influence Senator Hatch's election, and therefore did not constitute a contribution to his campaign.

1/ Of course, if the FEC concludes that RUFFPAC made a contribution to Senator Hatch, it should promptly start an investigation of Democrats for the 80's under the same theory.

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B. Mailing #2 Was Not Coordinated With Senator Hatch or An Agent or Authorized Committee of Senator Hatch

In addition to not being sent for the purpose of influencing the election of Senator Hatch, Mailing #2 "was planned, produced and mailed without the cooperation, prior consent of, consultation with, request or suggestion of Senator Hatch or any agent or authorized committee of Senator Hatch." Blair Aff. ¶ 10.

The General Counsel's Brief states that "RUFFPAC, with the knowledge of the Hatch campaign, then offered the Hatch biography as a premium to RUFFPAC contributors." G.C. Brief 9. This statement is made without citation to any evidence. It is utterly false. Mr. Blair has stated under oath that he did not confer with the Hatch campaign on this mailing. Blair Aff. ¶ 10. Blair never discussed any of the mailings with Senator Hatch. Blair Dep. 16. He never discussed mailings that RUFFPAC was planning with Stanley Parrish of the Hatch Committee. Id. 50. All that Parrish heard from Blair were "corney jokes." Id. 51-52. Parrish has testified under oath that he never "talked to Neal Blair or anybody associated with RUFFPAC about the production" of Mailing #2 and did not know of its existence or the offer of the Hatch biography as a premium until after the filing of the complaint. Deposition of Stanley B. Parrish at 86 (July 27, 1984) [hereinafter "Parrish Dep."].

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Thus there is no evidence that Mailing #2 was coordinated with the Hatch campaign.

III. Mailing #3 Is Not a Contribution

Mailing #3 is a mailing on behalf of RUFFPAC signed by Senator Hatch. It was mailed in September 1981 to RUFFPAC contributors, 2.5% (400) of whom were Utah residents. Blair Aff. ¶ 5. The letter does not solicit any contributions to Senator Hatch nor does it advocate his election. It was mailed over a year prior to the 1982 general election. RUFFPAC received $20,628.34 in contributions from this mailing. RUFFPAC Responses of March 2, 1983, Response #1c. None of the proceeds were contributed to Senator Hatch. Blair Aff. ¶ 9.

The FEC has permitted candidates to participate in fundraising and other activity without incurring a contribution from the sponsoring entity even though the "media or other public appearances by candidates may benefit their election campaigns", provided that there is no solicitation on behalf of the candidate nor advocacy of the candidate's election. AO 1982-56. Under these conditions the FEC has allowed candidates to raise funds for charity, AO 1978-15, and against ratification of the Panama Canal Treaty, AO 1977-54, during an election period and even though the audience consisted entirely of the candidates' electorate.

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In this case, only a fraction of the addressees were Utah residents and therefore were even eligible to vote for Senator Hatch.

The FEC has noted that a PAC may pay for a picture advertisement of a candidate, in a state party convention publication without such expense counting as a contribution to the candidate. AO 1983-40. The FEC also has permitted a political party to pay for ads advocating the election of a candidate for convention delegate which ads featured a person who was a candidate for Congress. AO 1980-28.

Finally, the FEC permitted a congressional candidate to appear in pre-election television ads advocating the election of a candidate for local office. AO 1982-56. These ads were broadcast in a geographical area which was entirely within the endorsing candidate's congressional district. Thus, <u>every</u> viewer was a potential voter for that candidate.

In light of these numerous advisory opinions which clearly establish that a candidate may participate in, endorse and raise funds for a variety of causes so long as his election is not advocated nor funds solicited for him, it is patently inconsistent to hold that Senator Hatch, by signing a fundraising letter on behalf of RUFFPAC, incurred a contribution in-kind. All the opinions cited above, particularly AO 1982-56, dictate that Senator Hatch could sign a RUFFPAC letter such as Mailing #3 and RUFFPAC could

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send it only to Utah residents provided the letter did not advocate Hatch's election or solicit contributions for him. The fact of the matter is that only 2.5% of RUFFPAC contributors were Utah residents. Blair Aff. ¶ 5.

Accordingly, RUFFPAC did not make a contribution to Senator Hatch by paying for Mailing #3.

IV. RUFFPAC Provided Adequate Notice Pursuant to 2 U.S.C. § 441d and Regulations Thereunder

Section 441d of 2 U.S.C. requires in solicitations a notice as to who paid for the solicitation and whether it was authorized by a candidate. No specific language for the notice is set out in the statute.

In Mailing #3 on the bottom of the letterhead is printed the following:

> Printed and mailed by Ruff-Pac, an independent Political Action Committee. A copy of our report is on file with the Federal Election Commission, Washington, D.C.

This notice was on a letter sent to RUFFPAC contributors. Blair Aff. ¶ 4. The letter solicited contributions to RUFFPAC. These RUFFPAC contributors received a letter requesting additional contributions to RUFFPAC, were informed that the letter was printed by RUFFPAC, mailed by RUFFPAC, and that RUFFPAC is "independent." Those who responded wrote out a check made payable to RUFFPAC and sent

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it to RUFFPAC (see Blair Dep. 95). Under these circumstances there was sufficient notice that the letter was paid for by RUFFPAC and not authorized by any candidate. The General Counsel's recommendation to the contrary should be rejected by the Commission.

CONCLUSION

For the reasons set forth above, the FEC should find no probable cause to believe that RUFFPAC violated 2 U.S.C. §§ 434(b)(4)(H)(i), 441a(a)(2)(A) or 441d.

Dan W. Baran
Baker & Hostetler
818 Connecticut Avenue
Washington, D.C. 20006

Attorneys for Respondent
Ruff Political Action Committee

October 1, 1984

6JWB(D)9(3)

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W. AVERELL HARRIMAN

Dear Friend,

Nuclear Freeze ...

Those two simple words are capturing the hearts and minds of our people.

For citizens frustrated and angry over their powerlessness to bring about nuclear weapons reduction, nuclear freeze has created a rallying point -- an understandable and sensible idea for them to unite around.

But for right-wing Republican politicians eager to pursue an arms race and the myth of nuclear superiority in an age of 50,000 nuclear weapons, the nuclear freeze has become a whipping boy.

And for those politicians who have missed the massive grass-roots movement of citizens working on nuclear weapons reduction for the last 18 months, the nuclear freeze movement has jolted them with the power of citizen activism.

The nuclear freeze movement has jolted the country with the power of citizen activism. It has shown politicians and policy-makers that there is massive grassroots concern about nuclear weapons, a popular revolt against building more and more missiles and bombs while doing less and less to insure that those arms are never used.

One thing is crystal clear: the American people, conservative and liberal alike, are mobilizing to fight fear. They have decided that the nightmare of nuclear war is something they can and must wipe out of their lives and their children's.

Insensitive political leaders and war-game strategists are prolonging the nuclear nightmare by their talk of "winning" a nuclear war, of fighting a "protracted" nuclear war, of firing "demonstration strikes," of "horizontal escalation" and "hard-target kill capability." President Reagan's civil defense plans -- based on the questionable idea that our society (or the planet) can survive nuclear devastation -- have alarmed Americans, not reassured them.

Recently, Democrats for the 80's took a stand on the nuclear weapons issue. We went on record as supporting the reasoned bi-partisan proposal put forth on March 10th by Senator Edward Kennedy, D-Massachusetts, and Senator Mark Hatfield, R-Oregon.

(over, please)

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The Kennedy-Hatfield Senate Resolution is supported by 26 Senate signers and 169 U.S. Representatives.

I am proud to be behind this important resolution. I have been engaged in public affairs for more than 60 years. Most of my efforts have been devoted to the search for peace.

As Ambassador to the Soviet Union and Great Britain, as advisor to five American Presidents, and even as Governor of New York, I participated in the major debates over the course of American foreign policy.

I have devoted my life to the preservation of peace and American national security. I had to deal with Stalin more times than I care to remember and was one of the earliest to warn that the Soviets would not remain allies once World War II was over.

Often I have disagreed with our Presidents, both Democratic and Republican.

Yet never have I been more concerned about the direction of American foreign policy than I am today -- especially our nuclear arms policies.

A few years ago, I did not expect I would have to be involved again in political fundraising.

But I cannot in conscience permit the advocates of reactionary and simplistic solutions to be unopposed as they undermine peace and America's position in the world. Bipartisanship in foreign policy has been, and continues to be, important to our national security.

To help make the voices of logic and reason heard on the floor of the Senate and the House and inside their committees, I am inviting you to join with me and other concerned citizens in Democrats for the 80's.

In December 1980, my wife Pamela and I organized Democrats for the 80's, along with such outstanding public servants as Senators Byrd, Cranston, and Inouye, and former Senators Muskie and Church.

Democrats for the 80's is a political group. It is our goal to elect Democrats so that they can shape domestic policies which do justice to our country's needs and foreign policies which preserve both our strength and our commitment to peace.

Democrats for the 80's has also made it a priority to support a sane and responsible nuclear weapons policy. We have added our weight to that of the physicians, scientists, religious leaders, and others who have endorsed the Nuclear Freeze resolution. We have taken our stand because the issue is one of life or death.

(next page, please)

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What will become of the Kennedy-Hatfield Nuclear Arms Freeze Resolution? For one thing, it will be hotly debated. Also, the newspapers and magazines and talk shows will pick it up and analyze it in great detail.

But mainly the Resolution stands as a symbolic reminder to New Right Republicans that the people and moderate leaders of both political parties want an end to the saber-rattling language of President Reagan and his cabinet members.

More than any other branch of government, the U.S. Senate is the one place where presidential decisions about nuclear weapons can be effectively challenged. And it is the one place where an arms limitation treaty can be ratified.

But currently our U.S. Senate is in the grip of New Right Republican leaders like Jesse Helms, Strom Thurmond, and Orrin Hatch. These men are all opposed to the SALT Treaty and exert enormous influence over our nuclear policy.

You and I must make sure that the five seats needed for a Democratic majority in the U.S. Senate this year are won by Democrats who seek a reasoned and responsible position on nuclear weapons reduction.

Men like Edward Kennedy, Don Riegle, Paul Sarbanes, and Howard Metzenbaum. These incumbent Senators, targets of NCPAC and other right-wing groups, must not go down to defeat this November. For if they do, my hopes and your hopes for a reversal of the frightening nuclear weapons policies of our government will be destroyed.

The stakes in the U.S. Senate election are as high as they could possibly be -- the future of life on this planet!

Of course the complexities of the nuclear arms issue are nearly overwhelming. But you and I must remember that the one place we can get leverage on the reduction is the U.S. Senate.

I urge you to help me restore the Senate to a Democratic majority. I could name countless good reasons why Democrats need to control the U.S. Senate. My reasons would run from economic policy to protection of our elderly. But all these reasons pale alongside this one -- a sane and reasoned military defense and nuclear weapons policy can come about only through a Democratic Party majority leading the U.S. Senate.

I urge you to help Democrats for the 80's do everything in our power to restore the Senate to a Democratic majority. Please understand that unless you and I act now, the threat of nuclear catastrophe will grow. Democratic victory depends on your strong financial commitment now.

(over, please)

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Therefore I ask you to join me in Democrats for the 80's today. And I'll make sure that your gift is used for the direct support of the U.S. Senate candidates who will represent the concerns and longings of our people for peace and negotiated reductions of nuclear weapons.

You and I must decide with our most personal commitment that the escalation of nuclear arms will be halted -- quickly.

In 1981, the Republican committees raised over $70 million. Democrats raised less than $10 million. If we are to win back the U.S. Senate, we need you to become a Charter Member of Democrats for the '80s today. As a member, you'll receive our informative quarterly newsletter.

Please take a moment now to write your check and send it back to me right away.

Sincerely,

W. Averell Harriman

P.S. I've enclosed for you a copy of a Washington Post article I wrote several months ago on the nuclear arms issue.

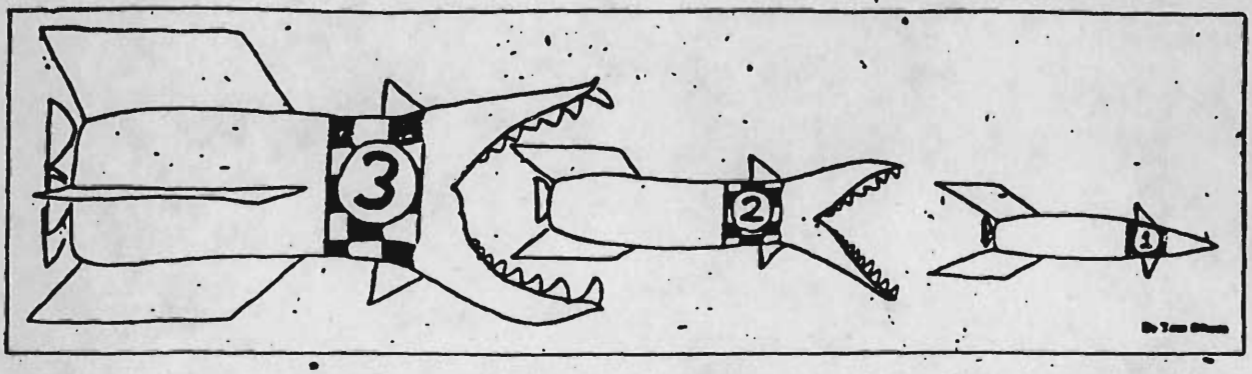
P.P.S. In addition, I have just completed the foreword for a new book entitled Freeze: How You Can Help Prevent Nuclear War. I have asked our staff to send a complimentary copy of the book to all contributors of $35 or more. Please join with us in this crucial campaign!

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W. Averell Harriman

The Window of Opportunity



We are in danger of ceding our destiny to the whims of nuclear weapons, trusting to good fortune to see us through the nuclear arms race when we should be trusting to ourselves.

The strategic forces of the United States and the Soviet Union carry explosive power more than 100,000 times greater than the Hiroshima bomb. Far from saying "enough," both nations are increasing these forces.

We are moving to deploy thousands of nuclear-armed cruise missiles, by their nature difficult to count because of their small size. These missiles—unverifiable—will make existing agreements to reduce the numbers of nuclear arms obsolete and future agreements impossible. We are allowing the seduction of a momentary technological advantage to foreclose future limits on Soviet forces.

Today there are five nations that have tested nuclear weapons; in 10 years there could be 10 more, as well as terrorists adding nuclear explosives to their menace. Yet our policy to prevent the spread of these weapons now features promotion of the exports and technologies that could be fashioned to destroy us.

The SALT II treaty, which put a cap on the strategic arms race and placed significant limits on Soviet military power, has been abandoned. In place of the "real arms control" we were promised a year ago, we have only the promise of endless talks on nuclear arms in Europe and no talks at all on strategic arms until next year.

The results: a restive, divided NATO alliance that questions our competence to lead in a nuclear world, a progressive weakening of the negotiated restraints that can bound Soviet nuclear power and an emphasis on *nuclear* forces that are unusable in countering the Soviet challenge around the globe.

As we become more remote from the horrors of Hiroshima, there are doctrines of war fighting based on the fantasy of using nuclear destruction for some "rational" end. These doctrines blur the vital distinction between nuclear and non-nuclear weapons. And they encourage the nuclear choice by telling all nations that nuclear weapons are just another instrument of military power.

The truth is that nuclear weapons exist for one purpose only—to deter nuclear war. Once used, they will be instruments of mass destruction, consuming the destroyer as well as the destroyed.

If all Americans should be concerned about these developments, so should we be angered by those who weave a myth of America as a second-rate nuclear power, inferior to the Soviet Union. This myth demoralizes our friends, and it could tempt the Soviet Union to test our power when testing that power could have catastrophic consequences.

The nuclear arms race has a simple, unchanging rule: without limits, without verifiable negotiated restrictions, the United States can add to its nuclear forces, but so can the Soviet Union. For this reason, the MX missile and the B1 bomber are inadequate measures for American security. They merely attempt to match the Soviet military threat; they cannot reduce it. And they do nothing to reduce the risk of nuclear war.

Rather than seeking to close a false "window of vulnerability," America must take advantage of the window of opportunity it now has to limit nuclear arms. Without decisive leadership, suspicion and the weapons both nations are developing will see that this opportunity recedes perhaps forever beyond the reach of humanity. This means serious negotiations with the Soviet Union and mutual restraint while we negotiate. The objective should be major, equitable and verifiable reductions of nuclear arms, coupled with limits on the introduction of new weapons systems.

I emphasize the word "serious," for many in both nations will counsel proposals designed to be rejected by the other side but useful as an excuse for doing nothing.

Negotiations to limit nuclear arms and reduce the risk of war are hardheaded exercises to improve our national security. They signal no approval of other Soviet actions, such as Afghanistan—no more than do sales of American grain to the Soviet Union. They seek, despite the irreconcilable ideologies of our two nations, the common goal that nuclear weapons have made a necessity—the prevention of nuclear war.

In our short time on Earth, we have a choice about the kind of world we leave behind. With nuclear weapons in our custody, our generation carries a heavy obligation. There will be no historian to record one day that we failed on our watch.

Gov. Harriman was formerly ambassador to Moscow and undersecretary of state.

The United States Senate is the only place where Presidential decisions about nuclear weapons can be effectively challenged.

I strongly endorse *Democrats for the 80's* support for the Kennedy-Hatfield Nuclear Arms Freeze Resolution. I want to make sure our U.S. Senate is restored to Democratic control this November so that a sane and responsible arms control policy can be established.

That's why I'm joining *Democrats for the 80's* and enclosing my contribution for:

☐ $25 ☐ $35 ☐ $50 ☐ $75 ☐ $100 ☐ Other $_____

[redacted]



Yours Free for a Gift of $35 or More

Foreword by W. Averell Harriman.

Please make your check payable to Democrats for the 80's and return it with this form to P.O. Box 37500, Washington, D.C. 20013.

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NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 13372 WASHINGTON, D.C.

POSTAGE WILL BE PAID BY ADDRESSEE

Democrats for the 80's
P.O. Box 37500
Washington, D.C. 20013

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Those two simple words are capturing the minds and hearts of our people . . .

"Nuclear Freeze"

NON-PROFIT ORG.
U. S. POSTAGE
PAID
Permit No. 9039

WASHINGTON, D.C.

W. AVERELL HARRIMAN
WASHINGTON, D.C. 20007

BEFORE THE FEDERAL ELECTION COMMISSION
OF THE UNITED STATES OF AMERICA

In the Matter of)
) MUR 1484
Ruff Political Action Committee)

AFFIDAVIT OF NEAL B. BLAIR

Neal B. Blair for his affidavit deposes and says:

1. I have personal knowledge of the facts contained herein and am competent to testify thereto.

2. I am a consultant to and President of Ruff Political Action Committee ("RUFFPAC").

3. I have read the General Counsel's Brief in this matter and am personally familiar with the RUFFPAC mailings attached thereto and designated Attachments A, B and C.

4. All three mailings referred to in paragraph 3 above were mailed to persons who were RUFFPAC contributors at that time.

5. In September 1981 RUFFPAC's list of contributors contained approximately 15,750 names and addresses. Approximately 400 of those addresses or 2.5% were in the state of Utah.

6. In the Spring of 1982 RUFFPAC started a review of its contributor list in order to delete duplicate names.

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The list contained duplicate addresses in all states including Utah.

7. The letter referred to in the General Counsel's Brief as Attachment B (offering a biography of Senator Hatch as a premium) was mailed in 1982 to an estimated 13,100 names and addresses. Because of the deletion process referred to in the preceding paragraph the estimated percentage of addressees within the state of Utah could not have been any more than 2.5%, or 327 addressees.

8. The sole purpose of all three mailings referred to as Attachments A, B and C in the General Counsel's Brief was to raise funds for RUFFPAC.

9. RUFFPAC did not make a contribution on behalf of Senator Hatch's 1982 reelection campaign.

10. The mailing referred to as Attachment C (offering a biography of Senator Hatch as a premium) was planned, produced and mailed without the cooperation, prior consent of, consultation with, request or suggestion of Senator Hatch or any agent or authorized committee of Senator Hatch.

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Neal B. Blair

Subscribed and sworn to before me this 2nd day of October, 1984

Kathleen M. Rowan
Notary Public

My commission expires 14 February 1985

BAKER & HOSTETLER
818 CONNECTICUT AVE., N.W.
WASHINGTON, D.C. 20006

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Gary L. Johansen, Esquire
Office of General Counsel
Federal Election Commission
1325 L Street, N.W.
Washington, D.C. 20463

(7th Floor)

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 19, 1984

Jan W. Baran, Esquire
Baker & Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

This is in reference to your letter dated September 7, 1984, requesting an extension of 20 days until October 1, 1984, to respond to the General Counsel's Brief. After considering the circumstances presented in your letter, the Commission has determined to grant you your requested extension. Accordingly, your response will be due on October 1, 1984.

If you have any questions, please contact Gary L. Johansen, the attorney assigned to this matter at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

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BAKER & HOSTETLER
ATTORNEYS AT LAW
818 CONNECTICUT AVE., N.W.
WASHINGTON, D.C. 20006
(202) 861-1500
TELECOPIER (202) 857-0010

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CLEVELAND, OHIO 44114
(216) 621-0200
TWX 810 421 8375

IN COLUMBUS, OHIO
65 EAST STATE STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
SUITE 1100, 303 EAST 17TH AVENUE
DENVER, COLORADO 80203
(303) 861-0600

IN ORLANDO, FLORIDA
13TH FLOOR BARNETT PLAZA
ORLANDO, FLORIDA 32801
(305) 841-1111

WRITER'S DIRECT DIAL NO.:
(202) 861- 1572

September 7, 1984

RECEIVED
OFFICE OF
GENERAL COUNSEL
84 SEP 10 P3:49

8504053735

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

Attention: Gary Johansen, Esq.

Re: MUR 1484 (Ruff Political Action Committee)

Dear Mr. Steele:

This office represents the Ruff Political Action Committee ("RuffPAC") in the above-referenced matter. On August 27, 1984 my office received your letter of August 20, 1984 and an enclosed General Counsel's Brief. Pursuant to 11 C.F.R. § 111.16(c) RuffPAC is permitted to file a responsive brief within 15 days of receipt, or September 11, 1984. RuffPAC wishes to file such a brief. However, the 15-day deadline cannot be met because an illness in my immediate family has kept me from my office during most of the time since your brief was received.

Accordingly, I respectfully request an extension of 20 days, up to and including October 1, 1984 within which to file respondent's brief in this matter. Your favorable consideration of this request is appreciated.

Sincerely,

Jan W. Baran

JWB:ca
cc: Neal B. Blair

6CC463/

SEDAM & HERGE

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
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6300 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102

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GLENN J. SEDAM, JR.
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A. MARK CHRISTOPHER
CHRISTOPHER S. MOFFITT
PHILIP H. BANE
DONNA LYNN MILLER

OF COUNSEL
THOMAS J. FADOUL, JR.

TELEX: 710-831-0896

CABLE: SEDAMHERG

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SUITE 1000
1250 EYE STREET, N.W.
WASHINGTON, D.C. 20005
(202) 898-0200
CHARLES D. REED, RESIDENT PARTNER
JOHN D. HEFFNER

September 7, 1984

Ms. Marjorie Emmons
Commission Secretary
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
84 SEP 10 P4:09

RE: MUR 1484

Dear Ms. Emmons:

Pursuant to 11 CFR 111.16(c), we are filing with you the brief of the Hatch Election Committee and Friends of Orrin Hatch in connection with the above-captioned matter. Ten (10) copies of the brief, including the signed original, are enclosed.

By copy of this letter, I am filing three (3) copies of the brief under separate cover with the General Counsel.

Sincerely yours,

(Sgd) J. Curtis Herge

J. Curtis Herge
Counsel to Hatch Election
Committee and Friends of
Orrin Hatch

cc: ✓General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463
Attention: Gary Johansen
(with enclosures)

8504053736

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of HATCH ELECTION COMMITTEE FRIENDS OF ORRIN HATCH	MUR 1484

BRIEF FOR RESPONDENTS HATCH ELECTION COMMITTEE AND FRIENDS OF ORRIN HATCH

STATEMENT OF THE CASE

A. The Complaint

On October 14, 1982, the Wilson for Utah Committee submitted a complaint to the Federal Election Commission which alleged that certain expenditures made by the Ruff Political Action Committee ("Ruff PAC") were coordinated expenditures made on behalf of respondents, Hatch Election Committee and Friends of Orrin Hatch, the authorized campaign committees of Senator Orrin G. Hatch. Attached to that complaint were copies of two letters produced and mailed by Ruff PAC. Copies of those two letters are attached to the General Counsel's Brief in this matter as Attachment A and Attachment B, and are referred to in the General Counsel's Brief as "Mailing #1" and "Mailing #2," respectively. (The letter attached to the General Counsel's Brief as Attachment C and which is referred to in the General Counsel's Brief as "Mailing #3" was not part of the original complaint. This is the

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first opportunity respondents have had to address the issues raised by the Office of General Counsel as to the so-called Mailing #3.)

B. Proceedings to Date

On January 5, 1983, the Commission found reason to believe that respondents violated 2 U.S.C. §§434(b)(2)(D) and (3)(A) and 441a(f). Specifically, it was reported to respondents that it appears that respondents may have accepted contributions in-kind from Ruff PAC that exceeded $5,000, in the form of coordinated expenditures, and failed to report the receipt of such contributions to the Commission. As a consequence, counsel to respondents requested by letter dated January 11, 1983 to know "...specifically of the actions or expenditures by Ruff Political Action Committee which gave rise to the Commission's findings." By letter dated January 26, 1983, the General Counsel replied "(t)he evidence relied upon is set forth in the complaint which you have been given." Notwithstanding this lack of clarity or direction, it will also be noted that Mailing #3 was not referenced in the complaint.

Subsequent to the preliminary finding by the Commission, Ruff PAC and respondents submitted written answers to interrogatories. In addition, depositions were taken of Mr.

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Stanley B. Parrish,* Finance Chairman of the Hatch committees, and of Mr. Neal B. Blair, President of Ruff PAC. That constitutes the entire evidentiary record before the Commission.

C. Recommendations of the Office of General Counsel

In its brief the Office of General Counsel recommends that the Commission take no further action with respect to Mailing #1. On the other hand, the Office of General Counsel does recommend that the Commission find probable cause to believe that respondents violated 2 U.S.C. §§434(b)(2)(D) and (3)(A) and 441a(f) by reason of the expenditures made by Ruff PAC in producing and mailing Mailing #2 and Mailing #3.

With respect to Mailing #2, a Ruff PAC fund-raising letter which offered an unauthorized biography of Senator Hatch as a premium to contributors, the probable cause recommendation is predicated upon the provisions of 2 U.S.C. §441a(a)(7)(B)(i), to wit: "expenditures made by any person in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees, or their agents, shall be considered to be a contribution made to such candidate." In support thereof, the General Counsel's Brief asserts to the Commission that "Hatch campaign personnel knew the

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*Mr. Parrish's deposition is reported in the deposition itself as having been taken on July 28, 1983. In fact, it was taken on July 27, 1983.

biography was to be offered as a premium for contributions received by Ruff PAC" (General Counsel's Brief at 5); and, that "Ruff PAC, with the knowledge of the Hatch campaign, then offered the Hatch biography as a premium to Ruff PAC contributors" (General Counsel's Brief at 9).

With respect to Mailing #3, a Ruff PAC fund-raising letter signed by Senator Hatch, the probable cause recommendation is predicated upon a suggestion by the Office of General Counsel that the letter contained buzz-words and innuendos that would lead any average citizen to conclude that the letter was not a request for contributions to Ruff PAC, but really a direct appeal to voters to elect Senator Hatch. Such a suggestion is ludicrous.

It shall be demonstrated that both recommendations are based upon inaccurate analyses of the evidence and the law and that they should be rejected forthwith.

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SUMMARY OF ARGUMENT

There is nothing in the evidentiary record before the Commission which suggests that the expenditures made by Ruff PAC in producing and mailing Mailing #2 were made in cooperation, consultation, or concert, with, or at the request or suggestion of, Senator Hatch, his authorized political committees, or their agents. In fact, the evidence is clear, unambiguous and uncontradicted that Senator Hatch, his authorized political committees

and their agents, had no advance knowledge whatsoever about the plans of Ruff PAC to produce Mailing #2. A reading of the record, particularly of the depositions taken in this case, confirms that conclusion beyond any reasonable doubt. Furthermore, with respect to Mailing #3, a typical run-of-the-mill fund-raising letter signed by an individual of note, it will be observed (1) that Senator Hatch was not identified as a candidate; (2) that no solicitation was made for contributions to the Senator's authorized committees; and, (3) that the letter did not advocate the election or defeat of any clearly identified candidate. The Commission long ago established the principle that, in the absence of the foregoing characteristics, no contribution results in cases such as this.

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MAILING #2

The Office of General Counsel describes Mailing #2 as consisting of two communications signed by Mr. Neal Blair and a flyer offering a copy of a book on Senator Orrin Hatch. The book in question, which was offered as a premium to persons who contributed a minimum amount, was a biography of Senator Hatch written by Dr. Richard Vetterli - an independent work not authorized by Senator Hatch. The Office of General Counsel asserts, without supporting citation or authority, that the "Hatch campaign personnel knew that the biography was to be offered as a premium for contributions received by Ruff PAC" and

that "Ruff PAC, with the knowledge of the Hatch campaign, then offered the Hatch biography as a premium to Ruff PAC contributors." General Counsel's Brief at 5 and 9. These statements are made in an effort to induce the Commission to conclude that Ruff PAC and respondents coordinated their respective activities, thus triggering the provisions of 2 U.S.C. §441a(a)(7)(B)(i). Let us examine the record.

At page 74 of Mr. Parrish's deposition, Mr. Parrish testified that Mr. Blair approached him and asked if he (Mr. Parrish) would be interested in using the biography as part of a direct-mail solicitation for the Hatch campaign.* Mr. Parrish responded to Mr. Blair with a definitive "no," saying it was not a cost-effective technique. Mr. Parrish testified further that Mr. Blair made no mention or suggestion of the fact that Ruff PAC was then going to offer the book as a premium in connection with its own fund-raising program. Id. In fact, Mr. Parrish testified that, not only did he have no knowledge that Ruff PAC planned to use the book as a premium, the first time he ever heard of Mailing #2 was after it had been mailed. See pages 76 and 86 of Mr. Parrish's deposition.

In his deposition, Mr. Blair testified that he offered Mr. Parrish the suggestion of using the Vetterli book as a

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*Mr. Parrish testified that, as Finance Chairman, he was responsible for all the direct mail of the Hatch campaign. See pages 37 and 61 of Mr. Parrish's deposition.

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premium and that Mr. Parrish rejected the idea. See page 26 of Mr. Blair's deposition. He also testified, at pages 16, 40, 41 and 50 of his deposition, that he did not discuss proposed Ruff PAC mailings, specifically Mailing #2, with Senator Hatch, Mr. Parrish or with any other individual associated with the Hatch campaign. Furthermore, Mr. Blair stated, at page 29 of his deposition, that he did not discuss the results of Mailing #2 with Senator Hatch or Mr. Parrish. Mr. Blair testified, at pages 93-96 of his deposition, that the purpose of Mailing #2 was solely to generate funds for Ruff PAC; that Ruff PAC did not intend to make a contribution to, or independent expenditures in support of, Senator Hatch; and, that the book was offered solely to increase the results of the mailing.

While there is no contradiction or doubt in the record, there is attached to this brief an affidavit* of Mr. Parrish in which he states that (1) neither he nor, to the best of his knowledge, anyone associated with Senator Hatch's campaign, including Senator Hatch, had any knowledge that Ruff PAC planned to offer the book as a premium, or that Ruff PAC planned to produce Mailing #2; and, (2) Mailing #2 was NOT produced by Ruff PAC in cooperation with, in concert with, or at the request or

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*The attached affidavit was prepared for submission in response to the allegations concerning Mailing #3. However, paragraph 5 of that affidavit relates to Mailing #2.

suggestion of Mr. Parrish, Senator Hatch or anyone associated with the Senator's campaign.

How do these sworn statements, the depositions and the affidavit, as augmented by the answers to the interrogatories, translate into the "Hatch campaign personnel knew" the biography was to be offered as a premium, or that Ruff PAC acted "with the knowledge of the Hatch campaign in producing Mailing #2"? How can respondents be found in violation of 2 U.S.C. §441a(f), which requires a "knowing" acceptance of an excessive contribution, when respondents had no knowledge, no idea, no suggestion, no inkling of the fact that Ruff PAC was to produce Mailing #2 and/or offer the book as a premium? Is it because Hatch campaign and Ruff PAC personnel shared an office, or had conversations with each other, or exchanged mailing lists? The record does reveal that they shared an office, that they talked to each other and that they exchanged mailing lists, but it categorically belies any suggestion that their respective activities were coordinated.

The depositions of Messrs. Parrish and Blair are replete with statements that each minded his own and his principal's business and neither concerned himself with the other's activities. With reference to Mr. Parrish's deposition, Mr. Parrish had no idea of Mr. Blair's comings and goings, p.22; Mr. Parrish paid no attention to Mr. Blair's business, p.24; Mr. Parrish had no recollection of seeing any Ruff PAC mail, p.27, or

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of discussing Ruff PAC activities with Mr. Blair, pp.28-29; Mr. Parrish did not discuss Hatch campaign activities with Mr. Blair, p.31 and p.66, or with any other person associated with Ruff PAC, p.72. Mr. Parrish stated that the sole reason for the office sharing arrangement was to "help defray expenses" and that he "didn't care about [Mr. Blair's] business." Parrish deposition at page 30.

Mr. Blair, who represented numerous clients in addition to Ruff PAC,* testified that he never discussed Ruff PAC mailings with Senator Hatch, p.16; that he never discussed the Hatch campaign with Mr. Parrish, p.73; that he never discussed Hatch campaign mailings with agents of the Hatch campaign, p.59; and, that the only conversations he had with Senator Hatch and/or Mr. Parrish about Ruff PAC related to inquiries by Messrs. Hatch and Parrish about the possiblity of Ruff PAC making a direct contribution to the Hatch campaign, pp.85 and 93. As Mr. Blair testified, Ruff PAC had no intention of contributing to Senator Hatch, a candidate who, they believed, did not need their support. See, for example, pages 93-95 of the Blair deposition. In fact, Ruff PAC made no contribution to the Hatch campaign.

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*It will be noted, with reference to Mr. Blair's deposition, that Mr. Blair served as a consultant to numerous clients. The reason he personally entered into the office sharing arrangement, as Neal Blair Consultants, was to be near the Capitol, where he undertook lobbying activities on behalf of his clients.

It is evident that the record is clear: respondents did not even discuss Mailing #2, much less coordinate with Ruff PAC in the production of that mailing. For those reasons, the recommendation of the General Counsel that probable cause be found that respondents violated the Act with respect to Mailing #2 must be rejected.

MAILING #3

While respondents have had no previous opportunity to address the allegations concerning Mailing #3, they are confident that the Commission will find it constitutes no violation of the Act. As noted, Mailing #3 is a run-of-the-mill fund-raising letter, the type found used by virtually every candidate and political committee on a daily basis.* The purpose of the letter was to raise funds for the general purposes of Ruff PAC by utilizing the endorsement of Senator Hatch. The Senator was not identified as a candidate; there was no solicitation of funds to his campaign; and, it did not advocate that Senator Hatch be elected or that his opponent be defeated.

It is established that an appearance by one candidate in a second candidate's commercial does not result in the second

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*It will be observed that, like Mailing #2, Mailing #3 also offered a premium to contributors. As Mr. Blair testified in his deposition, the use of premiums by Ruff PAC was a common technique.

candidate making a contribution to the first candidate if the commercial: (1) contains no mention of the first candidate's candidacy, (2) does not advocate the election of the first candidate or the defeat of his opponent and (3) contains no solicitation of funds to the first candidate's campaign. For example, in Advisory Opinion 1982-56, the Commission reviewed a television commercial produced by the Ann Delaney for Prosecutor Committee, which featured an endorsement of Ann Delaney by then-candidate Congressman Andy Jacobs. The advertisement included a visual depiction of Congressman Jacobs and his verbal endorsement of Ann Delaney. It also identified the Congressman as "Congressman Andy Jacobs." The Commission concluded - notwithstanding the fact that the advertisement was to be broadcast exclusively within candidate Jacobs' congressional district - that the costs of the advertisement would not constitute an in-kind contribution to the Congressman and would not be reportable by his campaign committee. The Commission made that determination upon finding that the advertisement "contains no mention of [Congressman Jacobs'] own candidacy, does not advocate his election or the defeat of his opponent, and contains no solicitation of funds to his campaign."

In Advisory Opinion 1983-40, the Commission reviewed an advertisement in a directory to be published by the Kansas Republican Party, depicting then-candidate Senator Dole. In view of the fact that the advertisement identified Senator Dole as an

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incumbent United States Senator and not as a candidate, the Commission concluded that the cost of the advertisement, paid for by a multicandidate political committee, did not constitute a contribution to Senator Dole's campaign.

Both AO 1982-56 and AO 1983-40 dealt with communications which depicted a candidate before his own voting constituency, e.g., Rep. Jacobs in commercials broadcast in his congressional district and Sen. Dole in his State's party journal. Mailing #3 should not have even gone that far. In the attached affidavit, Mr. Parrish states that it was the established policy of Senator Hatch and of his campaign that letters, such as Mailing #3, not be mailed into the State of Utah; and, that when authority was given to have Mailing #3 bear Senator Hatch's signature, it was done so on the express understanding that those letters NOT be mailed into Utah. That policy was adopted and followed - not because Federal Election Commission regulations and advisory opinions suggest it - but to avoid even the allegation of impropriety made here by the Office of General Counsel.*

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*The Office of General Counsel also makes much of what is no more than a casual remark in Mailing #3, to wit: "...let me tell you a little bit about <u>our</u> needs for the 1982 election...." (Emphasis added.) The Office of General Counsel seems to suggest that the word, "our," is a code for: "I am a candidate, vote for me, send me your contributions." In fact, the word, "our," simply referred to the generic population which shared common beliefs.

CONCLUSION

The recommendations by the Office of General Counsel, that probable cause be found that the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. §§434(b)(2)(D) and (3)(A) and 441a(f), must be rejected. There is no support in the record whatsoever that Ruff PAC produced Mailing #2 in coordination with respondents. Indeed, respondents knew nothing about Mailing #2 until after it was mailed. A finding to the contrary would simply not be sustainable. Furthermore, with respect to Mailing #3, Commission precedent is clear that expenditures for such communications do not constitute contributions in-kind to someone who endorses another. The added factor in this case is that Ruff PAC was told not to mail Mailing #3 into Senator Hatch's State. The Commission should reject the recommendations on the grounds that they are not supportable in fact or in law.

September 7, 1984

Respectfully submitted,

J. CURTIS HERGE
Sedam & Herge, P.C.
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

Counsel for Hatch Election
Committee and Friends of
Orrin Hatch

8504053749

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of HATCH ELECTION COMMITTEE FRIENDS OF ORRIN HATCH	MUR 1484

AFFIDAVIT OF STANLEY B. PARRISH

DISTRICT OF COLUMBIA: ss:

STANLEY B. PARRISH, being duly sworn, deposes and says:

1. That he served as the Finance Chairman of the Hatch Election Committee, the duly authorized principal campaign committee of Senator Orrin G. Hatch, who was a candidate for election in 1982 to the United States Senate from the State of Utah; and, that he has personal knowledge of the facts relevant to the matter pending before the Federal Election Commission known as MUR 1484.

2. That, with respect to fund-raising solicitation letters signed by Senator Orrin G. Hatch on behalf of other candidates and political committees other than his own authorized committees during the 1981-1982 election cycle, it was the policy of Senator Orrin G. Hatch and of the Hatch Election Committee that the authority to use the Senator's signature was subject to the proscription that such solicitation letters NOT be mailed into the State of Utah. That policy was adopted to avoid any suggestion, such as that proffered by the Office of General

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Counsel in this matter, that the letters were intended to influence the voters of the State of Utah.

3. That, with reference to the letter signed by Senator Hatch on behalf of Ruff PAC, a copy of which is attached to the General Counsel's Brief as Attachment C and which is referred to in the General Counsel's Brief as "Mailing #3," your deponent instructed representatives of Ruff PAC at the time the letter was approved by Senator Hatch that copies of those letters were NOT to be mailed into the State of Utah.

4. That the sole reason approval was given to Ruff PAC to produce the so-called Mailing #3 over the signature of Senator Hatch was to assist Ruff PAC in raising funds for its general purposes. It was not intended that that letter serve to advance the Senator's election; no promise or suggestion was requested or made that Ruff PAC would make a contribution to the Senator's authorized campaign committees in consideration of his signing that letter; and, Ruff PAC in fact made no contribution to the Senator's authorized campaign committees during the 1981-1982 election cycle.

5. That, with reference to the letter attached to the General Counsel's Brief as Attachment B and which is referred to in the General Counsel's Brief as "Mailing #2," neither your deponent nor, to the best of his knowledge, anyone associated with Senator Hatch's campaign, including Senator Hatch, had any knowledge that Ruff PAC planned to produce and distribute Mailing

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#2 or that Ruff PAC planned to offer copies of the biography of Senator Hatch as premiums for contributions received by Ruff PAC. Mailing #2 was not produced by Ruff PAC in cooperation with, in concert with, or at the request or suggestion of your deponent, Senator Hatch or anyone associated with the Senator's authorized campaign committees.

IN WITNESS WHEREOF, your deponent has executed this affidavit this 6th day of September, 1984.

Stanley B. Parrish

Sworn to before me this 6th day of September, 1984.

Notary Public

My commission expires:
14 May 88

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SEDAM & HERGE
ATTORNEYS AT LAW
SUITE 1100
8300 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102

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

Attention: Gary Johansen

FIRST CLASS MAIL

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84 SEP 10 AM 8:

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IN COLUMBUS, OHIO
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COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
SUITE 1100, 303 EAST 17TH AVENUE
DENVER, COLORADO 80203
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ORLANDO, FLORIDA 32801
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WRITER'S DIRECT DIAL NO.:
(202) 861- 1572

September 7, 1984

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
84 SEP 10 P3:40

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

Attention: Gary Johansen, Esq.

Re: MUR 1484 (Ruff Political Action Committee)

Dear Mr. Steele:

This office represents the Ruff Political Action Committee ("RuffPAC") in the above-referenced matter. On August 27, 1984 my office received your letter of August 20, 1984 and an enclosed General Counsel's Brief. Pursuant to 11 C.F.R. § 111.16(c) RuffPAC is permitted to file a responsive brief within 15 days of receipt, or September 11, 1984. RuffPAC wishes to file such a brief. However, the 15-day deadline cannot be met because an illness in my immediate family has kept me from my office during most of the time since your brief was received.

Accordingly, I respectfully request an extension of 20 days, up to and including October 1, 1984 within which to file respondent's brief in this matter. Your favorable consideration of this request is appreciated.

Sincerely,

Jan W. Baran

JWB:ca
cc: Neal B. Blair

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W. Baran, Esq.
KER & HOSTETLER
ONNECTICUT AVE., N.W.
SHINGTON, D.C. 20006

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84 SEP 10 A9:12

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

Attention: Gary Johansen, Esq.

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84 AUG 29 P2:

Curry

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RESIDENT PARTNER: CHARLES D. REED

GLENN J. SEDAM, JR.
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ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
CHRISTOPHER S. MOFFITT
PHILIP H. BANE
DONNA L. MILLER

OF COUNSEL
THOMAS J. FADOUL, JR.

August 28, 1984

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

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
84 AUG 29 P1:41

Attention: Gary Johansen
Office of General Counsel

RE: MUR 1484

Dear Mr. Steele:

As counsel to the Hatch Election Committee and Friends of Orrin Hatch, we are writing to acknowledge the receipt of your letter of August 20, 1984, with which was enclosed a copy of the General Counsel's Brief in connection with MUR 1484.

By reason of pre-existing commitments in my schedule, I request an extension until September 10, 1984 for the submission of a reply on behalf of our clients.

Sincerely yours,

J. Curtis Herge

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ATTORNEYS AT LAW
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300 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102

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84 AUG 29 P12:07

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

Attention: Gary Johansen
Office of General Counsel

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

84 AUG 20 A10:46

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 20, 1984

MEMORANDUM TO: The Commission

FROM: Charles N. Steele
General Counsel

SENSITIVE

SUBJECT: MUR 1484

Attached for the Commission's review are briefs stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. A copy of the briefs and a letter notifying each respondent of the General Counsel's intent to recommend to the Commission a finding of probable cause to believe was mailed August 20, 1984. Following receipt of the each respondent's reply to this notice, this Office will make a further report to the Commission.

Attachments
1. Briefs
2. Letters to Respondents

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Ruff Political Action Committee) MUR 1484 SENSITIVE

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On October 14, 1982, the Wilson for Utah Committee submitted a complaint to the Commission which alleged that certain expenditures made by the Ruff Political Action Committee ("Ruff PAC") on behalf of the Hatch Election Committee and the Friends of Orrin Hatch Committee, were coordinated expenditures. As such, the complainant asserted they exceeded the limitations of 2 U.S.C. § 441a(a)(2)(A). The complainant further alleged that the respondents violated 2 U.S.C. § 434 by their failure to report the expenditures as contributions on behalf of the Hatch campaign.

The Commission, on January 5, 1983, found there was reason to believe that: (1) Ruff PAC violated 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch; and, (2) Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch.

During the course of the Commission's investigation, Ruff PAC submitted to the Commission a copy of an additional solicitation not previously available to the Commission. Because the solicitation failed to provide the proper disclaimer, the

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Commission, on February 14, 1984, found reason to believe Ruff PAC violated 2 U.S.C. § 441d.

Ruff PAC, the Hatch Election Committee and Friends of Orrin Hatch have submitted written responses to the complaint and have submitted written answers to interrogatories. In addition, depositions were taken of Mr. Neal Blair, consultant to Ruff PAC and Mr. Stanley Parrish, finance chairman of Senator Hatch's reelection campaign. After a review of the evidence the Office of General Counsel recommends that the Commission find probable cause to believe that: (1) Ruff PAC violated 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch; (2) Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch; and, (3) Ruff PAC violated 2 U.S.C. § 441d by failing to affix a proper disclaimer on a solicitation paid for by Ruff PAC.

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II. Factual and Legal Analysis

There are two issues in this case. The first concerns whether Ruff PAC made in-kind contributions to the Hatch Election Committee and the Friends of Orrin Hatch. The second concerns whether Ruff PAC affixed a proper 2 U.S.C. § 441d notice to one of its mailings.

A. In-Kind Contributions

This issue centers around three mailings made by Ruff PAC during the 1982 campaign. All three mailings solicit funds to

Ruff PAC. In addition, the language of the mailings raise the question as to whether the mailings are expenditures by Ruff PAC made for the purpose of influencing Senator Hatch's reelection campaign. 2 U.S.C. § 431(9)(A). If the mailings are expenditures, then the second question raised is whether the relationship between Ruff PAC and the Hatch campaign is sufficient to meet the tests of "coordination" under 2 U.S.C. § 44la(a)(7)(B)(i) and 11 C.F.R. § 109.1. If coordinated, then the mailings are "in-kind contributions" to the Hatch Campaign.1/

1. Review of Mailings

In its investigation the Office of General Counsel has reviewed three mailings made by Ruff PAC. All three of the mailings were made during the 1981-82 election campaign cycle. The Office of General recommends to the Commission that pursuant to 2 U.S.C. § 431(9)(A) two of the three mailings are expenditures made for the purpose of influencing Senator Hatch's reelection campaign. An analysis of each of the mailings follows.

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1/ In one of the Ruff PAC mailings, referred to as mailing #2 infra, Ruff PAC indicated that it was going to make "independent expenditures" on behalf of Senator Orrin Hatch. Complainant alleges that because of the closeness of the relationship between Ruff PAC and the 1982 Hatch reelection efforts, such expenditures could not be "independent", but would be "in-kind contributions." In fact, Mr. Blair, a Ruff PAC consultant, testified that such "independent expenditures" referred to in mailing #2 were never made by Ruff PAC.

a. Mailing #1: "With A View Towards 1982"

Mailing #1 (Attachment A) consists of two pages. It appears to be intended solely to solicit contributions to Ruff PAC. Ruff PAC estimates the cost of the mailing was $10,138.74. The total amount received by Ruff PAC in response to the mailing was $15,881. The mailing provides a statistical summary of Ruff PAC's success rate for the 1980 election. The mailing also notes those states that will be "targeted" by Ruff PAC in 1982. Senator Hatch's state, Utah, is mentioned only in the context of Ruff-PAC's general interest in Congressional activities in that State. The mailing does not contain the name of Senator Hatch. Therefore, the Office of General Counsel does not believe that this mailing should be viewed as an expenditure made by Ruff PAC to influence Senator Hatch's reelection campaign.

b. Mailing #2: Letter Offering Biography as a Premium

Mailing #2 (Attachment B) consists of four pages. It consists of two communications signed by Mr. Neal Blair and a flyer offering a copy of a book on Senator Orrin Hatch. Ruff PAC estimates the cost of the mailing was $34,777.62. The total amount received by Ruff PAC in response to the mailing was $43,119.60. The mailing requests its readers to contribute funds to Ruff PAC in order that contributions may be made to the Hatch campaign. The letter states: "With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's [Hatch] record. We will write press releases, make

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phone calls, and stump the streets to let voters know the facts." The mailing has as its focal point Utah voters: "We want to let at least one million voters in Utah know the facts about Senator Orrin Hatch." The letter finally advises the reader that Ruff PAC will be able to "donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth."

In order to induce contributors to support Ruff PAC's efforts to support Senator Hatch, a premium is offered to the contributors. Persons who contributed more than $25 were to receive a free copy of a biography of Senator Hatch entitled Orrin Hatch. Challenging the Washington Establishment. The book is described as relating "the highlights of Senator Hatch's outstanding rise to national leadership and service to Utah." The letter also advises the reader to "[g]ive copies [of the book] to your friends -- it could make the difference in this election."

Finally, the return coupon portion of the letter states: "I believe that Ruff PAC can make a significant difference in the Orrin Hatch Campaign in 1982. It is vital we support candidates who will represent our views. Please accept my donation in the amount I've listed below."

Hatch campaign personnel knew that the biography was to be offered as a premium for contributions received by Ruff PAC. Further, the mailing and book offer occurred during Senator Hatch's reelection efforts.

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There is no question that mailing #2 had as it purpose to influence the election of Senator Hatch.2/ It talks of the need to make a significant difference in the Hatch campaign for election in 1982. In Advisory Opinion 1980-106 the Commission pointed out that the test of whether a mailing is an expenditure includes an examination of the mailing to determine whether "the information actually presented and the manner in which it is presented are designed to influence the reader's choice in the ... election, rather than simply to promote a discussion of the issues." The Advisory Opinion notes a distinction between a committee publishing a summary of a candidate's voting record and making its own assessment of the candidate's position on the issues considered important by the organization.

Unlike the first mailing, this effort was by its own words directed to the voters in Utah, espoused the virtues of Senator Hatch, spoke of the need to make a difference in the 1982 Hatch election, and promised that the funds raised would go towards affecting the outcome of Senator Hatch's reelection efforts. The mailing was subjective and applied its own assessment of Senator Hatch's record in endorsing his efforts. Thus, it is the Office of General Counsel's belief that the mailing is an expenditure made for the purpose of influencing Senator Hatch's reelection campaign.

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2/ The Office of the General Counsel notes that it is possible that an expenditure may have more than one purpose. Whether the particular expenditure had a dual purpose depends upon the facts. The fact that a committee may legitimately claim that the purpose of a particular expenditure was to raise money for that committee does not preclude a finding that the same expenditure was also made to influence a particular candidate's election.

c. Mailing # 3: A letter from Senator Hatch

Mailing #3 (Attachment C) is a two page letter signed by Senator Hatch. The mailing is on letterhead similar to the official United States stationery used by Senator Hatch. Ruff PAC estimates the cost of the mailing was $6,222.21. It is estimated that the mailing was sent to roughly 15,750 persons. The total amount received by Ruff PAC in response to the mailing was $20,628.34. The mailing informs the reader of Ruff PAC's goals for the 1982 elections and clearly implies that these goals are shared by Senator Hatch. The mailing states "[n]ow, let me tell you a little bit about our need for the 1982 election in order to keep electing the kind of men and women that made the tax cut possible." [emphasis added] The letter continues, urging the reader to contribute to Ruff PAC in order to assist it in directly affecting the election efforts of federal candidates. "Massive, yes massive funds are needed to elect free enterprise candidates to the U.S. Senate and House of Representatives in 1982. Ruff PAC needs you now to fund these efforts."

Senator Hatch's references to Howard Ruff, Ruff PAC's Chairman as a friend and a "public-spirited American" lead the reader to the conclusion that Senator Hatch endorses the views of Howard Ruff and, as a candidate for reelection in 1982, Senator Hatch would benefit by Ruff PAC's efforts in affecting the outcome of the 1982 elections. Certainly a significant factor in Ruff PAC's choice of Senator Hatch as a spokesman for Howard Ruff must have been the fact that because Howard Ruff and Senator

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Hatch share similar views it would follow that those who would support Howard Ruff and Ruff PAC would also support Senator Hatch's campaign. This notion is illustrated by the fact that the mailing was made to subscribers of Howard Ruff's financial newsletter the Ruff Times.

Here again, the information presented in the mailing and the manner in which it is presented influences the reader's choice to support Senator Hatch in the upcoming election. Therefore, it is the Office of General Counsel's belief that the mailing is an expenditure made for the purpose of infuencing Senator Hatch's reelection campaign.

2. The Relationship between Ruff PAC and the 1982 Hatch Campaign

An examination of the relationship between Ruff PAC and the Hatch reelection campaign reveals that the two organizations were closely related. Accordingly, the Office of General Counsel concludes that mailing #2 and mailing #3 constituted coordinated expenditures pursuant to 2 U.S.C. § 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1 by Ruff PAC on behalf of the Hatch campaign. An analysis of the relationship between Ruff PAC and the 1982 Hatch Campaign follows.

a. Shared office

From November 1981 through June 1982, Ruff PAC rented office space from the Hatch Election Committee. During this time, both Ruff PAC and the Hatch Election Committee occupied the office. The office was located in Washington, D.C. By the rental

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agreement, Ruff PAC paid the Hatch Election Committee $150 rent per month and its share of the overhead costs.3/ The lease agreement was open-ended in that, according to Mr. Blair, it would continue "[u]ntil my needs expanded for personnel and more space." Ruff PAC did not have its own secretary at the office. Instead the secretary employed by the Hatch campaign answered calls and provided incidental services for Ruff PAC. In addition, Ruff PAC had a sign installed outside the building which had the names of the Hatch Election Committee and Ruff PAC on the same board. The sign was paid for by Ruff PAC.

b. Conversations

During the 1982 election period, conversations took place between personnel of Ruff PAC and the Hatch campaign. One of the conversations included a suggestion by Mr. Blair of Ruff PAC that the Hatch campaign offer as a premium to contributors a biography of Senator Hatch. The Hatch campaign decided not to offer the biography to its contributors because of its cost effectiveness. However, Ruff PAC, with the knowledge of the Hatch campaign, then offered the Hatch biography as a premium to Ruff PAC contributors. The biography was offered in Ruff PAC's mailing #2 discussed previously. This mailing was distributed during the period of time Senator Hatch was running for reelection.

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3/ Respondents have estimated that the total cost to Ruff PAC which included rent, overhead, and use of a copy machine was $802.40.

c. Mailing list exchange

During the time period in question, the two organizations also made a one-time exchange of mailing lists. The list provided by Ruff PAC contained the names of subscribers to the Ruff Times, a publication prepared by Howard Ruff. Ruff PAC, in turn, received a list of contributors to the Hatch campaign.4/ The exchange of the mailing list is another indicia of the cooperation and coordination of activities which took place between Ruff PAC and the Hatch campaign.

d. Hatch letter

In September 1981, Senator Hatch wrote a two page letter on behalf of Ruff PAC. The letter, referred to as mailing #2, was discussed previously. The mailing was paid for by Ruff PAC. The mailing solicited funds for Ruff PAC in order to assist in electing individuals in 1982 (like Senator Hatch) who supported the tax cut and who were in favor of the free enterprise system. The letter is a clear example of the extent to which Ruff PAC and the Hatch campaign worked together to promote their common goals.

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4/ There is no evidence that one list had a commercially greater value than the other. Due to the fact that both lists were privately owned, there appears to be no independent basis upon which they may be valued aside from the subjective valuation made by the parties to the exchange. The Office of General Counsel, therefore, recommends not pursuing the issue of whether this exchange should be viewed as a contribution or expenditure (See Advisory Opinions 1982-41 and 1981-46).

e. Testimony

Perhaps the most compelling evidence of the coordination which existed between Ruff PAC and the Hatch campaign was how Ruff PAC and the Hatch campaign committees viewed their relationship. As Mr. Blair, a Ruff PAC consultant, testified in his desposition, "[b]ecause of the close relationship of Mr. Ruff [Chairman of Ruff PAC] with Mr. Hatch and my relationship with Mr. Hatch we knew an independent expenditure would be totally out of the question so it was never contemplated."

3. Conclusion

In summary, mailing #2 and mailing #3 constituted expenditures made by Ruff PAC for the purpose of influencing Senator Hatch's reelection campaign. A close relationship existed between Ruff PAC, the Hatch campaign and Senator Hatch. Ruff PAC shared an office space with the Hatch Election Commmittee, conversations took place between personnel of Ruff PAC and the Hatch Committee, Ruff PAC distributed copies of Senator Hatch's biography, Ruff PAC and the Hatch Committee exchanged mailing lists, Senator Hatch signed a campaign letter on behalf of Ruff PAC, and Ruff PAC and the Hatch committees viewed their relationship as preventing independent expenditures.

2 U.S.C. § 441a(a)(7)(B)(ii) states that "expenditures made by any person in cooperation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees/or their agents, shall be considered to be

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contributions made to such candidates." Therefore, the costs of mailing #2 ($34,777.62) and of mailing #3 ($6,222.21) are considered in-kind contributions from Ruff PAC to the Hatch campaign committees. Since the total of these in-kind contributions exceed the $5,000 contribution limitation of 2 U.S.C. § 441a(a)(2)(a), there is probable cause to believe that Ruff PAC violated 2 U.S.C. § 441a(a)(2)(a). Further, since the in-kind contributions were not reported, there is probable cause to believe that Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i).

B. Failure to provide the notice required by 2 U.S.C. § 441d.

Mailing #3 (Attachment C) is a letter signed by Senator Hatch and is on letter head similar to the official United States stationary used by Senator Hatch. The letter solicits contributions to Ruff PAC. The only notice that appears on the mailing, however, says "[p]rinted and mailed by Ruff PAC." No mention is made regarding whether candidate Hatch authorized the mailing or who paid for the mailing.

2 U.S.C. § 441d and 11 C.F.R. § 110.11 requires that "whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicit any contribution through any direct mailing such communication" shall clearly state who paid for the mailing and whether it was authorized by a candidate. Mailing #2 does not comply with this provision. Further, there is the possibility that the reader

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could have been misled as to who was ultimately responsible for the communication since it appears to be an official letter from Senator Hatch. Accordingly, the General Counsel recommends that the Commission determine there is probable cause to believe Ruff PAC violated 2 U.S.C. § 441d.

III. Recommendation

The Office of General Counsel recommends that the Commission find probable cause to believe that:

1) Ruff PAC violated 2 U.S.C. § 441a(a)(2)(A) by making in-kind contributions that exceeded $5,000 per election to the 1982 campaign committees of Senator Orrin Hatch;

2) Ruff PAC violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of in-kind contributions to the 1982 campaign committees of Senator Orrin Hatch; and

3) Ruff PAC violated 2 U.S.C. § 441d by failing to affix a proper disclaimer on a solicitation paid for by Ruff PAC.

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17 August 1984
Date

Charles N. Steele
General Counsel

Attachments
1) Mailing #1
2) Mailing #2
3) Mailing #3

ATTACHMENT A-1

In 1980, Ruff-PAC supported [illegible] congressional candidates with direct financial support, assistance with campaign strategy, and independent expenditures. Of these candidates, 27 were victorious. . . and that translates Ruff-PAC's efforts into a 77% success rate. More than dramatic results considering that Ruff-PAC supported only underdogs and closely contested races!

But 1982 represents an even greater challenge. First, being an off year election, we can expect the traditional resurgence of the opposition party. This historical trend is expected to manifest itself across the country where free enterprise candidates meet opponents backed by liberal special interests. But more importantly, the opposition has learned much from the 1980 elections. We can expect their strategy to incorporate some of the hard lessons learned in 1980. In short, without your help now, it will become increasingly difficult to maintain the trend only begun in the last election.

As no worthy effort goes unfunded, no worthy candidate can be elected without donations from those who can offer critical financial support. We are asking for your support now, so we have the vast financial resources needed for 1982. There is a great deal that remains unfinished, and only your assistance can help put America back on the right track.

Listed below are Ruff-PAC's *initial target states* for 1982. In these states, Ruff-PAC will work through direct contributions, direct campaign strategy assistance, or independent expenditures to elect strong free enterprise candidates who will support fiscally sound and morally prudent legislation.

U.S. SENATE RACES	HOUSE OF REPRESENTATIVE RACES
Arizona	Arizona
California	California
Connecticut	Colorado
Maine	Florida
Michigan	Maine
Nevada	New Mexico
New Jersey	Oregon
New York	Tennessee
Ohio	Texas
Texas	Utah
Vermont	Washington

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Howard J. Ruff
Chairman

P.S. Remember that it is nearing the end of the calendar year. The first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a copple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

HOWARD - I believe that Ruff PAC can make a significant difference in 1982. It is vital that we support candidates that will represent our views while maintaining gains made in 1980. Please accept my donation in the amount I've listed below. My check or charge card information enclosed.

Name: _____
Address: _____
_____
City/State: _____
Zip: _____

Howard J. Ruff, Chairman

My donation is as follows:
___Check ___Charge card
Name of Card _____
Expiration Date _____
Signature _____

___$100 ___$750 ___$500
___$250 ___$100 ___$50 ___Other

___I would also like to donate my time or services.

Make check payable to: Ruff PAC

A-2

Chairman's Report on Ruff-PAC, A National ★★★★★★★ Independent Political Action Committee ★★★★★★★

THE 1980 ELECTIONS . . . THE RECORD SPEAKS FOR ITSELF

Ruff-PAC experienced great success in 1980. Take a close look at Ruff-PAC's record . . . winning 27 of 35 races. All of Ruff-PAC's candidates were either decided underdogs or in closely contested races!

U.S. SENATE

Ruff-PAC Won/lost	Ruff-PAC's Candidate	Ruff-PAC's Opposition	State
WON	JEREMIAH DENTON	Jim Folsom, Jr.	ALABAMA
WON	FRANK MURKOWSKI	Clark Gruening	ALASKA
Lost	Mary Buchanan	Gary Hart	Colorado
WON	PAULA HAWKINS	Bill Gunter	FLORIDA
WON	STEVEN SYMMS	Frank Church	IDAHO
Lost	David O'Neal	Alan Dixon	Illinois
WON	DAN QUAYLE	Birch Bayh	INDIANA
WON	CHARLES GRASSLEY	John C. Culver	IOWA
Lost	Gene McNary	Thomas Eagleton	Missouri
WON	ALFONSE M. D'AMATO	Elizabeth Holtzman	NEW YORK
WON	JOHN P. EAST	Robert Morgan	N. CAROLINA
WON	DONALD NICKLES	Andy Coats	OKLAHOMA
WON	JAMES ABDNOR	George McGovern	S. DAKOTA
Lost	Steward Ledbetter	Patrick Leahy	Vermont
WON	ROBERT W. KASTEN	Gaylord Nelson	WISCONSIN
WON	SLADE GORTON	Warren Magnuson	WASHINGTON

HOUSE OF REPRESENTATIVES (Congressional District Noted by State)

				Dist.
Lost	Richard H. Hull	Morris Udall	Arizona	2
WON	EUGENE CHAPPIE	Harold Johnson	CALIFORNIA	1
WON	BOBBI FIEDLER	James Corman	CALIFORNIA	21
WON	ROBERT K. DORNAN	Cary Peck	CALIFORNIA	27
WON	DAVID DREIER	James Lloyd	CALIFORNIA	35
WON	JOHN PATRICK HILER	John Brademas	INDIANA	3
WON	JIM JEFFRIES	Sam Keys	KANSAS	2
WON	BILL EMERSON	Bill Burlison	MISSOURI	10
Lost	Anne Bagnal	Stephen Neal	N. Carolina	5
WON	BOB McEWEN	Ted Strickland	OHIO	6
WON	DENNIS SMITH	Al Ullman	OREGON	2
Lost	David C. DiCarlo	Marc Marks	Pennsylvania	24
WON	CLAUDINE SCHNEIDER	Edward Beard	R. ISLAND	2
WON	THOMAS R. HARTNETT	Mendel Davis	S. CAROLINA	1
WON	JACK M. FIELDS	Bob Eckhardt	TEXAS	8
Lost	Jim Bradshaw	James Wright	Texas	12
WON	RON PAUL	Mike Andrews	TEXAS	22
WON	JAMES V. HANSEN	Gunn McKay	UTAH	1
WON	FRANK R. WOLF	Joseph Fisher	VIRGINIA	10

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ATTACHMENT B-1

1835 South State St., Suite 150, Orem, Utah 8405
1-801-225-0622

Dear Friend:

Will you help me get the facts out on Orrin Hatch? We want to let at least one million people in Utah know the facts about Senator Orrin Hatch.

Will you, after reading this letter, fill out the coupon and return it to us with your contribution?

As our gift to you, our way of saying thank you, we would like to send you a free complimentary first edition of the new, exciting, and highly informative hardback entitled Orrin Hatch. Challenging the Washington Establishment. This is a fascinating behind-the-scenes account.

Why are we doing all of this? We are not members of Hatch's campaign staff. We're not even advisors.

We are an independent political action committee determined to let Utah know the facts about Orrin Hatch—to let them evaluate him. Not on cheap innuendoes or demagoguery. But evaluate him with his record. Most Utahns will agree—Senator Orrin Hatch has done an outstanding job for Utah and the United States.

With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's record. We will write press releases, make phone calls, and stump the streets to let voters know the facts.

As part of this endeavor, we are offering Dr. Richard Vetterli's insightful and carefully prepared biography on Senator Hatch. Orrin was a bit reluctant to have a biography—he felt it was a bit much. Afterall, who is he?

Well, who is he? Just what has he done?

Orrin Hatch. Challenging the Washington Establishment chronicles his amazing challenge and victory over established Senator Frank Moss. The first few chapters tell in a fresh, crisp style one of the most interesting success stories in United States Senate-race history.

Without dropping the pace, the author then relates the highlights of Senator Hatch's outstanding rise to national

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this fast pace narrative.

Won't you help Ruff-PAC perform this critical service? As an independent political action committee, we can donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth.

This we will do with your help. But time is running out on us. The time to act is now.

So if you'll quickly send your donation either by check or with your VISA/Mastercard information (as provided for on the coupon) in the next five days, we'll quickly send you a free gift of the hardback first edition, nearly 200-page biography of Senator Orrin Hatch. Give copies to your friends—it could make the difference in this election.

Thank you sincerely for your support.

Very truly yours,

Neal

Neal B. Blair
President

P.S. Remember the first $100 contributed in a calendar-year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help.

P.P.S. Contributors who send more than $25 will receive the Orrin Hatch book absolutely free. Send us $100 and we'll give you five books. Send $250 and we'll give you 15 books. Send $500 and you can give 35 friends a copy. Could you also include $1 for postage and handling? Our thanks for your concern and generosity.

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NEAL—I believe that Ruff PAC can make a significant difference in the Orrin Hatch campaign in 1982. It is vital we support candidates who will represent our views. Please accept my donation in the amount I've listed below. Please send me ___ copi of the Orrin Hatch biography. My check or charge card information is enclosed.

Name_____ Address_____

City/State/ZIP_____

My donation is as follows: _____Check _____Charge Card

VISA/Mastercard No. _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _

Expiration Date_____

Signature_____

___$1000 ___$750 ___$500 ___$250 ___$100 ___$50 ___$25 ___Other

Make check payable to: Ruff PAC 1835 South State Street, Suite 150, Orem, Utah 84057

Howard J. Ruff, Chairman
Neal B. Blair, President

1875 South State Street, Suite 1400, Orem, Utah 84057

Howard J. Ru
Chairman

B-3

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOO "ORRIN HATCH"



Dear Friend of Orrin Hatch,

For one month only, Ruff-PAC, a national citizen's political action committee dedicated to supporting free enterprise candidates, will give a copy of the book to any Hatch supporter who donates $25 or more to Ruff-PAC. Our way of saying thank you for your generous contribution. This is a minimum contribution. If you can give more, please do. For Ruff-PAC is one of Hatch's biggest supporters. Federal law allows us to contribute up to $10,000 to Hatch's election campaign. We plan to do just that with the contributions we receive.

READ OF THE INNER WORKINGS OF WASHINGTON.

Discover the incredible backroom dealings surrounding action on abortion, also the never before told stories of the creation and impetus behind the balanced budget and tax limitation amendment.

FIND OUT WHAT THE IRON TRIANGLE IS AND HOW IT AFFECTS LEGISLATIVE DECISIONS.

Rarely has a book been able to capture the imagination while being a phenominal educational tool. As reading "Orrin Hatch", Americans will receive a clearly outlined vision of a careful course out of the mire.

Ruff-PAC is overwhelmed with the opportunity of giving you this profound, factual hardback book. Ruff-P is dedicated to electing strong free-enterprise candidates who will fight to strengthen our economy and our n tional defense.

Feel free to use the enclosed postage paid return envelope to mail your contribution to Ruff-PAC. To tho who send us immediately a contribution of $25 or more, we will rush to you a copy of "Orrin Hatch" the mome it gets off the press. Please add $1 for each book ordered for postage and handling.

For those who would like to send this insightful and beautifully bound hardback book to friends a relatives, we will send you tow books with a contribution of $50 or more and three books when you contribu $100 or more.

Thank you so much for your support and we hope you thoroughly enjoy "Orrin Hatch"
Compliments of Ruff-PAC.

With warm regards,

Neal B. Blair
President

I believe Ruff-PAC can make a significant difference in 1982. Please send me _____ copy (copies) of Orrin Hatch. Please accept my donation in the amount I've listed.

My donation is as follows:

___$1000 ___$750 ___$500 ___$250 ___$100 ___$50 ___Other

___Check ___Visa/Mastercard

Visa/Mastercard Number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Name _____

Address _____

City State Zip _____

Expiration Date _____

Signature _____

Make check payable to: Ruff-PAC, 1875 South State Street, Suite 1400, Orem, Utah 84057 (801) 225-06

Ruff-PAC PRESENTS:

A. OFFER FOR YOU TO RECE A
COMPLIMENTARY COPY OF THE COMM MORATIVE
FIRST EDITION HARDBACK BOOK

B-4

ORRIN HATCH

by Dr. Richard Vetterli

Discover the incredible backroom dealings surrounding legislative action on abortion.
Find out what the Iron Triangle is and how it effects daily legislative decisions.

ith a few weeks, one of the most profound and insightful books on the inner workings of our government will roll off the presses. *Orrin Hatch* is filled with exciting and provocative stories surrounding the rise to national prominence of Senator Orrin Hatch as well as an insightful understanding of the American political process. *Orrin Hatch* is destined to be an American classic.

Only a limited number of copies will be available in this first commemorative edition. We want you to have one as our gift.

Only a limited number of contributors to Ruff-PAC will be able to receive an advanced hardback copy of the book — your own copy before it hits the national bookstores.

For one month only, Ruff-PAC will give a copy of the book to any subscriber who donates $25 or more to Ruff-PAC. Our way of saying thank you for the generous contribution. This is a minimum contribution. If you can give more, please do.

Orrin Hatch is a provocative look at how an unknown but remarkably talented Salt Lake City lawyer rose to national prominence overnight, becoming one of the foremost champions of the conservative causes and, amazingly, in just 48 months, became the chairman of the most significant and largest oversight committee in the United States Senate. No success story has ever read like that of Utah's Orrin Hatch.

Scholar and writer Dr. Richard Vetterli explains in detail how the United States has gotten into the financial and moral mess it is currently in as he shows how the Senator from Utah fought toe-to-toe against the Kennedys, McGoverns, and Metzenbaums of the Senate. He carefully draws the background and depicts the struggles of the conservative movement against the onslaught of the modern liberals and their plans for an egalitarian, monolithic society.

Not only are the life and times and struggles of Orrin Hatch chronicled, but the emergence of the New Right is simply and accurately explained. *Orrin Hatch* portrays the classic liberal. Rarely has anyone written with such clarity, insight, and detail. The book is filled with classic stories of political battles — battles that Hatch sometimes won, sometimes lost — but regardless of the results, the senator remains steadfast to his convictions and unyielding to the pressures of national prominence.

Feel free to use the coupon below to make your donation to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of *Orrin Hatch*, the moment it gets off the press. Please add $1 or more for postage and handling. For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you two books with a contribution of $50 or more, and three books when you contribute $100 or more. But we must urge you to remember the supply of first edition hardback copies is limited and the deadline is in one month. Act today so you won't be disappointed on missing out on this exclusive offer.

ATTACHMENT C-1

ORRIN G. HATCH
UTAH

UNITED STATES SENATOR
WASHINGTON, D.C.

September 22, 1981

Mr. J. R. Wiltberger
16511 Hedgecroft #228
Houston, Texas 77060

Dear Mr. Wiltberger:

If thousands of dollars of immediate tax benefits is worth one minute of your time, consider yourself engaged.

Because you personally are a generous supporter of political efforts endorsed by Howard J. Ruff, he has commissioned the famed tax expert, B. Ray Anderson to prepare a timely report on President Reagan's new tax bill. No more comprehensive analysis and interpretation exists!

Did you know, for instance, that most Americans are now eligible for a minimum $2,000 tax deferral through expanded IRA and Keogh Programs starting in 1982? It is well worth a small fortune, in the opportunities it reveals and the pitfalls it exposes.

Again, just indicate that you want the report and Ruff-PAC will send it to you as a "thank you" with absolutely no strings attached!

Now, let me tell you a little bit about our needs for the 1982 election in order to keep electing the kind of men and women that made the tax cut possible.

Massive, yes massive, funds are needed to elect free enterprise candidates to the U.S. Senate and House of Representatives in 1982. Ruff-PAC needs you now to fund these efforts.

Please allow me to tell you a little bit about Howard Ruff, Ruff-PAC's chairman. Howard is an honest and courageous man, and is fast becoming one of America's most influential opinion-makers. His book, How to Prosper in the Coming Bad Years, is now the biggest selling financial book in history, and many millions of people have been immensely helped by his newsletter and his TV and radio shows.

I know him best as a friend and a public-spirited American who, at considerable financial and personal risk, got involved in the American political process in 1981, and as much as any individual, helped to give the U.S. Senate and House of Representatives a free-market majority.

Howard stuck his neck out ten miles when he decided in March, 1980 to risk his reputation and his subscription revenues to use his influence to help stem the tide of inflation and the growth of government power. He knew that

Printed and mailed by Ruff-PAC, an Independent Political Action Committee
A copy of our report is on file with
the Federal Election Commission, Washington, D.C.

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many subscribers to his financial newsletter, The Ruff Times, would disapprove of his partisan political activities and refuse to renew their subscriptions, and he was right. He lost about $1 million in revenues.

When he accepted the call to become National Finance Co-Chairman of another Independent Political Action Committee that raised and spent $1.5 million on behalf of Ronald Reagan, it was at great personal risk. His publishing business is vulnerable to harassment by over-regulation by the SEC, the FTC, the IRS, and the postal authorities, and if President Reagan had lost the election, who knows what a long memory the Carter White House would have had. As it was, due to pressure from the Carter-Mondale Committe, twenty radio stations dropped his show after a broadcast criticizing the administration's unsuccessful Iranian hostage rescue mission.

Ruff-PAC wrote to Howard's newsletter subscribers and rallied them to raise thousands of dollars to provide what may have been the decisive financial and advertising support for at least two Senate and two House races, besides financial support in 31 other Senate and House races; the point is that it demonstrated that one concerned American, along with generous support, if they have the courage to try, can make a real difference within the spirit and the letter of our Constitutional Democratic Republic when concerned citizens continue to join in a concerted effort.

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously but only give what you can afford and what feels right.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Orrin Hatch

Orrin Hatch

P.S. Remember that the first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

P.S.S. Don't forget - if you can not assist at this time, please order your copy of B. Ray Anderson's Comprehensive Tax Analysis as a thank you for your wonderful past support.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 20, 1984

Jan W. Baron, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

RE: MUR 1484
Ruff Political Action
Committee

Dear Mr. Baron:

Based on a complaint filed with the Commission on October 14, 1982, and information supplied by your client, Ruff Political Action Committee, the Commission determined on January 5, 1983, that there was reason to believe that your client had violated 2 U.S.C. § 441a(a)(2)(a) and 2 U.S.C. § 434(b)(4)(H)(i), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and instituted an investigation of this matter.

Further, based on information ascertained in the course of the investigation, the Federal Election Commission, on February 15, 1983, found reason to believe that your client had violated 2 U.S.C. § 441d a provision of the Act, and instituted an investigation in this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

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If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days.

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Gary Johansen, the attorney assigned to handle this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Hatch Election Committee	)	MUR 1484
Friends of Orrin Hatch	)	

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On October 14, 1982, the Wilson for Utah Committee submitted a complaint to the Commission which alleged that certain expenditures made by the Ruff Political Action Committee ("Ruff PAC") on behalf of the Hatch Election Committee and the Friends of Orrin Hatch Committee, were coordinated expenditures. As such, the complainant asserted they exceeded the limitations of 2 U.S.C. § 44la(a)(2)(A). The complainant further alleged that the respondents violated 2 U.S.C. § 434 by their failure to report the expenditures as contributions on behalf of the Hatch campaign.

The Commission, on January 5, 1983, found there was reason to believe that: (1) the Hatch Election Committee and the Friends of Orrin Hatch Committee violated 2 U.S.C. § 44la(f) by accepting contributions from Ruff PAC in excess of the limitations set forth at 2 U.S.C. § 44la(a)(2)(A); and, (2) the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) by failing to report the receipt of in-kind contributions from Ruff PAC.

Ruff PAC, the Hatch Election Committee and Friends of Orrin Hatch have submitted written responses to the complaint and have

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submitted written answers to interrogatories. In addition, depositions were taken of Mr. Neal Blair, consultant to Ruff PAC and Mr. Stanley Parrish, finance chairman of Senator Hatch's reelection campaign. After a review of the evidence the Office of General Counsel recommends that the Commission find probable cause to believe that: (1) the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. § 441a(f) by accepting contributions from Ruff PAC in excess of the limitations set forth at 2 U.S.C. § 441a(a)(2)(A); and, (2) the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) by failing to report the receipt of in-kind contributions from Ruff PAC.

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II. Factual and Legal Analysis

The issue in this case concerns whether Ruff PAC made in-kind contributions to the Hatch Election Committee and the Friends of Orrin Hatch.

This issue centers around three mailings made by Ruff PAC during the 1982 campaign. All three mailings solicit funds to Ruff PAC. In addition, the language of the mailings raise the question as to whether the mailings are expenditures by Ruff PAC made for the purpose of influencing Senator Hatch's reelection campaign. 2 U.S.C. § 431(9)(A). If the mailings are expenditures, then the second question raised is whether the relationship between Ruff PAC and the Hatch campaign is sufficient to meet the tests of "coordination" under 2 U.S.C.

§ 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1. If coordinated, then the mailings are "in-kind contributions" to the Hatch Campaign.1/

A. Review of Mailings

In its investigation the Office of General Counsel has reviewed three mailings made by Ruff PAC. All three of the mailings were made during the 1981-82 election campaign cycle. The Office of General recommends to the Commission that pursuant to 2 U.S.C. § 431(9)(A) two of the three mailings are expenditures made for the purpose of influencing Senator Hatch's reelection campaign. An analysis of each of the mailings follows.

1. Mailing #1: "With A View Towards 1982"

Mailing #1 (Attachment A) consists of two pages. It appears to be intended solely to solicit contributions to Ruff PAC. Ruff PAC estimates the cost of the mailing was $10,138.74. The total amount received by Ruff PAC in response to the mailing was $15,881. The mailing provides a statistical summary of Ruff PAC's success rate for the 1980 election. The mailing also notes those states that will be "targeted" by Ruff PAC in 1982. Senator Hatch's state, Utah, is mentioned only in the context of

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1/ In one of the Ruff PAC mailings, referred to as mailing #2 infra, Ruff PAC indicated that it was going to make "independent expenditures" on behalf of Senator Orrin Hatch. Complainant alleges that because of the closeness of the relationship between Ruff PAC and the 1982 Hatch reelection efforts, such expenditures could not be "independent", but would be "in-kind contributions." In fact, Mr. Blair, a Ruff PAC consultant, testified that such "independent expenditures" referred to in mailing #2 were never made by Ruff PAC.

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Ruff-PAC's general interest in Congressional activities in that State. The mailing does not contain the name of Senator Hatch. Therefore, the Office of General Counsel does not believe that this mailing should be viewed as an expenditure made by Ruff PAC to influence Senator Hatch's reelection campaign.

2. Mailing #2: Letter Offering Biography as a Premium

Mailing #2 (Attachment B) consists of four pages. It consists of two communications signed by Mr. Neal Blair and a flyer offering a copy of a book on Senator Orrin Hatch. Ruff PAC estimates the cost of the mailing was $34,777.62. The total amount received by Ruff PAC in response to the mailing was $43,119.60. The mailing requests its readers to contribute funds to Ruff PAC in order that contributions may be made to the Hatch campaign. The letter states: "With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's [Hatch] record. We will write press releases, make phone calls, and stump the streets to let voters know the facts." The mailing has as its focal point Utah voters: "We want to let at least one million voters in Utah know the facts about Senator Orrin Hatch." The letter finally advises the reader that Ruff PAC will be able to "donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth."

In order to induce contributors to support Ruff PAC's efforts to support Senator Hatch, a premium is offered to the

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contributors. Persons who contributed more than $25 were to receive a free copy of a biography of Senator Hatch entitled Orrin Hatch. Challenging the Washington Establishment. The book is described as relating "the highlights of Senator Hatch's outstanding rise to national leadership and service to Utah." The letter also advises the reader to "[g]ive copies [of the book] to your friends -- it could make the difference in this election."

Finally, the return coupon portion of the letter states: "I believe that Ruff PAC can make a significant difference in the Orrin Hatch Campaign in 1982. It is vital we support candidates who will represent our views. Please accept my donation in the amount I've listed below."

Hatch campaign personnel knew that the biography was to be offered as a premium for contributions received by Ruff PAC. Further, the mailing and book offer occurred during Senator Hatch's reelection efforts.

There is no question that mailing #2 had as it purpose to influence the election of Senator Hatch.2/ It talks of the need to make a significant difference in the Hatch campaign for election in 1982. In Advisory Opinion 1980-106 the Commission

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2/ The Office of the General Counsel notes that it is possible that an expenditure may have more than one purpose. Whether the particular expenditure had a dual purpose depends upon the facts. The fact that a committee may legitimately claim that the purpose of a particular expenditure was to raise money for that committee does not preclude a finding that the same expenditure was also made to influence a particular candidate's election.

pointed out that the test of whether a mailing is an expenditure includes an examination of the mailing to determine whether "the information actually presented and the manner in which it is presented are designed to influence the reader's choice in the ... election, rather than simply to promote a discussion of the issues." The Advisory Opinion notes a distinction between a committee publishing a summary of a candidate's voting record and making its own assessment of the candidate's position on the issues considered important by the organization.

Unlike the first mailing, this effort was by its own words directed to the voters in Utah, espoused the virtues of Senator Hatch, spoke of the need to make a difference in the 1982 Hatch election, and promised that the funds raised would go towards affecting the outcome of Senator Hatch's reelection efforts. The mailing was subjective and applied its own assessment of Senator Hatch's record in endorsing his efforts. Thus, it is the Office of General Counsel's belief that the mailing is an expenditure made for the purpose of influencing Senator Hatch's reelection campaign.

3. Mailing # 3: A letter from Senator Hatch

Mailing #3 (Attachment C) is a two page letter signed by Senator Hatch. The mailing is on letterhead similar to the official United States stationery used by Senator Hatch. Ruff PAC estimates the cost of the mailing was $6,222.21. It is estimated that the mailing was sent to roughly 15,750 persons. The total amount received by Ruff PAC in response to the mailing

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was $20,628.34. The mailing informs the reader of Ruff PAC's goals for the 1982 elections and clearly implies that these goals are shared by Senator Hatch. The mailing states "[n]ow, let me tell you a little bit about our need for the 1982 election in order to keep electing the kind of men and women that made the tax cut possible." [emphasis added] The letter continues, urging the reader to contribute to Ruff PAC in order to assist it in directly affecting the election efforts of federal candidates. "Massive, yes massive funds are needed to elect free enterprise candidates to the U.S. Senate and House of Representatives in 1982. Ruff PAC needs you now to fund these efforts."

Senator Hatch's references to Howard Ruff, Ruff PAC's Chairman as a friend and a "public-spirited American" lead the reader to the conclusion that Senator Hatch endorses the views of Howard Ruff and, as a candidate for reelection in 1982, Senator Hatch would benefit by Ruff PAC's efforts in affecting the outcome of the 1982 elections. Certainly a significant factor in Ruff PAC's choice of Senator Hatch as a spokesman for Howard Ruff must have been the fact that because Howard Ruff and Senator Hatch share similar views it would follow that those who would support Howard Ruff and Ruff PAC would also support Senator Hatch's campaign. This notion is illustrated by the fact that the mailing was made to subscribers of Howard Ruff's financial newsletter the Ruff Times.

Here again, the information presented in the mailing and the manner in which it is presented influences the reader's choice to

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support Senator Hatch in the upcoming election. Therefore, it is the Office of General Counsel's belief that the mailing is an expenditure made for the purpose of infuencing Senator Hatch's reelection campaign.

B. The Relationship between Ruff PAC and the 1982 Hatch Campaign

An examination of the relationship between Ruff PAC and the Hatch reelection campaign reveals that the two organizations were closely related. Accordingly, the Office of General Counsel concludes that mailing #2 and mailing #3 constituted coordinated expenditures pursuant to 2 U.S.C. § 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1 by Ruff PAC on behalf of the Hatch campaign. An analysis of the relationship between Ruff PAC and the 1982 Hatch Campaign follows.

1. Shared office

From November 1981 through June 1982, Ruff PAC rented office space from the Hatch Election Committee. During this time, both Ruff PAC and the Hatch Election Committee occupied the office. The office was located in Washington, D.C. By the rental agreement, Ruff PAC paid the Hatch Election Committee $150 rent per month and its share of the overhead costs.3/ The lease agreement was open-ended in that, according to Mr. Blair, it

3/ Respondents have estimated that the total cost to Ruff PAC which included rent, overhead, and use of a copy machine was $802.40.

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would continue "[u]ntil my needs expanded for personnel and more space." Ruff PAC did not have its own secretary at the office. Instead the secretary employed by the Hatch campaign answered calls and provided incidental services for Ruff PAC. In addition, Ruff PAC had a sign installed outside the building which had the names of the Hatch Election Committee and Ruff PAC on the same board. The sign was paid for by Ruff PAC.

2. Conversations

During the 1982 election period, conversations took place between personnel of Ruff PAC and the Hatch campaign. One of the conversations included a suggestion by Mr. Blair of Ruff PAC that the Hatch campaign offer as a premium to contributors a biography of Senator Hatch. The Hatch campaign decided not to offer the biography to its contributors because of its cost effectiveness. However, Ruff PAC, with the knowledge of the Hatch campaign, then offered the Hatch biography as a premium to Ruff PAC contributors. The biography was offered in Ruff PAC's mailing #2 discussed previously. This mailing was distributed during the period of time Senator Hatch was running for reelection.

3. Mailing list exchange

During the time period in question, the two organizations also made a one-time exchange of mailing lists. The list provided by Ruff PAC contained the names of subscribers to the Ruff Times, a publication prepared by Howard Ruff. Ruff PAC, in

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turn, received a list of contributors to the Hatch campaign.4/ The exchange of the mailing list is another indicia of the cooperation and coordination of activities which took place between Ruff PAC and the Hatch campaign.

4. Hatch letter

In September 1981, Senator Hatch wrote a two page letter on behalf of Ruff PAC. The letter, referred to as mailing #2, was discussed previously. The mailing was paid for by Ruff PAC. The mailing solicited funds for Ruff PAC in order to assist in electing individuals in 1982 (like Senator Hatch) who supported the tax cut and who were in favor of the free enterprise system. The letter is a clear example of the extent to which Ruff PAC and the Hatch campaign worked together to promote their common goals.

5. Testimony

Perhaps the most compelling evidence of the coordination which existed between Ruff PAC and the Hatch campaign was how Ruff PAC and the Hatch campaign committees viewed their relationship. As Mr. Blair, a Ruff PAC consultant, testified in his desposition, "[b]ecause of the close relationship of Mr. Ruff [Chairman of Ruff PAC] with Mr. Hatch and my relationship with Mr. Hatch we knew an independent expenditure would be totally out of the question so it was never contemplated."

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4/ There is no evidence that one list had a commercially greater value than the other. Due to the fact that both lists were privately owned, there appears to be no independent basis upon which they may be valued aside from the subjective valuation made by the parties to the exchange. The Office of General Counsel, therefore, recommends not pursuing the issue of whether this exchange should be viewed as a contribution or expenditure (See Advisory Opinions 1982-41 and 1981-46).

III. Conclusion

In summary, mailing #2 and mailing #3 constituted expenditures made by Ruff PAC for the purpose of influencing Senator Hatch's reelection campaign. A close relationship existed between Ruff PAC, the Hatch campaign and Senator Hatch. Ruff PAC shared an office space with the Hatch Election Commmittee, conversations took place between personnel of Ruff PAC and the Hatch Committee, Ruff PAC distributed copies of Senator Hatch's biography, Ruff PAC and the Hatch Committee exchanged mailing lists, Senator Hatch signed a campaign letter on behalf of Ruff PAC, and Ruff PAC and the Hatch committees viewed their relationship as preventing independent expenditures.

2 U.S.C. § 44la(a)(7)(B)(ii) states that "expenditures made by any person in cooperation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees/or their agents, shall be considered to be contributions made to such candidates." Therefore, the costs of mailing #2 ($34,777.62) and of mailing #3 ($6,222.21) are considered in-kind contributions from Ruff PAC to the Hatch campaign committees. Since the total of these in-kind contributions exceed the $5,000 contribution limitation of 2 U.S.C. § 44la(a)(2)(a), there is probable cause to believe that the Hatch Election Committee and Friends of Orrin Hatch violated 2 U.S.C. § 44la(f). Further, since the in-kind contributions were not reported, there is probable cause to believe that the Hatch Election Committee and Friends of Orrin Hatch violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A).

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IV. **Recommendation**

The Office of General Counsel recommends that the Commission find probable cause to believe that:

1) the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. § 441a(f) by accepting contributions from Ruff PAC in excess of the limitations set forth at 2 U.S.C. § 441a(a)(2)(A); and

2) the Hatch Election Committee and the Friends of Orrin Hatch violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) by failing to report the receipt of in-kind contributions from Ruff PAC.

17 August 1984
Date

Charles N. Steele
General Counsel

Attachments
1) Mailing #1
2) Mailing #2
3) Mailing #3

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ATTACHMENT A-1

In 1980, Ruff-PAC supported [redacted] gressional candidates with direct financial support, assistance with campaign strategy, and independent expenditures. Of these candidates, 27 were victorious. . . and that translates Ruff-PAC's efforts into a 77% success rate. More than dramatic results considering that Ruff-PAC supported only underdogs and closely contested races!

But 1982 represents an even greater challenge. First, being an off year election, we can expect the traditional resurgence of the opposition party. This historical trend is expected to manifest itself across the country where free enterprise candidates meet opponents backed by liberal special interests. But more importantly, the opposition has learned much from the 1980 elections. We can expect their strategy to incorporate some of the hard lessons learned in 1980. In short, without your help now, it will become increasingly difficult to maintain the trend only begun in the last election.

As no worthy effort goes unfunded, no worthy candidate can be elected without donations from those who can offer critical financial support. We are asking for your support now, so we have the vast financial resources needed for 1982. There is a great deal that remains unfinished, and only your assistance can help put America back on the right track.

Listed below are Ruff-PAC's *initial target states* for 1982. In these states, Ruff-PAC will work through direct contributions, direct campaign strategy assistance, or independent expenditures to elect strong free enterprise candidates who will support fiscally sound and morally prudent legislation.

U.S. SENATE RACES	HOUSE OF REPRESENTATIVE RACES
Arizona	Arizona
California	California
Connecticut	Colorado
Maine	Florida
Michigan	Maine
Nevada	New Mexico
New Jersey	Oregon
New York	Tennessee
Ohio	Texas
Texas	Utah
Vermont	Washington

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Howard J. Ruff
Chairman

P.S. Remember that it is nearing the end of the calendar year. The first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

HOWARD - I believe that Ruff PAC can make a significant difference in 1982. It is vital that we support candidates that will represent our views while maintaining gains made in 1980. Please accept my donation in the amount I've listed below. My check or charge card information enclosed.

Name: _____
Address: _____
_____
City/State: _____
Zip: _____

Howard J. Ruff, Chairman

My donation is as follows:
____Check ____Chargecard
Name of Card _____
Expiration Date _____
Signature _____

____$100 ____$750 ____$500
____$250 ____$100 ____$50 ____Other

____I would also like to donate my time or services.

Make check payable to: Ruff PAC

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Chairman's Report on Ruff-PAC, A National

★★★★★★★ Independent Political Action Committee ★★★★★★★★

A-2

THE 1980 ELECTIONS...THE RECORD SPEAKS FOR ITSELF

Ruff-PAC experienced great success in 1980. Take a close look at Ruff-PAC's record...winning 27 of 35 races. All of Ruff-PAC's candidates were either decided underdogs or in closely contested races!

U.S. SENATE

Ruff-PAC Won/lost	Ruff-PAC's Candidate	Ruff-PAC's Opposition	State
WON	JEREMIAH DENTON	Jim Folsom, Jr.	ALABAMA
WON	FRANK MURKOWSKI	Clark Gruening	ALASKA
Lost	Mary Buchanan	Gary Hart	Colorado
WON	PAULA HAWKINS	Bill Gunter	FLORIDA
WON	STEVEN SYMMS	Frank Church	IDAHO
Lost	David O'Neal	Alan Dixon	Illinois
WON	DAN QUAYLE	Birch Bayh	INDIANA
WON	CHARLES GRASSLEY	John C. Culver	IOWA
Lost	Gene McNary	Thomas Eagleton	Missouri
WON	ALFONSE M. D'AMATO	Elizabeth Holtzman	NEW YORK
WON	JOHN P. EAST	Robert Morgan	N. CAROLINA
WON	DONALD NICKLES	Andy Coats	OKLAHOMA
WON	JAMES ABDNOR	George McGovern	S. DAKOTA
Lost	Steward Ledbetter	Patrick Leahy	Vermont
WON	ROBERT W. KASTEN	Gaylord Nelson	WISCONSIN
WON	SLADE GORTON	Warren Magnuson	WASHINGTON

HOUSE OF REPRESENTATIVES (Congressional District Noted by State)

				Dist.
Lost	Richard H. Hull	Morris Udall	Arizona	2
WON	EUGENE CHAPPIE	Harold Johnson	CALIFORNIA	1
WON	BOBBI FIEDLER	James Corman	CALIFORNIA	21
WON	ROBERT K. DORNAN	Cary Peck	CALIFORNIA	27
WON	DAVID DREIER	James Lloyd	CALIFORNIA	35
WON	JOHN PATRICK HILER	John Brademas	INDIANA	3
WON	JIM JEFFRIES	Sam Keys	KANSAS	2
WON	BILL EMERSON	Bill Burlison	MISSOURI	10
Lost	Anne Bagnal	Stephen Neal	N. Carolina	5
WON	BOB McEWEN	Ted Strickland	OHIO	6
WON	DENNIS SMITH	AJ Ullman	OREGON	2
Lost	David C. DiCarlo	Marc Marks	Pennsylvania	24
WON	CLAUDINE SCHNEIDER	Edward Beard	R. ISLAND	2
WON	THOMAS R. HARTNETT	Mendel Davis	S. CAROLINA	1
WON	JACK M. FIELDS	Bob Eckhardt	TEXAS	8
Lost	Jim Bradshaw	James Wright	Texas	12
WON	RON PAUL	Mike Andrews	TEXAS	22
WON	JAMES V. HANSEN	Gunn McKay	UTAH	1
WON	FRANK R. WOLF	Joseph Fisher	VIRGINIA	10

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ATTACHMENT B-1

1835 South State St., Suite 150, Orem, Utah 8405
1-801-225-0622

Dear Friend:

Will you help me get the facts out on Orrin Hatch? We want to let at least one million people in Utah know the facts about Senator Orrin Hatch.

Will you, after reading this letter, fill out the coupon and return it to us with your contribution?

As our gift to you, our way of saying thank you, we would like to send you a free complimentary first edition of the new, exciting, and highly informative hardback entitled Orrin Hatch. Challenging the Washington Establishment. This is a fascinating behind-the-scenes account.

Why are we doing all of this? We are not members of Hatch's campaign staff. We're not even advisors.

We are an independent political action committee determined to let Utah know the facts about Orrin Hatch—to let them evaluate him. Not on cheap innuendoes or demagoguery. But evaluate him with his record. Most Utahns will agree—Senator Orrin Hatch has done an outstanding job for Utah and the United States.

With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's record. We will write press releases, make phone calls, and stump the streets to let voters know the facts.

As part of this endeavor, we are offering Dr. Richard Vetterli's insightful and carefully prepared biography on Senator Hatch. Orrin was a bit reluctant to have a biography—he felt it was a bit much. Afterall, who is he?

Well, who is he? Just what has he done?

Orrin Hatch. Challenging the Washington Establishment chronicles his amazing challenge and victory over established Senator Frank Moss. The first few chapters tell in a fresh, crisp style one of the most interesting success stories in United States Senate-race history.

Without dropping the pace, the author then relates the highlights of Senator Hatch's outstanding rise to national

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leadership and [illegible] to them [illegible]
this fast pace narrative.

B-2

Won't you help Ruff-PAC perform this critical service? As an independent political action committee, we can donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth.

This we will do with your help. But time is running out on us. The time to act is now.

So if you'll quickly send your donation either by check or with your VISA/Mastercard information (as provided for on the coupon) in the next five days, we'll quickly send you a free gift of the hardback first edition, nearly 200-page biography of Senator Orrin Hatch. Give copies to your friends--it could make the difference in this election.

Thank you sincerely for your support.

Very truly yours,

Neal

Neal B. Blair
President

P.S. Remember the first $100 contributed in a calendar-year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help.

P.P.S. Contributors who send more than $25 will receive the Orrin Hatch book absolutely free. Send us $100 and we'll give you five books. Send $250 and we'll give you 15 books. Send $500 and you can give 35 friends a copy. Could you also include $1 for postage and handling? Our thanks for your concern and generosity.

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NEAL—I believe that Ruff PAC can make a significant difference in the Orrin Hatch campaign in 1982. It is vital we support candidates who will represent our views. Please accept my donation in the amount I've listed below. Please send me ___ copi of the Orrin Hatch biography. My check or charge card information is enclosed.

Name_____ Address_____

City/State/ZIP_____

My donation is as follows: ____Check ____Charge Card

VISA/Mastercard No. _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _

Expiration Date_____

Signature_____

___$1000 ___$750 ___$500 ___$250 ___$100 ___$50 ___$25 ___Other

Make check payable to: Ruff PAC 1835 South State Street, Suite 150, Orem, Utah 84057

Howard J. Ruff, Chairman
Neal B. Blair, President

Howard J. Ru
Chairman

1875 South State Street, Suite 1400, Orem, Utah 84057

B-3

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOO "ORRIN HATCH"



Dear Friend of Orrin Hatch,

For one month only, Ruff-PAC, a national citizen's political action committee dedicated to supporting free enterprise candidates, will give a copy of the book to any Hatch supporter who donates $25 or more to Ruff-PAC. Our way of saying thank you for your generous contribution. This is a minimum contribution. If you can give more, please do. For Ruff-PAC is one of Hatch's biggest supporters. Federal law allows us to contribute up to $10,000 to Hatch's election campaign. We plan to do just that with the contributions we receive.

READ OF THE INNER WORKINGS OF WASHINGTON.

Discover the incredible backroom dealings surrounding action on abortion, also the never before told stories of the creation and impetus behind the balanced budget and tax limitation amendment.

FIND OUT WHAT THE IRON TRIANGLE IS AND HOW IT AFFECTS LEGISLATIVE DECISIONS.

Rarely has a book been able to capture the imagination while being a phenominal educational tool. As reading "Orrin Hatch", Americans will receive a clearly outlined vision of a careful course out of the mire.

Ruff-PAC is overwhelmed with the opportunity of giving you this profound, factual hardback book. Ruff-P is dedicated to electing strong free-enterprise candidates who will fight to strengthen our economy and our national defense.

Feel free to use the enclosed postage paid return envelope to mail your contribution to Ruff-PAC. To tho who send us immediately a contribution of $25 or more, we will rush to you a copy of "Orrin Hatch" the mome it gets off the press. Please add $1 for each book ordered for postage and handling.

For those who would like to send this insightful and beautifully bound hardback book to friends a relatives, we will send you tow books with a contribution of $50 or more and three books when you contrib $100 or more.

Thank you so much for your support and we hope you thoroughly enjoy "Orrin Hatch"
Compliments of Ruff-PAC.

With warm regards,

Neal B. Blair
President

I believe Ruff-PAC can make a significant difference in 1982. Please send me _____ copy (copies) of Orrin Hatch. Please accept my donation in the amount I've listed.

My donation is as follows:

___$1000 ___$750 ___$500 ___$250 ___$100 ___$50 ___Other

___Check ___Visa/Mastercard

Name _____

Address _____

City State Zip _____

Visa/Mastercard Number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Expiration Date _____

Signature _____

Make check payable to: Ruff-PAC, 1875 South State Street, Suite 1400, Orem, Utah 84057 (801) 225-06

Ruff-PAC PRESENTS:

A. OFFER FOR YOU TO RECE[illegible] A COMPLIMENTARY COPY OF THE COMM[illegible]MORATIVE FIRST EDITION HARDBACK BOOK

B-4

ORRIN HATCH

by Dr. Richard Vetterli

Discover the incredible backroom dealings surrounding legislative action on abortion.
Find out what the Iron Triangle is and how it affects daily legislative decisions.

[illegible]n a few weeks, one of the most profound and insightful books on the inner workings of our government will roll off the presses. *Orrin Hatch* is filled with exciting and provocative stories surrounding the rise to national prominence of Senator Orrin Hatch as well as an insightful understanding of the American political process. *Orrin Hatch* is destined to be an American classic.

Only a limited number of copies will be available in this first commemorative edition. We want you to have one as our gift.

Only a limited number of contributors to Ruff-PAC will be able to receive an advanced hardback copy of the book — your own copy before it hits the national bookstores.

For one month only, Ruff-PAC will give a copy of the book to any supporter who donates $25 or more to Ruff-PAC. Our way of saying thank you for the generous contribution. This is a minimum contribution. If you can give more, please do.

Orrin Hatch is a provocative look at how an unknown but remarkably talented Salt Lake City lawyer rose to national prominence overnight, becoming one of the foremost champions of the conservative causes and, amazingly, in just 48 months, became the chairman of the most significant and largest oversight committee in the United States Senate. No success story has ever read like that of Utah's Orrin Hatch.

Scholar and writer Dr. Richard Vetterli explains in detail how the United States has gotten into the financial and moral mess it is currently in as he shows how the Senator from Utah fought toe-to-toe against the Kennedys, McGoverns, and Metzenbaums of the Senate. He carefully draws the background and depicts the struggles of the conservative movement against the onslaught of the modern liberals and their plans for an egalitarian, monolithic society.

Not only are the life and times and struggles of Orrin Hatch chronicled, but the emergence of the New Right is simply and accurately explained. *Orrin Hatch* portrays the classic liberal. Rarely has anyone written with such clarity, insight, and detail. The book is filled with classic stories of political battles — battles that Hatch sometimes won, sometimes lost — but regardless of the results, the senator remains steadfast to his convictions and unyielding to the pressures of national prominence.

Feel free to use the coupon below to make your donation to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of *Orrin Hatch*, the moment it gets off the press. Please add $1 or more for postage and handling. For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you two books with a contribution of $50 or more, and three books when you contribute $100 or more. But we must urge you to remember the supply of first edition hardback copies is limited and the deadline is in one month. Act today so you won't be disappointed or missing out on this exclusive offer.

ATTACHMENT C-1

ORRIN G. HATCH
UTAH

UNITED STATES SENATOR
WASHINGTON, D.C.

September 22, 1981

Mr. J. R. Wiltberger
16511 Hedgecroft #228
Houston, Texas 77060

Dear Mr. Wiltberger:

If thousands of dollars of immediate tax benefits is worth one minute of your time, consider yourself engaged.

Because you personally are a generous supporter of political efforts endorsed by Howard J. Ruff, he has commissioned the famed tax expert, B. Ray Anderson to prepare a timely report on President Reagan's new tax bill. No more comprehensive analysis and interpretation exists!

Did you know, for instance, that most Americans are now eligible for a minimum $2,000 tax deferral through expanded IRA and Keogh Programs starting in 1982? It is well worth a small fortune, in the opportunities it reveals and the pitfalls it exposes.

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I know him best as a friend and a public-spirited American who, at considerable financial and personal risk, got involved in the American political process in 1981, and as much as any individual, helped to give the U.S. Senate and House of Representatives a free-market majority.

Howard stuck his neck out ten miles when he decided in March, 1980 to risk his reputation and his subscription revenues to use his influence to help stem the tide of inflation and the growth of government power. He knew that

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Printed and mailed by Ruff-PAC, an Independent Political Action Committee
A copy of our report is on file with
the Federal Election Commission, Washington, D.C.

many subscribers to his financial newsletter, The Ruff Times, would disapprove of his partisan political activities and refuse to renew their subscriptions, and he was right. He lost about $1 million in revenues.

When he accepted the call to become National Finance Co-Chairman of another independent Political Action Committee that raised and spent $1.5 million on behalf of Ronald Reagan, it was at great personal risk. His publishing business is vulnerable to harassment by over-regulation by the SEC, the FTC, the IRS, and the postal authorities, and if President Reagan had lost the election, who knows what a long memory the Carter White House would have had. As it was, due to pressure from the Carter-Mondale Committe, twenty radio stations dropped his show after a broadcast criticizing the administration's unsuccessful Iranian hostage rescue mission.

Ruff-PAC wrote to Howard's newsletter subscribers and rallied them to raise thousands of dollars to provide what may have been the decisive financial and advertising support for at least two Senate and two House races, besides financial support in 31 other Senate and House races; the point is that it demonstrated that one concerned American, along with generous support, if they have the courage to try, can make a real difference within the spirit and the letter of our Constitutional Democratic Republic when concerned citizens continue to join in a concerted effort.

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously but only give what you can afford and what feels right.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Orrin Hatch

Orrin Hatch

P.S. Remember that the first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

P.S.S. Don't forget - if you can not assist at this time, please order your copy of B. Ray Anderson's Comprehensive Tax Analysis as a thank you for your wonderful past support.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 20, 1984

J. Curtis Herge, Esquire
Sedam and Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

RE: MUR 1484
Hatch Election Committee
Friends of Orrin Hatch

Dear Mr. Herge:

Based on a complaint filed with the Commission on October 14, 1982, and information supplied by your clients, the Hatch Election Committee and Friends of Orrin Hatch, the Commission determined on January 5, 1983, that there was reason to believe that your clients had violated 2 U.S.C. § 441a(f) and 2 U.S.C. § 434(b)(4)(2)(A) and (3)(A), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

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If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days.

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Gary Johansen, the attorney assigned to handle this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

8504053803

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 23, 1984

Jan W. Baran, Esq.
Baker & Hostetler
818 Connecticut Avenue, NW
Washington, D.C. 20006

Re: MUR 1484
Ruff Political Action
Committee

Dear Mr. Baran:

As per your request, please find enclosed a copy of Attachment I to the General Counsel's Factual and Legal Analysis in the above-captioned matter.

If you need any further assistance please contact Stephen Mims, the staff member handling this matter, at 523-4039.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

8504053804

ORIGINAL BATCH
ITEM

UNITED STATES SENATOR
WASHINGTON, D.C.

September 22, 1981

Mr. J. R. Wiltberger
16511 Hedgecroft #228
Houston, Texas 77060

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I know him best as a friend and a public-spirited American who, at considerable financial and personal risk, got involved in the American political process in 1981, and as much as any individual, helped to give the U.S. Senate and House of Representatives a free-market majority.

Howard stuck his neck out ten miles when he decided in March, 1980 to risk his reputation and his subscription revenues to use his influence to help stem the tide of inflation and the growth of government power. He knew that

Attachment 1
page 1

Printed and mailed by Ruff-PAC, an Independent Political Action Committee
A copy of our report is on file with
the Federal Election Commission, Washington, D.C.

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many subscribers to his financial newsletter, The Ruff Times, would disapprove of his partisan political activities and refuse to renew their subscriptions, and he was right. He lost about $1 million in revenues.

When he accepted the call to become National Finance Co-Chairman of another independent Political Action Committee that raised and spent $1.5 million on behalf of Ronald Reagan, it was at great personal risk. His publishing business is vulnerable to harassment by over-regulation by the SEC, the FTC, the IRS, and the postal authorities, and if President Reagan had lost the election, who knows what a long memory the Carter White House would have had. As it was, due to pressure from the Carter-Mondale Committe, twenty radio stations dropped his show after a broadcast criticizing the administration's unsuccessful Iranian hostage rescue mission.

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God bless you for your wonderful patriotism and past support.

Very truly yours,

Orrin Hatch

Orrin Hatch

P.S. Remember that the first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

P.S.S. Don't forget - if you can not assist at this time, please order your copy of B. Ray Anderson's Comprehensive Tax Analysis as a thank you for your wonderful past support.

Page 2

8504053806

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 15, 1984

Jan W. Baran, Esquire
Baker & Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20036

Re: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On January 5, 1983, the Commission found reason to believe that your client, the Ruff Political Action Committee (Ruff PAC), violated 2 U.S.C. §§ 441a(a)(2)(A) and 434(b)(4)(H)(i) and opened an investigation into the matter. On February 14, 1984, based on information obtained during that investigation, the Federal Election Commission determined that there is reason to believe that Ruff PAC violated 2 U.S.C. § 441d a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") by failing to provide the proper disclaimer notice on a mailing soliciting contributions to Ruff PAC. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter.

In the absence of any additional information which demonstrates that no further action should be taken against your client, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desire. See 11 C.F.R. § 111.18(d).

The investigation now being conducted will be 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 investigation to be made public.

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If you have any questions, please contact Stephen Mims, the staff member assigned to this matter, at 523-4039.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
General Counsel's Factual and Legal Analysis

8504053803

FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR No. 1484
STAFF MEMBER(S) & TEL. NO.
Stephen Mims
(202)523-4039

RESPONDENT Ruff Political Action Committee

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

Based upon allegations contained within a complaint filed on October 14, 1982, the General Counsel recommend and the Commission determined there was reason to believe that: (1) Ruff Political Action Committee (Ruff PAC) violated 2 U.S.C. §§ 441a(a)(2)(A) and 434(b)(4)(A)(H)(i) and (2) the 1982 campaign committees of Senator Orrin Hatch violated 2 U.S.C. §§ 441a(f) and 434(b)(2)(D) and (3)(A).

An investigation has been conducted by the Office of the General Counsel that included the depositions of Mr. Neal Blair of Ruff PAC and Mr. Stanley Parrish of the Hatch campaign. During the course of Mr. Blair's deposition, this Office discovered the existence of a mailing that had not been provided by the complainant but was thought to be relevant to the Commission's investigation. Accordingly, Mr. Blair was asked to produce a copy of the mailing piece and to provide specific information regarding the preparation and cost of the mailing.

Pursuant to our request, a sample of this mailing (Attachment 1) was produced by Mr. Blair. As anticipated, it is relevant to the issues previously considered by the Commission

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and will be an important element in the brief to be prepared by this Office. Examination of the letter produced, however, revealed that it does not meet the requirements of 2 U.S.C. § 441d.

FACTUAL BASIS AND LEGAL ANALYSIS

Title 2 U.S.C. § 441d requires that "[w]henever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any ... direct mailing ... such communication" shall clearly state who paid for the mailing and whether it was authorized by a candidate. The notice at the bottom of the first page merely states that it was "[p]rinted and mailed" by Ruff PAC, an independent Political Action Committee. A copy of our report is on file with the Federal Election Commission, Washington, D.C." Mr. Blair has confirmed that the mailing was paid for by Ruff PAC.

In view of the foregoing, the General Counsel recommends that the Commission determine that there is reason to believe Ruff PAC violated 2 U.S.C. § 441d due to the defective notice contained within this mailing.

RECOMMENDATION

Find reason to believe that the Ruff Political Action Committee violated 2 U.S.C. § 441d.

8504053810

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Jan W. Baran, Esquire
Baker & Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20036

Re: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On January 5, 1983, the Commission found reason to believe that your client, the Ruff Political Action Committee (Ruff PAC), violated 2 U.S.C. §§ 441a(a)(2)(A) and 434(b)(4)(H)(i) and opened an investigation into the matter. On , 1984, based on information obtained during that investigation, the Federal Election Commission determined that there is reason to believe that Ruff PAC violated 2 U.S.C. § 441d a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") by failing to provide the proper disclaimer notice on a mailing soliciting contributions to Ruff PAC. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

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In the absence of any additional information which demonstrates that no further action should be taken against your client, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desire. See 11 C.F.R. § 111.18(d).

The investigation now being conducted will be 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 investigation to be made public.

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JWM 2/4/84

If you have any questions, please contact Stephen Mims, the staff member assigned to this matter, at 523-4039.

Sincerely,

Enclosures
General Counsel's Factual and Legal Analysis

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Ruff Political Action Committee	)	MUR 1484
Hatch Election Committee	)	
Friends of Orrin Hatch	)	

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission Executive Session on February 14, 1984, do hereby certify that the Commission decided by a vote of 4-2 to take the following actions in MUR 1484:

1. Find reason to believe that the Ruff Political Action Committee violated 2 U.S.C. § 441d.

2. Approve and send the letter and General Counsel's Factual and Legal Analysis attached to the General Counsel's report dated February 2, 1984.

Commissioners Harris, McDonald, McGarry, and Reiche voted affirmatively for the staff recommendation; Commissioners Aikens and Elliott dissented.

Attest:

2-14-84

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

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SENSITIVE

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	84 FEB 2 P2:01
Ruff Political Action Committee	)	MUR 1484
Hatch Election Committee	)	
Friends of Orrin Hatch	)	

GENERAL COUNSEL'S REPORT

BACKGROUND

Based upon allegations contained within a complaint filed on October 14, 1982, the General Counsel recommended and the Commission determined there was reason to believe that: (1) Ruff Political Action Committee (Ruff PAC) violated 2 U.S.C. §§ 441a(a)(2)(A) and 434(b)(4)(A)(H)(i) and (2) the 1982 campaign committees of Senator Orrin Hatch violated 2 U.S.C. §§ 441a(f) and 434(b)(2)(D) and (3)(A).

An investigation has been conducted by the Office of the General Counsel that included the depositions of Mr. Neal Blair of Ruff PAC and Mr. Stanley Parrish of the Hatch campaign. During the course of Mr. Blair's deposition, this Office discovered the existence of a mailing that had not been provided by the complainant but was thought to be relevant to the Commission's investigation. Accordingly, Mr. Blair was asked to produce a copy of the mailing piece and to provide specific information regarding the preparation and cost of the mailing.

Pursuant to our request, a sample of this mailing (Attachment 1) was produced by Mr. Blair. As anticipated, it is relevant to the issues previously considered by the Commission

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and will be an important element in the brief to be prepared by this Office. Examination of the letter produced, however, revealed that it does not meet the requirements of 2 U.S.C. § 441d.

DISCUSSION

Title 2 U.S.C. § 441d requires that "[w]henever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any ... direct mailing ... such communication" shall clearly state who paid for the mailing and whether it was authorized by a candidate. The notice at the bottom of the first page merely states that it was "[p]rinted and mailed" by Ruff PAC, an independent Political Action Committee. A copy of our report is on file with the Federal Election Commission, Washington, D.C." Mr. Blair has confirmed that the mailing was paid for by Ruff PAC.

In accordance with the Commission's policy of making independent determination of reason to believe that a violation of the Act may have occurred based upon new evidence discovered during the course of an investigation, the General Counsel recommends that the Commission determine that there is reason to believe Ruff PAC violated 2 U.S.C. § 441d due to the defective

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notice contained within this mailing. The General Counsel is prepared to discuss other issues raised by the substance of the mailing in its brief which will be circulated after the respondent has had an opportunity to present any factual and legal materials relevant to this issue presently before the Commission.

RECOMMENDATIONS

1. Find reason to believe that the Ruff Political Action Committee violated 2 U.S.C. § 441d.

2. Approve and send the attached letter and the General Counsel's Factual and Legal Analysis.

Charles N. Steele
General Counsel

February 2, 1984
Date

By: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

Attachments

1. Direct mail piece submitted by Ruff PAC.
2. Proposed letter to Ruff PAC including the General Counsel's Factual and Legal Analysis.

8504053815

ORRIN HATCH
UTAH

UNITED STATES SENATOR
WASHINGTON, D.C.

September 22, 1981

Mr. J. R. Wiltberger
16511 Hedgecroft #228
Houston, Texas 77060

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Attachment 1
page 1

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A copy of our report is on file with
the Federal Election Commission, Washington, D.C.

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Orrin Hatch

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8504053813

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WASHINGTON, D.C. 20463

Jan W. Baran, Esquire
Baker & Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20036

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Ruff Political Action Committee

Dear Mr. Baran:

On January 5, 1983, the Commission found reason to believe that your client, the Ruff Political Action Committee (Ruff PAC), violated 2 U.S.C. §§ 441a(a)(2)(A) and 434(b)(4)(H)(i) and opened an investigation into the matter. On , 1984, based on information obtained during that investigation, the Federal Election Commission determined that there is reason to believe that Ruff PAC violated 2 U.S.C. § 441d a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") by failing to provide the proper disclaimer notice on a mailing soliciting contributions to Ruff PAC. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter.

In the absence of any additional information which demonstrates that no further action should be taken against your client, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desire. See 11 C.F.R. § 111.18(d).

The investigation now being conducted will be 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 investigation to be made public.

Attachment 2
page 1

8504053819

If you have any questions, please contact Stephen Mims, the staff member assigned to this matter, at 523-4039.

Sincerely,

Enclosures
General Counsel's Factual and Legal Analysis

8504053820

Attachment 2
page 2

FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR No. 1484
STAFF MEMBER(S) & TEL. NO.
Stephen Mims
(202)523-4039

RESPONDENT Ruff Political Action Committee

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

Based upon allegations contained within a complaint filed on October 14, 1982, the General Counsel recommend and the Commission determined there was reason to believe that: (1) Ruff Political Action Committee (Ruff PAC) violated 2 U.S.C. §§ 441a(a)(2)(A) and 434(b)(4)(A)(H)(i) and (2) the 1982 campaign committees of Senator Orrin Hatch violated 2 U.S.C. §§ 441a(f) and 434(b)(2)(D) and (3)(A).

An investigation has been conducted by the Office of the General Counsel that included the depositions of Mr. Neal Blair of Ruff PAC and Mr. Stanley Parrish of the Hatch campaign. During the course of Mr. Blair's deposition, this Office discovered the existence of a mailing that had not been provided by the complainant but was thought to be relevant to the Commission's investigation. Accordingly, Mr. Blair was asked to produce a copy of the mailing piece and to provide specific information regarding the preparation and cost of the mailing.

Pursuant to our request, a sample of this mailing (Attachment 1) was produced by Mr. Blair. As anticipated, it is relevant to the issues previously considered by the Commission

Attachment 2
page 3

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and will be an important element in the brief to be prepared by this Office. Examination of the letter produced, however, revealed that it does not meet the requirements of 2 U.S.C. § 441d.

FACTUAL BASIS AND LEGAL ANALYSIS

Title 2 U.S.C. § 441d requires that "[w]henever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any ... direct mailing ... such communication" shall clearly state who paid for the mailing and whether it was authorized by a candidate. The notice at the bottom of the first page merely states that it was "[p]rinted and mailed" by Ruff PAC, an independent Political Action Committee. A copy of our report is on file with the Federal Election Commission, Washington, D.C." Mr. Blair has confirmed that the mailing was paid for by Ruff PAC.

In view of the foregoing, the General Counsel recommends that the Commission determine that there is reason to believe Ruff PAC violated 2 U.S.C. § 441d due to the defective notice contained within this mailing.

RECOMMENDATION

Find reason to believe that the Ruff Political Action Committee violated 2 U.S.C. § 441d.

Attachment 2
page 4

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

84 FEB 21 AM 8:

BAKER & HOSTETLER
ATTORNEYS AT LAW
815 CONNECTICUT AVE., N.W.
WASHINGTON, D. C. 20006
(202) 861-1500
TELECOPIER (202) 857-0040

IN CLEVELAND, OHIO
3200 NATIONAL CITY CENTER
CLEVELAND, OHIO 44114
(216) 621-0200
TWX 810 421 8378

IN COLUMBUS, OHIO
100 EAST BROAD STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
SUITE 2100, 303 EAST 17TH AVENUE
DENVER, COLORADO 80203
(303) 861-0600

IN ORLANDO, FLORIDA
800 CNA TOWER
ORLANDO, FLORIDA 32801
(305) 841-1111

WRITER'S DIRECT DIAL NO.:
(202) 861- 1572

February 16, 1984

P2:30

MUR 1484

GCC # 1692

Honorable Lee Ann Elliott
Chairman
Federal Election Commission
1325 "K" Street, N.W.
Washington, D.C. 20463

Re: Matter Under Review 1484

Dear Madam Chairman:

I am in receipt of your letter of February 15, 1984 regarding the above-captioned matter pertaining to our client, Ruff Political Action Committee ("Ruff PAC"). Attached to your letter was the General Counsel's Factual and Legal Analysis ("Analysis") which, as your letter states, "formed a basis for the Commission's finding" that there is reason to believe that Ruff PAC allgedly failed to provide a proper notice on a solicitation as required by 2 U.S.C. § 441d.

This Analysis refers to the solicitation in question as "Attachment 1." No such document was attached to the Analysis. Accordingly, I request that the document referred to as Attachment 1 please be provided to me so that we can prepare an appropriate response.

Sincerely,

Jan W. Baran

JWB:nhk
cc: Neal B. Blair

8504053382 3

ER & HOSTETLER
NNECTICUT AVE., N.W.
HINGTON, D.C. 20006

WASHINGTON, DC 200
1 PM
16 FEB
1984

Honorable Lee Ann Elliott
Chairman
Federal Election Commission
1325 "K" Street, N.W.
Washington, D.C. 20463

Conf 95

BAKER & HOSTETLER

ATTORNEYS AT LAW

815 CONNECTICUT AVE., N. W.

WASHINGTON, D. C. 20006

(202) 861-1500

TELECOPIER (202) 857-0030

IN CLEVELAND, OHIO
3200 NATIONAL CITY CENTER
CLEVELAND, OHIO 44114
(216) 621-0200
TWX 810 421 8375

IN COLUMBUS, OHIO
100 EAST BROAD STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
3200 CAPITOL LIFE CENTER
DENVER, COLORADO 80203
(303) 861-0600

IN ORLANDO, FLORIDA
660 CNA TOWER
ORLANDO, FLORIDA 32802
(305) 841-1111

WRITER'S DIRECT DIAL NO.:
(202) 861-1572

October 4, 1983

FEC OCT 4 11:25 26

Charles N. Steele, Esquire
General Counsel
Federal Election Commission
1325 K Street, N. W.
Washington, D.C. 20463

Attention: Steven Mims, Esquire

Re: MUR 1483

Dear Mr. Steele:

In response to your letter of August 8, 1983, I hereby transmit the enclosed documents and cover letter from Mr. Neal B. Blair regarding the above-captioned matter and our client, Ruff Political Action Committee.

Sincerely,

Jan W. Baran

JWB:gh
Encls.

cc: Neal B. Blair

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RUFF POLITICAL ACTION COMMITTEE

236 Massachusetts Avenue, N.E., Suite 603
Washington, D.C. 20002
(202) 547-2122

Howard J. Ruff
Chairman

October 3, 1983

Jan W. Baran, Esquire
Baker & Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1484

Dear Mr. Baran:

We hereby submit the following documents and information in response to a request from the Federal Election Commission.

1. The front and back of a Ruff-PAC check for $403.00. (There are also three other checks that cannot be located. Attached is a copy of our request to the bank for the three checks).

2. A copy of the mailing mentioned in question 2 is enclosed. The mailing was sent once. We do not know the number of persons to whom the mailing was sent. We note, however, that postage for the mailing was $3,150 which represents 15,750 stamps.

3. The mailing is the same as mentioned in our first responses to the FEC's questions. The costs and descriptions of the mailing are as follows:

   The total cost of the mailing was $10,138.74. The breakdown is as follows:

$ 3,115.00	Postage and permits
689.35	Support services of labeling, folding, sorting and stuffing by AAA in Salt Lake City
6,239.59	Overseeing the printing and mailing (AMERAD)
94.80	Caging fees to Hurst and Associates
$10,138.74	

   The date of the mailing was April 26, 1982. There were no other mailings.

8504053382 6

4. Enclosed are copies of contracts made between Ruff-PAC and Viguerie and between Free the Eagle and Viguerie. There was no written contract made between Amerad/Hurst and Ruff-PAC; however, there was a verbal agreement made between Stan Parish and Neal Blair.

5. The mailing was sent once and to 16,636 addresses.

If further information is needed, please contact our office and we will forward it to you as soon as possible.

Sincerely yours,

Neal B. Blair

Neal B. Blair
President

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HOWARD J. RUFF CHAIRMAN

Free the Eagle
CITIZEN'S LOBBY

29 September 1983

First Security Bank
1175 S. State Street
Orem, UT 84057

Dear Sirs,

We currently have an account with your bank. Our account number is 40-00-37-40. Could you please send us a copy of a check written to Hatch Reelection Committee for $202.25 in February 1982?

We would appreciate your swiftness in this request. Debit our account for any expenses incurred in relation to this request.

Thank you.

Sincerely,

Elena E. Smith

Elena E. Smith
Treasurer

EES/pdw

8504053828

236 Massachusetts Avenue, N.E., Suite 603, Washington, D.C. 20002 (202)547-2122

NBC CONSULTING

NEAL B. BLAIR
CHAIRMAN

29 September 1983

First Security Bank
P.O. Box 7
Orem, UT 84057

Dear Sirs,

Please send us a copy of a check written in June 1982 for $431.55 to the Hatch Reelection Committee and also a check written for $604.00 to the Hatch Reelection Committee.

Thank you in advance for your help in this matter.

Sincerely,

Elena E. Smith

Elena E. Smith
Treasurer

EES/pdw

8504053382 9

236 Massachusetts Avenue, N.E., Suite 603, Washington, D.C. 20002 (202)547-2122

RUFF-PAC
1875 SOUTH STATE STREET SUITE 1200 225-0622
OREM, UTAH 84057

№ 1081

UTAH VALLEY BANK
1220 SOUTH STATE STREET
OREM, UTAH 84057
97-244/1243

PAY Four Hundred Three Dollars and 00/100---------- DATE 6/27/82 AMOUNT $403.00

TO THE ORDER OF Hatch Election Committee

PROCESSED
FEB 1 0 82
VALLEY BANK AND TRUST CO.
SALT LAKE CITY, UTAH
97-154

⑈000108⑈ ⑆124302448⑆87 018411⑈ ⑈0000040300⑈

VPR Rocky Mountain Bank Note

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0003 74763

PAY TO THE ORDER OF

HATCH

FFF - 9 32

FEB '82 09

FEB '82 03

FEB '82 10

Attachment 5

ORIGINAL BATCH
PESH

UNITED STATES SENATOR
WASHINGTON, D.C.

September 22, 1981

Mr. J. R. Wiltberger
16511 Hedgecroft #228
Houston, Texas 77060

Dear Mr. Wiltberger:

If thousands of dollars of immediate tax benefits is worth one minute of your time, consider yourself engaged.

Because you personally are a generous supporter of political efforts endorsed by Howard J. Ruff, he has commissioned the famed tax expert, B. Ray Anderson to prepare a timely report on President Reagan's new tax bill. No more comprehensive analysis and interpretation exists!

Did you know, for instance, that most Americans are now eligible for a minimum $2,000 tax deferral through expanded IRA and Keogh Programs starting in 1982? It is well worth a small fortune, in the opportunities it reveals and the pitfalls it exposes.

Again, just indicate that you want the report and Ruff-PAC will send it to you as a "thank you" with absolutely no strings attached!

Now, let me tell you a little bit about our needs for the 1982 election in order to keep electing the kind of men and women that made the tax cut possible.

Massive, yes massive, funds are needed to elect free enterprise candidates to the U.S. Senate and House of Representatives in 1982. Ruff-PAC needs you now to fund these efforts.

Please allow me to tell you a little bit about Howard Ruff, Ruff-PAC's chairman. Howard is an honest and courageous man, and is fast becoming one of America's most influential opinion-makers. His book, How to Prosper in the Coming Bad Years, is now the biggest selling financial book in history, and many millions of people have been immensely helped by his newsletter and his TV and radio shows.

I know him best as a friend and a public-spirited American who, at considerable financial and personal risk, got involved in the American political process in 1981, and as much as any individual, helped to give the U.S. Senate and House of Representatives a free-market majority.

Howard stuck his neck out ten miles when he decided in March, 1980 to risk his reputation and his subscription revenues to use his influence to help stem the tide of inflation and the growth of government power. He knew that

Printed and mailed by Ruff-PAC, an Independent Political Action Committee
A copy of our report is on file with
the Federal Election Commission, Washington, D.C.

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many subscribers to his financial newsletter, The Ruff Times, would disapprove of his partisan political activities and refuse to renew their subscriptions, and he was right. He lost about $1 million in revenues.

When he accepted the call to become National Finance Co-Chairman of another independent Political Action Committee that raised and spent $1.5 million on behalf of Ronald Reagan, it was at great personal risk. His publishing business is vulnerable to harassment by over-regulation by the SEC, the FTC, the IRS, and the postal authorities, and if President Reagan had lost the election, who knows what a long memory the Carter White House would have had. As it was, due to pressure from the Carter-Mondale Committe, twenty radio stations dropped his show after a broadcast criticizing the administration's unsuccessful Iranian hostage rescue mission.

Ruff-PAC wrote to Howard's newsletter subscribers and rallied them to raise thousands of dollars to provide what may have been the decisive financial and advertising support for at least two Senate and two House races, besides financial support in 31 other Senate and House races; the point is that it demonstrated that one concerned American, along with generous support, if they have the courage to try, can make a real difference within the spirit and the letter of our Constitutional Democratic Republic when concerned citizens continue to join in a concerted effort.

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously but only give what you can afford and what feels right.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Orrin Hatch

Orrin Hatch

P.S. Remember that the first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

P.S.S. Don't forget - if you can not assist at this time, please order your copy of B. Ray Anderson's Comprehensive Tax Analysis as a thank you for your wonderful past support.

B50405383

AGREEMENT

BETWEEN

THE VIGUERIE COMPANY

AND

FREE THE EAGLE

THIS AGREEMENT made and entered into this March 1, 1982, by and between THE VIGUERIE COMPANY, a Virginia corporation at 7777 Leesburg Pike, Falls Church, Virginia 22043 (hereinafter referred to as "TVC") and FREE THE EAGLE (hereinafter referred to as "CLIENT").

WITNESSETH THAT:

WHEREAS, CLIENT is an education and public information organization engaged in a public awareness campaign to inform citizens of the United States about certain issues affecting national public policy and,

WHEREAS, CLIENT is in need of counsel, advice and direct mail advertising agency services to support its programs and,

WHEREAS, the parties are desirous that TVC shall provide counsel, advice, and direct mail advertising agency services to CLIENT.

NOW THEREFORE, in consideration of the mutual covenants and promises herein contained; the Parties hereto do hereby agree as follows:

Section 1. Agreement. CLIENT hereby retains TVC as one of its consultants, as an advisor and direct mail advertising agency in CLIENT's direct mail campaign efforts to acquire supporters, donors, or members and to promote its programs.

Section 2. TVC Services. TVC agrees to act as a consultant, advisor and direct mail advertising agency to CLIENT in CLIENT's direct mail campaign efforts to acquire supporters, donors, or members and to promote its programs. TVC shall recommend to CLIENT the class of postage to be used, type of letters to be mailed (offset, computer, robotyped, etc.), and the schedule for

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the mailings. CLIENT shall approve or reject in writing all major recommendations made by TVC. TVC agrees to perform production of mailings research, artwork, writing, printing, securing of lists and mailings. TVC will implement such work, either directly or through affiliates, and/or other suppliers. CLIENT shall by its employees and at its expense perform all donor file maintenance, all thank you acknowledgements and all followup correspondence to donors as required. TVC will provide advice and evaluation of these procedures.

Section 3. Copy Approval. All copy prepared and recommended by TVC shall be subject to the written approval of CLIENT prior to its mailing.

Section 4. Invoices. Copies of all invoices received from suppliers of goods and devices selected by TVC under this Agreement will be furnished to CLIENT.

Section 5. Postage. CLIENT agrees to advance postage for all mailings.

Section 6. List Rental. TVC shall be entitled to receive payment for use of TVC owned mailing lists, (which shall not be deemed to include the lists owned jointly by TVC and CLIENT pursuant to Section 11 below) at the rate of Six and One Half Cents (.065) for each name and address mailed. Charges for Lists now owned by TVC shall be at the prevailing market rate.

Section 7. Agency Mail Fees. CLIENT shall pay TVC a fee of Four Cents (.04) for each letter mailed for its services. TVC Services are described in Section 2 of this Agreement.

Section 8. Payment to TVC and Suppliers. CLIENT assumes responsibility for the payments of all invoices directly and reasonably arising out of the fulfillment of TVC's obligations hereunder.

TVC shall charge interest at the rate of one and one-half percent (1½%) per month on the unpaid balance of invoices that ar

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over forty-five days old from the date on TVC's invoices to CLIENT.

Section 9. Reporting. Within fifteen (15) days of CLIENT's caging or mail processing agency's receipt of a response of any kind whatsoever from a prospective donor or donor to whom a mailing has been made under this agreement, CLIENT will provide to TVC the following information;

a. The name and address of the responding party;

b. The date of the response;

c. The nature of the response, and if the response is a contribution, the amount of the contribution;

d. The mail code of such responding party; and

e. Such other demographic data as TVC and CLIENT may agree.

TVC will employ the foregoing information to establish a donor ("House") file for CLIENT and establish a file of non-donors

In addition to providing TVC with the foregoing information, recognizing that daily mail results (i.e.), number of responses, number of contributions and non-contributions, dollar amounts collected and tabulated are vital to TVC's ability to evaluate the effectiveness of direct mail programs, CLIENT, or the mutually agreed upon caging or mail processing agency, will provide such results to TVC on a daily basis or as soon thereafter as is possible.

CLIENT shall pay the costs of placing these donors and non-donors on computer magnetic tape, of business reply envelope postage due on all mailings, of opening the mail and caging the contributions, and of all special data processing requests made by CLIENT to TVC.

Section 10. Ownership of Materials. TVC shall have the exclusive right to copyright, patent, trademark or otherwise legally protect any materials, brochures, copy or entire mailing packages developed by TVC, for and on behalf of the CLIENT. All

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materials, packages and/or ideas developed by TVC, for and on behalf of the CLIENT in accordance with the provisions hereof; shall at all times be and remain the property of TVC and shall not, at any time during or subsequent to the term hereof, be used by the CLIENT without TVC's prior written consent. TVC sha not unreasonably withhold such consent. Once consent is granted by TVC to CLIENT in writing, CLIENT agrees to pay TVC an advertising agency fee of Four Cents (.04) for each piece mailed This provision does not extend to mailing packages developed solely by CLIENT nor to copy for mailing package elements that have been supplied to TVC by CLIENT.

Section 11. List Ownership. It is expressly understood, covenanted and agreed by and between the Parties hereto that any and all names and addresses and the records of the amounts contributed, if any, including data required in Section 9 which are obtained, developed, compiled or otherwise acquired for CLIENT, by or through the direct or indirect efforts of TVC in connection with any services rendered by TVC to CLIENT pursuant to the terms hereof shall at all times be and constitute the property solely and exclusively of TVC and CLIENT and may be use at any time by TVC in any manner, for any purpose for its own account and on behalf of any such parties as TVC shall from time to time determine, and to be used by CLIENT during the term hereof only for the purposes herein permitted. CLIENT shall not at any time during the life of this Agreement or any time thereafter, rent, exchange, lease, sell or give away these names and addresses, developed as a result of the efforts by TVC, to any other parties for any purpose whatsoever. However, TVC shall be free to use these names and addresses in any way it so desires and for any purpose it may so determine. It is expressly understood by both parties that CLIENT maintains other mailing lists and that all agreements included in this section (11) are not applicable to names and materials created or procured outside of

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the services of TVC, therefore, if there is a duplication of particular names or similarities in materials because of outside production and procurement this would not apply to the rules elicited under this section.

Section 12. Contracts. CLIENT represents and warrants that it has the full and unrestricted right and authority to enter into this Agreement. CLIENT represents it has no contractual or other relationships which would in any way be inconsistent or contrary to the terms hereof. CLIENT does hereby agree to indemnify and save TVC harmless for any claim, demand and/or loss or damages which may arise as a result of any such contractual or other relationships.

Section 13. Term. The term of this Agreement shall commence on March 1, 1982 and shall terminate on December 31, 1984.

Section 14. Termination Rights and Preservation of Certain Terms. Either party hereto may terminate this Agreement upon thirty (30) days written notice to the other party, which notice must be sent by registered mail to be effective.

It is expressly understood and agreed upon that even if this Agreement is terminated by either Party, Sections 10 and 11 shall survive such termination and remain binding upon the Parties.

Section 15. Changes or Amendments to this Agreement. No change or amendment to this Agreement shall be effective unless authorized in writing by the President or Executive Vice President of TVC and the principal officer of CLIENT.

WITNESS	THE VIGUERIE COMPANY
BY [illegible]	BY [illegible]
	TITLE President
DATE April 29 1982	DATE April 29, 1982
WITNESS	FREE THE EAGLE
BY Dawn R. Thomas	BY [illegible]
	TITLE [illegible]
DATE May 1, 1982	DATE [illegible] May 1, 1982

8504053838

AGREEMENT

BY AND BETWEEN

THE VIGUERIE COMPANY

AND

RUFF PAC

THIS AGREEMENT made and entered into this May 1, 1982, by and between THE VIGUERIE COMPANY, a Virginia corporation at 7777 Leesburg Pike, Falls Church, Virginia 22043 (hereinafter referred to as "TVC") and RUFF PAC (hereinafter referred to as "CLIENT").

WITNESSETH THAT:

WHEREAS, CLIENT is an organization engaged in education and political action to help elect candidates for public office throughout the United States and,

WHEREAS, CLIENT is in need of counsel, advice and direct mail advertising agency services to support its programs and,

WHEREAS, the parties are desirous that TVC shall provide counsel, advice, and direct mail advertising agency services to CLIENT.

NOW THEREFORE, in consideration of the mutual covenants and promises herein contained; the Parties hereto do hereby agree as follows:

Section 1. Agreement. CLIENT hereby retains TVC as one of its consultants, as an advisor and direct mail advertising agency in CLIENT's direct mail campaign efforts to acquire supporters, donors, or members and to promote its programs.

Section 2, TVC Services. TVC agrees to act as a consultant, advisor and direct mail advertising agency to CLIENT in CLIENT's direct mail campaign efforts to acquire supporters, donors, or members and to promote its programs. TVC shall recommend to CLIENT the class of postage to be used, type of letters to be mailed (offset, computer, robotyped, etc.), and the schedule for

8504053839

the mailings. CLIENT shall approve or reject in writing all major recommendations made by TVC. TVC agrees to perform production of mailings research, artwork, writing, printing, securing of lists and mailings. TVC will implement such work, either directly or through affiliates, and/or other suppliers. CLIENT shall by its employees and at its expense perform all donor file maintenance, all thank you acknowledgements and all followup correspondence to donors as required. TVC will provide advice and evaluation of these procedures.

Section 3. Copy Approval. All copy prepared and recommended by TVC shall be subject to the written approval of CLIENT prior to its mailing.

Section 4. Invoices. Copies of all invoices received from suppliers of goods and devices selected by TVC under this Agreement will be furnished to CLIENT.

Section 5. Postage. CLIENT agrees to advance postage for all mailings.

Section 6. List Rental. TVC shall be entitled to receive payment for use of TVC owned mailing lists, (which shall not be deemed to include the lists owned jointly by TVC and CLIENT pursuant to Section 11 below) at the rate of Six and One Half Cents (.065) for each name and address mailed. Charges for Lists not owned by TVC shall be at the prevailing market rate.

Section 7. Agency Mail Fees. CLIENT shall pay TVC a fee of Four Cents (.04) for each letter mailed for its services. TVC Services are described in Section 2 of this Agreement.

Section 8. Payment to TVC and Suppliers. CLIENT assumes responsibility for the payments of all invoices directly and reasonably arising out of the fulfillment of TVC's obligations hereunder.

TVC shall charge interest at the rate of one and one-half percent (1½%) per month on the unpaid balance of invoices that are

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over forty-five days old from the date on TVC's invoices to CLIENT.

Section 9. Reporting. Within fifteen (15) days of CLIENT's caging or mail processing agency's receipt of a response of any kind whatsoever from a prospective donor or donor to whom a mailing has been made under this agreement, CLIENT will provide to TVC the following information;

a. The name and address of the responding party;

b. The date of the response;

c. The nature of the response, and if the response is a contribution, the amount of the contribution;

d. The mail code of such responding party; and

e. Such other demographic data as TVC and CLIENT may agree.

TVC will employ the foregoing information to establish a donor ("House") file for CLIENT and establish a file of non-donors.

In addition to providing TVC with the foregoing information, recognizing that daily mail results (i.e.), number of responses, number of contributions and non-contributions, dollar amounts collected and tabulated are vital to TVC's ability to evaluate the effectiveness of direct mail programs, CLIENT, or the mutually agreed upon caging or mail processing agency, will provide such results to TVC on a daily basis or as soon thereafter as is possible.

CLIENT shall pay the costs of placing these donors and non-donors on computer magnetic tape, of business reply envelope postage due on all mailings, of opening the mail and caging the contributions, and of all special data processing requests made by CLIENT to TVC.

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materials, packages and/or ideas developed by TVC, for and on behalf of the CLIENT in accordance with the provisions hereof; shall at all times be and remain the property of TVC and shall not, at any time during or subsequent to the term hereof, be used by the CLIENT without TVC's prior written consent. TVC shall not unreasonably withhold such consent. Once consent is granted by TVC to CLIENT in writing, CLIENT agrees to pay TVC the advertising agency fee of Four Cents (.04) for each piece mailed. This provision does not extend to mailing packages developed solely by CLIENT nor to copy for mailing package elements that have been supplied to TVC by CLIENT.

Section 11. List Ownership. It is expressly understood, covenanted and agreed by and between the Parties hereto that any and all names and addresses and the records of the amounts contributed, if any, including data required in Section 9 which are obtained, developed, compiled or otherwise acquired for CLIENT, by or through the direct or indirect efforts of TVC in connection with any services rendered by TVC to CLIENT pursuant to the terms hereof shall at all times be and constitute the property solely and exclusively of TVC and CLIENT and may be used at any time by TVC in any manner, for any purpose for its own account and on behalf of any such parties as TVC shall from time to time determine, and to be used by CLIENT during the term hereof only for the purposes herein permitted. CLIENT shall not at any time during the life of this Agreement or any time thereafter, rent, exchange, lease, sell or give away these names and addresses, developed as a result of the efforts by TVC, to any other parties for any purpose whatsoever. However, TVC shall be free to use these names and addresses in any way it so desires and for any purpose it may so determine. It is expressly understood by both parties that CLIENT maintains other mailing lists and that all agreements included in this section (11) are not applicable to names and materials created or procured outside of

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the services of TVC, therefore, if there is a duplication of particular names or similarities in materials because of outsi production and procurement this would not apply to the rules elicited under this section.

Section 12. Contracts. CLIENT represents and warrants t it has the full and unrestricted right and authority to enter into this Agreement. CLIENT represents it has no contractual other relationships which would in any way be inconsistent or contrary to the terms hereof. CLIENT does hereby agree to indemnify and save TVC harmless for any claim, demand and/or loss or damages which may arise as a result of any such contractual or other relationships.

Section 13. Term. The term of this Agreement shall comm on May 1, 1982 and shall terminate on December 31, 1984.

Section 14. Termination Rights and Preservation of Certa Terms. Either party hereto may terminate this Agreement upon thirty (30) days written notice to the other party, which noti must be sent by registered mail to be effective.

It is expressly understood and agreed upon that even if t Agreement is terminated by either Party, Sections 10 and 11 sh survive such termination and remain binding upon the Parties.

Section 15. Changes or Amendments to this Agreement. No change or amendment to this Agreement shall be effective unles authorized in writing by the President or Executive Vice President of TVC and the principal officer of CLIENT.

WITNESS	THE VIGUERIE COMPANY
BY_____	BY_____
	TITLE_____
DATE_____	DATE_____
WITNESS	PUFF PAC
BY_____	BY_____
	TITLE_____
DATE_____	DATE_____

8504053843

8504053844

BAKER & HOSTETLER
818 CONNECTICUT AVE., N.W.
WASHINGTON, D.C. 20006

Charles N. Steele, Esquire
General Counsel
Federal Election Commission
1325 K Street, N. W.
Washington, D.C. 20463

ATTENTION: **Steven Mims, Esq.**

RECEIVED AT THE FEC
Doc # 837
83 SEP 22 A10:07

SEDAM & HERGE
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
8300 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 821-1000

GLENN J. SEDAM, JR.
J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER

JOHN ROBERT CLARK III
B. ERIC SIVERTSEN
SHARON L. POWERS
CLAIRE M. BOCCELLA

SUITE 620
1700 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D.C. 20006
(703) 821-1000
TELEX: 710-831-0896
CABLE: SEDAMHERGE

OF COUNSEL
JAMES EDWARD ABLARD
THOMAS J. FADOUL, JR.

September 19, 1983

Mrs. Nancy Nathan
Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1484

Dear Nancy:

Enclosed, in connection with the above-captioned matter, are copies of Hatch Election Committee purchase orders, dated January 4 and May 27, 1982, respectively, regarding the list exchange arranged between Mr. Parrish and Mr. Blair.

On July 27, 1983, you asked Mr. Parrish to review his files to determine whether there might be anything in writing relative to the so-called "pub note" by Mr. Ruff. You also asked for copies of invoices from Amerad to Ruff-PAC and/or Free the Eagle for caging and batching services. I have been advised by Mr. Parrish that he has made an exhaustive search for those materials, but that he has not been able to locate them if they, in fact, ever existed.

Sincerely,

J. Curtis Herge

Enclosures

8504053845

PURCHASE ORDER

☐ MATERIAL

JOB NO. ADM

P.O. NO. 0105

DATE 5/27/82

DATE REQUIRED ASAP

BILL TO Batch Election Committee
227 Mass. Ave., N.E. Suite 210
Washington, D.C. 20002

SUPPLIER ASCC
5104 Frolich Lane
Taxedo, MD 20781

SHIP TO Neal Blair
1875 South State Suite 14000
Orem, Ut 84057

ACCOUNT

SPECIAL INSTRUCTIONS

1. All invoices must be accompanied by 2 samples.
2. Blueline IS required unless otherwise specified.
3. 25 samples to HATCH Production office prior to or no later than delivery date.
4. Please notify us immediately if you are unable to ship complete order by 5 p.m. of specified delivery date.
5. Each package, box or skid must be marked according to special instructions on face of purchase order. If packaging instructions do not appear on purchase order please contact HATCH Production.
6. Receiving documents are to be submitted to HATCH upon receipt of materials.
7. No changes will be binding on client listed on this P.O. unless written authorization is given.
8. All Freight charges are to be prepaid (at vendors expense, to be included in Bid).
9. No under runs will be accepted. Acceptable over runs are as follows:

5M-10M	15%	50M-100M	4%
10M-25M	10%	Over 100M	2%
25M-50M	6%		

QUANTITY ORDER	QUANTITY RECEIVED	PLEASE SUPPLY ITEMS LISTED BELOW	UNIT PRICE	TOTAL
130M		Please sèèctt 130,000 names from the Hatch Data Bank of names (191,000 File) as follows; - 100,000 Utah names on an Nth basis - 300,000 Non Utah names on an Nth basis Please ship 9 track - 1600 bpi - Label Hatch Data Bank This fulfills the Ruff times list exchange		

25040

PURCHASE ORDER

SPECIAL INSTRUCTIONS

1. All invoices must be accompanied by 2 samples.
2. Blueline IS required unless otherwise specified.
3. 25 samples to HATCH Production office prior to or no later than delivery date.
4. Please notify us immediately if you are unable to ship complete order by 5 p.m. of specified delivery date.
5. Each package, box or skid must be marked according to special instructions on face of purchase order. If packaging instructions do not appear on purchase order please contact HATCH Production.
6. Receiving documents are to be submitted to HATCH upon receipt of materials.
7. No changes will be binding on client listed on this P.O. unless written authorization is given.
8. All Freight charges are to be prepaid (at vendors expense, to be included in Bid).
9. No under runs will be accepted. Acceptable over runs are as follows:

5M-10M	15%	50M-100M	4%
10M-25M	10%	Over 100M	2%
25M-50M	6%		

PLEASE SUPPLY ITEMS LISTED BELOW	UNIT PRICE	TOTAL
Exchange Ruff Times Actives - approx. 135,000 names s request will be satisfied by the Hatch Election Committee ng available 134,841 names from the Hatch Name Data Bank.		

PURCHASE ORDER

MAT'L MATERIAL

JOB NO.

P.O. NO.

DATE January 8, 1982

DATE REQUIRED

BILL TO HATCH ELECTION COMMITTEE
227 MASS. AVE., N.E. SUITE 210
WASHINGTON, D.C. 20002

SUPPLIER BUFF TIMES

SHIP TO

ACCOUNT

SPECIAL INSTRUCTIONS

1. All invoices must be accompanied by 2 samples.
2. Blueline IS required unless otherwise specified.
3. All samples to HATCH Production office prior to or no later than delivery date.
4. Please notify us immediately if you are unable to ship complete order by 5 p.m. of specified delivery date.
5. Each package, box or skid must be marked according to special instructions on face of purchase order. If packaging instructions do not appear on purchase order please contact HATCH Production.
6. Receiving documents are to be submitted to HATCH upon receipt of materials.
7. No changes will be binding on client listed on this P.O. unless written authorization is given.
8. All Freight charges are to be prepaid (at vendors expense, to be included in Bid).
9. No under runs will be accepted. Acceptable over runs are as follows:

5M-10M	15%	50M-100M	4%
10M-25M	10%	Over 100M	2%
25M-50M	6%		

QUANTITY ORDER	QUANTITY RECEIVED	PLEASE SUPPLY ITEMS LISTED BELOW	UNIT PRICE	TOTAL
135,000		**List Exchange** Buff Times Actives - approx. 135,000 names This request will be satisfied by the Hatch Election Committee mailing available 134,841 names from the Hatch Name Data Bank.		

SEDAM & HERGE
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
8300 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102

-PM
20 SEP
1983

83 SEP 22 A10:07

Mrs. Nancy Nathan
Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

EDAM & HERGE
PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
8300 GREENSBORO DRIVE
MCLEAN, VIRGINIA 22102

83 JUN 23 A9:

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Nancy B. Nathan, Esq.

Hatch committees consider using Mr. Vetterli's book in connection with their direct mail program. Mr. Parrish rejected the suggestion. It is not known whether or not Mr. Blair was acting as a representative of Mr. Vetterli.

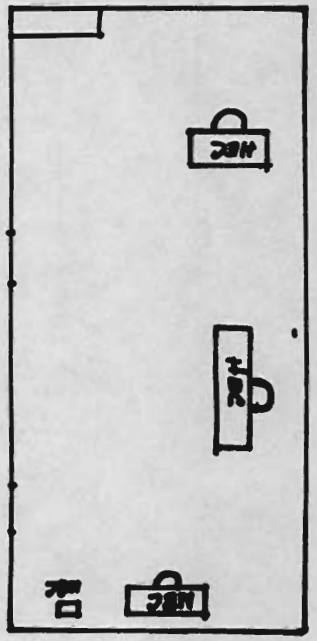
14. We have no knowledge of any material that was produced and/or printed by the Hatch committees, which were also printed, reprinted or distributed by the Ruff Political Action Committee, Neal Blair Consultants and/or Free the Eagle.

Sincerely,

J. Curtis Herge
Counsel to Hatch Election Committee and Friends of Orrin Hatch Committee

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8504053385 1



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MCC#372

SEDAM & HERGE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

SUITE 1100

8300 GREENSBORO DRIVE

McLEAN, VIRGINIA 22102

(703) 821-1000

GLENN J. SEDAM, JR.
J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER

JOHN ROBERT CLARK III
B. ERIC SIVERTSEN
SHARON L. POWERS
CLAIRE M. BOCCELLA

SUITE 620
1700 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D. C. 20006
(703) 821-1000

TELEX: 710-831-0896

CABLE: SEDAMHERGE

OF COUNSEL
JAMES EDWARD ABLARD
THOMAS J. FADOUL, JR.

June 21, 1983

83 JUN 24 P3:02

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Nancy B. Nathan, Esq.

Re: MUR 1484

Dear Mr. Gross:

On behalf of our clients, the Hatch Election Committee and Friends of Orrin Hatch, we hereby submit their answers to the questions enclosed with your letter, dated May 19, 1983, in connection with MUR 1484. The numbers of the answers correspond to the numbers of the questions.

1. Neal Blair; verbal agreement; Neal Blair Consultants and Free the Eagle.

2. Neal Blair; November, 1981 - June 30, 1982; Neal Blair Consultants and Free the Eagle.

3. See diagram, attached. (The initials "NBC" refer to Neal Blair Consultants and the initials "HEC" refer to the Hatch Election Committee.)

4. Mr. Blair spent approximately one week out of six in the office. The agreement was to provide telephone answering and secretarial assistance. Our clients have no knowledge of the specific work Mr. Blair performed in the office.

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5. To the best of our knowledge, Mr. Blair performed no work for the Hatch committees, or for staff members of the Hatch committees, either at the request of the Hatch committees or any employee or volunteer worker for those committees, or upon his own initiative.

6. To the best of our knowledge, all the conversations between Mr. Blair and any employee of, or volunteer worker for, the Hatch committees were routine social conversations. Prior to the time Mr. Blair occupied the office space in question, there was a conversation with Mr. Blair regarding the exchange of mailing lists. (See response to question 7.) Subsequent to the time Mr. Blair occupied the office space in question, there was a conversation with Mr. Blair about the book by Mr. Vetterli. (See response to question 13.) During the time Mr. Blair occupied the office space in question, Mr. Blair requested recommendations of firms which handled caging and batching of direct mail receipts and Mr. Parrish, of the Hatch Election Committee, recommended AMERAD. With the exception of the foregoing, we know of no other conversations between any employee of, or volunteer worker for, the Hatch committees and Mr. Blair.

7. To the best of our knowledge, the only cooperative activity related to the exchange of mailing lists between the Hatch Election Committee and the Ruff Political Action Committee. Prior to the time that Mr. Blair leased the office space at 227 Massachusetts Avenue, N.E., Washington, D.C. in November, 1981, the Hatch Election Committee arranged through Mr. Blair to use the mailing list of the Ruff Political Action Committee in exchange for the use by the Ruff Political

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Action Committee of the mailing list of the Hatch Election Committee after the election.

8. The Viguerie Company was a direct mail consultant for the Hatch Election Committee.

9. AMERAD was retained for the specific purpose of batching and caging direct mail responses. Hurst and Associates was retained as a media consultant for the Hatch Election Committee.

10. To the best of our knowledge, all meetings, correspondence and/or conversations between any employee of, or volunteer worker for, the Hatch committees and any representative of Ruff Political Action Committee, Neal Blair Consultants and Free the Eagle are described in the response to question 6.

11. To the best of our knowledge, there were no meetings, correspondence and/or telephone conversations between any employee of, or volunteer worker for, the Hatch committees and any representative of any consultant firm or any individual consultant in which the Ruff Political Action Committee, Neal Blair Consultants and/or Free the Eagle was discussed.

12. To the best of our knowledge, the date upon which any representative of the Hatch committees first learned of the writing and/or publication of Orrin Hatch. Challenging the Washington Establishment, by Richard Vetterli, was in March, 1982.

13. The only known meeting and/or conversation between any representative of the Hatch committees and Mr. Vetterli, or any representative of Mr. Vetterli, was a suggestion made by Mr. Blair to Mr. Parrish in mid-summer, 1982, that the

8504053385 41

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83 JUN 16 P 3:51
GCC 2334

BAKER & HOSTETLER

ATTORNEYS AT LAW

815 CONNECTICUT AVE., N.W.

WASHINGTON, D.C. 20006

(202) 861-1500

TELECOPIER (202) 857-0030

IN CLEVELAND, OHIO
3200 NATIONAL CITY CENTER
CLEVELAND, OHIO 44114
(216) 621-0200
TWX 810 421 8375

IN COLUMBUS, OHIO
100 EAST BROAD STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
800 CAPITOL LIFE CENTER
DENVER, COLORADO 80203
(303) 861-0600

IN ORLANDO, FLORIDA
SEC CNA TOWER
ORLANDO, FLORIDA 32801
(305) 841-1111

June 16, 1983

WRITER'S DIRECT DIAL NO.:
(202) 861- 1572

83 JUN 16 P4:22
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

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

Re: MUR 1484 (RuffPAC)

Dear Mr. Steele:

Enclosed please find the responses of our client, Ruff Political Action Committee, to your questions of May 19, 1983.

Sincerely,

Jan W. Baran

JWB:gh
Encl.

cc: Neal B. Blair

8504053855

RUFF POLITICAL ACTION COMMITTEE

236 Massachusetts Avenue, N.E., Suite 603
Washington, D.C. 20002
(202) 547-2122

Howard J. Ruff
Chairman

June 16, 1983

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

Dear Mr. Steele:

In response to your questions of May 19, 1983 I hereby submit the following responses on behalf of Ruff Political Action Committee in connection with Matter Under Review 1484:

1. The office space was rented in the name of Neal Blair Consultants ("NBC"). The source of funds used to pay for this space were RuffPAC and Free the Eagle, clients of Neal Blair.

2. Neal Blair was the only individual to occupy the space on behalf of RuffPAC, NBC, or Free the Eagle. The dates of occupancy were from November, 1981 to June, 1982.

3. See diagram.

4. All work was performed by Neal Blair in his capacity as independent consultant:

   (a) work for Free the Eagle focused on telephoning members of Congress and staff in regard to public issues such as balanced budgets, the gold standard, income tax policy, and related matters

   (b) work for RuffPAC focused on gathering and disseminating information about candidates and potential candidates where RuffPAC was considering making a contribution.

5. Neal Blair spoke at breakfasts in Provo, Utah encouraging citizens to support Orrin Hatch and made less than ten phone calls in Utah soliciting contributions from friends. Helene Holt, a RuffPAC employee in Utah, on her own time, distributed literature for Hatch.

6. Neal Blair had conversations of a general nature with persons associated with the Hatch Committee. At no time was any kind of independent expenditure or in-kind contribution discussed.

3504053856

7. Same answer as number 5.

8. Viguerie Company performed one mailing for RuffPAC and four mailings for Free the Eagle between January 1, 1981 and June 15, 1983.

9. Amerad performed one or two mailings for RuffPAC in the Spring of 1982.

10. See answer to Question 6.

11. Neal Blair had a discussion with Dick Wirthlin, Hatch's pollster, in how he was doing in the polls.

12. Richard Vetterlee was a professor at Brigham Young University who approached Neal Blair and asked him if he would be willing to purchase copies of a book on Orrin Hatch that Vetterlee was writing. On behalf of RuffPAC, Blair agreed to purchase them and use them for premiums for contributions.

    Vetterlee's relationship to Senator Hatch is that he wrote a biography of the Senator.

13. No such material was knowingly produced or used by RuffPAC, NBC, or Free the Eagle.

Respectfully submitted,

Neal B. Blair

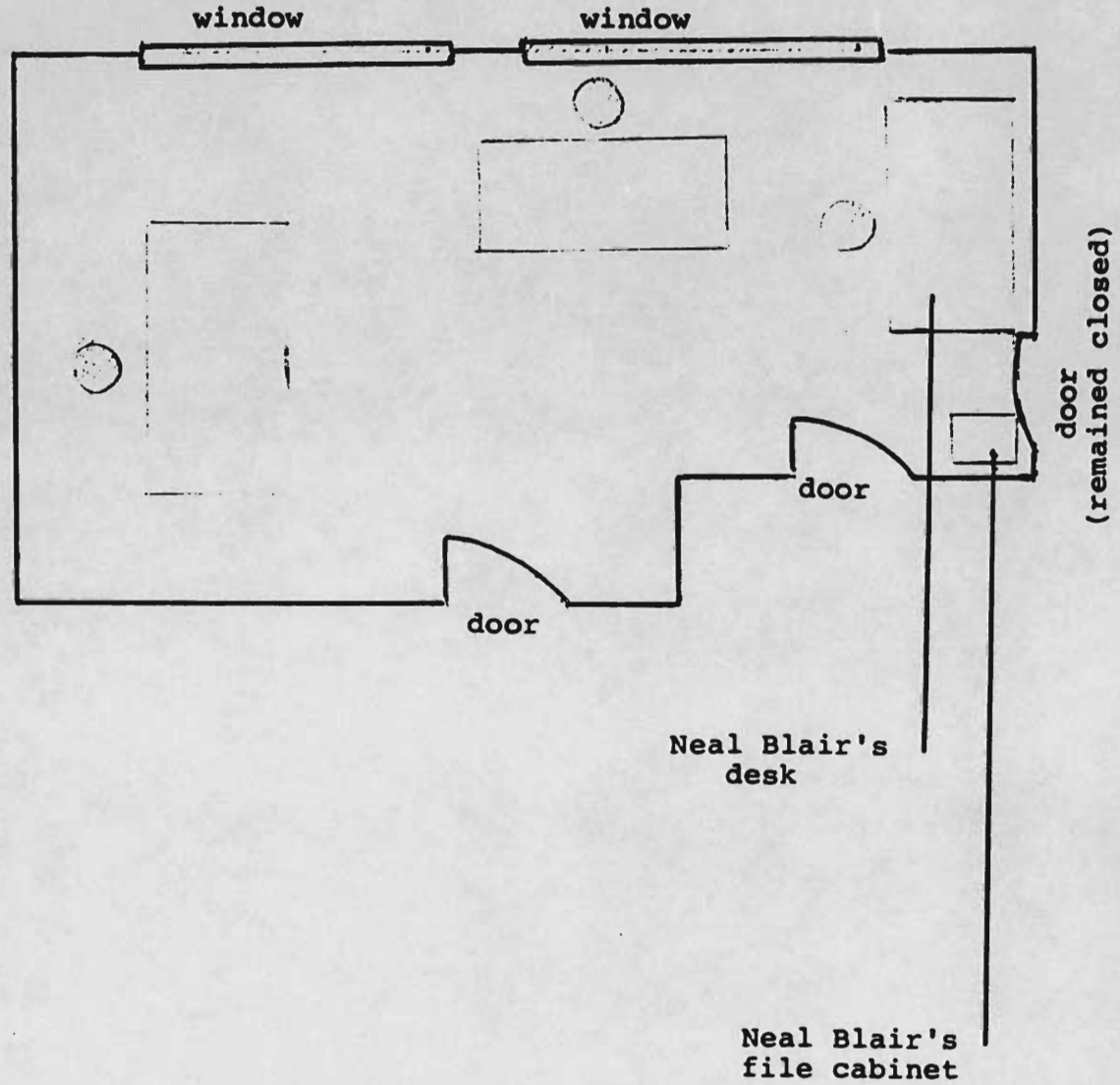
Neal B. Blair
President

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QUESTION #3:

Diagram of the Office space occupied by Neal B. Blair at 227 Massachusetts Avenue, NE, Washington, D.C. 20002;



STETLER
AVE., N.W.
.C. 20006

03 JUN 19 P3:50

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

8504053385 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 9, 1983

J. Curtis Herge, Esq.
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

Re: MUR 1484

Dear Mr. Herge:

We have received your request, dated June 3, 1983, for an extension of time in which to respond to the Commission's questions issued May 19, 1983. The requested extension to June 17, 1983, is hereby granted, in view of your stated need to gather additional information.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

8504053386 0

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 6, 1983

Jan W. Baran, Esq.
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1484

Dear Mr. Baran:

Your request, dated June 1, 1983, for an extension of time in which to submit a response on behalf of the Ruff Political Action Committee to the Commission's interrogatories is hereby granted, in view of Neal Blair's unavailability due to travel, and your need to review records in formulating a response.

While the extension is granted to June 16, 1983, in accordance with your assurances to this Office that you will make every effort to respond sooner, we hope that the submission will be made at an earlier date.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

8504053861

GCC #300

LAW OFFICES
GROSSBERG, YOCHELSON, FOX & BEYDA
1707 H STREET, N.W.
WASHINGTON, D.C. 20006

SOLOMON GROSSBERG
C. RICHARD BEYDA
LAWRENCE A. MILLER
GERALD P. GROSSBERG
SHELTON M. BINSTOCK
STEVEN G. FRIEDMAN
RICHARD F. LEVIN
ALAN H. GRANT
DAVID A. DECKELBAUM

ISADORE BRILL (1905-1964)

AREA CODE 202
298-7600

IRVING B. YOCHELSON
JULIUS I. FOX
OF COUNSEL

June 8, 1983

83 JUN 8 P3:58

Charles N. Steele, Esquire
General Counsel
FEDERAL ELECTION COMMISSION
Suite 700
1325 K Street, N.W.
Washington, D.C.

Dear Mr. Steele:

I am writing to you in response to your letter addressed to my client, The Viguerie Company, dated May 19, 1983. That letter contains certain requests for information in connection with an investigation being conducted by the Federal Election Commission.

In response to the above inquiry the following are the answers to the requests to the written questions furnished to my client. The numbers of the answers correspond to the numbers of the questions:

1. Yes

2. Services were performed by The Viguerie Company for Ruff Political Action Committee and for Free the Eagle since January 1, 1981. No such services were performed for Neal Blair Consultants.

3. Mailings were made for the Hatch Committees (as defined in the questions) on the following dates:

1981

December 5 and 11

1982

January 21 and 29
February 3, 5, 8 and 11
March 4 and 11
April 5, 7, 16, and 21
May 6 and 14
June 8, 15, 16, and 17
July 2, 6, 14 and 29
August 5 and 17

8504033862

September 3, 7, 9, 10, 11, 13, 14, 15, 16, 17, 20, 21, 27 and 28
October 1, 7, 8, 9 and 14
November 12

I have brought copies of the written materials that were prepared by The Viguerie Company for distribution by or on behalf of the Hatch Committees for your review.

4. Mailings for Ruff Political Action Committee were made on October 15 and 16, 1982. I have brought a copy of the written material prepared for distribution on behalf of the Ruff Political Action Committee for your review.

Mailings were made for Free the Eagle on the following dates:

1982

October 13

1983

February 26 and 28
March 7, 10, 14 and 28
April 23 and 29
May 11

I have brought with me for your review copies of written materials prepared for distribution by or on behalf of Free the Eagle.

5. In reviewing the records and files of The Viguerie Company and in discussing the matters covered by your request for information with the account executives responsible for the respective accounts, it was concluded that no conversation of the character referred to took place, nor were there any writings of such character.

Sincerely,

Lawrence A. Miller

LAM:gp

8504053863

GCC#296

SEDAM & HERGE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

SUITE 1100

6300 GREENSBORO DRIVE

McLEAN, VIRGINIA 22102

(703) 821-1000

GLENN J. SEDAM, JR.
J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER

JOHN ROBERT CLARK III
B. ERIC SIVERTSEN
SHARON L. POWERS
CLAIRE M. BOCCELLA

SUITE 620
1700 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D.C. 20006
(703) 821-1000

TELEX: 710-831-0896

CABLE: SEDAMHERGE

OF COUNSEL
JAMES EDWARD ABLARD
THOMAS J. FADOUL, JR.

June 3, 1983

RECEIVED
FEDERAL ELECTION COMMISSION
JUN 7 P4:50
GENERAL COUNSEL

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Nancy B. Nathan, Esq.

Re: MUR 1484

Dear Mr. Gross:

With reference to your letter, dated May 19, 1983, with which you enclosed questions for response in connection with the above-captioned matter, we request an extension to June 17, 1983 within which to reply. The extension is required in order to accumulate the information necessary to reply.

Sincerely,

J. Curtis Herge

8504053864

EDAM & HERGE
PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
8300 GREENSBORO DRIVE
MCLEAN, VIRGINIA 22102

NORTHERN VIRGINIA, VA 220
PM
4 JUN
1983

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Nancy B. Nathan, Esq.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 25, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Hurst and Associates
350 South 400 East
Salt Lake City, Utah 84111

Re: MUR 1484

Gentlemen:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26 Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached request for answers to written questions has been issued. The Commission does not consider you, or your firm respondents in this matter.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to these questions. However, it is required that you submit answers within ten days of your receipt of this request.

3504053866

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

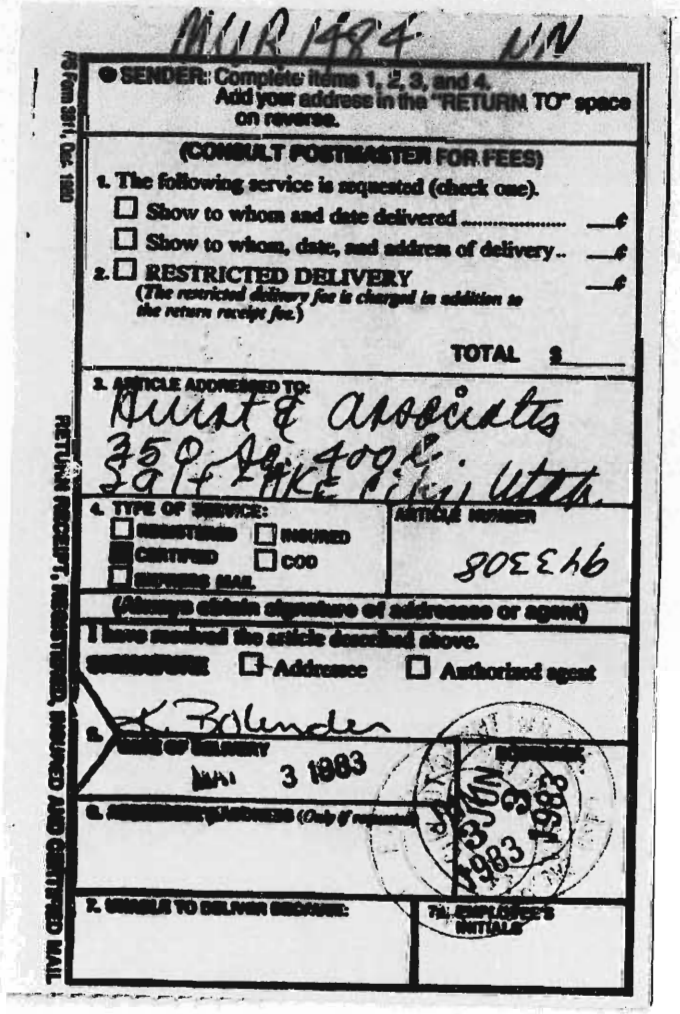
Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

8504053867



MUR 1484 V.N

SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered ..... ¢
☐ Show to whom, date, and address of delivery.. ¢
2. ☐ RESTRICTED DELIVERY ¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL $

3. ARTICLE ADDRESSED TO:
Hurst & associates
350 E. 400 S.
Salt Lake City, Utah

4. TYPE OF SERVICE:
☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER
803246

(Always obtain signature of addressee or agent)

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

K. Bolender

5. DATE OF DELIVERY
MAY 3 1983

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7A. EMPLOYEE'S INITIALS

MAY 3 1983

PS Form 3811, Oct. 1980 RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

BEFORE THE FEDERAL ELECTION COMMISSION

REQUESTS FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit answers to the following:

1. Since January 1, 1981, during what period(s) did Hurst and Associates or AMERAD perform services for the Hatch Election Committee and/or the Friends of Orrin Hatch Committee (hereinafter "the Hatch committees")?

2. Since January 1, 1981, during what period(s) did Hurst and Associates or AMERAD perform services for the Ruff Political Action Committee (hereinafter "Ruff PAC"), Neal Blair Consultants (hereinafter "NBC"), and/or Free the Eagle?

3. With reference to the services performed for the Hatch committees, describe each project, and list the date(s) upon which each was performed. Please furnish copies of any written materials prepared for distribution by or on behalf of the Hatch committees.

4. With reference to the services performed for Ruff PAC, NBC, and/or Free the Eagle, describe each project, and list the date(s) upon which each was performed. Please furnish copies of any written materials prepared for distribution by or on behalf of Ruff PAC, NBC and/or Free the Eagle.

5. Describe any conversations or writings between representatives of Hurst and Associates or AMERAD and representatives of the Hatch committees and/or Ruff PAC about mailings, other fundraising activities, and/or any other campaign activities of the other (i.e., conversations by Hurst/AMERAD representatives with Hatch committee representatives about Ruff PAC, NBC, Free the Eagle plans or expenditures, or by Hurst/AMERAD representatives with Ruff PAC, NBC, Free the Eagle representatives about Hatch committee plans or expenditures).

8504053863

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 25, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Stanley B. Parrish
c/o Hurst and Associates
350 South 400 East
Salt Lake City, Utah 84111

Re: MUR 1484

Dear Mr. Parrish:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26 Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached request for answers to written questions has been issued. The Commission does not consider you a respondent in this matter, but rather as a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to these questions. However, it is required that you submit answers within ten days of your receipt of this request.

8504053869

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

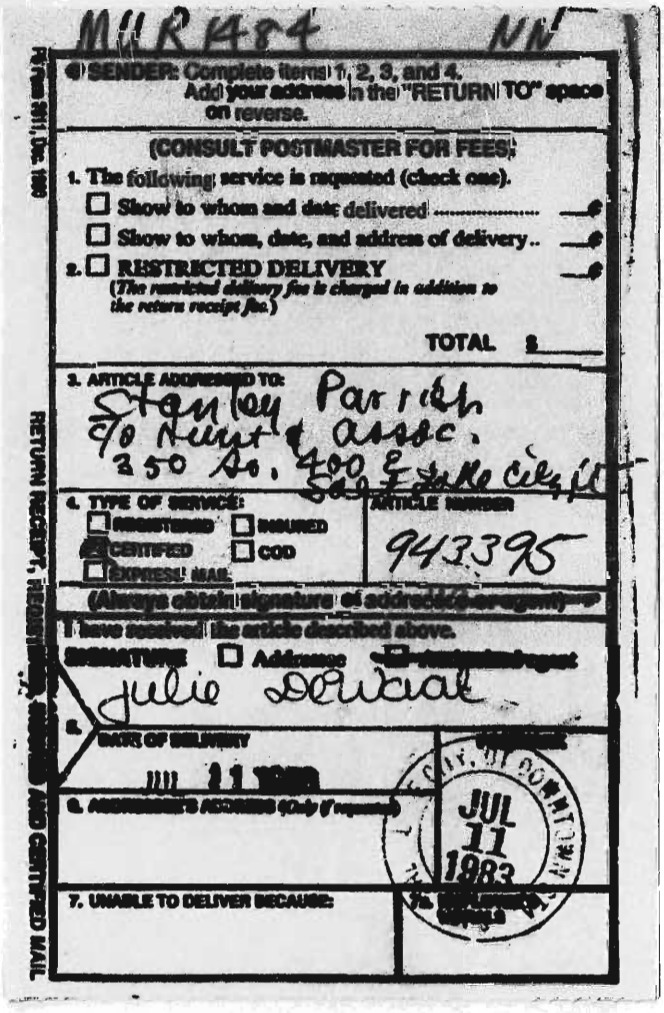
Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

8504053870


MUR484 NN

SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered ..... ¢
☐ Show to whom, date, and address of delivery .. ¢
2. ☐ RESTRICTED DELIVERY ¢
(The restricted delivery fee is charged in addition to the return receipt fee.)
TOTAL $

3. ARTICLE ADDRESSED TO:
Stanley Parrish
c/o Hunt & Assoc.
250 So. 400 E Ste 11

4. TYPE OF SERVICE:
☐ REGISTERED ☐ INSURED
☑ CERTIFIED ☐ COD
☐ EXPRESS MAIL
ARTICLE NUMBER
943395

(Always obtain signature of addressee or agent)
I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
Julie DeWaal
DATE OF DELIVERY
JUL 11 1983
ADDRESSEE'S ADDRESS (Only if requested)
7. UNABLE TO DELIVER BECAUSE:

RETURN RECEIPT, REGISTERED AND CERTIFIED MAIL

BEFORE THE FEDERAL ELECTION COMMISSION

REQUESTS FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit written answers to the following:

1. Since January 1, 1981, during what period(s) were you employed by the Hatch Election Committee or the Friends of Orrin Hatch Committee? Describe the services you performed during those period(s).

2. Have you ever been employed by, consulted with or spoken with any employees of the Ruff Political Action Committee ("Ruff PAC"), Neal Blair Consultants ("NBC") and/or Free the Eagle? Describe and give details of any such employment, consultation or conversations.

3. Since January 1, 1981, during what period(s) were you employed by Hurst and Associates or AMERAD? Describe your duties as an employee of Hurst and Associates, or AMERAD.

4. Describe in detail your participation in services performed by Hurst or AMERAD for Ruff PAC, NBC and/or Free the Eagle and/or for the Hatch committees.

5. For each of the services described in response to #4 above, list the individuals you dealt with in planning and performing those services, both on the staff of Ruff PAC, NBC, and/or Free the Eagle and of the Hatch committees. As to each describe those dealings and give the date(s) on which they occurred.

6. List any individuals and, where appropriate, their firms, that you dealt with at any time in planning and/or performing services for Ruff PAC, NBC, and/or Free the Eagle and/or the Hatch committees and that were not listed in response to #5 above.

8504013871

RECEIVED BY THE FEC
Gcch 231
03 MAY 29 P 1:06

BEFORE THE FEDERAL ELECTION COMMISSION

REQUESTS FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit answers to the following:

1. Since January 1, 1981, during what period(s) did Hurst and Associates or AMERAD perform services for the Hatch Election Committee and/or the Friends of Orrin Hatch Committee (hereinafter "the Hatch committees")?

2. Since January 1, 1981, during what period(s) did Hurst and Associates or AMERAD perform services for the Ruff Political Action Committee (hereinafter "Ruff PAC"), Neal Blair Consultants (hereinafter "NBC"), and/or Free the Eagle?

3. With reference to the services performed for the Hatch committees, describe each project, and list the date(s) upon which each was performed. Please furnish copies of any written materials prepared for distribution by or on behalf of the Hatch committees.

4. With reference to the services performed for Ruff PAC, NBC, and/or Free the Eagle, describe each project, and list the date(s) upon which each was performed. Please furnish copies of any written materials prepared for distribution by or on behalf of Ruff PAC, NBC and/or Free the Eagle.

5. Describe any conversations or writings between representatives of Hurst and Associates or AMERAD and representatives of the Hatch committees and/or Ruff PAC about mailings, other fundraising activities, and/or any other campaign activities of the other (i.e., conversations by Hurst/AMERAD representatives with Hatch committee representatives about Ruff PAC, NBC, Free the Eagle plans or expenditures, or by Hurst/AMERAD representatives with Ruff PAC, NBC, Free the Eagle representatives about Hatch committee plans or expenditures).

8504053872

ANSWERS:

1. None. What is AMERAD? It has no association with Hurst & Associates.
2. No. Not familiar with Ruff Committee. What is it?
3. We have performed no projects. What consulting Engineering services are you questioning?
4. None.
5. None. There are no Hurst/AMERAD representatives in our firm. Never heard of AMERAD.

WOULD SUGGEST THAT YOU STOP WASTING THE HARRIED TAXPAYER'S MONEY.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 19, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Clyde Hurst, President
Hurst and Associates
301 N. Washington Street
Falls Church, Virginia 22046

Re: MUR 1484

Dear Mr. Hurst:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26 Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached request for answers to written questions has been issued. The Commission does not consider you, or your firm respondents in this matter.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to these questions. However, it is required that you submit answers within ten days of your receipt of this request.

8504053873

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

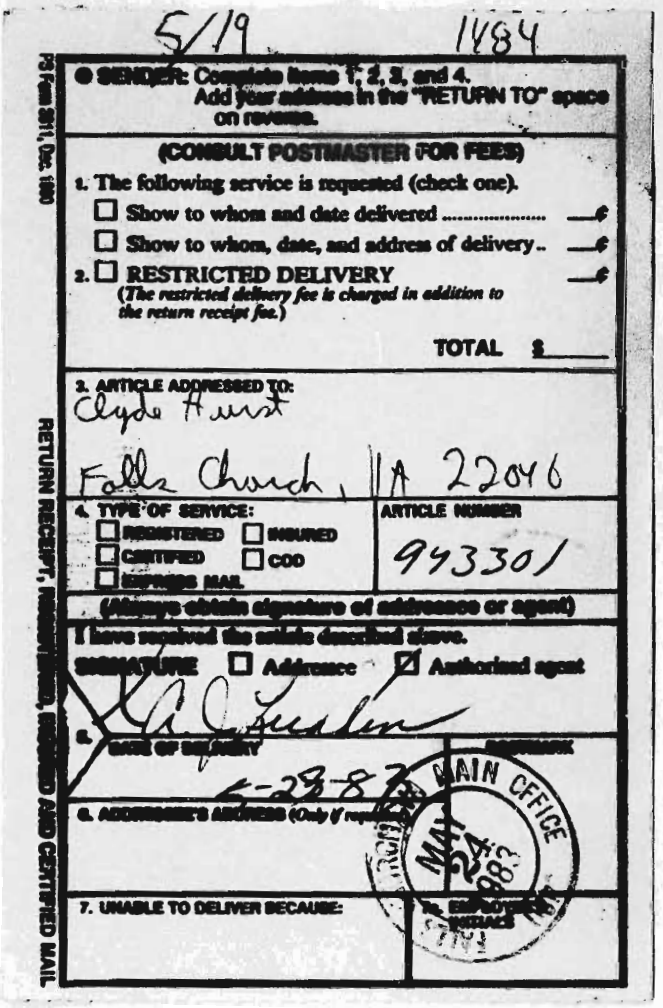
Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

P0405387



5/19 1484

PS Form 3811, Dec. 1980

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered ..... ¢
☐ Show to whom, date, and address of delivery.. ¢
2. ☐ RESTRICTED DELIVERY ¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL $

3. ARTICLE ADDRESSED TO:
Clyde Hurst
Falls Church, VA 22046

4. TYPE OF SERVICE:
☐ REGISTERED ☐ INSURED
☐ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER
943301

(Always obtain signature of addressee or agent)

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

5. DATE OF DELIVERY
6-23-83

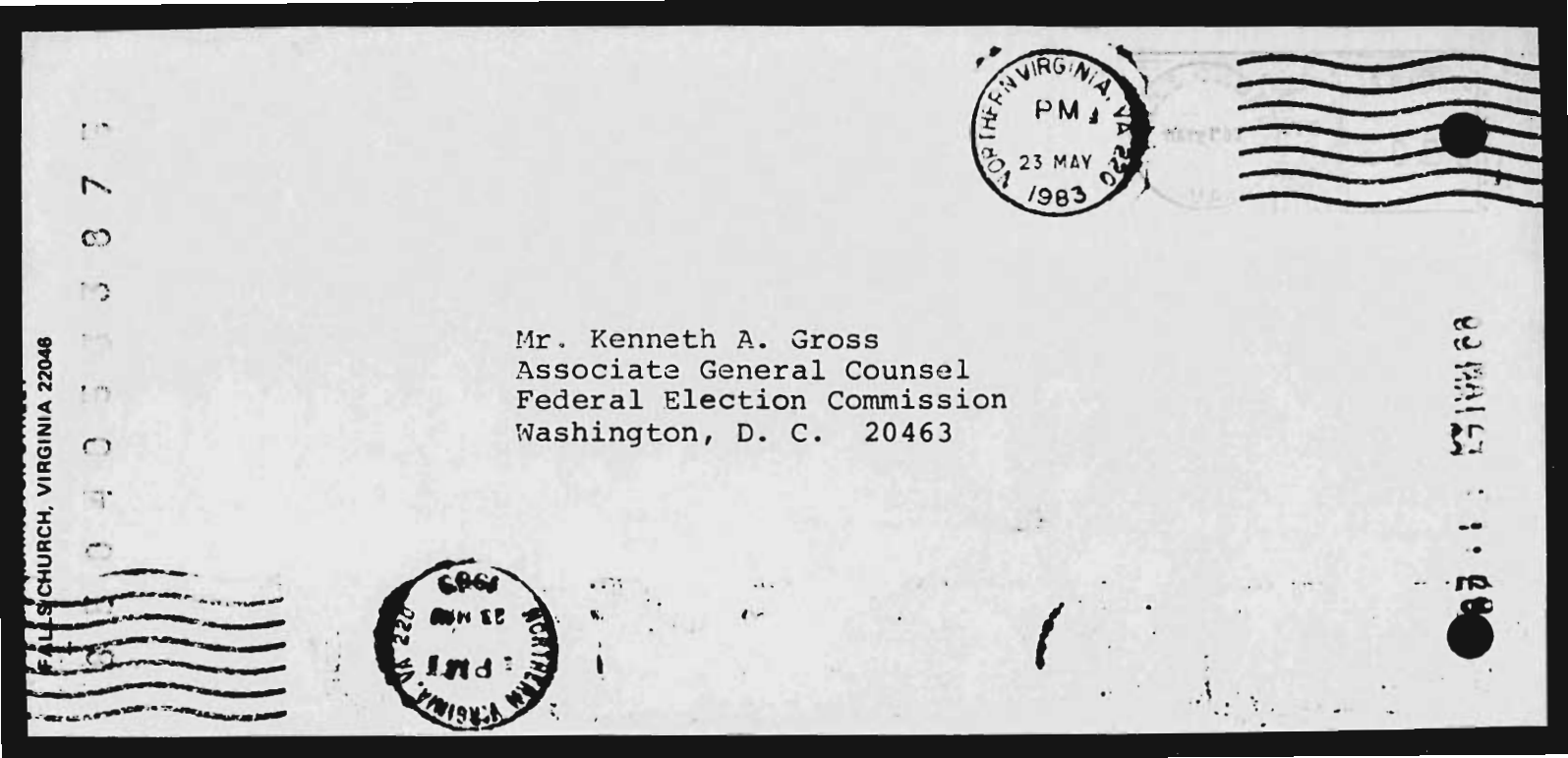
POSTMARK
MAIN OFFICE
MAY 24 8 PM
1983

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

8. EMPLOYEE'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL



Mr. Kenneth A. Gross
Associate General Counsel
Federal Election Commission
Washington, D. C. 20463

FALLS CHURCH, VIRGINIA 22046

HURST & ASSOCIATES CONSULTING ENGINEERS
301 N. WASHINGTON STREET
FALLS CHURCH, VIRGINIA 22046

Gentlemen:

This material is being returned to you. It was delivered to us in error. There is not now nor has there ever been a Stanley B. Parrish associated or affiliated or employed by this firm.

In fact, I can find no one here, who even knows who he is.

As for the questions attached, we have never even heard of the organizations referred to.

83MAY23 A11:50

8504053876

RECEIVED BY FEC
83 MAY 23 AM : 50

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 19, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Stanley B. Parrish
c/o Hurst and Associates
301 N. Washington Street
Falls Church, Virginia 22046

Re: MUR 1484

Dear Mr. Parrish:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26 Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached request for answers to written questions has been issued. The Commission does not consider you a respondent in this matter, but rather as a witness only.

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You may consult with an attorney and have an attorney assist you in the preparation of your responses to these questions. However, it is required that you submit answers within ten days of your receipt of this request.

8504053877

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

8504053873

ASHINGTON, D.C. 2[illegible]

POSTAGE AND FEES PAID

Official Business

Penalty for Private Use $300

CLAIM CHECK NO.

39178

HOLD

DATE

1ST NOTICE

2ND NOTICE

RETURN

Attached from Form 3849—A

Stanley B. Parrish
c/o Hurst and Associates
301 N. Washington Street
Falls Church, Va. 22046

CERTIFIED

943299

HUNTER & ASSOCIATES CONSULTING ENGINEERS
301 N. WASHINGTON STREET
FALLS CHURCH, VIRGINIA 22046



83 MAY 23 AM

Mr. Kenneth A. Gross
Associate General Counsel
FEDERAL ELECTIONS COMMISSION
Washington, D. C. 20463

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 19, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Clyde Hurst, President
Hurst and Associates
301 N. Washington Street
Falls Church, Virginia 22046

Re: MUR 1484

Dear Mr. Hurst:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26 Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached request for answers to written questions has been issued. The Commission does not consider you, or your firm respondents in this matter.

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8504053881

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

8504053388 2

BEFORE THE FEDERAL ELECTION COMMISSION

REQUESTS FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit answers to the following:

1. Since January 1, 1981, during what period(s) did Hurst and Associates or AMERAD perform services for the Hatch Election Committee and/or the Friends of Orrin Hatch Committee (hereinafter "the Hatch committees")?

2. Since January 1, 1981, during what period(s) did Hurst and Associates or AMERAD perform services for the Ruff Political Action Committee (hereinafter "Ruff PAC"), Neal Blair Consultants (hereinafter "NBC"), and/or Free the Eagle?

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4. With reference to the services performed for Ruff PAC, NBC, and/or Free the Eagle, describe each project, and list the date(s) upon which each was performed. Please furnish copies of any written materials prepared for distribution by or on behalf of Ruff PAC, NBC and/or Free the Eagle.

5. Describe any conversations or writings between representatives of Hurst and Associates or AMERAD and representatives of the Hatch committees and/or Ruff PAC about mailings, other fundraising activities, and/or any other campaign activities of the other (i.e., conversations by Hurst/AMERAD representatives with Hatch committee representatives about Ruff PAC, NBC, Free the Eagle plans or expenditures, or by Hurst/AMERAD representatives with Ruff PAC, NBC, Free the Eagle representatives about Hatch committee plans or expenditures).

3504053838

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 19, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Stanley B. Parrish
c/o Hurst and Associates
301 N. Washington Street
Falls Church, Virginia 22046

Re: MUR 1484

Dear Mr. Parrish:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26 Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached request for answers to written questions has been issued. The Commission does not consider you a respondent in this matter, but rather as a witness only.

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You may consult with an attorney and have an attorney assist you in the preparation of your responses to these questions. However, it is required that you submit answers within ten days of your receipt of this request.

8504053841

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

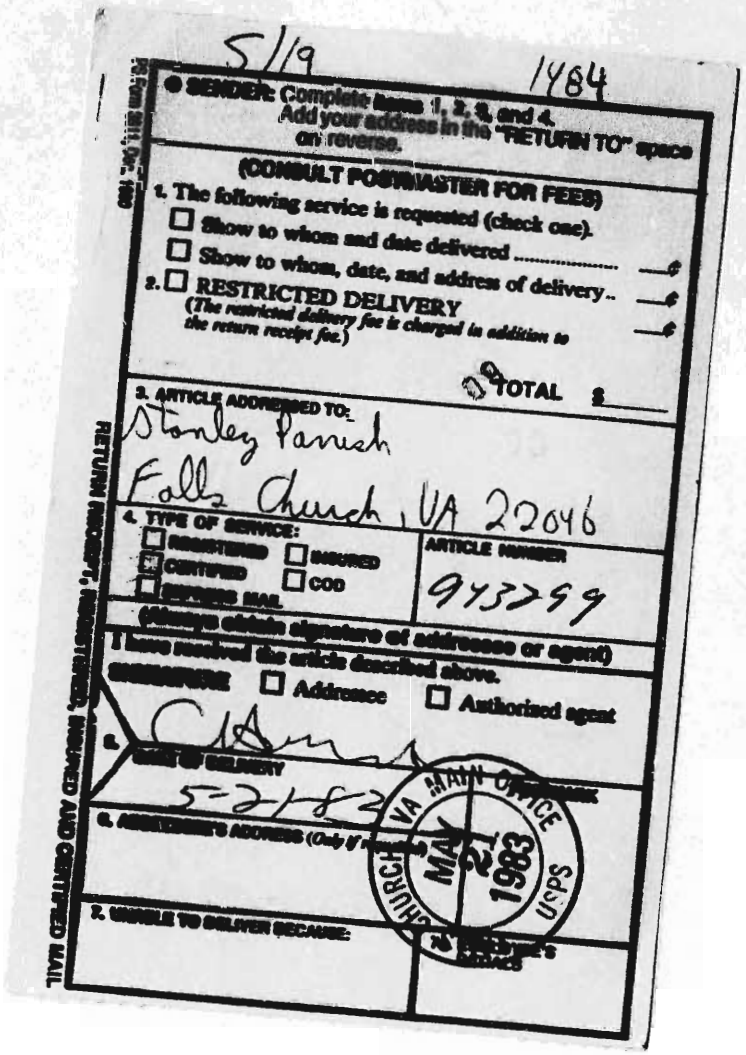
Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

8504053835



BEFORE THE FEDERAL ELECTION COMMISSION

REQUESTS FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit written answers to the following:

1. Since January 1, 1981, during what period(s) were you employed by the Hatch Election Committee or the Friends of Orrin Hatch Committee? Describe the services you performed during those period(s).

2. Have you ever been employed by, consulted with or spoken with any employees of the Ruff Political Action Committee ("Ruff PAC"), Neal Blair Consultants ("NBC") and/or Free the Eagle? Describe and give details of any such employment, consultation or conversations.

3. Since January 1, 1981, during what period(s) were you employed by Hurst and Associates or AMERAD? Describe your duties as an employee of Hurst and Associates, or AMERAD.

4. Describe in detail your participation in services performed by Hurst or AMERAD for Ruff PAC, NBC and/or Free the Eagle and/or for the Hatch committees.

5. For each of the services described in response to #4 above, list the individuals you dealt with in planning and performing those services, both on the staff of Ruff PAC, NBC, and/or Free the Eagle and of the Hatch committees. As to each describe those dealings and give the date(s) on which they occurred.

6. List any individuals and, where appropriate, their firms, that you dealt with at any time in planning and/or performing services for Ruff PAC, NBC, and/or Free the Eagle and/or the Hatch committees and that were not listed in response to #5 above.

8504053886

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 19, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Richard Viguerie
The Viguerie Company
7777 Leesburg Pike
Falls Church, Virginia

Re: MUR 1484

Dear Mr. Viguerie:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26 Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached request for answers to written questions has been issued. The Commission does not consider you or your firm respondents in this matter.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to these questions. However, it is required that you submit answers within ten days of your receipt of this request.

8504053837

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

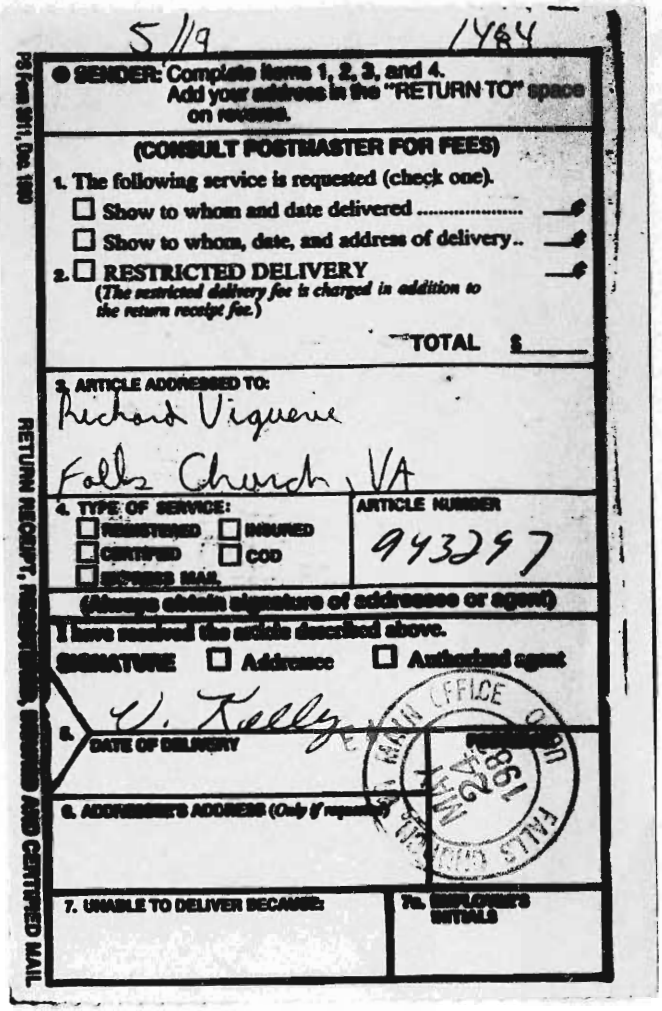
Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

8504053838



5/19 1484

PS Form 3811, Dec. 1980

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered ..... —¢
☐ Show to whom, date, and address of delivery.. —¢
2. ☐ RESTRICTED DELIVERY —¢
(The restricted delivery fee is charged in addition to the return receipt fee.)
TOTAL $—

3. ARTICLE ADDRESSED TO:
Richard Viguerie
Falls Church, VA

4. TYPE OF SERVICE:
☐ REGISTERED ☐ INSURED
☐ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER
943297

(Always obtain signature of addressee or agent)

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

5. DATE OF DELIVERY

POSTMARK
MAY 2 1984
FALLS CHURCH MAIN OFFICE VA

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

BEFORE THE FEDERAL ELECTION COMMISSION

REQUESTS FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit answers to the following:

1. Since January 1, 1981, during what period(s) did The Viguerie Company perform services for the Hatch Election Committee and/or the Friends of Orrin Hatch Committee (hereinafter "the Hatch committees")?

2. Since January 1, 1981, during what period(s) did The Viguerie Company perform services for the Ruff Political Action Committee (hereinafter "Ruff PAC"), Neal Blair Consultants (hereinafter "NBC"), and/or Free the Eagle?

3. With reference to the services performed for the Hatch committees, describe each project, and list the date(s) upon which each was performed. Please furnish copies of any written materials prepared for distribution by or on behalf of the Hatch committees.

4. With reference to the services performed for Ruff PAC, NBC, and/or Free the Eagle, describe each project, and list the date(s) upon which each was performed. Please furnish copies of any written materials prepared for distribution by or on behalf of Ruff PAC, NBC and/or Free the Eagle.

5. Describe any considerations or writings between representatives of The Viguerie Company and representatives of the Hatch committees and/or Ruff PAC about mailings, other fundraising activities, and/or any other campaign activities of the other (i.e., conversations by Viguerie representatives with Hatch committee representatives about Ruff PAC, NBC, Free the Eagle plans or expenditures, or by Viguerie representatives with Ruff PAC, NBC, Free the Eagle representatives about Hatch committee plans or expenditures).

8504053839

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 19, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esq.
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

Re: MUR 1484
Hatch Election Committee and
Friends of Orrin Hatch

Dear Mr. Herge:

On January 5, 1983, the Commission notified your clients, the Hatch Election Committee and Friends of Orrin Hatch, that it had found reason to believe that they had violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) and 441a(f), provisions of the Federal Election Campaign Act of 1971, as amended. An investigation of this matter is being conducted and it has been determined that additional information from your clients is necessary. The Commission wishes your clients to submit answers to the enclosed questions, within ten days.

If you have any questions please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

8504053890

BEFORE THE FEDERAL ELECTION

REQUESTS FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit written answers to the following:

1. With regard to office space subleased by the Hatch Election Committee and/or the Friends of Orrin Hatch Committee (hereinafter "the Hatch committees") to Ruff Political Action Committee ("Ruff PAC"), Neal Blair Consultants ("NBC") and/or Free the Eagle, at 227 Massachusetts Avenue, N.E., Washington, D.C., from November 1, 1981 through June, 1982, give the name(s) of the person(s) who arranged on behalf of Ruff PAC, NBC or Free the Eagle to sublease space at that address, the form the agreement took (e.g., lease, contract), and the name of the organization or individual responsible for payment for the office space leased or rented.

2. As to the subleased office space described in Question #1 above, list the individuals who used the space, the dates of their use, and their stated affiliation (e.g., Ruff PAC, NBC and/or Free the Eagle).

3. As to the subleased office space described in Question #1 above, please furnish a diagram of that office space, showing it in relation to the Hatch office space at the same address.

4. As to the individuals listed in response to Question #2 above, describe the work each performed.

5. As to the individuals listed in response to Question #2 above, describe work performed by each for the Hatch committees or for staff members of the Hatch committees, at that address or at any other address, either at the request of the Hatch committees or any employee or volunteer worker for those committees, or on the individual's initiative.

6. Describe any conversations between any employee of or volunteer worker for the Hatch committees and any individual(s) listed in response to Question #2.

7. Describe any projects or other services performed by any employee of or volunteer worker for the Hatch committees in cooperation with and/or at the request of any individual(s) listed in response to Question #2, and/or any projects or other services performed by any individual(s) listed in response to Question #2 in cooperation with and/or at the request of any employee of or volunteer worker for the Hatch committees.

8504053891

8. Describe in detail the services performed for the Hatch committees since January 1, 1981, by the Viguerie Company.

9. Describe in detail the services performed for the Hatch committees since January 1, 1981, by AMERAD and/or Hurst and Associates.

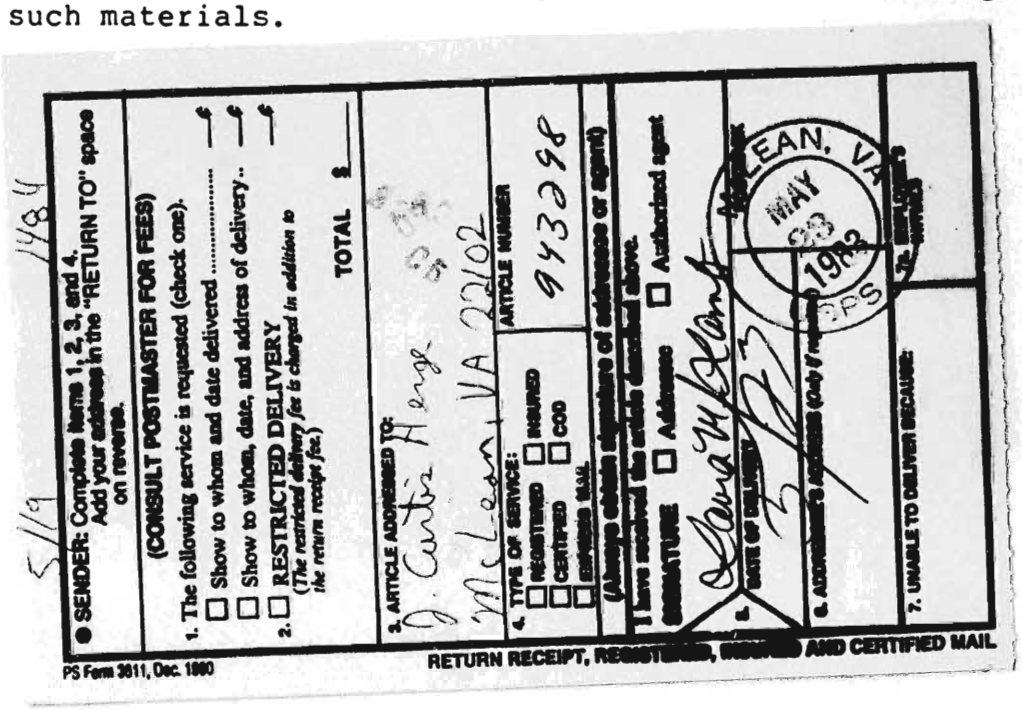
10. Describe any meetings, correspondence and/or telephone conversations between any employee of or volunteer worker for the Hatch committees and any representative of Ruff PAC, NBC or Free the Eagle, since January 1, 1981.

11. Describe any meetings, correspondence and/or telephone conversations between any employee of or volunteer worker for the Hatch committees, and any representative of any consultant firm (e.g., The Viguerie Company, AMERAD) or any individual consultant, in which Ruff PAC, NBC and/or Free the Eagle was discussed.

12. List the date upon which any representative of the Hatch committees first learned of the writing and/or publication of Orrin Hatch. Challenging the Washington Establishment, by Richard Vetterli.

13. Describe and give the date(s) of any meetings and/or conversations between any representative of the Hatch committees and Richard Vetterli or any representative of Richard Vetterli.

14. Describe any materials that were produced and/or printed by the Hatch committees and also printed, reprinted or distributed by Ruff PAC, NBC and/or Free the Eagle. Please furnish samples of any such materials.



3504053892

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 19, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jan W. Baran, Esq.
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On January 5, 1983, the Commission notified your client, Ruff Political Action Committee, that it had found reason to believe that your client had violated 2 U.S.C. §§ 434(b)(4)(H)(i) and 441a(a)(2)(A), provisions of the Federal Election Campaign Act of 1971, as amended. An investigation of this matter is being conducted and it has been determined that additional information from your client is necessary. The Commission wishes your client to submit answers to the enclosed questions, within ten days.

If you have any questions please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

REQUESTS FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit written answers to the following:

1. Under what name was office space at 227 Massachusetts Avenue, N.E., Washington, D.C., subleased from November 1, 1981, through June, 1982? What was the source of the funds used to pay rent for use of that space?

2. List the individuals who occupied Ruff PAC's office space referred to in Question #1, and the dates of use by each such individual, whether an employee of or volunteer worker for Ruff Political Action Committee ("Ruff PAC"), Neal Blair Consultants ("NBC"), or Free the Eagle.

3. Describe and diagram the office space subleased from the Hatch committees, showing the subleased space in relation to the Hatch committees' space.

4. As to the individuals listed in response to Question #2 above, describe in detail the work each performed, and whether that was for Ruff PAC, NBC and/or Free the Eagle.

5. As to the individuals listed in response to Question #2 above, describe work performed by each for the Hatch committees or for staff members for the Hatch committees, at that address or at any other address, either at the request of the Hatch committees or any employee or volunteer worker for those committees, or on the individual's initiative.

6. Describe any conversations between any employee of or volunteer worker for the Hatch committees and any individual(s) listed in response to Question #2.

7. Describe any projects or other services performed by any employee of or volunteer worker for Ruff PAC, NBC and/or Free the Eagle in cooperation with and/or at the request of any employee of or volunteer worker for the Hatch committees, and/or any projects or other services performed by any employee or volunteer worker for the Hatch committees in cooperation with or at the request of any employee of or volunteer worker for Ruff PAC, NBC and/or Free the Eagle.

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Questions to:

8. Describe in detail the services performed for Ruff PAC, NBC and/or Free the Eagle by the Viguerie Company since January 1, 1981.

9. Describe in detail the services performed for Ruff PAC, NBC and/or Free the Eagle by AMERAD and/or Hurst and Associates since January 1, 1981.

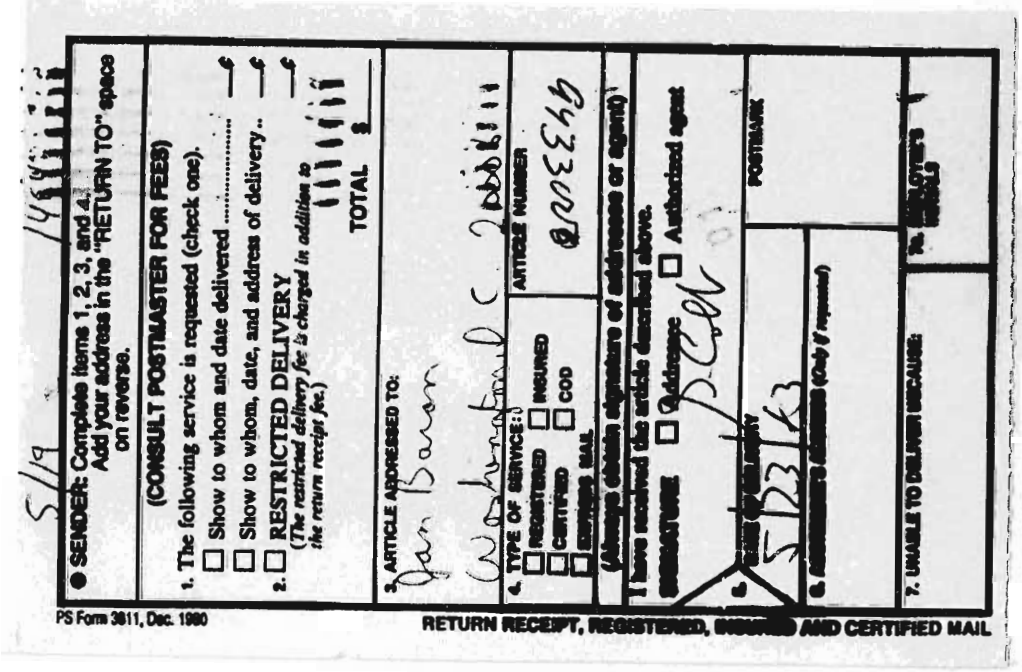
10. Describe any meetings, correspondence and/or telephone conversations between any employee of or volunteer worker for the Hatch committees and any representative of Ruff PAC, NBC and/or Free the Eagle, since January 1, 1981.

11. Describe any meetings, correspondence and/or telephone conversations between any employee of or volunteer worker for Ruff PAC, NBC and/or Free the Eagle, and any representative of any consultant firm (e.g., The Viguerie Company, AMERAD) or any individual consultant, in which the Hatch committees and/or Senator Orrin Hatch's 1982 campaign were discussed.

12. Describe the relationship between Ruff PAC, NBC and/or Free the Eagle and Richard Vetterli. Describe Mr. Vetterli's relationship to Senator Hatch and the Hatch committees.

13. Describe any materials that were produced and/or printed by the Hatch committees and also printed, reprinted or distributed by Ruff PAC, NBC and/or Free the Eagle. Please furnish samples of any such materials.

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Tax Identification No.: 52-0966120

Notary Public
D.C. - Va. - Md.

September 15, 1983

INVOICE NUMBER
064
THIS NUMBER MUST ACCOMPANY YOUR PAYMENT AND BE SHOWN ON ALL CORRESPONDENCE

Federal Election Commission
1325 K Street, N.W. - 7th Floor
Washington, D.C.

(Attn: Steve Mimms)

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PAYMENT DUE IN 30 DAYS FROM DATE OF INVOICE TO AVOID FINANCE CHARGE

Date		
7/28/83	RE: Deposition of Stanley B. Parish Case No. MUR 1484 Original and one copy Pages: 1 thru 90	
	90 Pgs. @ $2.30 per page	207.00
	Courier Fee	6.00
	Total:	$213.00

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BEFORE THE

FEDERAL ELECTION COMMISSION

- -x
:
IN RE: MATTER UNDER REVIEW NO. 1484 :
:
- -x

Washington, D.C.

Wednesday, July 28, 1983

Deposition of

STANLEY B. PARRISH

a witness in the above-entitled matter, called for examination by counsel for the Federal Election Commission, pursuant to notice, at the offices of the Federal Election Commission, 1325 K Street, N.W., Washington, D.C., beginning at 10:00 a.m., before Raleigh E. Milton, a Notary Public in and for the District of Columbia, when the parties were represented by the following counsel:

In behalf of the Federal Election Commission:

NANCY NATHAN, ESQ.
LOIS LERNER, ESQ.

In behalf of Stanley B. Parrish:

J. CURTIS HERGE, ESQ.
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

MILTON REPORTING, INCORPORATED
OFFICIAL REPORTERS
1601 Connecticut Ave., N.W., Suite 302
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Phones: (202) 833-3698
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STANLEY B. PARRISH	3	86	84

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	Marked for Identification
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Exhibit No. 2 - A mailing	59

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PROCEEDINGS

Thereupon,

STANLEY B. PARRISH

was called for examination, and having been duly sworn by the notary, testified as follows:

BY MS. NATHAN:

Q Will you state your name?

A Stanley B. Parrish.

Q I would like your home address in the Washington area and also you have a current address in Utah.

A 6603 Maymeadow -- one word -- Court, McLean, Virginia. That is it.

Q How recently did you leave?

A I have a home but not a residence in Utah.

Q What I am interested in really is when you left your employment in Utah to return to employment here. When did you leave Utah to begin work in Washington; to resume work in Washington?

A In August of 1981.

Q I guess we are getting ahead of ourselves a little bit. When you were working in Utah during the most recent Hatch campaign, you were living there but you didn't have, you didn't establish a residence. Is that it?

A Could we digress for just a minute?

Q Yes.

A I have a question. Is it fair for me to ask a question?

Q Sure.

A That is we had responded to the questionnaire which you had sent out. I was wondering what the nature of the questions were today, what you are trying to find out or determine.

MS. NATHAN: Off the record.

(Discussion off the record.)

BY MS. NATHAN:

Q Back on the record.

While you were in Utah you had, you lived in Utah but you did not have a residence there. Is that it?

A Are you talking about in 1961?

Q No. 1982.

A In 1982, I had a home there, but I am domiciled here.

MS. LERNER: You are talking about your residence for IRS purposes?

THE WITNESS: That is correct.

BY MS. NATHAN:

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Q I would like to ask you a series of questions about the Hatch Committee's agreement with Neil Blair Consultants and Free the Eagle and Ruff PAC or any of those to lease office space in Washington during the period November 1981 through June 1982. Can you tell me the dates for that leasing?

A November of '81 through June of '82.

Q You are referring to the answers that Mr. Herge submitted earlier to your interrogatories?

A Yes.

Q I just wanted to confirm that those were the dates.

Who represented the Hatch Committee in agreeing to let Mr. Blair use that space?

A I did.

Q When was that agreement made?

A Probably October. I am just going from memory.

Q When you made that agreement were you in Washington?

A Yes.

Q Was Mr. Blair in Washington?

A Mr. Blair was in Washington visiting.

Q I understand from your response to the interrogatories that that was a verbal agreement.

A That is correct.

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Q How long had you known Mr. Blair before you made the agreement?

A Probably two or three months.

Q So the first time you knew him was sometime in 1981?

A That is correct.

Q What was the nature of your contact with him before the agreement for the lease arrangement?

A He was -- in fact I am trying to think of the setting in which we were together. I believe it was at --

MS. LERNER: Do you recall when you met him?

THE WITNESS: I don't. I believe it was at, he was in talking about Neil Blair as reasonably active in conservative activities. I believe he came in and was speaking to me about some sort of political activity. I don't even know. I can't respond.

BY MS. NATHAN:

Q When you say came in, he came into your Senate office?

A No. I was not employed by the Senate at that time.

Q Where were you employed when you first talked with him?

A I was employed by Amerad.

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Q Where was that?

A Here in Washington.

Q Amerad had offices in Washington to what date?

A To what date?

Q Yes. During what period did Amerad have offices in Washington?

A I can't answer that. I would have to go back in the records to see exactly what day we entered into a lease agreement and at that point the office became availavle or was rented.

Q The Amerad office?

A That's correct.

MS. LERNER: Can you tell us approximately when that was?

THE WITNESS: Approximately October.

MS. LERNER: October of?

THE WITNESS: '81.

BY MS. NATHAN:

Q Going back to your agreement with Neil Blair for his use of space in the Hatch offices on Massachusetts Avenue, Northeast, you had known him for two or three months before that. Whose idea was it that this agreement be verbal only?

A It was probably mutual; that is, that Neil had

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indicated to me that he was living in Utah at the time, was coming to Washington periodically to conduct the business, whatever business he was involved in, lobbying, or whatever and that he had need for office space. And on a temporary basis that obviously was not here, about one week in six, here being in Washington. With the size of my office and the size of my staff I probably said we could certainly work out something in that arrangement whereby the other five weeks when he wasn't here my secretary could probably answer the phone and take messages for him.

Q Were you occupying space in that office?

A I was.

Q You had a secretary?

A That's correct.

Q Was Amerad the leasee with the landlord at that address on Massachusetts Avenue?

A I believe the leasee is Hatch Election.

Q Return for a moment to your meeting with Neil Blair, initial meeting with Neil Blair. What was the nature of the political activity that he came to you to discuss?

A I can't answer that. It is two years ago.

MS. LERNER: Why did he come to you?

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THE WITNESS: I had been introduced to Neil somewhere along the way after I had moved here. He is politically active in terms of lobbying special interests in Washington and so forth. And whether he was interested in talking to me about something, you know, in the political vein, I really don't recall the nature of that conversation or that meeting.

BY MS. NATHAN:

Q What was your title then? This would be summer of 1981.

A I was finance chairman for the campaign.

Q You stated earlier you were employed by Amerad?

A Yes.

Q Before you were finance chairman had you been an employee of Senator Hatch?

A No.

Q Of the United States Senate?

A No.

Q What was your occupation before?

A I was employed in my own business in Salt Lake City.

Q When did you move to Washington?

A In August of 1981.

Q What was the name of your business in Utah?

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A Midwest Floor Company.

Q What was your relationship to Senator Hatch while you were in business for yourself?

A Personal friend.

Q Had you done any work of the type that Amerad does while you were in Utah?

A No.

MS. LERNER: How long have you known Senator Hatch?

THE WITNESS: To date? Fifteen years, fourteen years, since 1968.

BY MS. NATHAN:

Q Did you discuss with Neil Blair the exchange of mailing lists between Ruff-Pac and the Hatch Committee?

A I did.

Q What was the date of that discussion?

A I can't recall.

Q Can you recall whether that date was before your agreement to sublease to him?

A I believe it was.

MS. LERNER: I am a little confused about in what capacity we are dealing with when we talk about the sublease. You said that the leasee for the property was the Hatch Committee.

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But you were also in these offices. Were you in these offices in the capacity as Hatch Committee person or Amerad?

THE WITNESS: Both.

BY MS. NATHAN:

Q Who wrote checks paying the salary of the secretary?

A Stan DeWall, the treasurer in Salt Lake City.

Q Did anyone else occupy space in that office in addition to you, the secretary and Neil Blair occasionally?

A No.

Q No other individual?

A No.

MR. HERGE: Can you make it clear? We are talking about Suite 210 only, not about 227 Massachusetts Avenue. We are only talking about the one suite.

MS. NATHAN: Yes. But let me ask, was there any other office suite in 227 Massachusetts Avenue occupied by Hatch Committee offices?

THE WITNESS: Do you have the diagram?

MS. NATHAN: We have the diagram showing one room with three desks.

THE WITNESS: That is correct.

BY MS. NATHAN:

Q Were there other rooms occupied by the Hatch Committee

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in that building?

A No.

Q Were there any other rooms occupied by Amerad in that building?

A No.

Q Were you the principal campaign officer when you came in the summer of 1961?

A I don't understand the question.

Q Was there anyone above you in the Hatch campaign organization when you moved to Washington in 1981?

A There was a campaign organization.

Q Were you the manager?

A No.

Q You were finance director?

A I was finance chairman.

Q Who was the manager?

A Michael Leavitt.

Q Levin or Leavitt?

A L-e-a-v-i-t-t, Leavitt.

Q Did Michael Leavitt serve in that capacity through the rest of the campaign?

A Yes.

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Q To the election?

A Yes.

Q Was he located in Washington?

A He was located in Salt Lake.

Q Did Michael Leavitt hire you to come to Washington?

A No.

Q Who hired you to come to Washington?

A The Senator.

MS. LERNER: Senator Hatch?

THE WITNESS: Senator Hatch. That is correct.

BY MS. NATHAN:

Q What discussion did you have with Senator Hatch or with Michael Leavitt or both about your role with Amerad in Washington?

A I don't understand the question.

Q Before you moved here, did you discuss with Senator Hatch or with Michael Leavitt your role with Amerad, what you would be doing with Amerad and what you would be doing with the committee?

A Yes.

Q What was the understanding that you reached with them as to how that work would be distributed? How much of your

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time would be spent on committee work, how much of your time would be spent for Amerad?

A The reason that I question or I responded that I didn't understand the question, Nancy, is that I don't know how it is relevant to what we are talking about.

MS. LERNER: I am not sure that is your concern in answering her question. The question to you was -- let me rephrase it, maybe that will help.

When you came to Washington during this time period you worked in, is it correct that you worked in two capacities, one for the Hatch Committee and one I assume for yourself as far as Amerad was concerned. Is that correct?

THE WITNESS: That is correct.

MS. LERNER: And you worked out of the same office. Is that correct?

THE WITNESS: That is correct.

MS. LERNER: What finance understanding was there between you and anyone from the Hatch Committee concerning how you would divide up your time between the two positions or how one position would relate to the other position?

THE WITNESS: Amerad was retained as a consultant to the campaign.

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MS. LERNER: Did Amerad exist prior to the time you came to Washington?

THE WITNESS: No.

MS. LERNER: How did Amerad come into being?

THE WITNESS: Amerad came into being as a consultant to the campaign.

BY MS. NATHAN:

Q Who else was in the Amerae structure?

A Mark Hurst.

Q Does Mark Hurst live in Washington?

A No. He lives in Salt Lake.

Q Did he ever live in Washington?

A No. Wait. I think he lived here in 1974 for approximately a year as a press secretary for Senator Garn.

MS. LERNER: Whose idea was it to begin Amerad?

THE WITNESS: I believe mine.

MS. LERNER: Was that in conjunction with anyone else?

THE WITNESS: I am sure it was discussed with others.

MS. LERNER: Who else would that be?

THE WITNESS: Mark Hurst.

MS. LERNER: Anyone else?

THE WITNESS: Michael Leavitt.

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BY MS. NATHAN:

Q Did Michael Leavitt come to you or to Mr. Hurst or to you together to ask you to form this group?

A I can't answer that. As far as which came first, whether I went to him and said, look, this is what we ought to do, or he came to me, I don't recall the sequence.

Q When you met with Mr. Leavitt in Utah to discuss this, what was his understanding, what did you tell him about how you would be, what your capacity would be when you moved to Washington? How you would divide your work?

A Amerad was formed after I moved to Washington.

Q When you moved to Washington what was Mr. Leavitt's understanding of what you were going to be doing?

A My role was a finance chairman for the campaign.

Q You moved here, tell me again, when, in 1981?

A August.

Q What month was it when you formed Amerad?

A January of '82.

Q I believe in response interrogatories you said that you left the position of finance director at the end of October 1981 or end of November '81. Is that correct? The question is was there a space of time in late 1981 before you became,

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before Amerad began, when you were not campaign director, finance director?

MS. LERNER: The witness is referring to his answers to interrogatories.

THE WITNESS: Yes. I was employed by the Hatch campaign, August through October in the capacity of a -- finance chairman, okay? There is a brief period of time from October until January when Amerad was formed that I was involved with another entity that paid my salary.

BY MS. NATHAN:

Q What was the name of that?

A Mountain States Direct Mail.

Q Was that located in Washington?

A It was located in Salt Lake City.

Q Did you travel back and forth to Salt Lake City during that period?

A On occasion.

MS. LERNER: What was your involvement with Mountain States?

THE WITNESS: Consultant.

BY MS. NATHAN:

Q Did Mountain States do work for the Hatch campaign?

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A Yes. Wait a minute. Rephrase the question.

Q Did Mountain States Direct Mail perform any services either during that period that you were with them as consultant or during any other period for the 1982 Hatch campaign?

A The 1982 Hatch campaign being anywhere from 1976 to 1982?

Q Yes.

A They had been involved in fund raising, to my knowledge.

Q Had you worked for them as consultant or in any other capacity before this period in late 1961?

A No.

Q Who were the principals in Mountain States?

A The principals were John Harmer and Mack Haddow.

Q When you began Amerad where had you acquired your experience in direct mail?

A By just my sheer involvement.

Q Going back again to your conversation with Neil Blair about his use of the space, what did he tell you about what he was going to be using the space for?

A He was in and out of Washington on an infrequent basis and just needed a place to receive mail and receive phone

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calls.

Q Mr. Blair has several firm names or works for several groups. Which group names or firm names did he give you when he was telling you that he needed this space?

A NBC, Neil Blair, consultant.

Q That was the only one?

A Well, he just said that that was his entity.

Q When you made the verbal agreement for his use of space what was your understanding about the payment method that would be used?

A That he would just pay us.

Q Did you have any discussion of which entity would be paying?

A I didn't. I just assumed that NBC.

Q Were you aware at the time that he had a relationship to Ruff-Pac?

A I was.

Q But you had no discussion with him or did you have a discussion with him then about your concern about whether Ruff-Pac would be paying for the use of the space?

A I did not. I knew that Ruff-Pac was based in Utah.

Q Did you have a discussion with Mr. Blair at any time

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between the time he first moved in and the June, I guess end of June '82 when he left about Ruff-Pac's role in providing payment for the use of the space?

A He paid us, to my knowledge.

Q Who signed the checks that you received in payment and rent and expenses?

A I can't answer that. I didn't see them.

Q Who were they given to?

A My secretary.

Q What is her name?

A Helen C-o-m-b-e-r. Initially it was Nancy P-a-r-r-y.

MS. LERNER: You referred to "us." He paid us. Who do you mean by us that Neil Blair paid us? What did you mean by "us"

THE WITNESS: "Us" being people in the office, campaign, Amerad.

MR. HERGE: You mean who were the checks made payable to?

MS. LERNER: Correct. When you said he paid us, who was the payment made to?

THE WITNESS: The payment was made to, I can't answer that. I would have to go back and look at the records. I

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believe the checks were made to Hatch Election.

BY MS. NATHAN:

Q When you agreed to let Mr. Blair use the desk did you place any conditions on the arrangement except for the payment?

A No.

Q Can you tell me when a sign was erected in front of that building that bore the name Ruff Political Action Committee?

A I can't. I don't know.

Q Were you aware that that sign was there?

A After it was erected.

Q Can you tell me roughly how many weeks or months after he moved in the sign went up?

A Probably two months. That is rough, r-o-u-g-h.

Q So you arrived one day and there is a sign that says Ruff Political Action Committee. What did you say to Mr. Blair?

A Nothing. He probably wasn't there for quite a while.

Q I am sorry?

A He probably wasn't there. He was there on a very infrequent basis.

Q You could reach him by telephone?

A No.

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Q When he wasn't there you didn't know where to find him?

A I had no idea where he was.

MR. HERGE: Nancy, where was the sign that we are talking about now that had Ruff Political Action Committee? Where was it located?

THE WITNESS: The sign, in response to the question I think you are referring to is the one, the wooden sign in the front downstairs on the street.

MS. NATHAN: Yes.

THE WITNESS: There was also a sign on the door. I think it is still there, Suite 210, which states NBC which I was aware of Neil putting up shortly after the agreement.

MS. LERNER: Did the sign downstairs indicate where in the suite Ruff-Pac was?

THE WITNESS: I don't think so. I don't know.

MS. LERNER: Was it next to a directory where Neil Blair's name appeared or where NBC appeared?

THE WITNESS: I don't think so.

MS. LERNER: Was there any direction other than the term Ruff-Pac on the sign that would indicate where a person who was interested in finding Ruff-Pac could find that office?

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THE WITNESS: I don't think so. Interestingly enough I con't think we had our name on that sign. It was never put up.

BY MS. NATHAN:

Q He didn't discuss the sign with you before it was put up?

A I had no knowledge of it before I saw it.

Q Did you try to contact him when it went up?

A No.

Q When he came back for the first time after it had been up did you ask him why it was there?

A No.

Q At any time did you have a discussion of the sign?

A No.

Q Did anyone in the Hatch campaign organization other than you have any discussion with him about the sign?

A No.

MS. LERNER: How did you know he put it up?

THE WITNESS: I don't know who put it up. As I say, the only knowledge I had of the sign is when I first saw it.

BY MS. NATHAN:

Q Your office there was a Hatch office as well as an

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Amerad office. I know you have stated that you and the secretary were the sole Hatch representatives. Were there other Hatch people from the Senate office or campaign office who regularly came in and out to give you things or pick up things?

A No.

Q Did they occasionally go in and out?

A No. I had a volunteer for a short period of time, a campaign volunteer that lived in the area.

Q Are you aware of any instance when a member of Senator Hatch's Senate staff or campaign staff could have seen that, would have seen that sign or did see that sign?

A I am not. The problem is the sign sits right in the middle of the American Cafe sidewalk. There are sidewalk cafe portions that sit on the street and the sign is at the base of the stairs; the American Cafe and I don't know if and when they did see it or whatever.

Q Did Mr. Blair receive visitors, callers looking for Ruff-Pac during the time that he was -- during the one-sixth time that he was in the office?

A I can't answer that. I really didn't pay any attention to his business.

Q When he was not there did you have people come in off

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the street looking for him?

A Looking for Neil Blair.

Q When they came in what did they say?

A They were looking ror Neil Blair.

Q Did they ever say where is the Ruff-Pac headquarters?

A I don't remember of a case. It could have been. I don't remember one.

Q About how large was the room? We have the diagram. It is tough to know the dimensions in comparison to this room.

A It is considerably smaller. My judgment would be the room was 12 feet by 10 feet approximately.

Q Without partitions?

A Without partitions.

Q You stated that there was an agreement for secretarial and answering services to be performed presumably by your secretary for Mr. Blair in his absence. What did Mr. Blair tell you about, or her, about the kinds of calls that he would be getting, kinds of messages she would have to take?

A I don't think he described the nature of them. He just asked her to take a message and that he would check with her periodically for messages.

Q When he called in for messages did you ever talk with

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him?

A Possibly. I don't recall any specific instance in terms of asking if anyone had called, if she was out eating or something.

Q How often did he check in?

A I can't answer that. Not often.

Q Once a week, once a day?

A Probably two or three times a week.

Q When he called in and you spoke with him, did he say were there any Ruff-Pac messages?

A As I stated I don't really recall any specific instance of speaking to him.

MS. LERNER: Did the secretary ever give you any of his messages?

THE WITNESS: No.

MS. LERNER: If the secretary were out of the office and he dalled how would you know what his messages were if she didn't give them to you?

THE WITNESS: She had a box, a file, an open file for his messages on her desk.

BY MS. NATHAN:

Q What other secretarial service did you perform for

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him?

A That was it.

Q Answering only?

A She might have typed a letter for him or had done some copying, received mail.

Q Did you see mail addressed to Neil Blair, Ruff Political Action Committee at that address?

A I can't answer that. Most of the mail came in through Free the Eagle which was returned mail.

Q Returned from mailing?

A From direct mailing.

Q What was an address given as a return?

A He must have.

MS. LERNER: But you are not certain that you didn't see any mail that said "Neil Blair, Ruff-Pac?"

THE WITNESS: That is correct.

BY MS. NATHAN:

Q When Mr. Blair was there what conversations did you have with him about Free the Eagle activities?

A None.

Q You are sure you never discussed with him Free the Eagle?

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A I am not sure that I never discussed Free the Eagle other than making mention of the number of return mail pieces or something of that extent.

Q Did you say something like you are getting a good response or you are not getting a good response on that mailing?

A Possibly.

Q Do you remember the mailing?

A I don't.

Q Did you ever see the mailing that was sent in order to get the responses?

A No. All I saw on occasion was a stack of what we call white mail coming back.

Q Was that related to the Hatch effort, the mailing?

A Free the Eagle?

Q Yes.

A Not to my knowledge.

MS. LERNER: Do you know what Free the Eagle organization is concerned with?

THE WITNESS: I don't.

BY MS. NATHAN:

Q Did you ever discuss with Mr. Blair either in the office or during that period socially what Ruff-Pac's activities

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were?

A I don't recall any conversations.

MS. LERNER: Did you see him socially during that time?

THE WITNESS: We played golf once I think.

BY MS. NATHAN:

Q During that period that he was using space?

A I am not sure.

MS. LERNER: Other than the times you saw him in the office and that possible golf occasion were there other business or social occasions where you saw Mr. Blair during the time you were sharing the office?

THE WITNESS: No. He was not here very often.

BY MS. NATHAN:

Q Were there any associates of Mr. Blair either with Ruff-Pac or with Free the Eagle that you saw in that office or talked to on the telephone?

A No. Strike that. There was a call that came in, that I spoke to personally? Again, there might have been a call from his Utah office looking for him when he was in Washington.

Q In that Utah office would this have been a Ruff-Pac office?

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A It must have been. I really didn't know his connection with NBC, Ruff-Pac and Free the Eagle and how that whole operation works.

Q After the sign went up you didn't ask him what have you got to do with Ruff-Pac?

A I knew he had some involvement with Ruff-Pac but I didn't understand what his relationship was with Ruff-Pac. I didn't understand the relationship between Ruff-Pac and Nail Blair, NBC and Free the Eagle.

Q If you find out let me know.

A If somebody does, as you say Nancy, that would be interesting.

MS. LERNER: Did you ever question him about it?

THE WITNESS: I didn't. Frankly I had my job to do. He was in and out. He didn't spend a great deal of time there. It seemed like a reasonably good thing for me at the time to help defray expenses as far as the rent was concerned. I didn't care about his business.

MS. LERNER: Did you ever have lunch together during these times?

THE WITNESS: No.

MS. LERNER: Did you ever have lunch in the office at

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the same time?

THE WITNESS: No. I don't eat lunch. I am a runner. But I do run at noon.

BY MS. NATHAN:

Q Did you ever talk to Mr. Blair about Hatch Committee activities during that period?

A Not to my knowledge.

MS. LERNER: Did you ever talk to him about what you were doing for Amerad?

THE WITNESS: I did on one occasion which was stated in the interrogatory about the direct mail.

BY MS. NATHAN:

Q About what?

A About the direct mail business.

MS. LERNER: So you are both in the same office but you never told each other what you were doing at all? Weren't you curious?

THE WITNESS: No, not really. Lois, he really didn't spend in that six-month period of time, I would have been surprised if he spent 10 to 12 hours there that I know of.

MS. LERNER: Did he ever have anybody else come in and pick up his mail or take messages when he wasn't there?

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THE WITNESS: No. He did have I think in June or May his own recording device or an answering service. This is my recollection. It was a very loose jointed relationship at best as you can see by the verbal agreement to even rent the place.

BY MS. NATHAN:

Q Checks totaling $1,238.30 you reported received in payment for expenses and rent. The agreement was $150 a month rent plus expenses. Is that right?

A That's correct.

Q These figures come from the responses to interrogatories.

Is it your sense that the total $1,238 would be the correct total to compensate the Amerad and the committee, whoever the lessor was, for the I believe eight months rent? Is that right? And expenses?

MR. HERGE: You have testified that they rented the space for eight months.

THE WITNESS: Eight months.

MR. LERNER: The rent per month was?

THE WITNESS: $150.

BY MS. NATHAN:

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Q That would be $38.30 extra. How did you arrive at those figures? I don't mean the rent but expenses.

A Expenses were we did not have a copy machine. But the office next door had a copy machine. I believe we paid them four cents a copy. So if there was any copying work that needed to be done, we would go next door, have the copy work done and pay them and he had the same arrangement. I think we might have paid for him and he reimbursed us.

MS. LERNER: Who would do the actual copying?

THE WITNESS: He could have. My secretary could have.

MS. LERNER: Did you ever copy anything for him or did he ever copy anything for you?

THE WITNESS: My secretary might have copied something for him. He never copied anything for me.

MS. LERNER: Which of the two women's names that you gave us, Helen or Nancy, was there most of that period?

THE WITNESS: Nancy was there from October until, I would have to go back on the records. She had a child, came back for a brief period of time, helen was a volunteer at the time and when Nancy left, Helen came on as a full-time employee and secretary.

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MS. LERNER: Would that have been during the winter or spring?

THE WITNESS: It could have been during the spring.

MS. LERNER: The interrogatories noted that a contribution was reported of $403 received. It is sort of a strange amount for a contribution. Did you receive that from Mr. Blair?

THE WITNESS: I need a charification on the question. Was that stated in my interrogatory?

MS. LERNER: Your first responses to our questions, I believe the bottom of page 1.

May the record reflect the witness is referring to answers to interrogatories.

THE WITNESS: I had no knowledge of that.

MS. LERNER: No knowledge of what?

THE WITNESS: Of that $403. I had asked my secretary when I received the interrogatories to go back in the records and see what rent had been paid in response to your questions. And our records show the three checks, one paid in February from Free the Eagle for $202.25, one on June 9th, from NBC for $431.55 and one on November -- October 2nd of '82 from NBC for $604. That is the only knowledge.

MR. HERGE: If I may for clarification perhaps to help

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you, Nancy, the information in response to the interrogatories about the $403 was supplied to me by Stan DeWall, treasurer of the Hatch Election Committee.

BY MS. NATHAN:

Q Would Mr. DeWall have been the one that ultimately received the checks, I am talking about the rent checks now, that you got from Mr. Blair?

A I think they were deposited in an account we had here.

Q Would Mr. DeWall have seen that Free the Eagle was the signatory on one of those checks where it was a Free the Eagle imprinted check?

A On a check that I received?

Q Yes.

A I can't answer that.

MS. LERNER: What did you do with the check after you received it?

THE WITNESS: My secretary received it. I think she probably deposited it in an account we have here.

MS. LERNER: Did you have any responsibility for notifying the committee, didyou notify the committee that your office space was being shared?

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MR. HERGE: You mean the Hatch Election?

MS. LERNER: I am sorry. Yes.

THE WITNESS: I can't answer that.

MS. LERNER: Were they aware of this?

THE WITNESS: I can't answer that.

MS. LERNER: Were they aware of this?

THE WITNESS: I don't know whether I mentioned it or not.

MS. LERNER: Did they ever question you about where this money that was being deposited into the account which covered Mr. Blair's rental portion was coming from?

THE WITNESS: No.

BY MS. NATHAN:

Q Going back for a moment to the discussion you had with Mr. Blair about exchanging mailing lists when would that have occurred?

A You asked that once before I believe and I think, I am just going purely on memory, I think it was prior to the October.

Q Were you involved in the eventual exchange of mailing lists?

A I was not. Personally, physically?

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Q Where was the mail exchanged?

A I received, I would have to go back. I am not sure when we received his list, his list being a magnetic tape.

Q Did you direct the campaigns direct mail operation?

A Yes.

Q Would you have known if the campaign used Ruff-Pac mailing lists?

A I would have known it.

Q Did the campaign use the Ruff-Pac mailing list?

A They did.

Q When was that?

A When the mailing went out, the actual mailing went out my judgment is, okay? About January of '82.

Q What was that mailing?

A The mailing was a letter from the Senator soliciting funds with a publisher note, insertion, from Howard Ruff, recommending to the people on the list that they contribute to the Senator's campaign.

BY MS. LERNER:

Q How did that insert get placed in your mailing?

A It is part of the package.

Q How did you get permission from Ruff to do that?

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A I would have to go back and check the files and see if I have a memo, written or whether it was verbal.

Q Would you have been the person dealing with that?

A I would have.

Q Do you remember speaking with Mr. Ruff?

A I did not speak with Mr. Ruff personally.

Q Do you know if the Senator spoke with Mr. Ruff?

A I spoke to Neil Blair.

MR. HERGE: Who wrote the package?

THE WITNESS: I don't recall.

MS. LERNER: I am sorry?

MR. HERGE: Who wrote the package?

THE WITNESS: I believe it was Mike Gretchel, Marketing Development Group. We have them listed as one of the consultants.

BY NATHAN:

Q Between the time that you initially talked to Mr. Blair about using, exchanging mailing lists and the fime when you estimate that mailing went in January ;82, what other conversations did you have with Mr. Blair about getting the mail ready?

A I don't recall.

Q Would Amerad or Hurst, forgive me I am a little

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confused on which did which, actually do the mailing, do the caging I believe the word is.

A Caging. They did.

Q Was that done from Washington?

A Salt Lake City.

MS. LERNER: What are we talking about now?

MS. NATHAN I am talking about the actual production of mailing.

MS. LERNER: Which mailing?

THE WITNESS: The production was done nere.

MS. NATHAN: I am using bad terms I know.

THE WITNESS: The package was written and copy was designed by Marketing Development Group I believe. And that was then developed and approved and obviously it is not wise to mail the first part of December because of Christmas. So the package went out I believe after the first of the year.

BY MS. NATHAN:

Q You said it was approved. Who would have approved it?

A I approved it.

Q Did you show it to anyone else?

A Not to my knowledge.

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Q Who gave you authority to approve, design and approve the mailings without having to check with anyone?

A I was finance chairman of the campaign. I felt that was part of my job.

MS. LERNER: I would like to go back to the beginning of this mailing because I am totally confused here. The mailing list was sent out in January of '82 and it contained a letter from Senator Hatch soliciting funds and there also was an insert from Mr. Ruff.

THE WITNESS: Maybe I can help you, Lois; that is, and this is memory at best. Okay? I believe somewhere along September-October that I had mentioned to Neil Blair that we would like to mail the Ruff list.

MS. LERNER: This is in September of '81?

THE WITNESS: September, whenever in '81 which he agreed to do on an exchange basis. Obviously at the time the campaign just beginning in the direct mail business did not have a lot of names to return in exchange. So we agreed to exchange later when the campaign would have sufficient number of names to exchange like and kind. At that point he said my recollection is, Neil said fine, we will agree to that. I said would you also

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agree to what we call a public note which is a publisher's note which is the insert that I am speaking of which is the note from Howard Ruff which adds impact and impetus to the package. And he agreed to that.

And I believe that my contact from that point on was with Mark Stoddard in Utah as far as he physically had the possession of the names or the magnetic tape here. After I had approval from Blair and had made arrangements with Stoddard to get the names and had Gretchel designing the package, the package was ready and the best time to mail it was the first part of January.

So the package, the copy was approved, the name, the arrangement was made with Stoddard to get the names here because all of the work, the printing and so forth was being done here in the Washington area. So I had a copy of the names sent out here, the labels were made and the mailing went from here.

Then the return, the reply was directed to Amerad which was doing the caging. So they receipt all of the responses. That does clarify it?

MS. LERNER: It clears it up a little bit. I have a few more questions. At the time you spoke to Mr. Blair how did you know he would be the person that would have the Ruff Pac

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THE WITNESS: I didn't.

MS. LERNER: Can you explain that?

THE WITNESS: I asked him.

MS. LERNER: You asked him what?

THE WITNESS: I asked him if Ruff Pac had a mailing. I knew and I can't say exactly where other than I knew of the fact that Ruff did mail his Ruff Times and so forth. I knew that long before I got in the political business from what you read in the newspapers. But I was aware of the fact that he had a mailing list of I don't know who, I didn't know how many names, in fact I couldn't tell you today how many we had mailed. It seems like it was 135,000. But that could be give or take 100,000. But at any rate I knew that Ruff had a newsletter that he mailed out, Ruff Times, and knowing a little bit about the mailing business, it is nice to have mailing lists approved and established with the publisher's notes that go with them that generally create or generate a better response. So I think I inquired of Neil at the time if he was aware of that list and if it was, if he was aware of it, if it was available and so forth.

MS. LERNER: Why did you ask him, though?

THE WITNESS: I was aware of the fact that he had a

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relationship with Ruff.

MS. LERNER: How were you aware of that?

THE WITNESS: He had represented himself as having a relationship with Howard Ruff.

MS. NATHAN: This was before the lease agreement?

THE WITNESS: That is correct.

MS. NATHAN: Was this your first contact with him?

THE WITNESS: I really don't know. In fact, I paused for quite a while before trying to think of when I even first met him.

BY MS. NATHAN:

Q You said that you mutually agreed that your list would be more useful to him later on when you had more names. Did you have a discussion with him about what he was to do with your list?

A My discussion with him was that I wanted to be sure that we had full compliance, that there was no question about a list exchange or a list exchange period. Either it was on a referral basis or a list exchange. He said a list exchange is fine. At that point I said fine, then I cannot exchange lists with you now. Obviously I don't have one. So we will have to make it later on when I could comply because I would have an

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adequate number of names to provide.

Q At that time what did you and Mr. Blair discuss about what they would do with your list, what mailing they would send?

A That was the end of the discussion.

Q At any later time did you talk to him about what they were going to do with the list?

A I did not.

Q When did you give him the list?

A I can't recall.

Q Did you personally give him the list?

A I did not.

Q Who would have given it to him?

A It was probably given to them by a fellow by the name of Dick Bari.

Q What is his connection, affiliation?

A Dick Bari worked for me, I am sorry, he worked for the campaign as a consultant in direct mail.

Q Where is he located?

A Here in Washington.

MR. HERGE: Do you know whether or not Howard Ruff has any connection with Free the Eagle?

THE WITNESS: I don't. I don't understand that

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relationship today.

BY MS. NATHAN:

Q I just want to go over again your initial conversation with Mr. Blair about that January mailing. We understand that you agreed that there should be the pub note insert. What was said about who, how he was going to accomplish that, how was he going to approach Mr. Ruff to get that permission?

A I don't think there was any conversation. The understanding I had, my recollection, was that Neil Blair had authorized the use, number one, of the list and number two, the use of the name on the pub note.

MS. LERNER: Authorized it for your use?

THE WITNESS: Had authorized it for use.

MS. LERNER: For the Hatch Committee?

MS. NATHAN: In behalf of Howard Ruff?

THE WITNESS: I didn't ask him if he was going to go back and ask Mr. Ruff or whatever he was going to do.

MS. LERNER: How did the idea of the pub note come into the conversation?

THE WITNESS: The pub note is very common in the direct mail.

MR. HERGE: Who wrote the pub note?

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THE WITNESS: Mike Gretchel.

MR. HERGE: Do you know if it ever went out for approval to Howard Ruff?

THE WITNESS: I can't answer that. That was the response I had earlier, was the fact that I was trying to recall if I even had a memo in the file. I don't believe I do.

MS. LERNER: Could we ask you to check your files after you leave here and see if there is such a memo. We would like to see a copy of it.

BY MS. LERNER:

Q During your conversation with Mr. Blair, you talked to him about the list. Did you also talk to him about the pub note at that time?

A Excuse me just a second.

Q I am sorry. Go ahead and finish your writing.

A You want to know if I have a memo in my files regarding the approval of Ruff pub note. Is that correct?

Q Any memo to file concerning that pub note would be of interest to us.

You had a conversation with Mr. Blair about the use of the mailing list, the swapping of mailing lists. During that conversation was the pub note, the idea of the pub note discussed?

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A I am sure it was.

Q Who brought the idea up? You or Mr. Blair?

A Probably me. I am just going by recollection.

MR. HERGE: Lois, he has already testified twice.

MS. LERNER: I don't think he has clarified how the idea of it, how the whole pub note came about.

THE WITNESS: Let me explain Lois. Maybe this will help; that is, are you familiar with direct mail?

MS. LERNER: Yes.

THE WITNESS: If I were to send a letter out, a cold letter out from the Senator asking for a campaign contribution, from you for example, that may or may not elicit a response. But if I send out a letter from the Senator asking for campaign funds and it happens to be a list that is familiar with a letter that you are getting by subscription from Howard Ruff and enclosed is a letter from Howard Ruff saying "Dear Lois, please contribute to my dear friend, Senator Hatch, he needs your help in his campaign" and then you read the Senator's letter, that increases our contributions dramatically.

MS. LERNER: I understand why you wanted to do it.

THE WITNESS: So any time I would ask anyone for a list I would also ask them for a pub note from whomever the owner

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of the list was because it helps in my direct mail efforts.

MS. LERNER: So you would say while you can't recall specifically on this occasion that it was probably you that brought it up in connection with the list?

THE WITNESS: Generally it is a standard policy with me. If I were to ask anyone, if I was to ask anyone, because that is one of the real advantages of getting someone else's list; having an advantage.

MS. LERNER: In this general way of doing business, is it ordinarily a question of I will get back to you on this whether you can use it or would Neil Blair have had the authority to give you the okay right then and there that you could use the pub note?

THE WITNESS: My recollection is that it was all one package and tied together. That is what I was interested in at the time.

MR. HERGE: Could I ask, do you know whose list this was? What list are we talking about? Was it Ruff Pac or Ruff Times?

THE WITNESS: I believe it is Ruff Times. It was his newsletter mailing list. I don't know what the relationship is between Ruff Pac and Ruff Times is but I do recall that it was,

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the conversation we had it was to his newsletter which is Ruff Times.

BY MS. NATHAN:

Q Who suggested to you that it might be fruitful to talk to Neil Blair about getting Ruff Pac list or Ruff list?

A I believe that was my idea.

Q Did you ever talk to the Senator about doing that?

A Not to my knowledge.

Q Did you ever talk to Michael Leavitt about that?

A No. I believe my first approach to Neil Blair was for the Ruff Times mailing list which is the broad, widespread mailing of the newsletter. I am not aware of any mailing of Ruff Pac per se.

MS. LERNER: You don't know the relationship between Ruff Times and Ruff Pac?

THE WITNESS: I don't.

BY MS. NATHAN:

Q That letter was written by --

A Gretchel.

Q Who did he work for?

A Market Development.

MR. HERGE: Who paid for it?

THE WITNESS: The campaign.

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MS. LERNER: Hatch campaign?

MS. NATHAN: Amerad did the --

THE WITNESS: Batching and caging.

BY MS. NATHAN:

Q What other mailings did Amerad do during the campaign?

A The campaign did all of the mailings.

Q Was Amerad the mailing arm of the campaign?

A They did the batching and caging.

Q You mentioned it would always be productive to approach groups with useful mailing lists and try to get pub notes?

A That's correct.

Q What other groups did you approach?

A One that comes to mind is, it is a right-to-work group and I can't give you the exact name but Steve Antosh is the head of that organization.

Q Did that result in a mailing?

A It did.

MS. LERNER: Do you know about when that was?

THE WITNESS: It seems to me it was in the spring. I believe, I am not sure, that also we had an arrangement with Dave Denmore, another right-to-work group.

BY MS. NATHAN:

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Q Were you involved in deciding which mailings to have Vigueri do for the mailing?

A I approved all of their mailings.

Q On what basis would you decide to use Vigueri one time and Amerad another time?

A I would, if they would submit a copy to me and I would approve it, it looked like reasonable copy, good copy and a reasonable list I would approve the mailing.

Q Who was your contact in the Vigueri organization?

A Sandy Butler.

Q As I understand it you, you meaning the campaign, had a contract with Vigueri beginning in October 1981. Was there an agreement at that time that any certain number of mailings would be done during the course of the campaign?

A I would have to look at the contract. I can't answer.

Q Does the name Walter Longyear mean anything?

A It does.

Q You mentioned Sandy Butler as your contact. Who was Walter Longyear?

A Walter Longyear is Sandy Butler's supervisor as I understand it.

Q Do you know George McDonald?

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A I do personally.

Q Can you tell me about your acquaintance with him?

A I just know him casually.

Q Have you talked with him about business?

A Never.

Q How often do you see him?

A I probably saw him twice last year.

Q Did you ever talk with Sandy Butler or with Walter Longyear about Vigueri mailings for Ruff Pac?

A Not to my knowledge.

Q Did you ever discuss with either of those people Free the Eagle mailings?

A Never.

Q Did you ever discuss with Neil Blair his employment of Vigueri?

A Not to my knowledge.

Q You stated in the response to interrogatories that Mr. Blair sought campaign advice on the direct mail firm. Did you have that conversation with him?

A Sought advice from me?

Q Yes.

A On a campaign?

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Q Yes.

A I had made a recommendation, not a recommendation, I had a conversation with Neil Blair that he consider Amerad for doing batching and caging.

Q Did he at that time ask you for any other names or firms?

A I don't recall.

Q Did he talk to you, when you made the recommendation did you ask him what kind of mailings he had in mind?

MR. HERGE: Can I go off the record?

(Discussion off the record.)

MS. NATHAN: Back on the record.

BY MS. NATHAN:

Q Let's clarify the relationship of Hurst and Associates and Amerad. Can you explain what Hurst and Associates did?

A Hurst and Associates was the media. Let me start again. Hurst and Associates was an entity that was Amerad d/b/a Hurst Associates. The reason for that was the segregation of funds and identify any time you are dealing with the media there were media buys and radio, television et cetera. There were funds that had to be located up front I believe and deposits made and there was completely a separate accounting function.

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It was felt at the time with Hurst doing the media for the campaign that it would be best as Hurst be a separate entity from Amerad because of that function.

Q In your capacity as director of Amerad, did you have any Amerad staff or Hurst staff do the actual preparation of texts? Mailing texts?

A For who?

Q For any mailing that you were doing by Amerad.

A No.

Q Who prepared the letters?

A Market Development.

MR. HERGE: Did Amerad do any --

THE WITNESS: Market Development.

BY MS. NATHAN:

Q Amerad performed the physical mailing function?

A No. Amerad did the batching and caging.

MS. LERNER: What is batching and caging?

THE WITNESS: Let me explain the process. Market Development Group developed, wrote the copy and developed the package. The pub notes, the design on the return envelopes all of the other design elements that would go into a package. I then would have various supplirs or vendors in the area bid

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on the work; purchase of envelopes, purchase of paper, printing et cetera. And this was done by those vendors. It was all put together, collated and mailed from here. Once the responses, the reply device inside was addressed to the address of Amerad in Salt Lake City. That is where they would batch all of the responses that came in and cage the money; very unglorified in my terms.

MS. NATHAN: Caging, processing of the funds?

THE WITNESS: That is correct. Listing for FEC compliance all of the names and making sure on the deposit slips and so forth. So that was the sole function of Amerada.

MS. LERNER: So what Vigueri did and what Amerad did were two totally different things?

THE WITNESS: That is correct. However, Amerad did the caging for both Vigueri mailing and campaign.

BY MS. NATHAN:

Q So the preparation of mailing texts could have been done by Vigueri or by Market Development. Were there any other consultants you used?

A No.

Q I would like to read some names and ask you if they are names you recognize. Larry Eastland?

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A No.

Q Doug Blazer?

A No.

Q John Huston?

A No.

Q Kent Larson?

A I know a Kent Larson in Salt Lake City. Do you have an address?

Q No.

A He sells pinball machines.

Q He is branching out.

A That is true. He is distributing.

Q David Tippets?

A No.

Q Larry Walt?

A No.

Q Brent Phillips?

A No.

Q Doug Shaddix?

A No.

Q Did you ever discuss with Neil Blair a mailing done by Vigueri for Free the Eagle?

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A No.

Q Are you aware of that mailing?

A No.

Q At any time did you discuss with Neil Blair his dealings with Vigueri?

A No.

Q At the time that he, forgive me for going over this, that he asked you for some advice on the direct mail firms did he raise the name Vigueri?

A Could have. I can't answer.

Q Referring again to that conversation when you recommended Amerad to Neil Blair, what mailings did you talk about doing for Ruff Pac, Free the Eagle, Neil Blair, through Amerad?

A My recollection of that conversation was that we had a batching and caging, we being Hurst and I, batching and caging operation in Salt Lake. Mark Hurst also being an ad man had the capability of producing. He had printing equipment and so forth there and obviously was using or was accessible in the routine business and that he might consider talking to him and seeing if there was a possibility of doing any business.

Q Did you have later conversations with Mark Hurst?

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A I never even followed up on that one. Frankly I don't think Hurst ever followed up on it.

Q You told Hurst that you had had this conversation with Neil Blair?

A I had mentioned to Hurst. I talked to him daily on the telephone and told him that I had a conversation with Neil and if he was interested in business he might want to pursue it.

Q Did Amerad do work for Neil Blair?

A I don't know.

Q You were Amerad?

A It was not here in Washington.

Q Who was Amerad out there besides Hurst?

A That was it.

Q You talked to him almost daily?

A Yes.

Q You had no conversation or did you have a conversation with any mailings he might be doing for Ruff Pac or Free the Eagle?

A I don't recall. I would guess that I probably did.

Q I would like to describe to you and then get you to examine a copy of a mailing, a Ruff Pac mailing, sent to -- I don't know who it was sent to. I believe it was sent in April

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1982. Would you mark that, please?

(The document referred to was marked Exhibit No. 1 for identification.)

MS. NATHAN: I would like for you to look at that a few minutes and tell me if you have seen it before.

THE WITNESS: No. I have never seen it.

MS. NATHAN: I have another mailing that I would like you to look at. Would you mark that as Exhibit 2.

(The document referred to was marked Exhibit No. 2 for identification.)

BY MS. NATHAN:

Q I am not certain of the date that this was mailed. But I know that it was during 1982. I wonder if you would look at it and tell me if you have seen that before.

MR. HERGE: We will stipulate that that was an attachment to the complaint in this matter.

THE WITNESS: That was my response.

MS. NATHAN: I should have said had you seen that before this matter was initiated. I am sorry.

THE WITNESS: My comment was the first time I thought

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I had seen it was about 10 minutes before we walked in this meeting. I don't recall seeing this attached to the complaint that I received.

MS. NATHAN: I will say there was some confusion in the way the complaint was presented which we cleared up after the fact. The first two pages I showed you in Exhibit 1 were put in the wrong order so that the two letters were confused in the attachment to the complaint. That is why it may have seemed strange. But you don't recall ever having seen that during the course of the campaign?

THE WITNESS: Never.

BY MS. NATHAN:

Q Dealing with Sandy Butler and Walter Longyear, what role did you have in deciding dates of mailings they would make?

A We would meet monthly, evaluate past mailings and target future mailings and review and analyze our mailing program to date, make those determinations.

Q In this period, at those meetings in deciding timing for the future what did they tell you about what other mailings might be going that would be favorable to Hatch during the campaign period?

A Nothing was ever discussed other than the mailings

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that we had on the schedule and the tracking reports.

Q Tracking reports for the mailings they had done for you?

A Yes.

Q Were you the principal contact in the Hatch campaign for them?

A Yes.

Q Who else would they have talked to?

A No one other than unless they talked to the cagers in Salt Lake City periodically or Hurst. The only reason they would do that is if they fell behind in their caging or their daily tally sheets.

Q Were you the contact that actually contracted with them in October '81?

A That is correct.

Q I apologize if I have asked you this before. But let me ask it again. Were you aware of any Free the Eagle mailing that was produced by Vigueri Company?

A No.

Q Did you have any occasion to see any other Vigueri mailings for anybody? Did they show you any other samples?

A No.

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Q Did Hurst-Amerad grow out of Mountain States?

MR. HERGE: Could you clarify that? What do you mean by grow out of?

MR. NATHAN: Was Mark Hurst involved in Mountain States?

THE WITNESS: At one time.

MS. LERNER: Does Mountain States still exist?

THE WITNESS: I can't answer that. As a legal entity?

MS. LERNER: Right. Does it still do the same work?

THE WITNESS: I don't know.

MS. NATHAN: Does it have any employees?

THE WITNESS: No. It doesn't have any employees.

MS. NATHAN: Does Hurst have employees?

THE WITNESS: No.

MS. NATHAN: Does Amerad have any employees?

THE WITNESS: Yes.

MS. NATHAN: Who are they?

THE WITNESS: "Curly" and there is one secretary.

MS. NATHAN: What is her name?

THE WITNESS: Ms. Neilson.

MS. NATHAN: What is their address?

THE WITNESS: 405 South Main, Salt Lake City.

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MS. LERNER: Does it perform any services at all at this time?

THE WITNESS: Yes.

MS. LERNER: What services?

THE WITNESS: Batching and caging.

MS. LERNER: This secretary is the person who does all of that?

THE WITNESS: That is correct.

BY MS. NATHAN:

Q What direct mailers does Amerad do that function for?

A 501 -- strike that. I get C-3 and C-4 confused. But at any rate they are nonprofit entities.

BY MS. NATHAN:

Q What is your current occupation?

A Administrative assistant to Senator Hatch.

Q When did you start?

A November 1982.

Q Was that after the campaign ended?

A That is correct.

Q You had never occupied that position before?

A That is correct.

Q Was your title campaign finance director the same

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throughout, from the first time that you were hired by the campaign to the election?

A That's correct.

Q What was your title with Amerad?

A President.

Q What date did you stop work for Amerad?

A The exact date I can't respond. I would have to look in the record. But it was in November when I went full-time with the Senate.

Q But it would have been at the end of the campaign?

A That is correct.

Q What was Amerad's wuite address in Salt Lake City during the course of the campaign? The suite or street? Street and suite?

A Street? I would have to refer to the documents.

Q We have an address of 350 South 400 East.

A 350 South 400 East.

Q I have forgotten what the suite number was.

A G-2, I believe.

Q The return address, listing you as campaign finance director on the direct mail things that went out had that as a return address for the campaign. Was that also Amerad's address?

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A Amerad's address?

Q Yes, in Salt Lake.

A That's correct.

Q From January '82 to the election how many accounts total would Amerad have had?

A Accounts?

Q Did you have other clients?

A I am guessing. Maybe five.

Q Can you tell us which they were?

A Jack Keany for Senate in Nevada; Bob Sykes for Utah State Senate; there were two or three other races in there.

Q Amerad would have done caging?

A No. I am talking about Hurst and Associates on the advertising side.

Q But Hurst and Associates also used the 350 South 400 East address?

A Hurst and Associates, or is that reversed?

Q Were there other fund-raising activities other than direct mail that Hurst/Amerad conducted for the Hatch campaign, fund-raising dinners for instance or any events?

A I don't understand the question.

Q Was the Hurst Amerad function for the Hatch campaign strictly a mail function? Were there other fund-raising activities?

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A It was consultant.

Q Was that principally media consulting?

A As well as the financial.

Q Did you put on fund-raisers? Events?

A Out of the auspices of Hurst/Amerad?

Q Yes.

A I was employed by them as a consultant to the campaign.

Q And in your capacity as campaign finance director you made plans for dinners?

A Receptions, that sort of thing. Yes.

Q Did you ever talk to Neil Blair about the arrangements?

A No. I did not.

Q Did you ever talk to anyone in any association with Neil Blair about those topics?

A Not to my knowledge.

Q When you were talking with other people about making arrangements for those events did anyone talk to you about Ruff Pac representatives, Howard Ruff, Neil Blair?

A Not to my knowledge.

Q I think that we probably can proceed and finish before too long. Is that all right? Would you rather do that? Would you rather break?

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A Let's continue.

Q Can you supply for us, please, from your files any Amerad mailings for Ruff Pac or Free the Eagle, I guess you already answered that one, any mailings that you might have in Amerad files that would be responsive to our questions?

A I don't understand.

MR. HERGE: Can we go back? Let me ask a question. Did Amerad prepare a copy for, and or produce, direct mail packages?

THE WITNESS: For whom?

MR. HERGE: Anyone.

THE WITNESS: Not to my knowledge.

BY MS. NATHAN:

Q Marketing Development Group prepared copy. Is that correct?

A For the campaign.

Q Did they prepare copy at your direction for any other group?

A No.

MS. LERNER: Why didn't Hurst prepare a copy for the campaign?

THE WITNESS: He wasn't qualified.

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MS. LERNER: Pardon?

THE WITNESS: He was not qualified.

MR. HERGE: Can we go back to your request? If they did not produce copy or packages then it seems to me that their role in direct mail as you testified has been solely at the back end. They did the caging and batching.

MS. NATHAN: Would you have retained file copies --

THE WITNESS: Let me rephrase that. It is not a matter of qualification. It was a matter of availability, accessibility here for Marketing Development and area of expertise in political fund-raising was the reason they were retained.

BY MS. NATHAN:

Q Would you have retained file copies of the mailings even though you didn't produce them on the front end, if you received them later on would you have any copies of those?

A Marketing Development packages?

Q Yes.

A Yes.

Q Would you be able to make one copy of each of those available?

A I believe I have copies.

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Q To clarify I am speaking of anything that Amerad would have done during the period --

A Are you talking about Amerad or Marketing Development Group?

Q Amerad. I think Amerad.

A I don't have a copy of anything that Amerad produced.

Q I am sorry. I mean copies of things Marketing Development Group did but which Amerad had a role in during that period and I mean for --

A In terms of caging?

Q Yes.

A I can understand why you are confused. It is understandable.

Q To clarify --

MR. HERGE: During the time period, you were getting into that. In other words you want if Amerad has them in their files, samples of those packages that they did caging and batching for, from?

THE WITNESS: Marketing Development Group?

MS. NATHAN: No. We are talking dates now. I would say November '81 forward. I have forgotten. Did you say Amerad was formed in January of '82, to the election?

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MR. HERGE: Could I ask we be more specific as to what they are to produce? They do as he has testified caging and batching for nonprofit organizations and so on. Are you interested in those? I would assume not.

MS. NATHAN: Why don't we narrow it and say what we are interested in seeing is anything done by or for Ruff Pac, Free the Eagle.

THE WITNESS: I misunderstood the question. I thought the question was anything developed by Marketing Development Group and I have copies of that on file. As far as a copy of that that was caged at Salt Lake, I don't know.

BY MS. NATHAN:

Q What would have been the relationship, what would have been the contact between Neil Boair and Amerad, anybody at Amerad or Hurst on a mailing that you would not have been aware of? Could that have happened?

A Mark Hurst?

MR. LERNER: Would Amerad have records of batching and caging, of the batches and cages that it did during this time period?

THE WITNESS: I can't answer that. That is what we are looking in the file for, isn't it?

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MS. LERNER: No. I am just saying is that the type of record that Amerad keeps? I am not asking for any specific records. The tape of records that Amerad keeps would they indicate who Amerad had done batching and caging for during that time period?

THE WITNESS: My judgment is no. Generally in the batching and caging operation they would open the envelope, record the necessary information, turn the tally sheets over to whoever they were doing it, and in our particular case it was recorded on computer.

MS. LERNER: Wouldn't they have to have some sort of record of who they were doing this for so they would know who they turned it over to?

A You would still turn all the records over to that person without necessarily keeping a copy of everything that was caged.

MR. HERGE: Can I ask this? You are most concerned whether Amerad did caging or batching for Free the Eagle or Ruff Pac.

MS. NATHAN: That is correct.

MR. HERGE: Stan, could you have Mark or someone look in the Amerad files to determine whether Free the Eagle or Ruff

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Pac was a client of Amerad. If so, if you have samples of the packages that you caged and batched, how is that?

MS. LERNER: That covered it.

THE WITNESS: Free the Eagle or Ruff Pac?

BY MS. NATHAN:

Q Would you have invoices for billings?

MS. LERNER: That is what I meant when I said do you have records of who you were doing this for.

THE WITNESS: That was the next step. I understood.

BY MS. NATHAN:

Q During the period that you served as campaign finance director I believe you stated you traveled to Utah occasionally. Did you see Neil Blair when you were out there?

A No.

Q Did you see Howard Ruff?

A No.

Q Did you see anybody who worked for them?

A No.

Q When you had that conversation with Neil Blair and you recommended Amerad in response to his inquiry, did you tell him that that was an organization closely associated with the campaign?

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A I don't recall. I don't think so.

Q Did he know that that was the case?

A I can't answer that.

Q During that conversation did you talk generally about your philosophy of direct mail and what you were planning for the campaign?

A My recollection of that conversation was very brief and just by way of recommendation you might consider calling Hurst who has this available.

MS. LERNER: Did he know that you were associated with Hurst and Associates through your association with Amerad?

THE WITNESS: I can't answer that.

BY MS. NATHAN:

Q Did he ever talk to you after the fact about whether he had followed up on that, whether he had congacted Mark Hurst?

A I don't r-call.

Q Did he ever say that he was happy with Amerad?

A I don't recall.

Q When did Neil Blair talk to you about the Richard Vigueri biography?

A Approximately June of '82.

Q What was the nature of his first contact with you

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about that?

A Wasn't that a question in the interrogatories?

MS. LERNER: The witness is referring to his answers to the interrogatories.

THE WITNESS: I would refer to the interrogatories. What was the question again?

MS. NATHAN: I am interested in what he said to you when he approached you about the book.

THE WITNESS: He asked me if I would be interested in using it as part of a direct mail solicitation.

BY MS. NATHAN:

Q Did he say he already owned the rights to the book?

A He did not to my recollection. He just asked me if I would be interested in using it.

Q You said?

A My response is no. It is not cost effective.

Q Did he tell you what he was going to do with it since you didn't want it?

A No.

MS. LERNER: Did he tell you how he had come to have it to offer?

THE WITNESS: No. I don't recall. Frankly, the

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discussion was quite short. He was putting some pressure on me to take the book as a direct mail piece and I said look, it is not cost effective. I don't believe it is wise. It is not something that I would want to use in the direct mail piece. That was the end of the discussion.

Q Where did he discuss this with you?

A I don't recall where the conversation took place.

BY MS. NATHAN:

Q Did you talk to anybody in the Hatch Senate office about whether they thought that that was --

A No. That was rather apparent right off the front that that was not a good recommendation.

Q Did you ever talk to anybody who bought one of the books?

A I don't know.

Q Did you ever talk to anybody who got one of the mail offers for the book?

A No.

MS. LERNER: This is just my curiosity. Why would it not be cost effective?

THE WITNESS: Is this off the record?

MS. LERNER: If you want.

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(Discussion off the record.)

MS. NATHAN: Back on the record.

BY MS. NATHAN:

Q When he came to you did he indicate that they had already, they meaning Ruff Pac, had already done anything with the books? Had he received printed books, had them in hand?

A I believe he had a copy. I am not sure. I believe he might have had a copy of the book at that time.

Q Did he say that Ruff Pac had already mailed them or offered them?

A No.

Q As premiums?

A No.

Q Is it your understanding that that happened after he gave you the first opportunity, that Ruff Pac offered the books as premiums after he had asked you if you wanted them?

A I have no knowledge of Ruff Pac offering them.

Q Who did you think was doing it, was using them?

A I had found out that there was a mailing by Ruff Pac after the fact. I don't even know where that came from.

MS. LERNER: Did you read the book?

THE WITNESS: I have.

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BY MS. NATHAN:

Q When was that in this time period?

A I probably read it in September-October.

Q Did you ever have a conversation with Michael Leavitt about that book?

A I don't understand the question.

Q Did you ever talk to him after your conversation with Neil Blair when you turned him down, did you ever talk to Michael Leavitt about the book offer?

A No.

Q Did you ever talk to him about Ruff Pac's use of the book?

A No.

Q Do you know whether he ever talked with Neil Blair about it?

A No.

Q Do you know whether he was aware that Ruff Pac had offered the book?

A No.

Q Did you ever ask him whether it was an authorized biography, whether the Senator had cooperated?

A Did I ever ask Mike Leavitt?

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Q Or anyone else in the Hatch organization?

A I don't remember specifically talking to Mike Leavitt about it.

Q Did you ever ask Neil Blair if it was authorized?

A No.

MS. LERNER: Did he tell you it was or was not when you had the discussion?

THE WITNESS: I didn't ask him.

MS. LERNER: I know you didn't ask him.

THE WITNESS: He asked me if I was interested in it as a direct mail piece. I said no. It was frankly a very short conversation after we discussed price.

BY MS. NATHAN:

Q Later in the year did you ever talk to Neil about the book, what he did with it?

A No.

Q Do you know Helene Holt?

A No.

Q Are you aware of any campaign materials that your committee produced that Ruff Pac later distributed or reproduced?

A Am I aware of any?

Q Yes.

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A No.

Q Did youdeal at all with Richard Worthlin?

A I attended briefings with Richard Worthlin.

Q Were those briefings just for Hatch people?

A They were just exclusively for Hatch people.

Q Did he in any of those briefings talk about Neil Blair?

A Never.

Q Did you have a one-to-one conversation with him where Neil Blair's name came up?

A No. Not to my recollection.

Q Or Ruff Pac's name?

A No.

Q Are you aware of whether Michael Leavitt might have talked to Mr. Worthlin about --

A I can't answer that.

Q Did Neil Blair ever talk to you about Richard Worthlin?

A I don't recall. I think -- no. I don't think so.

Q When you search your files for records of the approximate dates when Amerad did the caging for campaign mailings, and -- not campaign mailings, I mean any Ruff Pac or Free the Eagle mailings, if there are such records can you furnish us

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with what the costs were, what Amerad charged for that in each case?

A I had listed here Amerad file, Free the Eagle or Ruff Pac, invoices or copy of cage materials.

Q Did you have any previous experience in direct mail before you began?

A No.

Q Did you ever have any professional association with Vigueri Company?

A No.

BY MS. LERNER:

Q You testified earlier that Amerad came into being as a consultant of the campaign, the Hatch campaign. Since you have never had any direct mail experience prior to that, whose idea was it for you to start Amerad out?

A Wasn't that an earlier question?

MR. HERGE: He did testify that this was his idea.

BY MS. LERNER:

Q In conjunction with anyone else from the Hatch campaign?

A We couldn't make the determination.

MS. NATHAN: Do you mind if we break for a couple of

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minutes and talk about it?

MR. HERGE: Sure.

(Discussion off the record.)

BY MS. NATHAN:

Q Mr. Parrish, we wanted to ask you a couple of clarifications. Tell me again who Dick Bari is.

A A consultant.

Q To?

A To the campaign.

Q You were the principal contact he dealt with?

A That is correct.

Q I believe you said that he was the one who gave the campaign lists over to Neil Blair?

A Dick worked for me in the capacity of he would coordinate with the printer, all of the logistics of the mailing packages and also would keep track of the lists. He was the expediter, if you will.

MS. LERNER:

Q This is in your capacity as campaign --

A That is correct.

BY MS. NATHAN:

Q Do you remember when he gave the Hatch list to Neil

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Blair?

A I don't recall.

Q Did you talk with Mr. Bari after he did that about that?

A I probably did.

Q Did he tell you what Neil Blair told him about what he was going to do with the list?

A No. He didn't.

Q Did you talk to Mr. Blair soon thereafter about what he was going to do with the list?

A No. I had no conversation with Mr. Blair.

Q From that time to the present have you ever talked with Neil Blair about what use Ruff Pac made of that Hatch list?

A No.

Q Before Mr.Bari gave it to him had you talked to him specifically about what they were going to do with your list?

A My recollection is my conversation with Dick Bari when we initially made the arrangements for the list exchange is that we would use it, Dick was expediting things for me, would take the tape down to the computer house and coordinate with the print shop, the letter shop and the computer and all of these things, that at the conclusion we comply with their request and

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that he fulfill and return the use of our list for their mailing. It was just a matter of I think he probably just expedited that.

Q When you said at the conclusion you meant when he had finished the Ruff Pac list?

A Excuse me. It is not the conclusion of our mailing. Toward the end of the campaign when we could reciprocate.

MS. LERNER: You received their list long before they received yours?

THE WITNESS: We did. Our mailing was January '82 as I recall.

BY MS. NATHAN:

Q You know that their mailing actually happened with your list?

A I heard of it after the fact.

Q You heard that there was a mailing?

A I heard there was a mailing.

Q Could you guess what month that was?

A I couldn't.

Q Have you talked to Neil Blair about this matter since the complaint was filed?

A About what matter?

Q About the Commission's investigation in this matter?

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A I have. I ran into him in a 7-11 in Annandale about a month ago.

Q What did he say?

A I said thanks a lot and the FEC is investigating us. He said you are entirely welcome. I don't know.

Q That was it?

A That was the tone of the conversation. So I paid for my slurpee and left.

(Laughter.)

MS. NATHAN: I don't think we have any other questions. You have the right under the Federal Rules to review --

MR. HERGE: Can I ask a question? Stan, just three follow-up questions.

BY MR. HERGE:

Q Earlier on we were talking about the lease arrangement between you and Neil Blair. I think the statement or the question was whose idea was it to make the agreement verbal. But what I would like to ask you was there any discussion of making the lease arrangement in writing between the two of you?

A No, not to my knowledge.

Q The other thing I would like to clarify, you testified that the rent checks that you received from Free the Eagle and

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from NBC were received by your secretary and she deposited them in an account I assume in the District of Columbia. Is that correct?

A That's correct.

Q Whose account was that?

A Hatch Election I believe.

Q How if it was the Hatch Election Committee would the transactions in that account get reconciled with the treasurer?

A The deposits and the balances were maintained in Salt Lake, the deposits were physically made here, deposit slips forwarded and the copy checks, reconciling of the check-book, copies of our transactions were mailed to Salt Lake and kept.

Q Finally on Exhibit 2, you said that the first time you saw that was really a few minutes ago before we came to the deposition when we reviewed the complaint together. Did you have any conversations with Neil Blair --

A I might have seen this. If it was copied, and attached to the letter that was sent to me by the FEC I didn't recognize it. Whether it was attached to that or not I don't recall.

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Q Do you recall seeing it before the complaint?

A No. In fact the copy I received was sent to Hurst and Associates somewhere out in Virginia here. I got a frantic call from a lady. But at any rate.

Q Do you recall having seen the letter prior to the time that you may have seen it in the complaint?

A No.

Q Had you talked to Neil Blair or anybody associated with Ruff Pac about the production of that letter?

A No.

Q Did they ask you whether they could produce it or consult with you on its production?

A No.

Q When was the first time that you knew that they were using the biography as a premium for direct mail?

A After I had heard the letter had gone out.

MR. HERGE: That is all.

MS. LERNER: I have one follow-up on your question.

BY MS. LERNER:

Q Perhaps this is explained. It is still not clear to me. I understand about the reconciliation of the checkbook as far as the rent but earlier you testified that you didn't

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have to get permission or didn't talk to anyone at the Hatch Committee about the fact that you were renting this space to Neil Blair. How did you explain for their purposes for filing with the FEC what those rent deposits were?

A I might have explained it to the bookkeeper in Salt Lake when I made the deposits.

MS. NATHAN: Do you recall, was there a question put to you by Mr. DeWall or the bookkeeper?

THE WITNESS: As a matter of fact I think there was a concern how it would be characterized.

MS. NATHAN: Was that concern raised because --

THE WITNESS: As rent for FEC compliance rather than the contribution.

MS. NATHAN: Was there a question raised about the fact that the check was from an organization known as Free the Eagle, how to show that on reports?

THE WITNESS: I believe that question was raised.

MR. LERNER: What was your response?

THE WITNESS: I don't recall. The concern was how we would show rent or how rent would be characterized on deposit and how it would be construed on the FEC report as rent.

MS. NATHAN: Was it suggested that you ask Mr. Blair

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to write a check from NBC rather than from Free the Eagle?

THE WITNESS: No. There was no conversation. I think the confusion, Lois, is the fact that the concern, I guess the concern that I had was the fact that if a check came from Free the Eagle for $200 or whatever the amount was, is that it would look like a contribution on a deposit slip rather than rent and how it would be characterized as rent rather than a contribution. Does that clarify that question?

MS. LERNER: So what was done to make that?

THE WITNESS: I don't know how the compliance was handled.

MS. LERNER: But they were notified?

THE WITNESS: They were notified.

MS. LERNER: That it was rent.

MS. NATHAN: You can exercise your right to review the testimony and make any changes or corrections or you can waive signature and not see it.

THE WITNESS: And not see it?

MS. NATHAN: Right.

MR. HERGE: Go ahead.

THE WITNESS: I will waive it.

(By stipulation of counsel, in the presence of the witness, reading and signature waived.)

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MS. NATHAN: We should caution you about the confidentiality of our investigations before the files are closed. As was mentioned in the letter with this subpoena, there is a witness fee check due you. That is that.

THE WITNESS: Is this legal?

(Laughter.)

* * * * * * * *

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CERTIFICATE OF NOTARY PUBLIC

I, Raleigh E. Milton, a Notary Public in and for the District of Columbia, do hereby certify that the testimony of the witness appearing in the foregoing deposition at pages 3 through 89, inclusive, was taken by me in shorthand and thereafter reduced to typewriting by me; that said deposition at said pages is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken; and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

Notary Public in and for the
District of Columbia

My Commission Expires:
October 15, 1986

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Official Transcript



Federal Election Commission
1325 K Street, N.W.-7th Floor
Washington, D.C.

(ATTN: MR. MIMMS)

ORIGINAL AND ONE COPY-DELIVERY FOR 8/18/83

FEDERAL ELECTION COMMISSION

Routing Slips, 12 day reports, Commissioner objection/comment sheets, pre-probable cause and post-probable cause conciliation correspondence, memoranda and draft agreements and counter proposals

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 [signature]

date 7/29/85

FEC 9-21-77

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Notary Public
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R.B. Milton
President
F.R. Joyce
V.P. & General Mgr.

SEP 22 AM 10:45

September 20, 1983

Lois Lerner, Esq.
Federal Election Commission
1325 K Street, N. W.
Washington, D. C.

In re: MUR 1484
Deposition of Neal Brian Blair
July 28, 1983

Dear Ms. Lerner:

Enclosed herewith is the original copy of Mr. Blair's deposition taken in the above-referenced matter. Mr. Blair was notified by letter dated August 8, 1983 that his deposition was ready for reading and signing. Since no request has been received from Mr. Blair or his counsel for an extension, I am forwarding the transcript to you unsigned.

Sincerely,

Millie R. Ciolino
Reporter

cc:
Mr. Baran
file

8504053989

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Notary Public
D.C.-Va.-Md.

August 8, 1983

Mr. Neal B. Blair
5608 Euphrades Court
Centreville, Virginia

Re: MUR 1484

Dear Mr. Blair:

On behalf of counsel who took your deposition on July 28, 1983 you are hereby notified that the transcript of your deposition is now ready and available at the above address for reading and signing as requested by you.

Kindly let the undersigned know when you will be in.

If it is not convenient for you to come to our offices, we would suggest you read counsel's carbon copy, prepare an errata sheet, sign the errata sheet before a notary public, return it to our office and we will attach it to the court copy of the transcript and proceed to file it with the court.

If by September 9, 1983 we have not received any request for extension of time or otherwise heard from you, it will be assumed that reading and signing are no longer desired, and the deposition will be filed.

Very sincerely yours,

MILTON REPORTING, INC.

Reporter/Notary

cc: Ms. Lerner; Mr. Baran
file

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ORIGINAL

BEFORE THE FEDERAL ELECTION COMMISSION

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In the Matter of: :
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MUR 1484 :
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Federal Election Commission
1325 K Street, N. W.
Suite 700
Washington, D. C.

Thursday, July 28, 1983

Deposition of

NEAL BRIAN BLAIR

a witness, called for examination by counsel for the FEC, pursuant to notice, taken in the office of the FEC, 1325 K Street, Suite 700, Washington, D. C., beginning at 10:15 a.m., before Millie R. Ciolino, a Notary Public in and for the District of Columbia, when were present on behalf of the respective parties:

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For the Federal Election Commission:

LOIS LERNER, ESQ., and
NANCY NATHAN, ESQ.,
1325 K Street, N. W.
Washington, D. C.

For the Witness:

BAKER & HOSTETLER
By: JAN W. BARAN, ESQ.
818 Connecticut Avenue, N. W.
Washington, D. C. 20006

Also Present:

Victor Diaz
Baker & Hostetler

C O N T E N T S

EXAMINATION BY COUNSEL FOR:

WITNESS	FEC (Ms. Nathan)	FEC (Ms. Lerner)	WITNESS (Mr. Baran)
NEAL BRIAN BLAIR	3	88	93

E X H I B I T S

Marked for identification and attached:	Page
Blair Ex. No. 1	17
Blair Ex. No. 2	20

Thereupon

NEAL BRIAN BLAIR

a witness, was called for examination by counsel for the FEC and, after having been sworn by the notary, was examined and testified as follows:

EXAMINATION BY COUNSEL FOR THE FEC

BY MS. NATHAN:

Q Would you state your name, please?

A Neal Brian Blair.

Q And your address?

A Home or business?

Q Both.

A Home: 5608 Euphrades Court, Centreville, Virginia 22020; business address: 236 Massachusetts Avenue, N.E., Washington, D. C. 20002.

Q Do you have an address in Utah?

A No.

Q Neither resident nor business?

A No.

Q Who are you employed by?

A I am self-employed.

Q What is the name of your firm?

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A Neal Blair Consultants.

Q During 1981-82 what other entities were you working for?

A I was self-employed.

Q What is Free the Eagle?

A Free the Eagle is an education research analysis and lobbying organization.

Q What is your capacity with Free the Eagle?

A Consultant.

Q Do you have other staff?

A Yes.

Q Where are they located?

A Centreville, Virginia and Washington, D. C.

Q Who are they?

A Mark J. Stoddard, Susan Peterson -- you are talking about full-time employees, what about consultants?

Q What consultants did Free the Eagle use during 1981-82?

A Were you talking about Free the Eagle employees now or Free the Eagle employees then?

Q I understand your answer was for now.

A Yes.

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Q For that period who were the employees and the consultants, in 1981-82?

A Mark Stoddard for sure and Uwarda Smellie. And consultants?

Q Yes.

A I cannot recall who else was on the payroll or in a consulting capacity for Free the Eagle.

Q What is the Ruff Political Action Committee?

A It is an independent political action committee.

Q What is your capacity with Ruff-PAC?

A As a consultant and president.

Q What staff does Ruff-PAC employ?

A At the moment?

Q At the moment and in 1981-82.

A At the moment none, in 1981 and 1982 the staff would have been Helene Holt.

Q Where was Mrs. Holt located?

A In Orem, Utah.

Q During that period, June 1981 through November 1982, you served as president?

A Yes.

Q Were you salaried?

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A No.

Q Are you salaried in your capacity with Free the Eagle?

A No.

Q Does Free the Eagle support candidates?

A No.

(Witness and counsel confer.)

Q What is the relationship between Free the Eagle and Ruff-PAC?

A What do you mean by relationship?

BY MS. LERNER:

Q Is there any involvement between the two organizations?

A What do you mean by involvement? One is a political action committee and one is the research and lobbying entity.

BY MS. NATHAN:

Q Who started Free the Eagle?

A Free the Eagle was started by me under the direction of Howard Ruff who was the chairman.

Q He is chairman of the board of Free the Eagle?

A Yes.

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Q How long have you known him?

A Since approximately 1960.

Q When did he start Ruff-PAC or when did Ruff-PAC begin?

A In the spring of 1980.

Q Forgive me if I asked this, when did Free the Eagle begin?

A In the summer of 1980.

Q How often do you talk with Howard Ruff?

A It is a difficult question. Sometimes five times a day, sometimes once a week.

Q Where is he based?

A In Utah.

Q Since the spring of 1980, have you lived in Washington?

A In the Washington, D. C. area, yes.

Q Did you have any --

MR. BARAN: May I interrupt you for a second?

(Witness and counsel confer.)

BY MS. NATHAN:

Q What does Free the Eagle do for Ruff-PAC?

A Free the Eagle does nothing for Ruff-PAC.

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Q Does-Ruff PAC do anything for Free the Eagle?

A No.

Q Does NBC -- may I refer to your firm as NBC? Does NBC have clients other than Free the Eagle and Ruff-PAC?

A Oh, yes, certainly.

Q In 1981 and 1982, will you say who the clients were?

MR. BARAN: I object to the question because I don't believe that it is relevant to this investigation. You are asking a very broad question as to all of the clients that Mr. Blair through Neal Blair Consultants has retained in 1981 and 1982. If you would like to know whether he represented certain entities that in your mind are related to this investigation, we will be glad to respond to that. His business is a personal matter which only in a narrow sense is relevant to this investigation.

BY MS. NATHAN:

Q Let me see if I can help.

During mid 1981 through election 1982, what political clients did NBC represent?

A What do you mean by political?

Q Any candidate committees or agents for candidate committees.

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A None other than Ruff-PAC.

Q Were there any direct mail firms that NBC worked with or represented during that period?

A Yes.

Q What were those?

A The Richard Viguerie and the Amerad Company.

Q What was the relationship? Were there any others?

A I discussed business with others but I cannot recall doing business with others.

Q What was your business? What was NBC's business relationship with Amerad?

A Again it was not NBC but NBC who was Neal Blair in my capacity as a consultant to Ruff-PAC negotiated with Amerad and the Viguerie Company in regard to direct mail.

Q Were contracts made with the Viguerie Company for services to be performed for Ruff-PAC?

A Yes.

Q Were contracts made for Viguerie with Free the Eagle?

A Yes.

Q When?

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A When you say 1981 and 1982, it could have technically been into 1983 but it would have been very close to 1982, so the answer would be approximately.

Q As NBC you negotiated on behalf of Free the Eagle and on behalf of Ruff-PAC with Viguerie and with Amerad?

MR. BARAN: I object. Mr. Blair has not testified to that. Your question was whether he had negotiated with the Viguerie Company on behalf of Ruff-PAC.

BY MS. NATHAN:

Q You are NBC?

A That is correct.

Q In your capacity as NBC you represented Ruff-PAC, negotiating with the Viguerie Company and with Amerad?

A That is correct.

Q As NBC, did you represent Free the Eagle in negotiating with Viguerie and with Amerad?

A No.

Q Did you negotiate with the Viguerie Company for Free the Eagle?

A Yes.

Q Did you negotiate with Amerad for Free the Eagle?

A No.

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Q What is your relationship to Orrin Hatch?

A What do you mean relationship?

Q Do you know him personally?

A Yes.

Q How long have you known him?

A I believe we first met in early 1980.

Q What was the nature of your initial contact with him?

A Visiting with him in his office in reference to legislation.

Q Who were you representing when you called on him?

A Probably Free the Eagle.

(Witness and counsel confer.)

As best as I can recall Free the Eagle; it may have been a social visit.

Q In mid 1981 through the election of 1982, how often did you see Orrin Hatch?

A I don't know.

Q Did you have occasion during that period to talk to him?

A Most definitely.

Q Was that in Washington?

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A Sometimes.

Q Did you talk with him about the campaign?

A Yes.

Q Would you characterize these contacts as frequent?

A You would have to define frequent.

Q Would you say that you talked with him once a week?

BY MS. LERNER:

Q That would be on the average.

A I don't know.

BY MS. NATHAN:

Q Would you say that you talked with him once a month on the average?

A I don't know. Sometimes it would be several months.

Q How many times over the course of that campaign, during that interim period, would you say you talked with him?

MR. BARAN: I object. That question has been asked and answered. Mr. Blair said he does not know how many times he spoke with Orrin Hatch.

MS. LERNER: He testified he talked to Orrin Hatch which sounds he has some idea how often he talked with him.

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MR. BARAN: You can ask that question as often as you want and the answer is he doesn't know how many times.

MS. LERNER: He is in a position to give me an approximation of that.

BY MS. NATHAN:

Q When you visited Mr. Hatch, were you usually alone?

A Sometimes I was alone and sometimes I was not.

Q Did you talk about campaign plans?

A Sometimes.

Q What did you tell him about Ruff-PAC activities during that period?

A As I recall, just the same general conversation. It would have been the same as with any conservative office holder who we were planning on supporting in the upcoming election whose defeat we were looking forward to. They are generally quite short and matter of fact.

BY MS. LERNER:

Q In what terms do you mean matter of fact?

A I am the head and representative of a political action committee and saying: what are you guys doing; are you running any race ; yes, we are thinking of maybe the five or

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six most vulnerable races. Boilerplate.

BY MS. NATHAN:

Q Did you consider his race vulnerable?

A What do you mean by vulnerable?

Q In your conversations with him, did you tell him that Ruff-PAC or you personally thought that he was in some danger of losing a seat?

A Yes.

Q Did he ask you what you were planning to do to help?

A Yes.

Q What did you tell him?

A Nothing except endorse him.

Q Did you say: We are going to do nothing?

A The only thing that I ever recall he or any of his aides asking for was money. And I recall responding that we did not generally give money to incumbents and in that context we were doing nothing other than endorsing and would give money if we felt that it was needed.

Q Did he say: If it looks like I will need it, are you prepared to give me some money?

A I don't recall.

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Q How many times did you talk to him about contributions?

A I don't know.

Q When you went to see him, had you made an appointment?

A I am certain that I would.

Q Did his office call you and ask you to come in?

A As a general rule whenever I see the Senator, whenever I would see him, I would call myself and ask to see him.

Q During that campaign time when you met with him about his campaign, did he make the contact? Did he ask to see you?

A Did his office ever call me to ask to see me?

Q Yes.

A Yes.

Q Do you remember what the occasion was?

A No.

BY MS. LERNER:

Q Was it more than one meeting that his office contacted you?

MR. BERAN: Can we go off the record for one second? Are we going to have more than one person asking

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questions?

MS. NATHAN: Is it a problem to have two?

MR. BARAN: Are we still on the record?

MS. LERNER: Let's go off the record.

(Discussion off the record.)

MS. LERNER: Back on the record.

BY MS. NATHAN:

Q What did you talk about with Senator Hatch on the occasion when he asked you to come to his office?

A I remember one time when his office called and the great majority of the time we talked about ERA and legal services and other similar type issues.

Q When you talked to him about contributions, what did you tell him about the mailings you were planning? By you I mean Ruff-PAC and Free the Eagle.

A I don't think I ever discussed any of the mailings with him.

Q Ruff-PAC and Free the Eagle did mailings during that period, mid 1981 through 1982,with a view toward raising money to be contributed to Mr. Hatch's campaign; is that correct?

A No.

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Q What was the reason for the mailing --

MS. NATHAN: I have a two-page document that I would like the reporter to mark as Exhibit No. 1.

(The document referred to was marked as Blair Exhibit 1 for identification, a copy of which is attached to the original of this deposition.)

BY MS. NATHAN:

Q This is a two-page package of a Ruff-PAC mailing and I would like you to take a look at it and take your time.

(Witness and counsel perusing document.)

Q Was that a Ruff-PAC mailing?

A Yes.

Q Is it complete as I have shown it to you?

A What do you mean?

Q Were there any other pages?

A I don't know.

Q Can you tell me the date or approximate date that was mailed?

A No.

Q Who produced that mailing?

A What do you mean?

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Q Who wrote the text?

A I wrote the text.

Q Who did the batching and caging?

A What is batching?

Q I thought I was learning the terminology. Receipt of the returned.

A Depending on when it was mailed, the batching and caging was either done by Dana Reed in Los Angeles or Helene Holt in Orem, Utah.

Q Helene Holt was a Ruff-PAC employee?

A Yes.

Q Who is Dana Reed?

A He was the first treasurer of Ruff-PAC.

Q He was located in Los Angeles?

A Yes.

Q Were there any other entities involved in producing or mailing that letter?

A We would have had someone print it.

Q A printer?

A A printer and then we would have fold, stuffed and mailed it ourselves or we would have had another entity fold it, stuff it and mail it.

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Q You mentioned Amerad, did Amerad have an involvement in that mailing?

A I do not know.

Q In your earlier response to our written questions there was some confusion about which attachments went with this mailing, but in your response you characterized this as attachment to one and four and this page was in the beginning of the packet. You specified that Amerad/Hurst Associates had worked on that.

Did Amerad/Hurst Associates work on this matter?

A No.

Q In completing your answers to written questions, did you consult the records?

A Yes.

Q Would you be able to consult those records again after today and tell us whether in fact Amerad/Hurst Associates had a role in producing caging and batching or mailing that Exhibit No. 1?

A Sure.

Q I would like to show you another one, a four-page mailing on Ruff-PAC.

MS. NATHAN: Would you mark that as Exhibit 2.

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(The document referred to was marked as Blair Exhibit No. 2 for identification, a copy of which is attached to the original of this deposition.)

BY MS. NATHAN:

Q I would like to ask you to look at this and I am going to ask you some questions.

(Witness and counsel perusing document.)

Q Can you tell me the date or approximate date that was mailed?

A No.

Q Who wrote the text for Exhibit 2?

A The complete text?

Q Or in part , how many people or name the people.

A I wrote it, Mark Stoddard .

Q What entities did you employ in producing mailing, batching and caging that mailing in response to it?

A I don't know.

Q Once again if we can ask you to check any records that you might have aftereards to see whether you have a record of having employed any consulting firm in producing and receiving responses we would appreciate that.

A Yes.

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Q Who is Richard Vetterli?

A A Brigham Young University professor.

Q How long have you known him?

A I don't remember when we first met, I remember where.

Q Do you remember the year?

A I think it was around Christmas time. I think that we met in either late '79 or early '80.

Q Did Mr. Vetterli write a biography of Orrin Hatch?

A Yes.

Q Was that an authorized biography? By that I mean had the Senator known of this, did he cooperate?

A I don't know the details.

Q When did Mr. Vetterli first tell you that he was writing a book?

A When he came and visited with me in my office.

Q Did he seek that visit out? Did he make an appointment with you? When was that?

A That was when we first met and again I think it was in late '79 or early '80.

Q When you first talked with him on that date, what did he ask you about your interest in the book?

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A He was interested in me helping find him a publisher.

Q Did he express interest at that time in your buying the book?

A No.

Q Did you have any later conversation with him about Ruff-PAC buying the book?

A I don't recall mentioning Ruff-PAC specifically to him in reference to buying the book.

Q When you had that later conversation, was that at your initiative or his?

A Certainly it was his.

Q What did you discuss when he came to you and asked you about your interest in the book?

A I referred him to a publisher in Tennessee.

Q Was this on your first meeting or a subsequent meeting?

A Yes, and in subsequent meeting I referred him to a publishing agent in New York.

Q Did he have any luck in finding a publisher?

A Yes.

Q About what date did you talk with him about possible

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use of the book in direct mail? About when was that?

A When was what?

Q Your conversation with him about using the book in direct mail.

A In ensuing weeks, perhaps months, I indicated to him that it would possibly make a good premium for donors to get solicitations.

Q When you had that conversation, who had you talked with before about that possibility?

A No one.

Q Did you ever talk with Howard Ruff about this, your conversation with Mr. Vetterli?

A Yes.

Q Did you ever talk to Senator Hatch about the conversation?

A Which conversation?

Q The conversation when you and Mr. Vetterli discussed the possible use of the book in direct mail.

A Not that I recall.

Q What conversations did you have with Senator Hatch about the book?

A I may have indicated to him by phone or in person

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that I thought it was a good story and it was complimentary to him.

Q What did the Senator respond?

A I don't recall.

Q What year would that have been?

A It would have to have been sometime after meeting with Mr. Vetterli and I assume it would have been late '79 or early '80.

Q Did Senator Hatch say: What can I do with this book?

A No.

MR. BARAN: If I may confer with my client.

(Witness and counsel confer.)

THE WITNESS: I think when I say late '79 and early '80, and it may reflect on the whole record, I meant late '81 and early '82. That is what I meant to say instead of saying '79 and '81.

BY MS. NATHAN:

Q Okay, we will advance the record two years.

MR. BARAN: So the record is clear, is it your testimony, Mr. Blair, that you met Dr. Vetterli for the first time in late '81 or early '82?

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THE WITNESS: Yes.

MR. BARAN: Is it further your testimony that you had your conversation concerning the book with Senator Hatch sometime in 1982?

THE WITNESS: It was sometime after meeting with Dr. Vetterli and I would assume that it would have been sometime in '82.

BY MS. NATHAN:

Q Do you know Stanley Parrish?

A Yes.

Q Did you talk with Stanley Parrish about the Vetterli book?

A Yes.

Q Who initiated that conversation?

A I did.

Q When would that have been?

A It would have been following my meeting with Dr. Vetterli.

Q Would it have been following your meeting with Senator Hatch?

A I would have no idea.

Q What did you and Mr. Parrish discuss about that

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Vetterli book?

A I asked him if he was interested in using the book as a preimum. I said that an organization similar to organizations that I represented was having tremendous financial success in using a book as a premium and it may be something that he would want to consider.

Q What did he say?

A He pretty much indicated that he wasn't interested, that he didn't think it was a good transaction.

Q Did you ever talk with anybody else in the Hatch campaign organization after that about your proposal to Mr. Parrish?

A No.

Q Did you ask Mr. Parrish any more about why he was turning you down?

A Not that I recall.

Q What did you then discuss with Dr. Vetterli?

A You will have to be more --

Q After Mr. Parrish told you that the Hatch campaign had no use for the book, did you talk with Dr. Vetterli about other possible campaign uses for the book?

A I had indicated that I thought that it might make

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premium and that I may be interested in purchasing some on that basis.

Q Did you purchase books outright?

A By outright, did I buy books direct?

Q Yes.

A Yes.

Q When you bought books, had you decided how you were going to use them?

A Yes.

Q How did you use them?

A Well, the way the books were purchased is that a solicitation was put out offering them as a premium.

Q Would that solicitation be Exhibit 2?

A Yes. And then if 25 of them would come in, then we would buy 25 books.

Q That was the intent of my question. When I said did you buy books outright I meant did you buy them in advance.

A No. I took the orders and then turned around and purchased them for Ruff-PAC.

Q How many total were you able to buy?

A I don't know.

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Q Who would know that?

A Mark Stoddard would know it or it would be in our records.

Q How many times did that mailing, Exhibit 2, go out?

A I don't know.

Q Do you know whether it could have gone out more than once?

A That is a good question. No, I don't know.

Q Can you consult your records and find out how many times that was mailed?

A I am certain that we can.

Q Can you also consult your records to find out how many books eventually were purchased from Dr. Vetterli as a result of those mailings?

A Most definitely.

Q Was there any other method of solicitation deviced to sell the Vetterli book?

A No.

Q Did you ever send a book out unsolicited with a request for a contribution?

A Yes, on the very limited basis we sent a small number of books out with that letter or a letter nearly identical

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to it to test its effectiveness.

Q Would you be able to consult your records and tell us how many of those mailings went and what the receipts were?

A Yes.

Q Did you talk with Stanley Parrish about the receipts through the solicitation that we have just discussed?

A I don't think so.

Q Did you ever discuss those same things with Senator Hatch?

A No.

Q You testified that your offices in Washington are at 236 Massachusetts Avenue, Northeast. What was the address of your office from November 1981 through June 1982?

A I believe right across the street, I believe it is 227 Massachusetts Avenue, Northeast.

Q Before you acquired those quarters where had you been located in Washington?

A On Maple Avenue in Vienna, Virginia.

Q When did you make the arrangements to occupy the 227 quarters?

A I believe that it would have been in weeks or months

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prior to our occupancy.

Q Who did you go to to make your arrangements for your office?

A Stanley Parrish.

Q When you talked to Mr. Parrish that time, how long had you known Mr. Parrish before you talked to him that time?

A I don't know. It would not have been a long time, perhaps a few months.

Q What were the nature of your contacts before the lease arrangement?

A I think I was introduced to him by a state legislature in Utah and the nature of the contacts were that we were all interested in politics.

Q Had you ever had any business conversations with him before you approached him about offices?

A None that I am aware of.

Q How often did you use that office?

MR. BARAN: For clarification purposes, what office are you referring to?

MS. NATHAN: We are referring to the office -- I believe you said 227 Massachusetts Avenue, Northeast,that

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you occupied from November '81 through June '82.

THE WITNESS: In a given month sometimes I would be there not at all, sometimes maybe two days. Probably never more than seven or eight days a month and on those days generally just for an hour or two.

BY MS. NATHAN:

Q When you are in Washington, where are you working most of your time?

A That was where I was working from when I was in Washington.

Q The balance of your time was when you --

A The balance of my time I would be calling on Members of the House and Senate or members of the staff or with officials or staff in various administrative agencies.

Q When you talked to Mr. Parrish about that arrangement, what was the nature of your conversation, the first time?

A As I recall, I indicated to him that I had the need of an office on Capitol Hill where I could have a desk and a telephone and that I was interested to know if he rented space for that purpose.

Q Where were you when you had that conversation?

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A I think I was in his office. I think I went to his office. We could have been walking down the street.

Q By office, that office?

A Yes. If I wasn't we eventually got to that office and discussed it or culminated the discussion in the office.

Q Did you know that was where his office was located before you initiated the contact?

A I don't know but I knew it was somewhere on Capitol Hill.

Q How did it occur to you to seek out that space?

A Its location.

Q You testified that you told him you needed office space, who did you tell him was going to be paying for that?

A I told him that I would be responsible.

Q Did he ask you whose checks would be used in payment?

A Not that I recall.

Q In one of your responses to written questions you said that Ruff-PAC made payments for this space. Did Ruff-PAC pay for the space?

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A Only for its share.

Q You mean as opposed to the Hatch --

A Only for the share of my time.

Q Who else?

A Free the Eagle.

Q In what form were the payments made?

A I am certain it was by check.

Q How did you divide the Ruff-PAC portion and the Free the Eagle portion in writing the check?

A It would be time I had spent on Ruff-PAC business on a prorated basis as opposed to the time I spent on Free the Eagle. So if it was 50/50 and the rent was $200, it would be $100, if I spent all my time on Free the Eagle, it would be all of it that month.

Q How often did you give Mr. Parrish a check?

A I tried to give it to him on a monthly basis.

Q How many checks would you give him?

A I don't recall.

Q Did you give him multiple checks from multiple parties? Did you give him a Ruff-PAC check and a Free the Eagle check for their portion?

A I don't know. There were Ruff-PAC checks issued

8504053 0023

and Free the Eagle checks issued and there may have been NBC checks issued but it was all on -- each entity paid for its share based on how much time I was spending representing that.

Q Would you be able to consult your records to tell us which amounts were paid by which entity during that period?

A Sure.

Q What did Mr. Parrish ask you the first time that you gave him, for example, a Ruff-PAC check?

A I don't recall it ever happening that way.

Q Did you ever have a conversation with him about the entities on whose accounts the checks were drawn?

A Not that I recall.

Q Who did you give the checks to?

A I don't remember how they were tendered. I think they were probably mailed by the accountant handling my account or the accountant handling the Free the Eagle account or the accountant handling the Ruff-PAC account. I may have physically tendered them but that is not my normal way of doing business.

Q Would the accountant be located in Orem, Utah?

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A Accountant?

Q You mentioned the Ruff-PAC accountant and the Free the Eagle accountant.

A During that period of time it would have been Helene Holt located in Orem for Ruff-PAC.

Q What did you tell Stanley Parrish about your employment?

A I told him that I was a consultant representing a variety of profit and non-profit clients.

Q Did you tell him that Free the Eagle and Ruff-PAC were among your clients?

A Yes.

Q Are you sure that you told him that before the lease arrangement was made?

A No.

Q When you approached him to ask for office space, did he ask you what your business was?

A I don't remember if he did or not.

Q Before that first meeting -- by first meeting I mean the first meeting you discussed office space -- had you talked with Stanley Parrish about your business?

A I believe that I did.

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Q When you made the contact with him to ask about office space, did you go through anyone before you talked with him? Did you talk to anyone in the Hatch campaign organization first?

A I don't think so.

Q When did you first learn about Amerad?

A From Stanley Parrish.

Q When would that have been?

A It would have been sometime after we became acquainted, I would say probably a couple of months.

Q Could that have been before you moved into the office space?

A I don't think so.

Q What did he tell you about who was using their part of the office? What did Stanley Parrish tell you about who else was occupying the office that you were going to be occupying?

A He told me it was the Hatch Reelection Committee.

Q At any time did you become aware that there were any other activities going on in that office?

A None that I can think of.

Q While you were there, what conversations did you

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overhear generally?

A Very little. Stanley was rarely there and it was usually myself and a secretary and I recall overhearing very few conversations.

Q About how big was the room?

A Very small. Maybe as big as all these tables.

MS. NATHAN: The witness is indicating 10 by 12.

THE WITNESS: Not the meeting room, the tables, 10 by 12, perhaps.

BY MS. NATHAN:

Q How many desks were in the room?

A Three.

Q Were there any partitions in the room?

A No.

Q Did anyone else at anytime for the Hatch Committee occupying the office -- anyone else besides Stanley Parrish and the secretary at anytime occupy the office?

A There was a consultant that came in from time to time. I don't know if he was occupying it but there was one other person there part of the time.

Q Who was there?

A I believe his name was Richard Barry or something

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very similar to Barry.

Q Did you talk with him?

A Yes.

Q How often did you talk to him?

A When I was there perhaps we would exchange greetings once or twice a day.

Q What did Mr. Barry do?

A He was a direct mail consultant.

Q Do you know the name of his firm?

A I think it bears his name.

Q Did you talk to him about direct mail?

A Yes.

Q What did he tell you?

A He didn't tell me anything. He solicited our business.

Q What did you tell him?

A I indicated that possibly we were interested.

Q Did you ever employ him?

A No.

Q When Stanley Parrish was there and you were there, what did you talk about?

A Football games, his alma mater and my alma mater

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were bitter rivals, jokes. It was rare that we were there at the same time, extremely rare.

Q During that period, that eight-month period, did you see Stanley Parrish outside of the office?

A Yes.

Q How often?

A Not frequently but I would see him on the streets, in the halls.

Q Did you ever have meetings elsewhere?

A Yes.

Q What were the nature of those meetings?

A A meeting was held for all PAC presidents to brief them on the Hatch campaign.

Q Who did the briefing?

A I believe Mr. Parrish presided and Mr. Richard Worthland and Mr. Vince Breglio conducted the briefing.

Q In the course of that briefing, did any of the speakers talk about Hatch campaign mailing opinions?

A Not that I recall.

Q Was there occasion during that meeting for you to speak?

A No, not that I recall.

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Q What was discussed during the meeting?

A I think that Mr. Worthland discussed polling and I think Mr. Breglio discussed media strategy or something like that. Polling and television were discussed.

Q What did Mr. Parrish tell the group?

A I don't remember. I remember he presided and I think he asked everybody to contribute money.

Q What other conversations did you have with Stanley Parrish about money?

A He would ask from time to time if Ruff-PAC would contribute money. So the conversations were how about giving us the money.

Q What did you tell him?

A I indicated that we generally did not contribute to incumbents, that if we felt the candidate needed money that we would give them money, I indicated that we didn't have money to give, those kinds of things.

Q When you talked to him about not having money, did you also tell him about the Vetterli book mailing?

A I don't believe so.

Q Did you tell him about any of your mailings?

A I don't believe so.

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Q Did anyone from the Hatch organization speak to you about your mailings after they went out?

A I don't believe so.

Q I am speaking specifically about Exhibit 2, that solicited contributions and offered the book as a premium.

A Anyone in the Hatch campaign, anyone at any level, no, I don't believe so.

Q What services did the secretary in the building perform in that office, perform for you or Free the Eagle or Ruff-PAC?

A What building?

Q In your offices that you shared with the Hatch Committee, 227 Massachusetts Avenue.

A She would see that my mail was put on my desk and if a message came to me she would take a message down and put it down on a pad.

Q When you first moved in, did you brief the secretary on the entities that you were working for?

A No, other than any calls for me, take the message.

Q Did you tell her then or later what organizations you might be getting calls from or for?

A I don't recall any details of any briefing other

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than any question she asked I answered.

Q Did Mr. Parrish ever take messages for you?

A I don't know.

Q When you stopped in or called in, did you ever talk to Stanley Parrish about messages?

A I believe I can recall him saying once or possibly more than once "There are messages here for you."

Q Did you ask him who from, who for?

A I don't remember.

Q What mail did you receive at that address?

A Just all of my business mail for Washington, D. C.

Q Were there any direct mail solicitations that had that as a return address?

A I am pretty sure there wasn't.

Q Did you ever have to talk to Mr. Parrish or the secretary about mail receipts, about what to do with mail coming in?

A If I wouldn't be there for a month or six weeks I would call her and tell her to put it all in an envelope and send it to my home. Sometimes it would stack up there for a month at a time.

Q Did you have a written contract?

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Q Were you the one who made the arrangement on your behalf?

A Yes.

Q Do you recall whether you had a written arrangement?

A I don't remember.

Q What were the terms of your agreement?

A The terms were, as I recall, $200 a month plus any out-of-pocket.

Q In your response to questions the total listed as having been paid for rent and expenses was $820.40. You were there eight months, at $200 a month that was considerably less than you would have owed. Can you explain that?

A That was only Ruff-PAC's share.

Q What other entities would have written checks for rental expenses?

A Any entity that I had billed time to during the time I was there.

Q Would you consult your records and tell us later how much your rent expenses were for NBC and Free the Eagle during that period?

A Yes.

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Q Did you ever make a direct monetary contribution to the Hatch campaign?

A No.

Q Let me clarify, by you I mean Ruff-PAC or Free the Eagle.

A No.

Q Was there any sign indicating Ruff-PAC headquarters or offices in that building?

A Yes.

Q Where was the sign located?

A In the front just off the sidewalk as you go up the steps.

Q Was there any sign outside the building?

A There should have been.

Q What did the sign out in the street read?

A Ruff-PAC.

Q Did it also say Hatch Election Committee?

A I believe so.

Q When did that go up?

A Several months after I was there.

Q Who arranged for it to be placed there?

A I did.

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Q Who did you ask to do it?

A A sign company.

Q Who did you talk with about it before you ordered the sign?

A I don't know what you mean.

Q Did you talk to anyone about it before you ordered the sign?

A You mean like Mr. Ruff?

Q Or anyone.

A I may have.

Q Did you talk to Stanley Parrish about it before you ordered the sign?

A Probably.

Q Why did you decide to order it?

A Pardon?

Q Why did you decide to order a sign?

A Customary business practice.

Q Was there a Hatch Election Committee sign there before you ordered the one you ordered?

A I don't think so.

Q Did the sign say Hatch Election Committee and Ruff Political Action Committee?

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A I believe it is a board, a wooden board that says Hatch Election Committee and Ruff-PAC on the same board.

Q Would you have consulted anyone in the Hatch campaign about ordering a sign that had their name on it?

MR. BARAN: I object to the form of the question. You asked would he have.

BY MS. NATHAN:

Q Did you?

A Perhaps Stanley Parrish.

Q Who else could you have checked with in the Hatch campaign --

MR. BARAN: I object to the form of the question.

BY MS. NATHAN:

Q Did you check with anyone other than Stanley Parrish about the sign?

A Perhaps the secretary.

Q What was the secretary's name?

A There were two, the first was Nancy and the second was Helen, I believe.

Q Do you know their last names?

A Nancy's last name is Perry but I don't know how you

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spell it and I don't remember the other last name.

Q I believe you said that you ordered the sign a couple of months after you moved in; is that correct?

A No, I meant to say I got the sign.

Q When did you order the sign?

A I tried to order it as soon as I could. Sometime after moving in.

Q When you made the arrangement with Mr. Parrish for a lease arrangement, how long did you expect to be there?

A Until my needs expanded for personnel and more space.

Q Did you have any agreement on minimum or maximum of the months that you would stay?

A No.

Q What did Stanley Parrish say when the sign went up?

A I don't remember him saying anything.

Q What did anyone else in the Hatch organization say when the sign went up?

A I am not aware of any comment.

Q At any point, did anyone ask you to take the sign down?

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A I don't know, I don't think so.

Q Did anyone ask you to have it changed?

A I don't think so.

(Witness and counsel confer.)

Q On the occasions when you saw Stanley Parrish during that period, either in the office or outside the office and actually not in use during that period but up to the election, what did you talk with him in relation to Amerad?

A He solicited our business. He asked that Dr. Amerad should do direct mail for us at a good price.

Q Were you interested?

A Yes.

Q Did you employ Amerad?

A Yes.

Q For what mailing did you employ him?

A I don't know which mailing but for at least one mailing.

Q In your responses you at one point said that there was one and that was Exhibit 1 and then at another point you said 1 and 2. Would it be possible for you to consult your records and clarify how many were done by Amerad?

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A Yes.

Q By Amerad I mean Hurst Associates as well.

When did Stanley Parrish ask you whether you might want Amerad's services?

A I believe it was months after we became acquainted.

Q What did he tell you about the Amerad structure?

A Nothing.

Q Were you familiar with the Amerad association with the campaign organization?

A No.

Q What did you ask him about why he recommended Amerad?

A I asked him the price and how quickly he could get this out.

Q Was he talking about having Amerad do texts as well as batching and caging?

A I don't remember any conversation in regard to text, batching or caging.

Q What part of the mailing production was he suggesting that you use Amerad for?

A I don't remember what he suggested. He was suggesting what can I do for you and I suggested, I believe, folding,

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stuffing and mailing and he quoted a price.

Q When he brought it up, had you in the same conversation talked about contributions for the Hatch Committee?

A Not that I recall.

Q Did he ask you either in that conversation or in the other conversation what mailings you were planning that might mention Senator Hatch?

A No, not that I recall.

Q When was your conversation with him when he brought up Amerad as to if you had any business with Amerad?

A I don't know when it was except it would have been months after the initial meeting.

Q It would have been after you moved in to the office?

A I believe so.

Q When you were in the office and got any phone calls or made any phone calls, did you have any problem keeping your conversations private?

A Can you --

Q Did you try to talk quietly?

A I don't hold confidential conversations with

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other people in the room.

Q Did you conduct Ruff-PACK business by phone when Stanley Parrish was in the office?

A I don't know.

Q Did you conduct Free the Eagle conversations when Stanley Parrish was there?

A I don't know what any specific business I conducted when he was there. It was rare, very rare, that he was there.

Q How recently have you seen Stanley Parrish or talked with him?

A It has been a while, maybe I may have seen him in the last two or three months.

Q What were the nature of your contacts?

A Sometimes I see him in church, it may have been in church, it may have been a social function, it may have been on the street.

Q Have you discussed this investigation with him?

A I asked him one thing.

Q What was that?

A I said, "Stan, did you and I ever discuss any details of the Hatch campaign?"

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Q What did he say?

A And he came right back at me and he said, "All I ever heard from you when I saw you were your corny jokes," or something very similar to that. That was the nature of our conversation.

Q Since you received a copy of the complaint filed in this case or since you became aware of this investigation, have you talked with anyone else in the Hatch organization about the investigation?

A No one.

Q Have you talked to Howard Ruff about it?

A Yes.

Q Did Howard Ruff talk with anyone in the Hatch organization about this investigation?

A I don't know.

Q What did you tell Mr. Ruff?

A I just gave him an ongoing report on what -- told him boilerplate what had been filed, what had been responded and passed on word from counsel.

Q Have you talked to Senator Hatch about this investigation?

A No.

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Q After you used Amerad for mailing, did you talk to Stanley Parrish about your reaction?

A Yes.

Q What did you tell him?

A I told him I was unhappy with this whole operation.

Q When would that have been?

A It would have been within a couple of weeks after the first mailing.

Q When would the first mailing have been?

A I don't remember.

Q What was your complaint?

A Things didn't seem to be mailed on time and I questioned whether or not everything was mailed and I just questioned prudent business practice.

Q Can you explain?

A We didn't get receipts for everything that was mailed, responses were not coming in the way we thought they should, there wasn't good communication, they did not seem to be responsive to us.

Q Who did you deal with when you had problems? Did you call anybody?

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A I always spoke to Stan.

Q What did Amerad do for you in that first month?

A The only thing I remember is folding, stuffing and postage.

Q Where was the mailing done from?

A Salt Lake City.

Q Do you remember what the text was?

A No.

Q You testified that you called him within a couple of weeks to complain.

A Yes.

Q Did you have any other mailings planned at that time for Amerad to do?

A We may have.

Q Did you go ahead with any other mailings with Amerad?

A I don't remember. I remember my state of mind at that time was no. I don't remember if there was a second mailing.

Q When you talked to him and complained, did he ask you whether you were going to do anymore with him?

A I don't know. I was very angry.

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Q Was this during the time when you were occupying office space with him?

A I don't know.

Q You are going to be consulting the records to see what mailings Amerad did, could you check the dates on those?

A Yes.

Q Did you discuss with Stanley Parrish the contract with -- did you have a contract with the Viguerie Company for mailings?

A When?

Q Between mid 1981 and election 1982.

A No.

Q Did Free the Eagle have a contract with the Viguerie Company?

A No.

Q Did Free the Eagle use the Viguerie Company?

A No.

Q Did Ruff-PAC use the Viguerie Company?

A No.

Q We are talking about June 1981 through the election 1982.

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A Yes.

Q Did you ever talk with Stanley Parrish about who else was doing your mailing, by else I mean Amerad?

A Yes, I told him we were doing our mailings.

Q Did you at anytime employ any other firm to help you with the mailings?

A Yes.

Q Who would that have been?

A I don't remember the name but it would have been in Salt Lake City or Orem, Utah and it would have a name like Addressograph Mailing Services or something like that.

Q Ruff-PAC and Free the Eagle have not employed any direct mailing consulting firm in the Washington -- have Ruff-PAC or Free the Eagle employed any direct mailing consultant firm in the Washington area?

A During what time?

Q During mid 1981 through the election in 1982.

A Employed, no.

Q Were you clarifying that? Have you used any direct --

MR. BARAN: I object to the question because of its form and for purposes of clarification, there were

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questions earlier that use a different time frame of calendar year 1981 and calendar year 1982. You have in your more recent questioning changed the time frame to election date 1982. Mr. Blair has previously testified that the Viguerie Company had been retained to perform certain services for some of his clients in late 1982 which would be after the election.

BY MS. NATHAN:

Q It is your testimony that the Viguerie Company did not perform services for Ruff-PAC or Free the Eagle before the election in 1982?

A That is correct.

Q When you talked to Stanley Parrish about Amerad, did he ask you about your use of Viguerie or any potential use of Viguerie?

A We discussed Viguerie. I told him I was considering using Viguerie.

Q Did he say why not use Amerad?

A He said he was using Viguerie himself and it was probably a good idea.

Q What did he tell you how he was using Viguerie?

A I don't -- I am familiar with the direct mail

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business, I am not sure he told me anything.

Q Did he ask you when the mailings were planned for?

A No, not that I recall.

Q Do you know Walter Longyear?

A I don't believe so.

Q Do you know Sandy Butler?

A I could but I don't recall.

Q Do you know George McDonald?

A Yes.

Q In dealing with George McDonald -- who is George McDonald?

A He is an account executive and vice president for the Viguerie Company.

Q Is there anyone else in the Viguerie Company that you have dealt with regularly?

A When?

Q In your capacity as representative of Ruff-PAC and Free the Eagle since 1981.

A From 1981 up to today?

Q Yes.

A Yes, I have dealt with Mr. Viguerie, I have dealt

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with George McDonald, I have dealt with Jeremy Squire, that is probably 90 percent of my time with the Viguerie Company, Mr. Viguerie, Mr. McDonald and Mr. Squire.

Q Did you talk with any of those three before the election in 1982?

A Mr. Viguerie is a long time friend so I know I spoke to him. Mr. McDonald is a long time friend and I know that I spoke to him. I don't believe I had met Mr. Squire at that time.

Q Did you have any conversations with them, and I am speaking about before the election in 1982, about their work for the Hatch Committee?

A No.

Q Did they ask you during conversations what mailings you were planning during that period?

A No.

Q Did you tell them what mailings you were planning during pre-election 1981-82?

A Not that I recall.

Q What did you talk to him about?

A Mr. Viguerie and I are close friends, we have breakfast together one day a week, sometimes two or three

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times a week and we discuss everything. We were close friends but it was not a client relationship up to the election.

Q Before the election, what did you and Mr. Viguerie discuss about how you thought Orrin Hatch was doing?

A I felt that he would win resoundly.

Q Did you talk about Hatch strategy?

A I only remember talking about one Hatch strategy.

Q What was that?

A I felt that he should take a stronger position on legislation in Washington, D. C.

Q Did you talk to Mr. Viguerie about your -- by you I mean Ruff-PAC-- Free the Eagle's ability to make a contribution to the Hatch campaign?

A No.

MR. BARAN: I object to the form of that last question because Mr. Blair has already stated Free the Eagle is not a political committee, does not make any contributions to candidates and in fact has not made any contributions during 1981 or 1982.

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BY MS. NATHAN:

Q Let me clarify that. Did you discuss Ruff-PAC's ability to make contributions to the Hatch Committee with Mr. Viguerie?

A No.

Q What did you tell Stanley Parrish about Free the Eagle?

A I don't remember telling him anything about Free the Eagle.

Q Did he ever ask you?

A He may have.

MS. NATHAN: There is another group that needs this room at 12:00 o'clock. Would you object to taking a break between now and 12:00 so we can move upstairs to finish it?

MR. BARAN: How much longer do you think it will take?

MS. NATHAN: I am not sure.

MR. BARAN: My purpose for asking is that it is the noon hour and I want to know whether this deposition is going to continue so long that we will miss lunch.

MS. NATHAN: I would say we can complete in another

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half hour but I am not sure we can complete in 15 minutes.

MS. LERNER: We will adjourn and go upstairs.

(Whereupon, at 11:45 a.m., a 15-minute recess was taken.)

BY MS. NATHAN:

Q Do you know Mark Hurst?

A Yes.

Q What were your dealings with him during the period of mid 1981 through election 1982?

A I have never dealt with him myself.

Q Who has dealt with him for you?

A I think Helene Holt has talked to him on the telephone.

Q When you did your Amerad mailing, who did you give the mailing material to?

A I don't know.

Q What did Helene Holt do for you with Mark Hurst?

A I believe that she called to indicate I was very unhappy with the mailings and had everything been mailed.

Q How do you know that he was the person to call?

A I don't know.

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Q What contact did you have with Stanley Parrish when you had things ready to give to Amerad?

A I don't know that either.

Q Referring to the first mailing that you did with Amerad, the one that you complained about, how much of that mailing did they do for you? What services did they perform?

MR. BARAN: I object to the question because it has been asked and answered earlier but I will allow my client to answer it a second time.

THE WITNESSL I believe that they did folding and stuffing and mailing, they could have done something else.

BY MS. NATHAN:

Q Was the folding, stuffing and mailing done in Utah?

A Yes.

Q Where was the printing done?

A Utah.

Q Who prepared the text?

A Of?

Q That mailing.

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A I don't know which mailing they did.

Q Did Stanley Parrish have anything to do with the materials being transferred to Amerad for their processing?

A No.

Q When you agreed to arrange to use Amerad, did you have a contract?

A Yes.

Q Who was that with? Who was the signatory for Amerad?

A I am not sure. I had a contract between myself and Parrish.

Q Did it specify the number of mailings that would be done?

A I don't know.

Q Do you have a copy?

A I don't know.

Q If it was written, would you be able to get us a copy?

A If we have it in our possession.

Q Who else did you deal with besides Stanley Parrish in making the arrangements for that mailing?

A I only dealt with Stanley Parrish.

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Q Did you have a conversation with him about the arrangements for the mailing after the initial conversation in which he asked you if you had any use for Amerad's services?

A Yes.

Q What was the nature of that conversation?

A I was very angry, they did a sloppy job.

Q That was the conversation after the fact. Was there any conversation after he first interested you in using Amerad?

A I don't remember.

Q Did you ever show him the proposed mailing?

A No.

Q Did you ever talk to him about what it was going to say?

A No.

Q Did you ever talk to Mark Hurst about what it was going to say?

A No.

Q Did you talk to Mark Hurst before the --

MR. BARAN: I object to the form of the question. I believe Mr. Blair has testified that he has never spoken to Mr. Hurst.

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BY MS. NATHAN:

Q Did you talk with anyone at Amerad about making the transfer from the printer to Amerad for folding?

A No.

Q Who made those arrangements?

A Either Helene Holt or Mark Stoddard.

Q Did you talk with Mark Stoddard about the text of the mailing?

A Yes.

Q Did he advise you on what it should say?

A Yes.

Q Did you talk with him about any other mailings?

A Yes.

Q How many mailings was he involved in helping you with?

A I don't know.

Q What were the dates of your dealings with Mark Stoddard? I don't mean specific dates, I mean span of time.

A It certainly would have been from 1981 through November of 1982.

Q What was his relationship with Stanley Parrish?

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A I don't know if they have ever had any relationship.

Q In your conversations with Mark Stoddard in preparing that Amerad mailing, did Stanley Parrish's name come up?

A In my conversations with Stoddard?

Q Yes.

A Yes.

Q What did you say about Stanley Parrish?

A That I made arrangements with him to let Amerad do our mailing for us.

Q Did he seem to know Stanley Parrish?

A No.

Q Did he ask you any questions about what Stanley Parrish and you had discussed?

A Yes.

Q What kind of questions?

A Cost.

Q Did he ask you anything about what -- in deciding the text, did you talk about what Stanley Parrish and you might have talked about?

A No.

Q In your answers to interrogatories you said that

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there was one other mailing in addition to Exhibits 1 and 2 that mentions Senator Hatch, the mailing that costs $6,222.21. Can we get a copy of that mailing?

A Certainly.

Q Can you tell me now what the mailing said?

A No.

Q What list would it have gone to?

A I don't know.

Q Or lists.

A I don't know.

Q Do you know when approximately?

A I am sure it would have been in 1982.

Q Was it mailed more than once, used more than once?

A I don't know.

Q Is that something you could tell from your records?

A Our records should reflect it.

Q Who produced that mailing?

A Which?

Q The one we are referring to now that was the third mailing that I do not have a copy of, not Exhibits 1 and 2, that mentions Senator Hatch.

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A All of the mailings were produced by Ruff-PAC.

Q Did you write the text?

A In all of them I either wrote the text or Mr. Mark Stoddard wrote the text or we wrote it in conjunction.

Q For this third mailing?

A I don't know about the third mailing. I can say for all of them the text was either written entirely by Mr. Stoddard, entirely by me or a combination of the two of us.

Q Do you know in relation to that mailing, did Amerad perform any services in relation to that mailing?

A I do not know.

Q Did any other mailing service organization work on that mailing?

A I don't know. On the third mailing?

Q Yes.

A I don't know.

Q Did Amerad and Hurst Associates perform any other services for Ruff-PAC during the campaign period other than mailing services, any other fundraising sort of services?

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A NOthing that I could think of.

Q Did you have any conversations with Stanley Parrish about what other services they could offer?

A I don't think so. I do remember soliciting business aggressively, I don't recall any details. He wanted our direct mail business. I do remember that. I do not remember other than we asking for cost and saying that the price is such that we will give it a try.

Q Where were those conversations?

A In Washington.

Q Were they in your shared office?

A I don't know.

Q Did you talk with Senator Hatch about Stanley Parrish?

A I don't believe so.

Q Did you talk with Senator Hatch about Amerad?

A No.

Q What was Stanley Parrish's title?

A I don't know.

Q What did Stanley Parrish tell you about the amount of time he spent on Amerad business and the amount of time he spent on Ruff-PAC business?

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A Nothing that I can recall.

Q Did Stanley Parrish tell you what he was being paid and what his income source was?

A No.

Q When did you first know that Stanley Parrish was a Hatch Committee employee?

A I don't think I ever knew he was a Hatch Committee employee.

Q What did he represent himself as when you first talked with him?

A My impression was that he was doing fundraising services for the reelection committee.

Q What was your impression about who his employer was?

A My impression was the committee, the reelection committee.

Q Was it your impression he was employed by the committee?

A I didn't have any feelings about it except they were utilizing his services.

Q When did he first tell you about Amerad?

MR. BARAN: I object to the question, it has been

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asked and answered before.

BY MS. NATHAN:

Q Have you ever seen Stanley Parrish in Utah?

A Yes.

Q How many times since you first met him to the date of the election?

A I don't know.

Q Would that have been several times?

A What do you mean by several?

Q More than three.

A I really couldn't say. I remember seeing him at a hotel reception, I remember seeing him at a reception in a private home. I can say two or more.

Q Has Howard Ruff told you whether he sees Stanley Parrish in Utah?

A I don't think so. I don't think he knows Mr. Parrish.

Q Have you had conversations with Richard Worthland directly? You mentioned that he had been a speaker at a meeting you had attended. Have you met him individually?

A Yes.

Q What did he tell you about the Hatch campaign?

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A Nothing.

Q What did you tell him about your views of the Hatch campaign?

A That I felt that he would be okay as long as he stood firm on the social issues and social legislation.

Q Did he talk to you about his polling results in Utah?

A No.

Q Did you discuss that with Stanley Parrish?

A No.

Q What did you ask him about the campaign in Utah?

A I didn't ask him anything about the campaign.

Q In the large meeting that he addressed, what did he reveal about pollers in Utah?

A He revealed that the Senator had a good steady lead but not an overwhelming lead; it was a safe, steady lead.

Q Did he talk about types of people the Senator was weak with, age groups, occupations?

A I don't know.

Q Did he talk about timing of when he expected things to get better?

A I don't remember. It would seem out of context.

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Q Did you ever discuss with Stanley Parrish or with anyone else in the Hatch campaign organization trading of mailing lists?

A Yes.

Q When would that have occurred, the conversation?

A That would have occurred after having met Mr. Parrish.

Q Was that before you moved into the offices in November of 1981?

A I don't believe so. After having met Mr. Parrish. It would have been with him after getting to know him.

Q Who initiated that conversation?

A I don't know.

Q What did you conclude about exchange of mailing lists?

A That we couldn't really agree, that our lists were not compatible and we were not of the same value.

Q Did you ever exchange a list?

A We may have exchanged some on a very minor basis.

Q What types of lists?

A Lists that he felt were good for us to use and we had a lot fo contention over it because I could never pin

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him down on who, where they were from and I remember taking a very small sampling and they were very bad.

Q The lists were bad?

A Yes.

BY MS. LERNER:

Q What do you mean they were bad?

A The results were not good.

BY MS. NATHAN:

Q By sampling, he mailed you a list?

A We, through Mark Stoddard, made some kind of exchange to try an exchange and the names that we tried did not generate good revenue and so for that reason we did not go into it.

Q In that exchange did you give him a list?

A Yes.

Q What did you tell him about your list?

A Told him they were subscribers to the Ruff Times.

Q Did Howard Ruff know that you were giving him the list?

A Sure, a request had to be made.

Q What did Mr. Parrish tell you he was going to do with the list you gave him?

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A That he was going to use them for funding solicitation.

Q Did you ever see a copy of his solicitation letter?

A I don't know.

Q Did he tell you later what his results were with your list?

A I think that he said that he was not happy and they broke even or lost money. He wasn't extremely unhappy but I think he said it was not a dynamite response.

Q How many separate mailings did he do with the Ruff-PAC list?

A It is not Ruff-PAC.

Q I am sorry, Ruff Times.

A I don't know. I don't believe it was more than one.

Q Do you know the month when that was done?

A No.

Q When did you make mailings with the list that was furnished to you by the Hatch Committee?

It would have been sometime in 1981 up to November 1982.

Q How many times did you mail your Hatch list?

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A I don't think we ever mailed the Hatch list.

Q What list was it he gave you?

A I thought you asked if I exchanged any names with Mr. Parrish.

Q Yes.

A To this day we still have not been able to identify the list. We are unaware of who the names are, maybe subscribers to a magazine.

Q When the conversation was initiated, how did he describe the list that he proposed to give to you in exchange?

A As people who had been good donors where he had gotten good response.

Q Donors to the Hatch Committee?

A That is what I had assumed.

Q Did you ever know that for sure?

A No, but that was my state of mind at that time.

Q Earlier you characterized that as the Hatch list, is that correct?

A My state of mind was that it was a list that had been successful for the Hatch Committee.

MR. BARAN: Do you know for a fact whether the list

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provided to you by Mr. Parrish were contributors to the Hatch Reelection Committee?

THE WITNESS: I know for a fact that they were not.

BY MS. NATHAN:

Q Did Mr. Parrish collect that list from other sources and used it for the Hatch Committee?

A I don't know.

Q How do you know that that was not a Hatch Committee list?

A Because I explicitly asked Mr. Parrish and he said that was not.

Q Did you ask Mr. Parrish if you could obtain a Hatch Committee list?

A Yes.

Q Did you?

A No.

Q Why didn't you?

A Because he would not make the list available to anyone under any circumstances for any purpose.

Q Did he at any time tell you that it was a possibility at a later date?

A At one time he deferred to talking to the Hatch

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campaign manager and got back to me and he said his campaign manager said absolutely not.

Q When he told you that he was going to check with someone, when did he tell you that?

A After I pressed him. I said, is it possible? And then he indicated to me that he would check and came back with a resounding no.

Q Did he tell you who he talked to?

A Yes.

Q By name?

A Yes.

Q What was his name?

A I don't remember the first name, the last name is Leavitt.

Q Did you ever ask him again if they could give you a Hatch Committee list, a Hatch contributor list?

A I may have. It seems like I asked him more than once.

Q Did he give you any indication that it was still an open question?

A I don't know.

Q Did you tell him what your results were with the

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list that he supplied?

A Yes.

MR. BARAN: May I confer with my client for a second.

(Witness and client confer.)

BY MS. NATHAN:

Q Did you talk to Mark Stoddard about what type of mailing you were going to do with any list you got from Stanley Parrish?

A I don't remember speaking to him in that type of context, I spoke in the context this is what I want you to put in.

Q Did you talk to him about what the Hatch Committee was going to mail with your Ruff Times list?

A No.

Q Did you ever talk to Mark Stoddard about the results of the mailing?

A Of what mailing?

Q The list you got from the Hatch Committee.

A From Parrish.

MR. BARAN: I object to the form of the question if the question refers to a list from the Hatch Committee

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because Mr. Blair has testified he did not receive any such list during this time.

MS. LERNER: I disagree. Mr. Blair has testified he received a list from the Hatch Committee but it was not the Hatch Committee list.

MR. BARAN: I disagree. The testimony has been that Mr. Blair received a list from Stanley Parrish during 1981 to November of 1982.

MS. LERNER: And I believe the record will show that he said that that list had donors to the Hatch Committee on it but the objection will be on the record and so will the information.

MR. BARAN: I disagree. If there is ambiguity we ought to clear it up right now. Mr. Blair's testimony is, as I recall it, that he specifically asked Mr. Parrish whether the list contained any Hatch contributors and the response was no.

Was that your testimony, Mr. Blair?

THE WITNESS: The response was that it was a list that the Hatch Committee had mailed to and they had gotten good responses, the Hatch Committee had gotten good responses to it. That was Mr. Parrish's statement.

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BY MS. NATHAN:

Q Did Stanley Parrish ask you whether you might be able to make a contribution after using the list that he furnished you?

A Not that I recall. He was always asking for money. I don't recall him putting it in that context.

Q Who did you hand your Ruff Times list to? Who did you first physically give your Ruff Times list to?

A The normal procedure would have been for Mr. Stoddard to have arranged for it to be sent to Mr. Parrish or whoever Mr. Parrish designated that it be sent to.

Q Was that normal procedure followed?

A I don't know.

Q Were the lists exchanged at the same time? Did you get the list that Mr. Parrish furnished at the same time you gave him a Ruff Times list?

A By the same time you mean within weeks, within days?

Q I mean the same day.

A I don't believe so.

Q Was it within weeks?

A I don't know.

Q Was this in 1982?

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A I believe so.

Q About what month in 1982?

A I don't know.

Q Did you talk to Howard Ruff about your list that Stanley Parrish furnished?

A I don't remember any specific conversation.

Q Did you talk with Senator Hatch about your use of the list that Stanley Parrish furnished?

A No.

Q How close to the election did you last talk to Stanley Parrish about the possibility of getting a list of Hatch contributors?

A I don't remember that.

Q Did Stanley Parrish ever bring it up to you again after he reported that Michael Leavitt said it wasn't possible?

A I don't remember.

Q Why did Richard Vetterli seek you out about the book publishing?

A A letter of introduction preceded him by a day or two from a mutual friend in Washington who thought that since I was the publishing representative of major publishers

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and was acquainted with other major publishers, I might be able to help him.

Q Who was the mutual friend?

A The mutual friend was Paul Weyrich.

Q Was the publisher that you represented the one who eventually published the book?

A I represent more than one publisher.

Q Did you represent the publisher that published the Vetterli book?

A Yes, but in entirely unrelated matters. I represented the individual that was the president of the publishing company but I did not represent his publishing company.

Q MS. NATHAN: Off the record.

(Discussion off the record.)

BY MS. NATHAN:

Q In addition to Mark Hurst and Stanley Parrish, did you deal with anyone at Amerad?

MR. BARAN: I object to the form of the question because Mr. Blair has testified he never dealt with Mark Hurts.

BY MS. NATHAN:

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Q Have you dealt with anyone at Amerad besides Mr. Stanley Parrish?

A I believe Stan Parrish is the only person that I dealt with.

Q You said that you talked with Senator Hatch about contributions and endorsements. Did he, in the same conversation that he asked you about whether you were going to do an endorsement, did he ask you about contributions?

A I don't remember him ever asking explicitly. He was always asking for funds: are you going to make a contribution?

Q Did the sign that we talked about in front of 227 Massachusetts Avenue indicate where in the building the offices were located?

A No.

Q Was there another sign to indicate where the office was located?

A The sign we are talking about was a redwood sign out on the street. On the inside there is another sign which gives the floor level and I don't remember, I think it had my name and it would give the floor, it may have been N.B. Blair/Ruff-PAC and give the floor. I don't

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remember what it had. It identified it for my purposes.

Q Did you ask for that sign to be put up?

A Oh, yes.-

Q Did the sign mention the Hatch Election Committee, the interior sign?

A I don't know.

Q Did Stanley Parrish ever mention that sign to you?

A Which sign?

Q The interior sign.

A I don't know.

Q Did people call at that address looking for Ruff-PAC representatives?

A By call you mean a person?

A Stopping at the office.

A Rarely, yes, very rarely. I was not there very much of the time.

Q What did you tell the secretary or Stanley Parrish about what to tell people?

A To take the message.

Q What did you tell Nancy Perry and Helen about what organizations they would be taking messages for?

A I just, as I recall -- the only thing I remember

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telling them was to take messages for me.

Q You mentioned that the arrangement was for you to pay rent and out-of-pocket expenses for your share of the office. What was the type of expenses that you picked up?

A If perhaps I was gone for a month or two and they had to mail something to me, I would pay the postage stamps, if perhaps I used the Xerox machine I would pay them ten cents a copy.

Q Did they assess you expenses at the end of your term there or did you do that monthly?

A It was set up on a monthly basis.

Q During the course of the deposition we have talked about several things that you may have to look at your records in order to answer or copies that you may have to furnish. In addition to those things we have already talked about, I would also like to request that you send copies of the checks that were issued in connection with the rental expenses.

MR. BARAN: I will interpose an objection at this point as a matter of form more than substance that Mr. Blair is obviously eager to be cooperative, there are no written

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requests for any specific documents. At such time as such written requests are submitted to Ruff-PAC, we will certainly answer them appropriately.

MS. NATHAN: I was about to say, I am proposing that after you leave today I will draw up a list of what we have talked about and make a written request for those things.

MS. LERNER: I have one or two questions that I want to ask.

BY MS. LERNER:

Q You discussed a briefing of the political action committees on the Hatch campaign with Mr. Worthland speaking and you said that they discussed polling and media strategy. Was the media strategy discussed the strategy of the Hatch Committee?

A I believe it was represented as such. That was my assumption that it was, of the Hatch Committee.

Q What sorts of things did they talk about in reference to the media strategy of the Hatch Committee?

A As best as I can remember, it indicated that the television would start out soft and light, acquainting them with the man as a family man and as a church man in a

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warm personal manner and would step up showing some of the accomplishments and at the end of the campaign would hit hard on the issues.

Q Did they lay out any sort of schedule for these media showings?

A They may have, I don't remember anything specific.

Q When you talk about the list that you received from Mr. Parrish, you said that it was a list that the Hatch Committee had gotten a positive response from. What did you take that to mean, positive response?

A That they had mailed to that list and they had gotten more money back than the cost of the mailing.

Q What is the relationship between Ruff-PAC and Ruff Times?

A By relationship, Howard Ruff is the chairman of the board of both.

Q Is there any support that goes from Ruff Tiems to Ruff-PAC or from Ruff-PAC to Ruff Times?

A No.

Q Is Ruff Times a corporation?

A Yes.

Q Did you have to get permission from Howard Ruff to

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COTTON CONTENT

give the Ruff Times list to Mr. Parrish?

A Yes.

Q How did that obtaining of permission work?

A Normally they didn't like to rent the list out unless I, as Mr. Ruff's adviser, indicated that it would be someone who was in tune with his principles. So then I would ask him if someone was, what do you think, I would say it was either a good idea or a bad idea. If it was a bad idea I would say that Ruff Times is not going to rent you a list. If it was a good idea I would indicate you call such and such and you indicate that Mr. Ruff said it was okay.

Q Is that the procedure you followed with Mr. Parrish?

A Probably.

Q Was there anything else in the agreement between you and Mr. Parrish -- other than furnishing of the Ruff Times list, did you furnish Mr. Parrish with any other Ruff Times, Ruff-PAC or other Ruff organization property?

A Ruff Times property no, we arranged for a list; Ruff-PAC property, no, no Ruff-PAC property. What was the third?

Q Any other Ruff organization.

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A Nothing that I can think of.

Q The time that Mr. Parrish asked you for the Ruff Times list and you discussed it, did he also ask you for an endorsement from Mr. Ruff to be used in conjuction with the list?

A No. Everyone knew that Mr. Ruff was an endorser of Mr. Hatch and that would have been an observed thing.

Q Do you know what a pub note is?

A To me in my business a pub note would generally be a letter of endorsement normally from a public office holder or someone in a prestigious position to accompany a mailing as an endorsement of that mailing. To me that is what a pub note is.

Q Assuming that is what a pub note is, did Mr. Parrish ask you for one of those to go along with the Ruff Times mailing list?

A Yes.

Q What were the circumstances surrounding his asking you for a pub note?

A He asked if we would be willing to do so, I said, yes, and some language was drafted and was authorized and I assume that they sent the pub note.

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Q Who authorized the language?

A I did.

Q Did you have to contact Mr. Ruff to ask his permission?

A Yes. I have that authority but it is in his absence but I contact him as a matter of business.

Q Correct me if I am wrong, my understanding of the scenario is that you spoke to Mr. Parrish concerning the list and the pub note, would that have been at the same time?

A I don't know. I know that both things happened, I don't know if they were at the same time.

Q And then you went and spoke to Mr. Ruff to get his permission about both matters, the pub note and the list, not necessarily at the same time?

A Yes, I got permission from Mr. Ruff for each.

Q Can you give us some sort of indication of what the time period might have been from the first time you spoke with Mr. Parrish until you returned to him and said: We have permission to give you the list and give you a pub note?

A No.

Q Is it a lengthy time or a short time?

A I don't know.

Q You have no recollection at all about where in the campaign cycle this occurred, close to the election?

A I am involved in so many campaigns in so many states and the cycles cover two years that I just simply don't know.

Q Did you receive the list from Mr. Parrish before you gave him the Ruff Times list?

A I don't know.

MS. LERNER: I have nothing else.

MR. BARAN: I have a few questions.

BY MR. BARAN:

Q Mr. Blair, you testified that Ruff-Pac was solicited repeatedly for contributions on behalf of Senator Hatch. Did Ruff-PAC make any donations to the Hatch Committee?

A No.

Q Why not?

A We didn't feel that they needed it.

Q Why did you feel that they did not need your contribution?

A He was an incumbent Senator that was running a

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very expensive media campaign successfully, was way ahead of his opposition and there did not seem to be any need.

Q Did Ruff-PAC ever consider making independent expenditures on behalf of Senator Hatch's candidacy?

A No.

Q Why not?

A Because of the close relationship of Mr. Ruff with Mr. Hatch and my relationship with Mr. Hatch we knew an independent expenditure would be totally out of the question so it was never contemplated.

Q Mr. Blair, you earlier identified Exhibit No. 2. Who wrote the text of Exhibit 2 regarding Ruff-PAC's intent to make independent expenditures?

A Mr. Stoddard.

Q Was Mr. Stoddard writing this text at your request or authorization?

A The complete text you mean?

Q Yes.

A Yes, at my request.

Q Had you indicated to Mr. Stoddard that Ruff-PAC was going to make independent expenditures?

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A No.

Q Why did Mr. Stoddard say that in the letter, then?

A He copied this off a piece of campaign literature explaining what Ruff-PAC and PACs could do and inadvertently put in "independent endeavor". He did that inadvertently and by mistake.

Q What was the purpose of this mailing, which is referred to as Blair Exhibit No. 2?

A To generate funds for Ruff-PAC.

Q Were there any other enclosures besides the four pages identified as Blair Exhibit No. 2?

A There may have been a BRE.

Q What is a BRE?

A It is business reply envelope for the convenience of someone who may wish to mail in a contribution.

Q Would there have been an address printed on the BRE?

A Yes.

Q Whose name and address would appear on the BRE?

A Howard J. Ruff and Ruff-PAC's address.

Q Was there any enclosure in this mailing that would have either requested or suggested the recipient to send a

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contribution to the Hatch Committee?

A No.

Q Was it your intent or Ruff-PAC's intent, Mr. Blair, to mail this letter to individuals who could vote for Senator Hatch?

A No, not unless they happen to be domiciled in Utah.

Q Were persons other than Utah residents sent this letter?

A Oh, yes.

Q Why did you decide to use the Vetterli book in conjunction with this mailing?

A Because a non-profit entity very similar to some of those that I represent have been using a biography of a U. S. Senator and had been generating unprecedented revenues and contributions from it and we felt that this was an opportunity to test it to see if we could do a good fundraising for Ruff-PAC.

Q Are you aware of any other books pertaining to incumbent Senators or Congressmen that were used as premiums in political fundraising?

A Specifically in reference to Senators?

Q Senators or Congressmen.

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A Jack Kemp, Teddy Kennedy for sure. It seems that there may be others, I can't recall any specifics.

Q In your experience as a direct mail and fundraising consultant, Mr. Blair, is it an industry practice to offer premiums of this sort in conjunction with fundraising letters and appeals?

A It is definitely a practice to use premiums and we have used it quite successfully for various clients, I have used it quite successfully for various clients.

MR. BARAN: I have no further questions.

BY MS. NATHAN:

Q I would like to ask a couple of questions about the same exhibit.

You testified that Mark Stoddard wrote the text. When did you see the text before it was printed?

A I did not see it before it was printed.

Q When did you see the text?

A After it was printed and after we got responses.

Q Who did you talk with about the portions that you referred to that you said were inadvertently printed?

A Mark Stoddard.

Q Did you talk with anyone else about that?

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A No.

Q Did you have any conversation with Senator Hatch about that?

A No.

Q Did you talk with Howard Ruff about that?

A No.

Q You said that you gave Mark Stoddard authority to write the text. Was it your practice to give him authority to have it printed without your seeing it?

A No, it was not my general practice.

Q On this occasion why did that happen?

A All the travel and time with other clients for some reason it just did not get to me for review and approval.

Q Had you arranged with him beforehand to have him go ahead and have it printed without your signature?

A I could say this, I said mail the thing and then I have full responsibility for it. I am fully responsible. I said mail it, so in that sense I had arranged for him to go ahead and do it even though I had not seen it.

Q Did you suggest that he show it to anyone else?

BY MS. LERNER:

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Q Did you ask him to read it to you on the phone?

A That was my normal practice. In this particular instance, no. But even to this day I will have him read something to me over the phone.

Q Are you sure that you did not have him read it since that was your normal practice?

A Ye, I am sure.

Q What makes you sure?

A Because Mr. Stoddard and I have had many explicit discussions in regard to the matter.

Q You want to give us the substance of those conversations?

A The conversations are: you simply do not get anything out without going over every word with me.

Q I understand that.

A Because I am the professional in the matter and that is what I am retained for.

Q If that has been your conversations with Mr. Stoddard, why are you sure he did not read you that one?

A Because we have discussed it and we didn't do it. He remembers not doing it, I remember not doing it. And we know that it didn't happen.

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BY MS. NATHAN:

Q How recently have you talked to him about this particular incident?

A I don't think we have discussed it since maybe within a month of when it happened.

Q Did you ever talk to Stanley Parrish about that incident?

A No.

Q Did Mark Stoddard ever talk to Stanley Parrish about that letter?

A No.

BY MS. LERNER:

Q Do you know if Dr. Vetterli spoke with Senator Hatch as a research tool for his book?

A Yes.

Q So Senator Hatch was aware that Dr. Vetterli was writing the book prior to its coming out?

A I would assume since they spoke.

Q Did Senator Hatch authorize Dr. Vetterli to write the book?

MR. BARAN: I object to the question, it has been asked and answered. He said: I don't know.

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MS. LERNER: I don't have anything else.

MS. NATHAN: You have the right to receive a copy of the transcript and look at it.

MR. BARAN: We do not waive signature.

MS. NATHAN: Thank you for coming, this deposition is adjourned.

I should mention that I am sure you are aware that the investigation is confidential so the file is closed.

Mr. Blair has been presented with a witness fee check which also covers his transportation to and from this office.

(Whereupon, at 1:10 p.m., the deposition was concluded.)

- - -

(Ihave read the foregoing pages 1 through 101, inclusive, which contain a correct transcript of the answers given by me to the questions herein recorded.)

NEAL BRIAN BLAIR

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CERTIFICATE OF NOTARY PUBLIC

I, Millie R. Ciolino, the officer before whom the foregoing deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken by me in shorthand and thereafter reduced to typewriting under my direction; that said deposition is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken, and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

Notary Public in and for the
State of Virginia at Large

My Commission expires:

June 29, 1985

Blair Ex #1
URC 7/28/83

WITH A VIEW TOWARD 1982

In 1980, Ruff-PAC supported 35 Congressional candidates with direct financial support, assistance with campaign strategy, and independent expenditures. Of these candidates, 27 were victorious. . . and that translates Ruff-PAC's efforts into a 77% success rate. More than dramatic results considering that Ruff-PAC supported only underdogs and closely contested races!

But 1982 represents an even greater challenge. First, being an off year election, we can expect the traditional resurgence of the opposition party. This historical trend is expected to manifest itself across the country where free enterprise candidates meet opponents backed by liberal special interests. But more importantly, the opposition has learned much from the 1980 elections. We can expect their strategy to incorporate some of the hard lessons learned in 1980. In short, without your help now, it will become increasingly difficult to maintain the trend only begun in the last election.

As no worthy effort goes unfunded, no worthy candidate can be elected without donations from those who can offer critical financial support. We are asking for your support now, so we have the vast financial resources needed for 1982. There is a great deal that remains unfinished, and only your assistance can help put America back on the right track.

Listed below are Ruff-PAC's *initial target states* for 1982. In these states, Ruff-PAC will work through direct contributions, direct campaign strategy assistance, or independent expenditures to elect strong free enterprise candidates who will support fiscally sound and morally prudent legislation.

U.S. SENATE RACES

Arizona
California
Connecticut
Maine
Michigan
Nevada
New Jersey
New York
Ohio
Texas
Vermont

HOUSE OF REPRESENTATIVE RACES

Arizona
California
Colorado
Florida
Maine
New Mexico
Oregon
Tennessee
Texas
Utah
Washington

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Howard J. Ruff
Chairman

P.S. Remember that it is nearing the end of the calendar year. The first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

HOWARD - I believe that Ruff PAC can make a significant difference in 1982. It is vital that we support candidates that will represent our views while maintaining gains made in 1980. Please accept my donation in the amount I've listed below. My check or charge card information enclosed.

Name: _____
Address: _____
_____
City/State: _____
Zip: _____

Howard J. Ruff, Chairman
Neal B. Blair, President
Uwarda S. Smellie, Program Director

My donation is as follows:
_____Check _____Charge card

Name of Card _____
Expiration Date _____
Signature _____

___ $100 ___ $750 ___ $500
___ $250 ___ $100 ___ $50 ___ Other

___ I would also like to donate my time or services.

Make check payable to: Ruff PAC
1875 South State Street, Suite 1400
Orem, Utah 84057
(801) 225-0622

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Chairman's Report on Ruff-PAC, A National ★★★★★★★★★ Independent Political Action Committee ★★★★★★★★★

THE 1980 ELECTIONS. . . THE RECORD SPEAKS FOR ITSELF

Ruff-PAC experienced great success in 1980. Take a close look at Ruff-PAC's record. . . winning 27 of 35 races. All of Ruff-PAC's candidates were either decided underdogs or in closely contested races!

U.S. SENATE

Ruff-PAC Won/lost	Ruff-PAC's Candidate	Ruff-PAC's Opposition	State
WON	JEREMIAH DENTON	Jim Folsom, Jr.	ALABAMA
WON	FRANK MURKOWSKI	Clark Gruening	ALASKA
Lost	Mary Buchanan	Gary Hart	Colorado
WON	PAULA HAWKINS	Bill Gunter	FLORIDA
WON	STEVEN SYMMS	Frank Church	IDAHO
Lost	David O'Neal	Alan Dixon	Illinois
WON	DAN QUAYLE	Birch Bayh	INDIANA
WON	CHARLES GRASSLEY	John C. Culver	IOWA
Lost	Gene McNary	Thomas Eagleton	Missouri
WON	ALFONSE M. D'AMATO	Elizabeth Holtzman	NEW YORK
WON	JOHN P. EAST	Robert Morgan	N. CAROLINA
WON	DONALD NICKLES	Andy Coats	OKLAHOMA
WON	JAMES ABDNOR	George McGovern	S. DAKOTA
Lost	Steward Ledbetter	Patrick Leahy	Vermont
WON	ROBERT W. KASTEN	Gaylord Nelson	WISCONSIN
WON	SLADE GORTON	Warren Magnuson	WASHINGTON

HOUSE OF REPRESENTATIVES (Congressional District Noted by State)

				Dist.
Lost	Richard H. Huff	Morris Udall	Arizona	2
WON	EUGENE CHAPPIE	Harold Johnson	CALIFORNIA	1
WON	BOBBI FIEDLER	James Corman	CALIFORNIA	21
WON	ROBERT K. DORNAN	Cary Peck	CALIFORNIA	27
WON	DAVID DREIER	James Lloyd	CALIFORNIA	35
WON	JOHN PATRICK HILER	John Brademas	INDIANA	3
WON	JIM JEFFRIES	Sam Keys	KANSAS	2
WON	BILL EMERSON	Bill Burlison	MISSOURI	10
Lost	Anne Bagnal	Stephen Neal	N. Carolina	5
WON	BOB McEWEN	Ted Strickland	OHIO	6
WON	DENNIS SMITH	Al Ullman	OREGON	2
Lost	David C. DiCarlo	Marc Marks	Pennsylvania	24
WON	CLAUDINE SCHNEIDER	Edward Beard	R. ISLAND	2
WON	THOMAS R. HARTNETT	Mendel Davis	S. CAROLINA	1
WON	JACK M. FIELDS	Bob Eckhardt	TEXAS	8
Lost	Jim Bradshaw	James Wright	Texas	12
WON	RON PAUL	Mike Andrews	TEXAS	22
WON	JAMES V. HANSEN	Gunn McKay	UTAH	1
WON	FRANK R. WOLF	Joseph Fisher	VIRGINIA	10

8504053009 4

Howard J. Ruff
Chairman

Blaine Ex #2
MRC 7/28/83

1835 South State St., Suite 150, Orem, Utah 84057
1-801-225-0622

Dear Friend:

Will you help me get the facts out on Orrin Hatch? We want to let at least one million people in Utah know the facts about Senator Orrin Hatch.

Will you, after reading this letter, fill out the coupon and return it to us with your contribution?

As our gift to you, our way of saying thank you, we would like to send you a free complimentary first edition of the new, exciting, and highly informative hardback entitled Orrin Hatch. Challenging the Washington Establishment. This is a fascinating behind-the-scenes account.

Why are we doing all of this? We are not members of Hatch's campaign staff. We're not even advisors.

We are an independent political action committee determined to let Utah know the facts about Orrin Hatch--to let them evaluate him. Not on cheap innuendoes or demagoguery. But evaluate him with his record. Most Utahns will agree--Senator Orrin Hatch has done an outstanding job for Utah and the United States.

With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's record. We will write press releases, make phone calls, and stump the streets to let voters know the facts.

As part of this endeavor, we are offering Dr. Richard Vetterli's insightful and carefully prepared biography on Senator Hatch. Orrin was a bit reluctant to have a biography--he felt it was a bit much. Afterall, who is he?

Well, who is he? Just what has he done?

Orrin Hatch. Challenging the Washington Establishment chronicles his amazing challenge and victory over established Senator Frank Moss. The first few chapters tell in a fresh, crisp style one of the most interesting success stories in United States Senate-race history.

Without dropping the pace, the author then relates the highlights of Senator Hatch's outstanding rise to national

8504053 0195

leadership and service to Utah. Behind the [illegible]es stories fill this fast paced narrative.

Won't you help Ruff-PAC perform this critical service? As an independent political action committee, we can donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth.

This we will do with your help. But time is running out on us. The time to act is now.

So if you'll quickly send your donation either by check or with your VISA/Mastercard information (as provided for on the coupon) in the next five days, we'll quickly send you a free gift of the hardback first edition, nearly 200-page biography of Senator Orrin Hatch. Give copies to your friends--it could make the difference in this election.

Thank you sincerely for your support.

Very truly yours,

Neal

Neal B. Blair
President

P.S. Remember the first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help.

P.P.S. Contributors who send more than $25 will receive the Orrin Hatch book absolutely free. Send us $100 and we'll give you five books. Send $250 and we'll give you 15 books. Send $500 and you can give 35 friends a copy. Could you also include $1 for postage and handling? Our thanks for your concern and generosity.

8504053096

NEAL--I believe that Ruff PAC can make a significant difference in the Orrin Hatch campaign in 1982. It is vital we support candidates who will represent our views. Please accept my donation in the amount I've listed below. Please send me _____ copies of the Orrin Hatch biography. My check or charge card information is enclosed.

Name_____ Address_____
City/State/ZIP_____

My donation is as follows: _____Check _____Charge Card
VISA/Mastercard No. _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _
Expiration Date_____
Signature_____
___$1000 ___$750 ___$500 ___$250 ___$100 ___$50 ___$25 ___Other
Make check payable to: Ruff PAC 1835 South State Street, Suite 150, Orem, Utah 84057
Howard J. Ruff, Chairman
Neal B. Blair, President

Howard J. Ruff
Chairman

1875 South State Street, Suite 1400, Orem, Utah 84057

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOOK "ORRIN HATCH"



Dear Friend of Orrin Hatch,

For one month only, Ruff-PAC, a national citizen's political action committee dedicated to supporting free enterprise candidates, will give a copy of the book to any Hatch supporter who donates $25 or more to Ruff-PAC. Our way of saying thank you for your generous contribution. This is a minimum contribution. If you can give more, please do. For Ruff-PAC is one of Hatch's biggest supporters. Federal law allows us to contribute up to $10,000 to Hatch's election campaign. We plan to do just that with the contributions we receive.

READ OF THE INNER WORKINGS OF WASHINGTON.

Discover the incredible backroom dealings surrounding action on abortion, also the never before told stories of the creation and impetus behind the balanced budget and tax limitation amendment.

FIND OUT WHAT THE IRON TRIANGLE IS AND HOW IT AFFECTS LEGISLATIVE DECISIONS.

Rarely has a book been able to capture the imagination while being a phenominal educational tool. After reading "Orrin Hatch", Americans will receive a clearly outlined vision of a careful course out of the mire.

Ruff-PAC is overwhelmed with the opportunity of giving you this profound, factual hardback book. Ruff-PAC is dedicated to electing strong free-enterprise candidates who will fight to strengthen our economy and our national defense.

Feel free to use the enclosed postage paid return envelope to mail your contribution to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of "Orrin Hatch" the moment it gets off the press. Please add $1 for each book ordered for postage and handling.

For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you tow books with a contribution of $50 or more and three books when you contribute $100 or more.

Thank you so much for your support and we hope you thoroughly enjoy "Orrin Hatch"
Compliments of Ruff-PAC.

With warm regards,

Neal B. Blair
President

I believe Ruff-PAC can make a significant difference in 1982. Please send me _____copy (copies) of Orrin Hatch. Please accept my donation in the amount I've listed.

My donation is as follows:
___$1000___$750___$500 ___$250___$100___$50___Other
___Check ___Visa/Mastercard

Name _____
Address _____
City/State/Zip _____

Visa/Mastercard Number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐
Expiration Date _____
Signature _____

Make check payable to: Ruff-PAC, 1875 South State Street, Suite 1400, Orem, Utah 84057 (801) 225-0622

Paid for by Ruff-PAC, an independent political action committee. A copy of our report is on file with the Federal Election Commission, Washington, D.C.

Ruff-PAC PRESENTS:

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOOK

ORRIN HATCH

by Dr. Richard Vetterli

Discover the incredible backroom dealings surrounding legislative action on abortion.
Find out what the Iron Triangle is and how it affects daily legislative decisions.

In a few weeks, one of the most profound and insightful books on the inner workings of our government will roll off the presses. *Orrin Hatch* is filled with exciting and provocative stories surrounding the rise in national prominence of Senator Orrin Hatch as well as an insightful understanding of the American political process. *Orrin Hatch* is destined to be an American classic.

Only a limited number of copies will be available in this first commemorative edition. We want you to have one as our gift.

Only a limited number of contributors to Ruff-PAC will be able to receive an advanced hardback copy of the book — your own copy before it hits the national bookstores.

For one month only, Ruff-PAC will give a copy of the book to any subscriber who donates $25 or more to Ruff-PAC. Our way of saying thank you for the generous contribution. This is a minimum contribution. If you can give more, please do.

Orrin Hatch is a provocative look at how an unknown but remarkably talanted Salt Lake City lawyer rose to national prominence overnight, becoming one of the foremost champions of the conservative causes and, amazingly, in just 48 months, became the chairman of the most significant and largest oversight committee in the United States Senate. No success story has ever read like that of Utah's Orrin Hatch.

Scholar and writer Dr. Richard Vetterli explains in detail how the United States has gotten into the financial and moral mess it is currently in as he shows how the Senator from Utah fought toe-to-toe against the Kennedys, McGeverns, and Metzenbaums of the Senate. He carefully draws the background and depicts the struggles of the conservative movement against the onslaught of the modern liberals and their plans for an egalitarian, monolithic society.

Not only are the life and times and struggles of Orrin Hatch chronicled, but the emergence of the New Right is simply and accurately explained. *Orrin Hatch* portrays the classic liberal. Rarely has anyone written with such clarity, insight, and detail. The book is filled with classic stories of political battles — battles that Hatch sometimes won, sometimes lost — but regardless of the results, the senator remains steadfast to his convictions and unyielding to the pressures of national prominence.

Feel free to use the coupon below to make your donation to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of *Orrin Hatch, the moment* it gets off the press. Please add $1 or more for postage and handling. For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you two books with a contribution of $50 or more, and three books when you contribute $100 or more. But we must urge you to remember the supply of first edition hardback copies is limited and the deadline is in one month. Act today so you won't be disappointed on missing out on this exclusive offer.

3504053093

8504053 4099

Milton Reporting, Inc.
General Stenotype Reporting
(Notary Public: D.C. - Virginia - Maryland)
1601 CONNECTICUT AVENUE, N.W., SUITE #301
WASHINGTON, D.C. 20009
833-3598

Official Transcript



Lois Lerner, Esq.
Federal Election Commission
1325 K Street, N. W, Suite 700
Washington, D. C.

71419 8504053410 0

Milton Reporting, Inc.
General Stenotype Reporting
Suite 301
1601 Connecticut Ave., N.W.
Washington, D.C. 20009

Phone:
202-833-3598
202-833-3599
Tax Identification No.: 52-0966120

Notary Public
D.C. - Va. - Md.

August 8, 1983

INVOICE NUMBER
216
THIS NUMBER MUST ACCOMPANY YOUR PAYMENT AND BE SHOWN ON ALL CORRESPONDENCE

Lois Lerner, Esq.
Federal Election Commission
1325 K Street, N. W., Suite 700
Washington, D. C.

mc

PAYMENT DUE IN 30 DAYS FROM DATE OF INVOICE TO AVOID FINANCE CHARGE

Date		
7/28/83	IN RE: MUR 1484	
	Deposition of Neal Brian Blair - origina & one	
	102 at $2.30	$234.60
	Messenger Fee	6.00
	Total:	$240.60

ORIGINAL

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Milton Reporting, Inc.
General Stenotype Reporting
(Notary Public: D.C. - Virginia - Maryland)
1601 CONNECTICUT AVENUE, N.W., SUITE #301
WASHINGTON, D.C. 20009
833-3598

Official
Transcript



Lois Lerner, Esq.
Federal Election Commission
Suite 700
1325 K Street, N.W.
Washington, D. C.

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

83 SEP 14 P12: 28

In the Matter of

Hatch Election Committee)
Friends of Orrin Hatch)
Ruff Political Action Committee) MUR 1484

SENSITIVE

COMPREHENSIVE INVESTIGATIVE REPORT # 3

The Office of General Counsel has deposed two individuals in connection with the investigation in this matter. (Mr. Stanley B. Parrish, an employee of the Hatch campaign, and Mr. Neal Blair, a consultant working with Ruff PAC, were both deposed on July 28, 1983) During the course of the depositions, the deponents made numerous references to the existence of certain documentary evidence not previously produced which would aid this Office in the investigation; each individual was asked during the testimony to provide the documents. The documents have not yet been made available due to a slight delay in the recorder's transcription of the testimony, but should be submitted to this Office shortly.

The focus of the depositions went to the possible coordination between the Hatch campaign and Ruff PAC, and the effect which that relationship might have had upon any independent expenditures made by Ruff PAC on behalf of Senator Hatch's campaign. The testimony of these individuals provided evidence that some of Ruff PAC's mailings on its own behalf, not previously identified as either independent expenditures on behalf of or as contributions to the Hatch campaign, may have constituted contributions on behalf of Senator Hatch. Documents

8504053410 2

requested of these individuals will assist the Office of General Counsel in making a recommendation to the Commission and in determining the need for further discovery in this matter.

Sept. 14, 1983
Date

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

8504053410 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 8, 1983

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1484

Dear Mr. Baran:

In accordance with our discussions at the close of the deposition of Neal B. Blair on July 28, 1983, we hereby request the following documents and information that Mr. Blair agreed to furnish:

1. Copies of the front and back of all checks issued by Neal Blair Consultants ("NBC"), Free the Eagle ("FE"), and/or Ruff Political Action Committee ("Ruff PAC") in payment of rent and expenses incurred at the office located at 227 Massachusetts Avenue, N.E., Washington, D.C.

2. A copy of the mailing mentioning Senator Orrin Hatch and referred to in answer Nos. 1c. and 2c., at pp. 1 and 2 of Ruff PAC's response to the first set of questions issued by the Commission. Please state the number of times and to how many addresses the mailing was sent.

3. A listing, and copies thereof, of all mailings by Ruff PAC and FE, between January 1, 1981 and the 1982 election, for which Amerad/Hurst and Associates performed any services. The listing should include the dates and costs of those mailings, and the services performed.

4. Copies of all contracts made by Ruff PAC, NBC and/or FE, with Amerad/Hurst and Associates, and with the Viguerie Company, for services performed between January 1, 1981 and the 1982 election.

8504053410 4

5. A statement of how many times and to how many addresses, the mailing, previously referred to as Exhibit 2 and as Attachments 2 and 3, was sent.

Following our review of the deposition transcript, additional requests for documents may be made.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

8504053410 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Jan W. Baran, Esq.
Baker and Hostetler
818 Connesticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1484

Dear Mr. Baran:

This will confirm that the scheduled date for deposition of Neal B. Blair in the above-referenced matter has been changed from July 27 to July 28, 1983, at 10 a.m.

Sincerely,

Nancy B. Nathan

Nancy B. Nathan
Attorney

8504053410 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

J. Curtis Herge, Esq.
Sedam and Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

Re: MUR 1484

Dear Mr. Herge:

This will confirm that Stanley B. Parrish will appear for deposition in the above-referenced matter as representative of the Hatch committees, of Hurst and Associates/Amerad and in his individual capacity. The depositions will be taken in the Office of General Counsel of the Commission, on July 27, 1983, beginning at 10 a.m.

Sincerely,

Nancy B. Nathan

Nancy B. Nathan
Attorney

8504053407

RECEIVED AT THE FEC
GCC#456
83 JUL 13 P3:27

BAKER & HOSTETLER
ATTORNEYS AT LAW
815 CONNECTICUT AVE., N.W.
WASHINGTON, D. C. 20006
(202) 861-1500
TELECOPIER (202) 857-0030

IN CLEVELAND, OHIO
3200 NATIONAL CITY CENTER
CLEVELAND, OHIO 44114
(216) 621-0200
TWX 810 421 8375

IN COLUMBUS, OHIO
100 EAST BROAD STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
600 CAPITOL LIFE CENTER
DENVER, COLORADO 80203
(303) 861-0600

IN ORLANDO, FLORIDA
250 CNA TOWER
ORLANDO, FLORIDA 32802
(305) 841-1111

WRITER'S DIRECT DIAL NO.:
(202) 861- 1572

July 8, 1983

83 JUL 13 A9:27

Ms. Nancy B. Nathan
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1484 (RuffPAC)

Dear Ms. Nathan:

This confirms our telephone conversation of July 7, 1983. At that time it was mutually agreed that the deposition of Mr. Neal B. Blair pursuant to the Federal Election Commission subpoena of July 1, 1983 in the above-captioned matter is changed from July 15 to July 27, 1983.

Sincerely,

Jan W. Baran

Jan W. Baran

JWB:gh

cc: Neal B. Blair

8504053410 8

AKER & HOSTETLER
CONNECTICUT AVE., N. W.
WASHINGTON, D. C. 20006

RECEIVED AT THE FEC
83 JUL 12 P 3:
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Ms. Nancy B. Nathan
Federal Election Commission
1325 K Street, N. W.
Washington, D. C. 20463

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 12, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Amerad
405 South Main
Suite 711
Salt Lake City, Utah 84111

Re: MUR 1484

Gentlemen:

Enclosed is a copy of the Commission's subpoena directed to a designated representative of Amerad to appear for deposition upon oral examination in the Commission's investigation of the above-referenced matter. Also enclosed is a copy of the cover letter originally sent with the deposition.

The original subpoena, issued July 1, 1983, was mailed to Amerad at 350 South 400 East, Salt Lake City. We recently have been informed of the firm's change of address, and are sending the enclosed copy in an effort to reach the firm at an early date.

Please contact Nancy B. Nathan, the attorney assigned to this matter, upon receipt of this letter, to confirm or reschedule the date set for deposition.

Sincerely,

Charles N. Steele
General Counsel

Enclosures
Subpoena to Appear for Deposition - copy
Letter dated July 6, 1983 - copy

8504053411 0

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 6, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Hurst and Associates
350 South 400 East
Salt Lake City, Utah 84111

Re: MUR 1484

Gentlemen:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. In accordance with an investigation being conducted by the Commission, the attached subpoena which requires a representative or representatives of Hurst and Associates to appear as witnesses, give sworn testimony, and produce certain documents on July 21, 1983, at 9:30 a.m., has been issued.

Since the testimony is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) will apply. This section of the Act prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

An attorney may assist those who are to appear in submitting the documents, and accompany them at the deposition. If the deponent or deponents intend to be so represented, please advise us, in writing, of the name and address of the attorney prior to the date of deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30, plus mileage at the rate of 20 cents per mile. Witnesses are given checks at the time of their depositions.

3 5 0 4 0 5 3 4 1 1 1

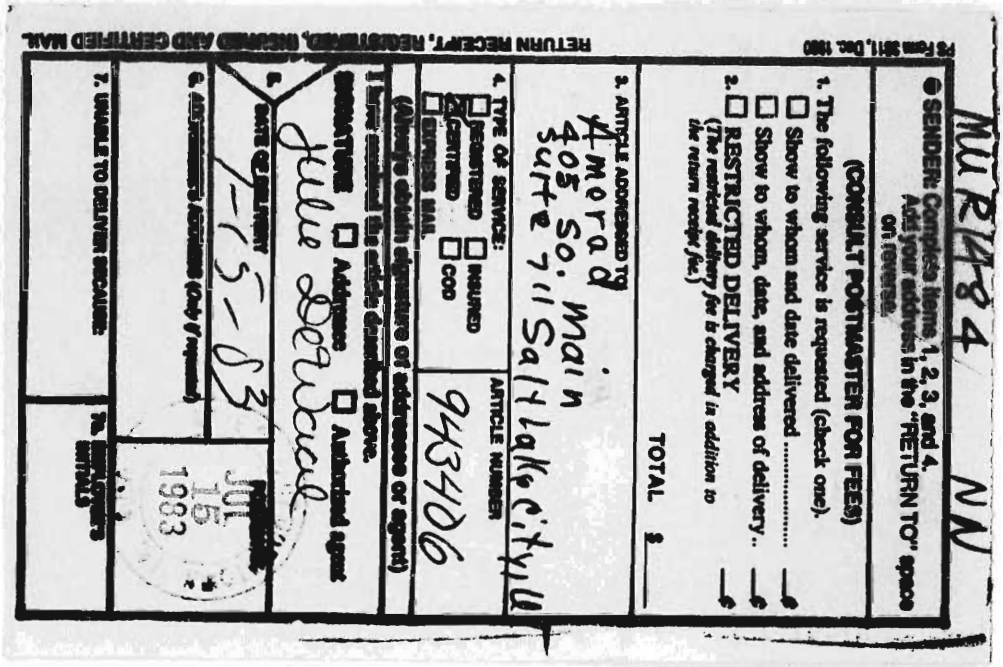
Please confirm the scheduled appearance with Nancy B. Nathan on our toll free line (800-424-9530) or at 202-523-4073 within ten days of your receipt of this notification. If you have any questions, please direct them to Mrs. Nathan, the attorney assigned to this matter.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena to Appear for Deposition



3504053411 2

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

Subpoena to Appear for Deposition
Upon Oral Examination

TO: Hurst and Associates

RE: Matter Under Review 1484

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3) and (4), individual(s) designated to represent Hurst and Associates are hereby ordered to appear for deposition as a witness or witnesses in connection with the Commission's investigation in the above-referenced Matter Under Review. The individual(s) designated to appear should be those most familiar with the firm's dealings with the Hatch Election Committee, Friends of Orrin Hatch, Ruff Political Action Committee, Neal Blair Consultants, Free the Eagle, and with any representative of those organizations, since January 1, 1981.

Notice is hereby given that the deposition is to be taken at Room 466, U.S. Post Office Building and Courthouse, 350 South Main Street, Salt Lake City, Utah, at 9:30 a.m. on July 21, 1983, and any and all dates adjourned to by the Commission.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., on this 1st day of July, 1983.

Danny L. McDonald

Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

8504053413

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 6, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esq.
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

Re: MUR 1484
Hatch Election Committee and
Friends of Orrin Hatch

Dear Mr. Herge:

On January 5, 1983, you received notification that the Commission had found reason to believe that your clients, the Hatch Election Committee and Friends of Orrin Hatch, had violated 2 U.S.C. §§ 441a and 434, provisions of the Federal Election Campaign Act of 1971, as amended. An investigation of this matter is being conducted and it has been determined that additional information from your clients is necessary.

Consequently, the Federal Election Commission has issued the attached subpoena to assist the Commission in carrying out its statutory duty of investigating this matter. The committees should designate the individual(s) who are most familiar with the committees' dealings with Ruff Political Action Committee, Neal Blair Consultants, Free the Eagle, The Viguerie Company, Hurst and Associates, and AMERAD.

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena

3504053414

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

Subpoena to Appear for Deposition
Upon Oral Examination

TO: Hatch Election Committee and Friends of Orrin Hatch Committee

RE: Matter Under Review 1484

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3) and (4), individual(s) designated to represent the above-referenced committees are hereby ordered to appear for deposition as a witness or witnesses in connection with the Commission's investigation in the above-referenced Matter Under Review. The individual(s) designated to appear should be those most familiar with the committees' dealings since January 1, 1981, with the Ruff Political Action Committee, Neal Blair Consultants, Free the Eagle, The Viguerie Company, and Hurst and Associates/AMERAD, or with any representatives of those organizations.

Notice is hereby given that the deposition is to be taken at Room 466, U.S. Post Office Building and Courthouse, 350 South Main Street, Salt Lake City, Utah at 3:30 p.m, on July 21, 1983, and any and all dates adjourned to by the Commission.

3504115

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., on this 1st day of July, 1983.

Danny L. McDonald

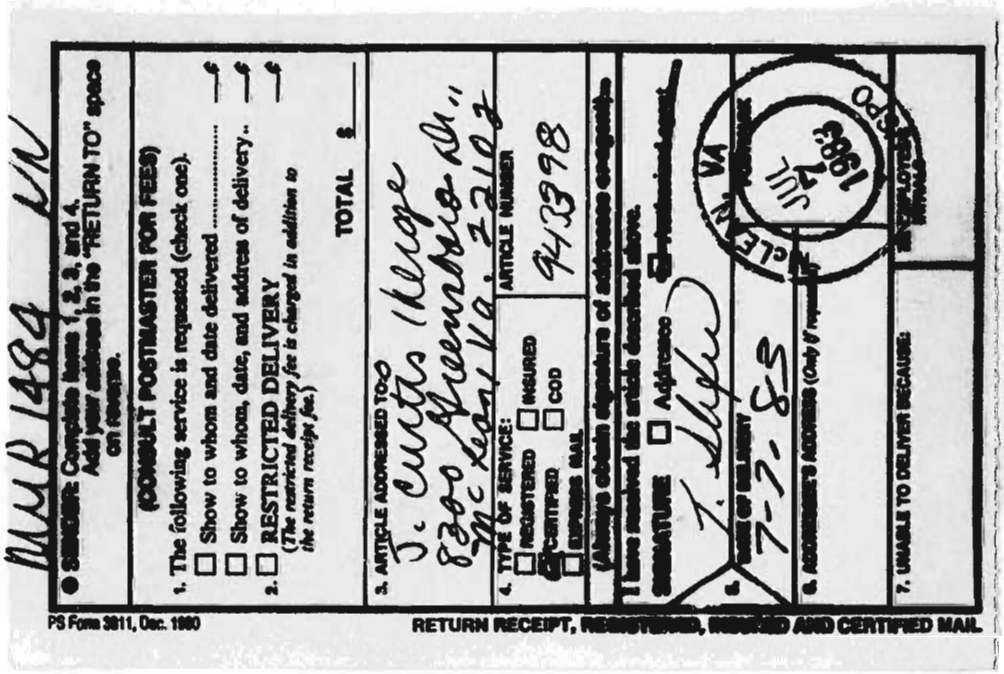
Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

8304053411 6



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 6, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Hurst and Associates
350 South 400 East
Salt Lake City, Utah 84111

Re: MUR 1484

Gentlemen:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. In accordance with an investigation being conducted by the Commission, the attached subpoena which requires a representative or representatives of Hurst and Associates to appear as witnesses, give sworn testimony, and produce certain documents on July 21, 1983, at 9:30 a.m., has been issued.

Since the testimony is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) will apply. This section of the Act prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

An attorney may assist those who are to appear in submitting the documents, and accompany them at the deposition. If the deponent or deponents intend to be so represented, please advise us, in writing, of the name and address of the attorney prior to the date of deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30, plus mileage at the rate of 20 cents per mile. Witnesses are given checks at the time of their depositions.

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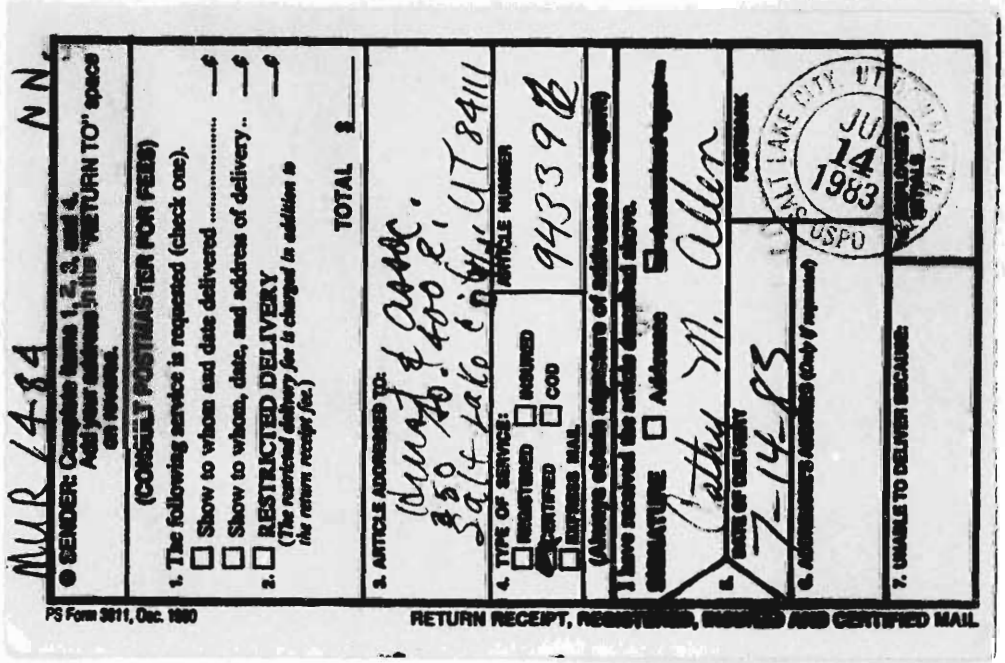
Please confirm the scheduled appearance with Nancy B. Nathan on our toll free line (800-424-9530) or at 202-523-4073 within ten days of your receipt of this notification. If you have any questions, please direct them to Mrs. Nathan, the attorney assigned to this matter.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena to Appear for Deposition



8504053411 3

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

Subpoena to Appear for Deposition
Upon Oral Examination

TO: Hurst and Associates

RE: Matter Under Review 1484

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3) and (4), individual(s) designated to represent Hurst and Associates are hereby ordered to appear for deposition as a witness or witnesses in connection with the Commission's investigation in the above-referenced Matter Under Review. The individual(s) designated to appear should be those most familiar with the firm's dealings with the Hatch Election Committee, Friends of Orrin Hatch, Ruff Political Action Committee, Neal Blair Consultants, Free the Eagle, and with any representative of those organizations, since January 1, 1981.

Notice is hereby given that the deposition is to be taken at Room 466, U.S. Post Office Building and Courthouse, 350 South Main Street, Salt Lake City, Utah, at 9:30 a.m. on July 21, 1983, and any and all dates adjourned to by the Commission.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., on this 1st day of July, 1983.

Danny L. McDonald

Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

3504053419

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 6, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Stanley B. Parrish
c/o Hurst and Associates/AMERAD
350 South 400 East
Salt Lake City, Utah 84111

Re: MUR 1484

Dear Mr. Parrish:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. In accordance with an investigation being conducted by the Commission, the attached subpoena which requires you to appear and give sworn testimony, and produce certain documents on July 21, 1983, at 1:00 p.m. , has been issued.

Since the testimony is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) will apply. This section of the Act prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us, in writing, of the name and address of the attorney prior to the date of deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30, plus mileage at the rate of 20 cents per mile. Witnesses are given checks at the time of their depositions.

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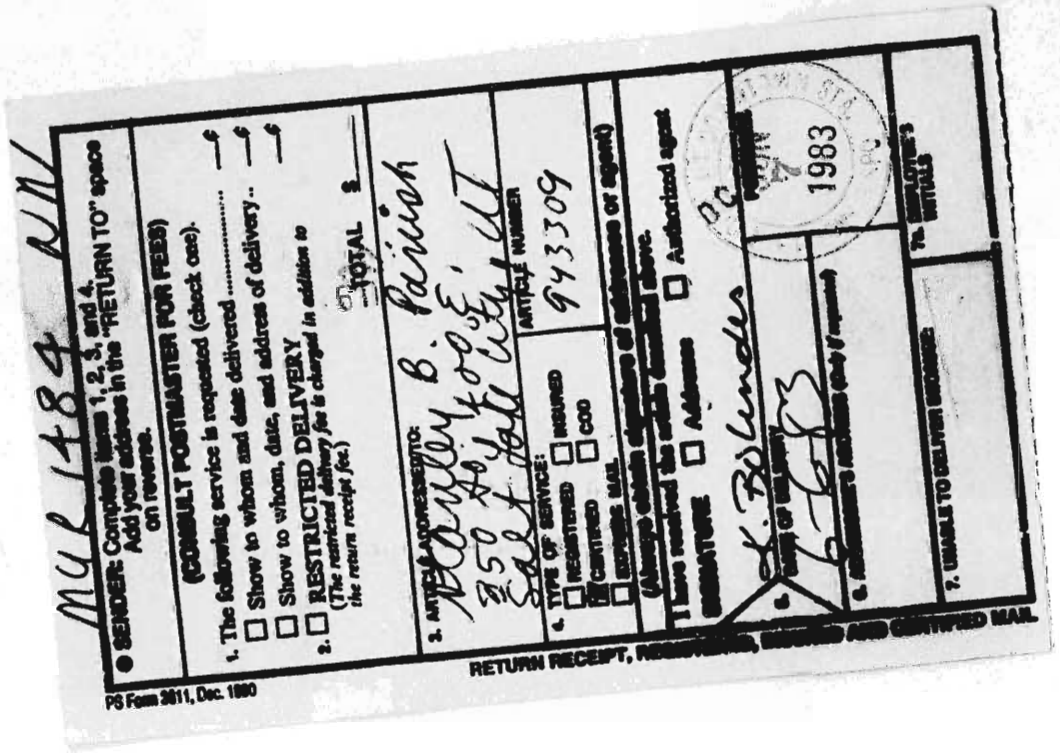
Please confirm the scheduled appearance with Nancy B. Nathan on our toll free line (800-424-9530) or at 202-523-4073 within ten days of your receipt of this notification. If you have any questions, please direct them to Mrs. Nathan, the attorney assigned to this matter.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena to Appear for Deposition



8504053421

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

Subpoena to Appear for Deposition
Upon Oral Examination

TO: Stanley B. Parrish

RE: Matter Under Review 1484

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3) and (4), you are hereby ordered to appear for deposition as a witness in connection with the Commission's investigation in the above-referenced Matter Under Review.

Notice is hereby given that the deposition is to be taken at Room 466, U.S. Post Office Building and Courthouse, 350 South Main Street, Salt Lake City, at 1:00 p.m., on July 21 , 1983, and any and all dates adjourned to by the Commission.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., on this 1st day of July, 1983.

Danny L. McDonald

Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

3504122

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 6, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jan W. Baran, Esq.
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On January 5, 1983, you received notification that the Commission had found reason to believe that your client, Ruff Political Action Committee, had violated 2 U.S.C. § 441a, a provision of the Federal Election Campaign Act of 1971, as amended. An investigation of this matter is being conducted and it has been determined that additional information from your client is necessary.

Consequently, the Federal Election Commission has issued the attached subpoena to Neal B. Blair to appear for deposition upon oral examination, to assist the Commission in carrying out its statutory duty of investigating this matter.

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoenas

8504053412 3

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

Subpoena to Appear for Deposition
Upon Oral Examination

TO: Neal B. Blair

RE: Matter Under Review 1484

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3) and (4), you are hereby ordered to appear for deposition as a witness in connection with the Commission's investigation in the above-referenced Matter Under Review.

Notice is hereby given that the deposition is to be taken at the Federal Election Commission, 1325 K Street, N.W., Washington, D.C., in the Office of General Counsel, at 10:00 a.m. on July 15, 1983, and any and all dates adjourned to by the Commission.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., on this 1st day of July, 1983.

Chairman
Federal Election Commission

3504053412 4

MUR 1484

SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered
☐ Show to whom, date, and address of delivery
2. ☐ RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL

3. ARTICLE ADDRESSED TO: Jan Baran, 918 Cam. Ave, N.W., D.C. 20006

4. TYPE OF SERVICE: ☐ REGISTERED ☐ INSURED ☐ CERTIFIED ☐ COD ☐ EXPRESS MAIL

ARTICLE NUMBER: P 946 [illegible]

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

5. DATE OF DELIVERY: 7-8-83

6. ADDRESSEE'S ADDRESS (Only if requested)

POSTMARK

7a. EMPLOYEE'S INITIALS

7b. UNABLE TO DELIVER BECAUSE:

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jan W. Baran, Esq.
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On January 5, 1983, you received notification that the Commission had found reason to believe that your client, Ruff Political Action Committee, had violated 2 U.S.C. § 441a, a provision of the Federal Election Campaign Act of 1971, as amended. An investigation of this matter is being conducted and it has been determined that additional information from your client is necessary.

Consequently, the Federal Election Commission has issued the attached subpoena to Neal B. Blair to appear for deposition upon oral examination, to assist the Commission in carrying out its statutory duty of investigating this matter.

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoenas

NBN 4/30/83

3504053425

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Stanley B. Parrish
c/o Hurst and Associates/AMERAD
350 South 400 East
Salt Lake City, Utah 84111

Re: MUR 1484

Dear Mr. Parrish:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. In accordance with an investigation being conducted by the Commission, the attached subpoena which requires you to appear and give sworn testimony, and produce certain documents on July 21, 1983, at 1:00 p.m. , has been issued.

Since the testimony is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) will apply. This section of the Act prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us, in writing, of the name and address of the attorney prior to the date of deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30, plus mileage at the rate of 20 cents per mile. Witnesses are given checks at the time of their depositions.

UBR
6/30/83

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Please confirm the scheduled appearance with Nancy B. Nathan on our toll free line (800-424-9530) or at 202-523-4073 within ten days of your receipt of this notification. If you have any questions, please direct them to Mrs. Nathan, the attorney assigned to this matter.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena to Appear for Deposition

8504053412 7

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Hurst and Associates
350 South 400 East
Salt Lake City, Utah 84111

Re: MUR 1484

Gentlemen:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. In accordance with an investigation being conducted by the Commission, the attached subpoena which requires a representative or representatives of Hurst and Associates to appear as witnesses, give sworn testimony, and produce certain documents on July 21, 1983, at 9:30 a.m., has been issued.

Since the testimony is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) will apply. This section of the Act prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

An attorney may assist those who are to appear in submitting the documents, and accompany them at the deposition. If the deponent or deponents intend to be so represented, please advise us, in writing, of the name and address of the attorney prior to the date of deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30, plus mileage at the rate of 20 cents per mile. Witnesses are given checks at the time of their depositions.

nBr
6/30/83

8504054128

Please confirm the scheduled appearance with Nancy B. Nathan on our toll free line (800-424-9530) or at 202-523-4073 within ten days of your receipt of this notification. If you have any questions, please direct them to Mrs. Nathan, the attorney assigned to this matter.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena to Appear for Deposition

8504053412 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esq.
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

Re: MUR 1484
Hatch Election Committee and
Friends of Orrin Hatch

Dear Mr. Herge:

On January 5, 1983, you received notification that the Commission had found reason to believe that your clients, the Hatch Election Committee and Friends of Orrin Hatch, had violated 2 U.S.C. §§ 441a and 434, provisions of the Federal Election Campaign Act of 1971, as amended. An investigation of this matter is being conducted and it has been determined that additional information from your clients is necessary.

Consequently, the Federal Election Commission has issued the attached subpoena to assist the Commission in carrying out its statutory duty of investigating this matter. The committees should designate the individual(s) who are most familiar with the committees' dealings with Ruff Political Action Committee, Neal Blair Consultants, Free the Eagle, The Viguerie Company, Hurst and Associates, and AMERAD.

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena

8504053413 0

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JODY C. RANSOM

DATE: JULY 1, 1983

SUBJECT: SUBPOENAS RE: MUR 1484

The attached subpoenas regarding MUR 1484 have been signed and sealed this date.

3504053413 1

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1484
Hatch Election Committee, et al.)

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission Executive Session on June 21, 1983, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 1484:

1. Authorize the subpoenas to Neal Blair, the Hatch Election Committee, Hurst and Associates, and Stanley B. Parrish, as recommended in the General Counsel's report dated June 9, 1983.

2. Approve the letters to accompany the subpoenas as recommended in the General Counsel's report dated June 9, 1983.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry, and Reiche voted affirmatively for the decision.

Attest:

6-21-83
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

3504053413 2

SENSITIVE

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

83 JUN 9 P3:46

June 9, 1983

MEMORANDUM TO: The Commission

FROM: Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

RE: Authorization to Issue Subpoenas in MUR 1484

8504053413

On January 5, 1983, the Commission found reason to believe, inter alia, that the 1982 campaign committees of Senator Orrin Hatch and the Ruff Political Action Committee ("Ruff PAC") violated 2 U.S.C. § 441a because expenditures by Ruff PAC appeared to have been made in coordination with the Hatch committees. Since that finding, respondents' responses to interrogatories have appeared to confirm the coordination between the Hatch campaign and Ruff PAC, particularly because of shared office space and employment of common consultant firms. In order to follow-up on the second set of interrogatories that were issued to the respondents, and a first set issued to one consultant firm, this Office recommends that depositions be taken.

The attached subpoenas would require the appearance of Neal Blair, President of Ruff PAC, a representative to be designated by the Hatch committees, a representative to be designated by Hurst and Associates, a consultant used by both respondents, and Stanley B. Parrish, a former Congressional aide to Senator Hatch, who now works for Hurst and Associates. While a first set of questions also was sent to The Viguerie Company, a consultant employed by both respondents, their response appears sufficient at this time.

The General Counsel recommends that the Commission approve the issuance of the attached subpoenas and accompanying letters.

Recommendations

1. Authorize the attached subpoenas to Neal Blair, the Hatch Election Committee, Hurst and Associates, and Stanley B. Parrish.

2. Approve the attached letters to accompany the subpoenas.

Attachments

Four cover letters and four subpoenas

8504053413 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esq.
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

Re: MUR 1484
Hatch Election Committee and
Friends of Orrin Hatch

8504053413 5

Dear Mr. Herge:

On January 5, 1983, you received notification that the Commission had found reason to believe that your clients, the Hatch Election Committee and Friends of Orrin Hatch, had violated 2 U.S.C. §§ 441a and 434, provisions of the Federal Election Campaign Act of 1971, as amended. An investigation of this matter is being conducted and it has been determined that additional information from your clients is necessary.

Consequently, the Federal Election Commission has issued the attached subpoena to assist the Commission in carrying out its statutory duty of investigating this matter. The committees should designate the individual(s) who are most familiar with the committees' dealings with Ruff Political Action Committee, Neal Blair Consultants, Free the Eagle, The Viguerie Company, Hurst and Associates, and AMERAD.

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena

1

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

Subpoena to Appear for Deposition
Upon Oral Examination

TO: Hatch Election Committee and Friends of Orrin Hatch Committee

RE: Matter Under Review 1484

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3) and (4), individual(s) designated to represent the above-referenced committees are hereby ordered to appear for deposition as a witness or witnesses in connection with the Commission's investigation in the above-referenced Matter Under Review. The individual(s) designated to appear should be those most familiar with the committees' dealings since January 1, 1981, with the Ruff Political Action Committee, Neal Blair Consultants, Free the Eagle, The Viguerie Company, and Hurst and Associates/AMERAD, or with any representatives of those organizations.

Notice is hereby given that the deposition is to be taken at Room 466, U.S. Post Office Building and Courthouse, 350 South Main Street, Salt Lake City, Utah at , on , 1983, and any and all dates adjourned to by the Commission.

8504053413 6

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., on this day of , 1983.

Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

8504053413 7

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jan W. Baran, Esq.
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1484
Ruff Political Action Committee

Dear Mr. Baran:

On January 5, 1983, you received notification that the Commission had found reason to believe that your client, Ruff Political Action Committee, had violated 2 U.S.C. § 441a, a provision of the Federal Election Campaign Act of 1971, as amended. An investigation of this matter is being conducted and it has been determined that additional information from your client is necessary.

Consequently, the Federal Election Commission has issued the attached subpoena to Neal B. Blair to appear for deposition upon oral examination, to assist the Commission in carrying out its statutory duty of investigating this matter.

If you have any questions, please direct them to Nancy B. Nathan, the attorney handling this matter, at 202-523-4073.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoenas

8504053413 8

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

Subpoena to Appear for Deposition
Upon Oral Examination

TO: Neal B. Blair

RE: Matter Under Review 1484

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3) and (4), you are hereby ordered to appear for deposition as a witness in connection with the Commission's investigation in the above-referenced Matter Under Review.

Notice is hereby given that the deposition is to be taken at the Federal Election Commission, 1325 K Street, N.W., Washington, D.C., in the Office of General Counsel, at , on , 1983, and any and all dates adjourned to by the Commission.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., on this day of , 1983.

Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

8504053413 9

5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Richard Viguerie
The Viguerie Company
7777 Leesburg Pike
Falls Church, Virginia 22046

Re: MUR 1484

8504053410

Dear Mr. Viguerie:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. In accordance with an investigation being conducted by the Commission, the attached subpoena which requires a representative or representatives of The Viguerie Company to appear as witnesses, give sworn testimony, and produce certain documents on , 1983, at , has been issued.

Since the testimony is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) will apply. This section of the Act prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

An attorney may assist those who are to appear in submitting the documents, and accompany them at the deposition. If the deponent or deponents intend to be so represented, please advise us, in writing, of the name and address of the attorney prior to the date of deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30, plus mileage at the rate of 20 cents per mile. Witnesses are given checks at the time of their depositions.

Please confirm the scheduled appearance with Nancy B. Nathan on our toll free line (800-424-9530) or at 202-523-4073 within ten days of your receipt of this notification. If you have any questions, please direct them to Mrs. Nathan, the attorney assigned to this matter.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena to Appear for Deposition

8504053411

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

Subpoena to Appear for Deposition
Upon Oral Examination

TO: The Viguerie Company

RE: Matter Under Review 1484

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3) and (4), individual(s) designated to represent The Viguerie Company are hereby ordered to appear for deposition as a witness or witnesses in connection with the Commission's investigation in the above-referenced Matter Under Review. The individual(s) designated to appear should be those most familiar with the firm's dealings with the Hatch Election Committee, Friends of Orrin Hatch, Ruff Political Action Committee, Neal Blair Consultants, Free the Eagle, and with any representative of those organizations, since January 1, 1981.

Notice is hereby given that the deposition is to be taken at the Federal Election Commission, 1325 K Street, N.W., Washington, D.C., in the Office of General Counsel, at , on , 1983, and any and all dates adjourned to by the Commission.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., on this day of , 1983.

Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

8

8504053142

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Hurst and Associates
350 South 400 East
Salt Lake City, Utah 84111

Re: MUR 1484

Gentlemen:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. In accordance with an investigation being conducted by the Commission, the attached subpoena which requires a representative or representatives of Hurst and Associates to appear as witnesses, give sworn testimony, and produce certain documents on , 1983, at , has been issued.

Since the testimony is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) will apply. This section of the Act prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

An attorney may assist those who are to appear in submitting the documents, and accompany them at the deposition. If the deponent or deponents intend to be so represented, please advise us, in writing, of the name and address of the attorney prior to the date of deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30, plus mileage at the rate of 20 cents per mile. Witnesses are given checks at the time of their depositions.

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Please confirm the scheduled appearance with Nancy B. Nathan on our toll free line (800-424-9530) or at 202-523-4073 within ten days of your receipt of this notification. If you have any questions, please direct them to Mrs. Nathan, the attorney assigned to this matter.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena to Appear for Deposition

8504053414 4

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

Subpoena to Appear for Deposition
Upon Oral Examination

TO: Hurst and Associates

RE: Matter Under Review 1484

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3) and (4), individual(s) designated to represent Hurst and Associates are hereby ordered to appear for deposition as a witness or witnesses in connection with the Commission's investigation in the above-referenced Matter Under Review. The individual(s) designated to appear should be those most familiar with the firm's dealings with the Hatch Election Committee, Friends of Orrin Hatch, Ruff Political Action Committee, Neal Blair Consultants, Free the Eagle, and with any representative of those organizations, since January 1, 1981.

Notice is hereby given that the deposition is to be taken at Room 466, U.S. Post Office Building and Courthouse, 350 South Main Street, Salt Lake City, Utah, at , on , 1983, and any and all dates adjourned to by the Commission.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., on this day of , 1983.

Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

11

8504053414 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Stanley B. Parrish
c/o Hurst and Associates/AMERAD
350 South 400 East
Salt Lake City, Utah 84111

Re: MUR 1484

Dear Mr. Parrish:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. In accordance with an investigation being conducted by the Commission, the attached subpoena which requires you to appear and give sworn testimony, and produce certain documents on , 1983, at , has been issued.

Since the testimony is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) will apply. This section of the Act prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us, in writing, of the name and address of the attorney prior to the date of deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30, plus mileage at the rate of 20 cents per mile. Witnesses are given checks at the time of their depositions.

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Please confirm the scheduled appearance with Nancy B. Nathan on our toll free line (800-424-9530) or at 202-523-4073 within ten days of your receipt of this notification. If you have any questions, please direct them to Mrs. Nathan, the attorney assigned to this matter.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena to Appear for Deposition

8504053414 7

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

Subpoena to Appear for Deposition
Upon Oral Examination

TO: Stanley B. Parrish

RE: Matter Under Review 1484

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3) and (4), you are hereby ordered to appear for deposition as a witness in connection with the Commission's investigation in the above-referenced Matter Under Review.

Notice is hereby given that the deposition is to be taken at Room 466, U.S. Post Office Building and Courthouse, 350 South Main Street, Salt Lake City, at , on , 1983, and any and all dates adjourned to by the Commission.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., on this day of , 1983.

Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

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SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY
83 JUN 1 P4:39

In the Matter of)
)
Hatch Election Commission) MUR 1484
Ruff Political Action Committee)

COMPREHENSIVE INVESTIGATIVE REPORT # 2

On May 19, 1983, a second set of questions was sent to respondents Hatch Election Committee and Ruff Political Action Committee; at the same time, first sets of questions were directed to non-respondent witnesses The Viguerie Company, Hurst and Associates, and one individual, Stanley Parrish, who appears to have worked both for Ruff PAC and for Hurst. Subpoenas for depositions also will be recommended so that follow-up questions may be asked based on the documentation and answers supplied in response to the interrogatories.

The questions seek to determine the extent and degree of communication between the respondents, and the extent to which the consultants they employed in common may have furthered cooperative activities, or enabled one or both respondents to act with knowledge of the other's plans. We also seek to elicit further information concerning Ruff PAC expenses for certain mailings that advocated Hatch's election.

Following completion of discovery in the matter, this Office will make appropriate recommendations to the Commission.

June 1, 1983
Date

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

8504053419

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/JODY C. RANSOM

DATE: MARCH 1, 1983

SUBJECT: MUR 1484 - Comprehensive Investigative Report #1, signed February 25, 1983

The above-named document was circulated to the Commission on a 24 hour no-objection basis at 11:00, February 28, 1983.

There were no objections to the Comprehensive Investigative Report at the time of the deadline.

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RECEIVED BY THE FEC
83 MAR 2 P4:00

Ccc#7607

BAKER & HOSTETLER
ATTORNEYS AT LAW
815 CONNECTICUT AVE., N.W.
WASHINGTON, D. C. 20006
(202) 861-1500
TELECOPIER (202) 887-0010

IN CLEVELAND, OHIO
3200 NATIONAL CITY CENTER
CLEVELAND, OHIO 44114
(216) 621-0200
TWX 810 421 8375

IN COLUMBUS, OHIO
100 EAST BROAD STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
303 CAPITOL LIFE CENTER
DENVER, COLORADO 80203
(303) 861-0600

IN ORLANDO, FLORIDA
250 CNA TOWER
ORLANDO, FLORIDA 32802
(305) 841-1111

WRITER'S DIRECT DIAL NO.:
(202) 861- 1572

March 2, 1983

83 MAR 2 P4:39

Nancy B. Nathan, Esquire
Federal Election Commission
1325 K Street, N. W.
Washington, D. C. 20463

Re: Matter Under Review 1484

Dear Ms. Nathan:

Enclosed please find responses of Ruff Political Action Committee to the FEC's Request for Answers to Written Questions regarding the above-captioned matter.

Sincerely,

Jan W. Baran

JWB:gh
Encls.

cc: Neal B. Blair

8504053411 51

RECEIVED AT THE FEC

RUFF POLITICAL ACTION COMMITTEE

83 MAR 2 P4:08

236 Massachusetts Avenue, N.E., Suite 603
Washington, D.C. 20002
(202) 547-2122

Howard J. Ruff
Chairman

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

Re: Request for Answers to Written Questions

1. What was the total amount received by Ruff-PAC in response to its mail solicitations attached as Attachments 1-4?

   a. For attachments 1 and 4 the total amount received was $15,881.00

   b. For attachments 2-1, 2-1, 3-1, 3-2 the total amount received was $43,119.60

   What was the total amount received by Ruff-PAC in response to any other direct mail appeal mentioning Senator Orrin Hatch since January 1, 1981?

   c. For the one other mailing mentioning Senator Hatch, the amount received by Ruff-PAC, in response to mail solicitation was $20,628.34

2. The costs of the mailings referred to above are as follows:

   a. For attachments 1 and 4 the total cost of the mailing was $10,138.74. The breakdown is as follows:

$3115.00	Postage and permits
689.35	Support services of labeling, folding, sorting and stuffing by AAA in Salt Lake City
6239.59	Overseeing the printing and mailing(AMERAD)
94.80	Caging fees to Hurst and Associates
10,138.74	

   b. For attachments 2-1, 2-2, 3-1, 3-2 the total cost of the mailings were $34,777.62. The breakdown is as follows:

$5931.20	Cost of biography to offer as a premium
250.00	Advertising in IDEA
2620.00	Postage
932.60	Consultation Fees (layout & design)
42.00	Layout
928.00	Cost to Target for including insert
3820.37	Paid for BREs to go with insert
1276.37	BREs not yet paid for

8504053415 2

193.33	Support service mailing
18674.34	Printing costs
109.41	Manila envelopes to mail books
34777.62	Total cost of mailings

c. The total cost of the one other mailing which mentioned Senator Hatch was 6222.21. The breakdown is as follows:

3150.00	Postage
3072.21	Printing
6222.21	

3. The dates during which Ruff-PAC had office space in the same building as the Hatch Re-Election campaign was from November 1981 to June of 1982. Ruff-PAC paid for the space it used.

4. Hurst and Associates (AMERAD): Direct mail firm that Ruff-Pac employed in April 1982 to do one mailing
350 South 400 East
Salt Lake City, Utah

The Viguerie Company: Employed in November 1982 to do mailings for Ruff-PAC
7777 Leesburg Pike
Falls Church, Virginia 22043

5. What political consultants has Ruff PAC employed since January 1, 1981? For what Periods?

Larry Eastland and Assoc.	10/15/81, 10/26/81, 11/02/81
Doug Blaser	10/16/81
Neal B. Blair	1981, 1982, 1983
John Houston	1/7/82
Kent Larson	1/15/82
Mark Stoddard	9/17/82
David Tippetts	9/20/82
Larry Woldt	10/28/82
Brent Phillips	10/28/82
Doug Shaddix	4/82-12/82

6. Give the names, titles, and employment dates of any individuals who have been employed by or have worked for Ruff-PAC at any time and who also at any time have been employed by or have worked for any campaign committees of Senator Orrin Hatch, or who have been employed by or worked for Hurst and Associates or AMERAD.

None of the employees of Ruff-PAC to our knowledge have been employed by or worked for campaign committees of Senator Orrin Hatch. Nor have they been employed by or worked for Hurst and Associates or AMERAD.

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8. Hurst and Associates performed services for the mailing known as attachments 1,4. (April 1982)

9. List any payments make by Ruff-PAC since January 1, 1982 to any Hatch campaign committee for any purpose-- e.g. reimbursement, shared expenses, contributions, loans, etc.

Ruff-PAC paid a total of $820.40 for rent money and use of copy machine as rental expenses at 227 Massachusetts Ave., N.E. Suite 210, Washington, D.C. 20002

Respectfully submitted,

Neal B Blair

Neal B. Blair
President

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WITH A VIEW TOWARD 1982

Attachment 1

In 1980, Ruff-PAC supported 35 Congressional candidates with direct financial support, assistance with campaign strategy, and independent expenditures. Of these candidates, 27 were victorious. . . and that translates Ruff-PAC's efforts into a 77% success rate. More than dramatic results considering that Ruff-PAC supported only underdogs and closely contested races!

But 1982 represents an even greater challenge. First, being an off year election, we can expect the traditional resurgence of the opposition party. This historical trend is expected to manifest itself across the country where free enterprise candidates meet opponents backed by liberal special interests. But more importantly, the opposition has learned much from the 1980 elections. We can expect their strategy to incorporate some of the hard lessons learned in 1980. In short, without your help now, it will become increasingly difficult to maintain the trend only begun in the last election.

As no worthy effort goes unfunded, no worthy candidate can be elected without donations from those who can offer critical financial support. We are asking for your support now, so we have the vast financial resources needed for 1982. There is a great deal that remains unfinished, and only your assistance can help put America back on the right track.

Listed below are Ruff-PAC's *initial target states* for 1982. In these states, Ruff-PAC will work through direct contributions, direct campaign strategy assistance, or independent expenditures to elect strong free enterprise candidates who will support fiscally sound and morally prudent legislation.

U.S. SENATE RACES	HOUSE OF REPRESENTATIVE RACES
Arizona	Arizona
California	California
Connecticut	Colorado
Maine	Florida
Michigan	Maine
Nevada	New Mexico
New Jersey	Oregon
New York	Tennessee
Ohio	Texas
Texas	Utah
Vermont	Washington

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Howard J. Ruff
Chairman

P.S. Remember that it is nearing the end of the calendar year. The first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

HOWARD - I believe that Ruff PAC can make a significant difference in 1982. It is vital that we support candidates that will represent our views while maintaining gains made in 1980. Please accept my donation in the amount I've listed below. My check or charge card information enclosed.

Name: _____
Address _____
_____
City/State: _____
Zip: _____

Howard J. Ruff, Chairman
Neal B. Blair, President
Uwarda S. Smellie, Program Director

My donation is as follows:
_____Check _____Charge card
Name of Card _____
Expiration Date _____
Signature _____

____$100 ____$750 ____$500
____$250 ____$100 ____$50 ____Other

____I would also like to donate my time or services.

Make check payable to: Ruff PAC
1875 South State Street, Suite 1400
Orem, Utah 84057
(801) 225-0e22

8504053415

Attachment 2-1

Howard J. Ruff
Chairman

RUFF PAC

1835 South State St., Suite 150, Orem, Utah 8405
1-801-225-0622

Dear Friend:

Will you help me get the facts out on Orrin Hatch? We want to let at least one million people in Utah know the facts about Senator Orrin Hatch.

Will you, after reading this letter, fill out the coupon and return it to us with your contribution?

As our gift to you, our way of saying thank you, we would like to send you a free complimentary first edition of the new, exciting, and highly informative hardback entitled Orrin Hatch. Challenging the Washington Establishment. This is a fascinating behind-the-scenes account.

Why are we doing all of this? We are not members of Hatch's campaign staff. We're not even advisors.

We are an independent political action committee determined to let Utah know the facts about Orrin Hatch—to let them evaluate him. Not on cheap innuendoes or demagoguery. But evaluate him with his record. Most Utahns will agree—Senator Orrin Hatch has done an outstanding job for Utah and the United States.

With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's record. We will write press releases, make phone calls, and stump the streets to let voters know the facts.

As part of this endeavor, we are offering Dr. Richard Vetterli's insightful and carefully prepared biography on Senator Hatch. Orrin was a bit reluctant to have a biography--he felt it was a bit much. Afterall, who is he?

Well, who is he? Just what has he done?

Orrin Hatch. Challenging the Washington Establishment chronicles his amazing challenge and victory over established Senator Frank Moss. The first few chapters tell in a fresh, crisp style one of the most interesting success stories in United States Senate-race history.

Without dropping the pace, the author then relates the highlights of Senator Hatch's outstanding rise to national

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Attachment 2.

leadership and service to Utah. Behind the s[illegible]es stories fill this fast paced narrative.

Won't you help Ruff-PAC perform this critical service? As an independent political action committee, we can donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth.

This we will do with your help. But time is running out on us. The time to act is now.

So if you'll quickly send your donation either by check or with your VISA/Mastercard information (as provided for on the coupon) in the next five days, we'll quickly send you a free gift of the hardback first edition, nearly 200-page biography of Senator Orrin Hatch. Give copies to your friends--it could make the difference in this election.

Thank you sincerely for your support.

Very truly yours,

Neal

Neal B. Blair
President

P.S. Remember the first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help.

P.P.S. Contributors who send more than $25 will receive the Orrin Hatch book absolutely free. Send us $100 and we'll give you five books. Send $250 and we'll give you 15 books. Send $500 and you can give 35 friends a copy. Could you also include $1 for postage and handling? Our thanks for your concern and generosity.

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NEAL--I believe that Ruff PAC can make a significant difference in the Orrin Hatch campaign in 1982. It is vital we support candidates who will represent our views. Please accept my donation in the amount I've listed below. Please send me ____ copies of the Orrin Hatch biography. My check or charge card information is enclosed.

Name_____ Address_____

City/State/ZIP_____

My donation is as follows: _____Check _____Charge Card

VISA/Mastercard No. _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _

Expiration Date_____

Signature_____

___$1000 ___$750 ___$500 ___$250 ___$100 ___$50 ___$25 ___Other

Make check payable to: Ruff PAC 1835 South State Street, Suite 150, Orem, Utah 84057

Howard J. Ruff, Chairman
Neal B. Blair, President

Attachment 3-1

Howard J. Ru
Chairman

1875 South State Street, Suite 1400, Orem, Utah 84057

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOO "ORRIN HATCH"



Dear Friend of Orrin Hatch,

For one month only, Ruff-PAC, a national citizen's political action committee dedicated to supporting free enterprise candidates, will give a copy of the book to any Hatch supporter who donates $25 or more to Ruff-PAC. Our way of saying thank you for your generous contribution. This is a minimum contribution. If you can give more, please do. For Ruff-PAC is one of Hatch's biggest supporters. Federal law allows us to contribute up to $10,000 to Hatch's election campaign. We plan to do just that with the contributions we receive.

READ OF THE INNER WORKINGS OF WASHINGTON.

Discover the incredible backroom dealings surrounding action on abortion, also the never before told stories of the creation and impetus behind the balanced budget and tax limitation amendment.

FIND OUT WHAT THE IRON TRIANGLE IS AND HOW IT AFFECTS LEGISLATIVE DECISIONS.

Rarely has a book been able to capture the imagination while being a phenominal educational tool. Af reading "Orrin Hatch", Americans will receive a clearly outlined vision of a careful course out of the mire.

Ruff-PAC is overwhelmed with the opportunity of giving you this profound, factual hardback book. Ruff-P is dedicated to electing strong free-enterprise candidates who will fight to strengthen our economy and our tional defense.

Feel free to use the enclosed postage paid return envelope to mail your contribution to Ruff-PAC. To thc who send us immediately a contribution of $25 or more, we will rush to you a copy of "Orrin Hatch" the mome it gets off the press. Please add $1 for each book ordered for postage and handling.

For those who would like to send this insightful and beautifully bound hardback book to friends a relatives, we will send you tow books with a contribution of $50 or more and three books when you contribu $100 or more.

Thank you so much for your support and we hope you thoroughly enjoy "Orrin Hatch" Compliments of Ruff-PAC.

With warm regards,

Neal B. Blair
President

I believe Ruff-PAC can make a significant difference in 1982. Please send me _____copy (copies) of Orrin Hatch. Please accept my donation in the amount I've listed.

My donation is as follows:

___$1000___$750___$500___$250___$100___$50___Other

___Check ___Visa/Mastercard

Name _____

Visa/Mastercard Number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Address _____

Expiration Date _____

City/State/Zip _____

Signature _____

Make check payable to: Ruff-PAC, 1875 South State Street, Suite 1400, Orem, Utah 84057 (801) 225-062

Paid for by Ruff PAC, an independent political action committee. A copy of our report is on file with the Federal Election Commission, Washington, D.C.

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Ruff-PAC PRESENTS:

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOOK

ORRIN HATCH

by Dr. Richard Vetterli

Discover the incredible backroom dealings surrounding legislative action on abortion.
Find out what the Iron Triangle is and how it affects daily legislative decisions.

In a few weeks, one of the most profound and insightful books on the inner workings of our government will roll off the presses. *Orrin Hatch* is filled with exciting and provocative stories surrounding the rise in national prominence of Senator Orrin Hatch as well as an insightful understanding of the American political process. *Orrin Hatch* is destined to be an American classic.

Only a limited number of copies will be available in this first commemorative edition. We want you to have one as our gift.

Only a limited number of contributors to Ruff-PAC will be able to receive an advanced hardback copy of the book — your own copy before it hits the national bookstores.

For one month only, Ruff-PAC will give a copy of the book to any subscriber who donates $25 or more to Ruff-PAC. Our way of saying thank you for the generous contribution. This is a minimum contribution. If you can give more, please do.

Orrin Hatch is a provocative look at how an unknown but remarkably talented Salt Lake City lawyer rose to national prominence overnight, becoming one of the foremost champions of the conservative causes and, amazingly, in just 48 months, became the chairman of the most significant and largest oversight committee in the United States Senate. No success story has ever read like that of Utah's Orrin Hatch.

Scholar and writer Dr. Richard Vetterli explains in detail how the United States has gotten into the financial and moral mess it is currently in as he shows how the Senator from Utah fought toe-to-toe against the Kennedys, McGeverns, and Metzenbaums of the Senate. He carefully draws the background and depicts the struggles of the conservative movement against the onslaught of the modern liberals and their plans for an egalitarian, monolithic society.

Not only are the life and times and struggles of Orrin Hatch chronicled, but the emergence of the New Right is simply and accurately explained. *Orrin Hatch* portrays the classic liberal. Rarely has anyone written with such clarity, insight, and detail. The book is filled with classic stories of political battles — battles that Hatch sometimes won, sometimes lost — but regardless of the results, the senator remains steadfast to his convictions and unyielding to the pressures of national prominence.

Feel free to use the coupon below to make your donation to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of *Orrin Hatch, the moment* it gets off the press. Please add $1 or more for postage and handling. For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you two books with a contribution of $50 or more, and three books when you contribute $100 or more. But we must urge you to remember the supply of first edition hardback copies is limited and the deadline is in one month. Act today so you won't be disappointed on missing out on this exclusive offer.

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Attachment 6

Chairman's Report on Ruff-PAC, A National ★★★★★★★★ Independent Political Action Committee ★★★★★★★★

THE 1980 ELECTIONS...THE RECORD SPEAKS FOR ITSELF

Ruff-PAC experienced great success in 1980. Take a close look at Ruff-PAC's record...winning 27 of 35 races. All of Ruff-PAC's candidates were either decided underdogs or in closely contested races!

U.S. SENATE

Ruff-PAC Won/lost	Ruff-PAC's Candidate	Ruff-PAC's Opposition	State
WON	JEREMIAH DENTON	Jim Folsom, Jr.	ALABAMA
WON	FRANK MURKOWSKI	Clark Gruening	ALASKA
Lost	Mary Buchanan	Gary Hart	Colorado
WON	PAULA HAWKINS	Bill Gunter	FLORIDA
WON	STEVEN SYMMS	Frank Church	IDAHO
Lost	David O'Neal	Alan Dixon	Illinois
WON	DAN QUAYLE	Birch Bayh	INDIANA
WON	CHARLES GRASSLEY	John C. Culver	IOWA
Lost	Gene McNary	Thomas Eagleton	Missouri
WON	ALFONSE M. D'AMATO	Elizabeth Holtzman	NEW YORK
WON	JOHN P. EAST	Robert Morgan	N. CAROLINA
WON	DONALD NICKLES	Andy Coats	OKLAHOMA
WON	JAMES ABDNOR	George McGovern	S. DAKOTA
Lost	Steward Ledbetter	Patrick Leahy	Vermont
WON	ROBERT W. KASTEN	Gaylord Nelson	WISCONSIN
WON	SLADE GORTON	Warren Magnuson	WASHINGTON

HOUSE OF REPRESENTATIVES (Congressional District Noted by State)

				Dist.
Lost	Richard H. Huff	Morris Udall	Arizona	2
WON	EUGENE CHAPPIE	Harold Johnson	CALIFORNIA	1
WON	BOBBI FIEDLER	James Corman	CALIFORNIA	21
WON	ROBERT K. DORNAN	Cary Peck	CALIFORNIA	27
WON	DAVID DREIER	James Lloyd	CALIFORNIA	35
WON	JOHN PATRICK HILER	John Brademas	INDIANA	3
WON	JIM JEFFRIES	Sam Keys	KANSAS	2
WON	BILL EMERSON	Bill Burlison	MISSOURI	10
Lost	Anne Bagnal	Stephen Neal	N. Carolina	5
WON	BOB McEWEN	Ted Strickland	OHIO	6
WON	DENNIS SMITH	Al Ullman	OREGON	2
Lost	David C. DiCarlo	Marc Marks	Pennsylvania	24
WON	CLAUDINE SCHNEIDER	Edward Beard	R. ISLAND	2
WON	THOMAS R. HARTNETT	Mendel Davis	S. CAROLINA	1
WON	JACK M. FIELDS	Bob Eckhardt	TEXAS	8
Lost	Jim Bradshaw	James Wright	Texas	12
WON	RON PAUL	Mike Andrews	TEXAS	22
WON	JAMES V. HANSEN	Gunn McKay	UTAH	1
WON	FRANK R. WOLF	Joseph Fisher	VIRGINIA	10

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 6, 1983

J. Curtis Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

Re: MUR 1484

Dear Mr. Herge:

The Federal Election Commission notified your clients, Hatch Election Committee and Friends of Orrin Hatch Committee, on October 15, 1982, of a complaint which alleges that they violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to them at that time.

Upon further review of the allegations contained in the complaint and information supplied by you, the Commission, on January 5 , 1983, determined that there is reason to believe that your clients violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) and 441a(f), provisions of the Act. Specifically, it appears that your clients may have accepted contributions in-kind from the Ruff Political Action Committee that exceeded $5,000, in the form of coordinated expenditures, and failed to report the receipt of such contributions to the Commission.

Your response to the Commission's initial notification of this complaint did not provide complete information regarding the matter in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your clients, the

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Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2 of the enclosed procedures.

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 questions, please contact Nancy B. Nathan, the attorney assigned to this matter, at 202-523-4073.

Sincerely,

Danny L. McDonald

DANNY L. McDONALD
Chairman

Enclosures
Procedures

8504053416 2

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1484
Hatch Election Committee;	)	
Friends of Orrin Hatch	)	

REQUEST FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit answers to the following:

1. Please list the dates during which any campaign committees of Senator Orrin Hatch have had office space in the same buidling(s) as are/were used by the Ruff Political Action Committee (hereinafter "Ruff PAC").

2. What direct mail firm(s) have each of the campaign committees of Senator Orrin Hatch employed since January 1, 1981? For what periods?

3. What political consultant(s) have each of the campaign committees of Senator Orrin Hatch employed since January 1, 1981? For what periods?

4. Give the names, titles, and employment dates of any individuals who at any time have been employed by or who have worked for any and all committee(s) of Senator Orrin Hatch who also at any time have been employed by or worked for Ruff PAC, Hurst and Associates, or Amerad.

5. What services has Amerad performed for any and all campaign committee(s) of Senator Orrin Hatch since January 1, 1981?

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6. What services has Hurst and Associates performed for any and all campaign committee(s) of Senator Orrin Hatch since January 1, 1981?

7. List any payments received by any and all campaign committee(s) of Senator Orrin Hatch from Ruff PAC since January 1, 1981 for any purpose -- e.g., reimbursement, shared expenses, contributions, loans, etc.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 6, 1983

Neal B. Blair, President
Ruff Political Action Committee
499 South Capitol Street, S.W., #101A
Washington, D.C. 20003

Re: MUR 1484

Dear Mr. Blair:

The Federal Election Commission notified you on October 15, 1982, of a complaint that alleges that your committee violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to them at that time.

Upon further review of the allegations contained in the complaint and information supplied by you, the Commission, on January 5 , 1983, determined that there is reason to believe that your committee has violated 2 U.S.C. §§ 434(b)(4)(H)(i) and 441a(a)(2)(A), provisions of the Act. Specifically, it appears that your committee may have made coordinated expenditures on behalf of the 1982 campaign committees of Senator Orrin Hatch that exceeded $5,000 and were not reported as such.

Your response to the Commission's initial notification of this complaint did not provide complete information regarding the matter in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee, the

8504053416 5

Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2 of the enclosed procedures.

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 questions, please contact Nancy B. Nathan, the attorney assigned to this matter, at 202-523-4073.

Sincerely,

Danny L. McDonald

DANNY L. McDONALD
Chairman

Enclosures
Procedures

8504053416 6

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1484
Ruff Political Action Committee	)	

REQUEST FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit answers to the following:

1. What was the total amount received by the Ruff Political Action Committee (hereinafter "Ruff PAC") in response to its mail solicitation(s) attached hereto as Attachments 1-4? What was the total amount received by Ruff PAC in response to any other direct mail appeal mentioning Senator Orrin Hatch, since January 1, 1981?

2. What was the cost of the mailing(s) referred to above? (See Attachments 1-4). Please include all related costs, including design and production, printing, postage, and the cost of the biographies offered to contributors.

3. Give the dates during which Ruff PAC has had office space in the same building(s) as are/were used by any campaign committee of Senator Orrin Hatch.

4. What direct mail firm(s) has Ruff PAC employed since January 1, 1981? For what periods?

5. What political consultant(s) has Ruff PAC employed since January 1, 1981? For what periods?

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6. Give the names, titles, and employment dates of any individuals who have been employed by or have worked for Ruff PAC at any time and who also at any time have been employed by or have worked for any campaign committees of Senator Orrin Hatch, or who have been employed by or worked for Hurst and Associates or Amerad.

7. What services has Amerad performed for Ruff PAC since January 1, 1981?

8. What services has Hurst and Associates performed for Ruff PAC since January 1, 1981?

9. List any payments made by Ruff PAC since January 1, 1981 to any Hatch campaign committee for any purpose -- e.g., reimbursement, shared expenses, contributions, loans, etc.

8504053416 8

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1484
Orrin G. Hatch	)	
Hatch Election Committee	)	
Ruff Political Action Committee	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 5, 1983, the Commission decided by a vote of 6-0 to take the following actions in MUR 1484:

1. Find reason to believe that the Ruff Political Action Committee violated 2 U.S.C. § 441a(a)(2)(A) by making contributions in-kind to the 1982 campaign committees of Senator Orrin Hatch that exceeded $5,000 per election.

2. Find reason to believe that the Hatch Election Committee and/or the Friends of Orrin Hatch Committee violated 2 U.S.C. § 441a(f) by accepting contributions from the Ruff Political Action Committee that violated 2 U.S.C. § 441a(a)(2)(A).

3. Find reason to believe Ruff Political Action Committee violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of contributions in-kind to the 1982 campaign committees of Senator Orrin Hatch.

(Continued)

8504053416 9

Certification
General Counsel's Report
Signed December 22, 1982

4. Find reason to believe that the 1982 Hatch campaign committees violated 2 U.S.C. § 434(b)(2)(D) and (3)(A) by failing to report receipt of contributions from the Ruff Political Action Committee.

5. Approve and send the letters with questions as submitted with the General Counsel's Report signed December 22, 1982.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry and Reiche voted affirmatively in this matter.

Attest:

Jan. 5, 1983
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

8504053417 0

Received in Office of Commission Secretary: 12-23-82, 10:33
Circulated on 48 hour tally basis: 12-23-82, 4:00

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

82 DEC 23 A10: 33

In the Matter of	)	
	)	
Orrin G. Hatch; Hatch Election Committee; Ruff Political Action Committee	)	MUR 1484

GENERAL COUNSEL'S REPORT

On November 23, 1982, the Office of General Counsel submitted to the Commission a First General Counsel's Report in the above-referenced matter. That Report stated that no findings could be recommended until a response was received from the Ruff Political Action Committee ("Ruff PAC"). On November 24, 1982, that Ruff PAC response was received by this Office.

The complaint filed October 14, 1982, by the Wilson for Utah Committee alleged that purportedly independent expenditures by Ruff PAC on behalf of Senator Orrin G. Hatch and two Hatch committees during the 1982 campaign in fact were coordinated expenditures and therefore exceeded the contribution limit under 2 U.S.C. § 441a(a)(2)(A). (See complaint). The complaint further alleged that the failure of all involved committees to report those expenditures as contributions violated 2 U.S.C. § 434.

While the complaint asserted that Ruff PAC had made excessive expenditures on behalf of Hatch, it did not cite amounts of those expenditures, and conceded that it could only speculate that the costs of a Ruff PAC mail solicitation must have exceeded

8504053417

$5,000. Attached to the complaint were copies of that Ruff PAC mail solicitation; the mailing's text said that its proceeds would be used by Ruff PAC to make contributions to and expenditures for the Hatch campaign. Offered to contributors were copies of a Hatch biography.

The responses submitted by both respondents -- the Hatch committees (Attachment 1) and Ruff PAC (Attachment 2) -- asserted that no contributions to or expenditures on behalf of Hatch were made by Ruff PAC. Ruff PAC's response further stated that the mailing did not yield enough proceeds to enable Ruff PAC to make contributions or expenditures. Because the mailing's costs exceeded contributions, Ruff PAC discontinued it, its response stated.

Ruff PAC's reports to the Commission list no expenditures on behalf of, nor direct contributions to, the Hatch campaign. Disbursements listed include several to a direct mail firm, to a printer, and for postage, all of which may relate, in whole or in part, to the complained of mail solicitation and the biographies offered through it. The Ruff PAC response asserts that the full costs of the mailing are reflected in Ruff PAC's "disclosures for printing, etc." 1/

Determination of the costs of the mailing is significant, even assuming Ruff PAC's subsequent failure to use its proceeds

---

1/ The Ruff PAC response also states that its September, 1982, monthly report, due October 20, was not filed on time, but was filed by the date of the response, November 24.

8504053417 2

for contributions to or expenditures for the Hatch campaign, because those costs might constitute an impermissible contribution by Ruff PAC to the Hatch committees, if it is shown that the expenditures were not independent and that they exceeded $5,000. At 2 U.S.C. § 431(17), the Federal Election Campaign Act of 1971, as amended, provides, in pertinent part, that independent expenditures must be "made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate, and ... not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate." The complaint in this matter alleged that certain evidences of impermissible coordination were present in the relationship between Ruff PAC and the Hatch committees. While some of those indications, as discussed below, lend apparent support to a presumption of coordination, the investigation of this matter would seek to determine whether the apparent coordination was real. 2/

8504053417 3

2/ It is apparent that any inquiry into coordination must go beyond use of common vendors, to determine whether such use permitted impermissible access to information, and whether such information formed a basis for the questioned expenditures. For some types of vendors, the mere fact of common employment may be more telling than for other types -- e.g., common political consultants could more likely be presumed to use their knowledge of one client's plans in aiding another, while other vendors perhaps could serve clients separately, without drawing upon information gleaned from dealings with one to advantage another.

Exhibits and affidavits attached to the complaint (see the complaint) indicate that Ruff PAC and the Hatch committees employed the same political consultant and direct mail firm. Ruff PAC's reports to the Commission list disbursements to the firms listed in the complaint. In AO 1979-80, the Commission held that, where a PAC employs the same consultant as does the candidate, a presumption of coordination is raised. The same AO also spoke to use of a single direct mail firm.

As further evidence of coordination, the complaint contends that respondents have shared office space and staff. If true, this would indicate that the opportunity existed for the Hatch campaign to provide information about the candidate's plans or needs to Ruff PAC.

In order to investigate the actual costs of the mailing and book offering, and the evidence of coordination between Ruff PAC and the Hatch campaign, this Office recommends that the Commission find reason to believe that Ruff PAC violated 2 U.S.C. § 441a(a)(2)(A) by making excessive contributions to the Hatch campaign, that the Hatch committees violated 2 U.S.C. § 441a(f) by accepting such contributions, and that Ruff PAC and the Hatch committees violated 2 U.S.C. § 434 by their failure to report, respectively, the making and receipt of such contributions. 3/

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3/ Although the complaint named Senator Hatch as a separate respondent, we are making no separate recommendation as to him. Notice of any reason to believe finding against his committees will be sent to him, however.

Recommendations

1. Find reason to believe that the Ruff Political Action Committee violated 2 U.S.C. § 441a(a)(2)(A) by making contributions in-kind to the 1982 campaign committees of Senator Orrin Hatch that exceeded $5,000 per election.

2. Find reason to believe that the Hatch Election Committee and/or the Friends of Orrin Hatch Committee violated 2 U.S.C. § 441a(f) by accepting contributions from the Ruff Political Action Committee that violated 2 U.S.C. § 441a(a)(2)(A).

3. Find reason to believe Ruff Political Action Committee violated 2 U.S.C. § 434(b)(4)(H)(i) by failing to report the making of contributions in-kind to the 1982 campaign committees of Senator Orrin Hatch.

4. Find reason to believe that the 1982 Hatch campaign committees violated 2 U.S.C. § 434(b)(2)(D) and (3)(A) by failing to report receipt of contributions from the Ruff Political Action Committee.

5. Approve and send the attached letters with questions.

8504053417 5

December 22, 1982
Date

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

Attachments
1. Response to reason to believe finding filed by Hatch Committee
2. Response to reason to believe finding filed by Ruff Political Action Committee
3. Proposed letters and Requests for Answers to Written Questions

2033

FEC
6a# 8885
82 NOV 8 A10:44

SEDAM & HERGE
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
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McLEAN, VIRGINIA 22102

(703) 821-1000

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ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER

KAREN LUSSEN BLAIR
JOHN ROBERT CLARK III
B. ERIC SIVERTSEN

SUITE 270
1700 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20006
(703) 821-1000

TELEX: 710 831-0886
CABLE: SEDAMHERGE

November 5, 1982

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1484

Dear Mr. Gross:

This responds to your letters to Hatch Election Committee and Friends of Orrin Hatch Committee, dated October 15, 1982, in which you reported that Wilson for Utah Committee had filed a complaint with the Federal Election Commission on October 14, 1982, which alleged that Ruff Political Action Committee, Hatch Election Committee and Friends of Orrin Hatch Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended. This matter has been numbered MUR 1484.

Enclosed herewith, for your records, is a copy of a Statement of Designation of Counsel, signed by the Treasurer of Hatch Election Committee and Friends of Orrin Hatch Committee, designating the undersigned as their counsel in connection with this matter. Hatch Election Committee is the principal campaign committee of Senator Orrin G. Hatch, a candidate for election to the United States Senate from the State of Utah. Friends of Orrin Hatch Committee is an authorized committee of Senator Hatch. This constitutes a response by both Hatch Election Committee and Friends of Orrin Hatch Committee, which are hereinafter together referred to as the "Hatch Committees."

In its complaint, Wilson for Utah Committee alleged that Ruff Political Action Committee ("Ruff-PAC") was reportedly planning to make substantial expenditures in support of the election of Senator Hatch; and, that by reason of certain asserted facts, such expenditures, if made, would not qualify as independent expenditures as defined in 2 U.S.C. 431(17).

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Attachment 1- 1 of 2

The Treasurer of the Hatch Committees advises that their records reveal that Ruff-PAC reimbursed the Hatch Committees for certain expenses, all of which were reported in their periodic reports. Ruff-PAC has not formally advised the Hatch Committees that it has made any in-kind contributions on behalf of the Hatch Committees. Furthermore, counsel has been advised by representatives of Ruff-PAC that any plans they may have had to make "independent expenditures" in support of Senator Hatch were cancelled and that, through and including November 2, 1982, no such expenditures were made. It is anticipated that the response submitted to you by Ruff-PAC will substantiate that fact.

By reason of the fact that Ruff-PAC did not make any of its planned expenditures in support of Senator Hatch, the complaint fails to support a finding that the Hatch Committees are in violation of the limitations contained in 2 U.S.C. 441a by reason of the activities of Ruff-PAC. It is respectfully submitted, therefore, that no further action should be taken against the Hatch Committees in connection with this matter.

Sincerely yours,

J. Curtis Herge

J. Curtis Herge
Counsel to Hatch Election
Committee and Friends of
Orrin Hatch Committee

enclosure

Attachment 1 - 2 of 2

8504053417 7

FEC
Book Room
82 NOV 24 P3:53

November 24, 1982

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

RE: MUR 1484

Dear Commissioners:

This letter is the response of Ruff Political Action Committee to the complaint filed by the Wilson for Utah Committee.

The complaint charges that Ruff PAC has or will violate the contribution limits of 2 U.S.C. Sec. 441a because certain solicitations by Ruff-PAC and other information lead complainant to believe that Ruff-PAC has or will make contributions to the Hatch Committee and that any independent expenditures that may be made constitutes in-kind and excessive contributions to the Hatch Committee. The complaint also charges Ruff-PAC with corresponding reporting violations under 2 U.S.C. Sec. 434.

Please be advised that Exhibits B and C were indeed solicitations for contributions to Ruff-PAC. They were prepared solely by Ruff-PAC. Unfortunately, however, the results of that fundraising effort undertaken from approximately June-August 1982, were not as successful as expected, and that thus, the costs of the mailings exceeded the contributions received. Consequently, Ruff-PAC terminated those solicitations and did not make any contributions to the Hatch Committee, nor did we undertake any independent expenditures. Nor do we plan or intend to make any contributions to or independent expenditures on behalf of Senator Hatch in the foreseeable future.

We disagree with the complaint's charge that the costs of the mailings constituted an in-kind contribution because of certain relations between the Hatch Committee and Ruff-PAC. While it is true that Ruff-PAC may have engaged the services of a vendor that was also retained by the Hatch Committee, and had briefly shared office space with them for a few months this summer (and reimbursed them for the office use), the Ruff-PAC solicitations were made without the cooperation or consultation with Senator Hatch or his committees, nor was it made with or at the request or suggestion of Senator Hatch or his committees, or any of his agents. We received no information from them that led us to prepare and distribute the solicitations in question. Nor did we communicate our plans or seek prior approval from the Hatch Committees for the mailings. The primary

8504053417 8

Attachment 2 - 1 of 2

purpose of the mailings was to solicit contributions to Ruff-PAC.

As for the alleged reporting violations, inasmuch as no contributions were made by Ruff-PAC to the Hatch Committee, none were reported. The full costs of the mailings are reflected in Ruff-PAC's disclosure reports for printing, etc. The complaint also alleges that "as of October 1, 1982, Ruff-PAC has failed to file its September monthly report." Complaint, p.4, fn. 2 and p.14. Under FEC law, the September monthly report is not due until October 20, not October 1. Nevertheless, we recognize that we were delinquent by not filing by October 20, but that has been corrected and the report has now been filed with the FEC. We regret the delayed report.

I trust that this information is sufficient to dismiss the complaint. If there is any further information you may need, please contact me.

Very truly yours,

Neal Blair

NEAL BLAIR
President, Ruff-PAC

Subscribed and sworn to before me this 24 day of November, 1982.

Patricia A. Harrison

NOTARY PUBLIC

My Commission Expires August 31, 1984

8504053417 9

Attachment 2 - 2 of 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

J. Curtis Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

Re: MUR 1484

Dear Mr. Herge:

The Federal Election Commission notified your clients, Hatch Election Committee and Friends of Orrin Hatch Committee, on October 15, 1982, of a complaint which alleges that they violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to them at that time.

Upon further review of the allegations contained in the complaint and information supplied by you, the Commission, on , 1982, determined that there is reason to believe that your clients violated 2 U.S.C. §§ 434(b)(2)(D) and (3)(A) and 441a(f), provisions of the Act. Specifically, it appears that your clients may have accepted contributions in-kind from the Ruff Political Action Committee that exceeded $5,000, in the form of coordinated expenditures, and failed to report the receipt of such contributions to the Commission.

Your response to the Commission's initial notification of this complaint did not provide complete information regarding the matter in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your clients, the

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Attachment 3-1 of 8

Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2 of the enclosed procedures.

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 questions, please contact Nancy B. Nathan, the attorney assigned to this matter, at 202-523-4073.

Sincerely,

Enclosures
Procedures

8504053418 1

Attachment 3 - 2018

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1484
Hatch Election Committee;	)	
Friends of Orrin Hatch	)	

REQUEST FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit answers to the following:

1. Please list the dates during which any campaign committees of Senator Orrin Hatch have had office space in the same buidling(s) as are/were used by the Ruff Political Action Committee (hereinafter "Ruff PAC").

2. What direct mail firm(s) have each of the campaign committees of Senator Orrin Hatch employed since January 1, 1981? For what periods?

3. What political consultant(s) have each of the campaign committees of Senator Orrin Hatch employed since January 1, 1981? For what periods?

4. Give the names, titles, and employment dates of any individuals who at any time have been employed by or who have worked for any and all committee(s) of Senator Orrin Hatch who also at any time have been employed by or worked for Ruff PAC, Hurst and Associates, or Amerad.

5. What services has Amerad performed for any and all campaign committee(s) of Senator Orrin Hatch since January 1, 1981?

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Attachment 3- 3 of 8

6. What services has Hurst and Associates performed for any and all campaign committee(s) of Senator Orrin Hatch since January 1, 1981?

7. List any payments received by any and all campaign committee(s) of Senator Orrin Hatch from Ruff PAC since January 1, 1981 for any purpose -- e.g., reimbursement, shared expenses, contributions, loans, etc.

8504053418 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Neal B. Blair, President
Ruff Political Action Committee
499 South Capitol Street, S.W., #101A
Washington, D.C. 20003

Re: MUR 1484

Dear Mr. Blair:

The Federal Election Commission notified you on October 15, 1982, of a complaint that alleges that your committee violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to them at that time.

Upon further review of the allegations contained in the complaint and information supplied by you, the Commission, on , 1982, determined that there is reason to believe that your committee has violated 2 U.S.C. §§ 434(b)(4)(H)(i) and 441a(a)(2)(A), provisions of the Act. Specifically, it appears that your committee may have made coordinated expenditures on behalf of the 1982 campaign committees of Senator Orrin Hatch that exceeded $5,000 and were not reported as such.

Your response to the Commission's initial notification of this complaint did not provide complete information regarding the matter in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee, the

8504053418 4

Attachment 3-5 of 8

Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2 of the enclosed procedures.

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 questions, please contact Nancy B. Nathan, the attorney assigned to this matter, at 202-523-4073.

Sincerely,

Enclosures
Procedures

8504053418 5

Attachment 3 - 6018

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1484
Ruff Political Action Committee)

REQUEST FOR ANSWERS TO WRITTEN QUESTIONS

Within ten days of receipt of this request, please submit answers to the following:

1. What was the total amount received by the Ruff Political Action Committee (hereinafter "Ruff PAC") in response to its mail solicitation(s) attached hereto as Attachments 1-4? What was the total amount received by Ruff PAC in response to any other direct mail appeal mentioning Senator Orrin Hatch, since January 1, 1981?

2. What was the cost of the mailing(s) referred to above? (See Attachments 1-4). Please include all related costs, including design and production, printing, postage, and the cost of the biographies offered to contributors.

3. Give the dates during which Ruff PAC has had office space in the same building(s) as are/were used by any campaign committee of Senator Orrin Hatch.

4. What direct mail firm(s) has Ruff PAC employed since January 1, 1981? For what periods?

5. What political consultant(s) has Ruff PAC employed since January 1, 1981? For what periods?

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Attachment 3-7 of 8

6. Give the names, titles, and employment dates of any individuals who have been employed by or have worked for Ruff PAC at any time and who also at any time have been employed by or have worked for any campaign committees of Senator Orrin Hatch, or who have been employed by or worked for Hurst and Associates or Amerad.

7. What services has Amerad performed for Ruff PAC since January 1, 1981?

8. What services has Hurst and Associates performed for Ruff PAC since January 1, 1981?

9. List any payments made by Ruff PAC since January 1, 1981 to any Hatch campaign committee for any purpose -- e.g., reimbursement, shared expenses, contributions, loans, etc.

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SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY
83 FEB 25 P 5: 01

In the Matter of	)	
	)	
Hatch Election Committee;	)	
Friends of Orrin Hatch Committee;	)	MUR 1484
Ruff Political Action Committee	)	

COMPREHENSIVE INVESTIGATIVE REPORT # 1

This matter was initiated by a complaint filed on October 14, 1982, by the Wilson for Utah Committee. On January 5, 1983, the Commission found reason to believe that the Ruff Political Action Committee ("Ruff PAC") violated 2 U.S.C. § 441a(a)(2)(A) by making contributions in-kind that exceeded $5,000 to the 1982 campaign committees of Senator Orrin Hatch, and that the Hatch committees violated 2 U.S.C. § 441a(f) by accepting them, and that all respondents failed to report the making and receipt of such contributions, in violation of 2 U.S.C. § 434.

The Commission's findings were based upon information indicating that a mail solicitation was conducted by Ruff PAC with the stated purpose of raising funds to enable Ruff PAC to directly contribute $10,000 to the Hatch campaign, and to make independent expenditures on its behalf. Interrogatories submitted to respondents with the reason-to-believe notifications seek to determine the amounts expended by Ruff PAC on the mailing and the amounts raised, and also to establish whether there exists a basis for a finding of coordination between Ruff PAC and the Hatch campaign.

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The Hatch committees' response to the reason-to-believe finding and interrogatories was submitted on February 3, 1983. Ruff PAC requested and obtained an extension of time until February 28, 1983, because of illness and travel schedules, and the recent retention of new counsel in the matter. Following our receipt of the Ruff PAC response, this Office will make appropriate recommendations to the Commission.

February 25, 1983
Date

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

8504053418 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE

FROM: MARJORIE W. EMMONS/JODY C. RANSOM

DATE: NOVEMBER 26, 1982

SUBJECT: MUR 1484 - First General Counsel's Report signed November 23, 1982; Received in Office of Commission Secretary, 11-23-82, 4:19

The above-named document was circulated to the Commission on a 24 hour no-objection basis at 11:00, November 24, 1982.

There were no objections to the First General Counsel's Report at the time of the deadline.

8504053419 0

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY
82 NOV 23 P4: 19

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

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

DATE AND TIME OF TRANSMITTAL BY OGC TO THE COMMISSION 11-23-82

MUR #1484
DATE COMPLAINT RECEIVED BY OGC October 14, 1982
DATE OF NOTIFICATION TO RESPONDENT October 15, 1982
STAFF MEMBER Nancy Nathan

COMPLAINANT'S NAME: Wilson for Utah Committee

RESPONDENTS' NAMES: Orrin G. Hatch; Hatch Election Committee; Friends of Orrin Hatch Committee; Ruff Political Action Committee.

RELEVANT STATUTE: 2 U.S.C. §§ 44la(a)(2)(A), 434.

INTERNAL REPORTS CHECKED: Respondents' reports on file as of November 19, 1982

FEDERAL AGENCIES CHECKED: NONE

8504053419 1

SUMMARY OF ALLEGATIONS

The Wilson for Utah Committee filed a properly-executed complaint with the Commission on October 14, 1982. (Attachment 1) The complaint alleges that purportedly independent expenditures made by the Ruff Political Action Committee (Ruff PAC) on behalf of Senator Orrin G. Hatch and two Hatch committees during the 1982 campaign in fact were coordinated expenditures and therefore exceeded the limits of 2 U.S.C. § 44la(a)(2)(A). The complaint further alleges that the failure of all involved committees to report the expenditures as contributions violated 2 U.S.C. § 434.

FACTUAL AND LEGAL ANALYSIS

The Federal Election Campaign Act of 1971, as amended, limits a multicandidate political committee's contribution to a candidate and his authorized committees to $5,000 for each election cycle. Under 2 U.S.C. § 44la(a)(7)(B)(i), expenditures made in cooperation with a candidate or his committees or their agents shall be considered contributions to the candidate.

The complaint filed by the Wilson for Utah Committee alleges that certain expenditures by Ruff PAC were made on behalf of the Hatch campaign, were coordinated expenditures, and exceeded $5,000. The complaint describes a mail solicitation conducted by Ruff PAC with the stated purpose of raising funds to enable Ruff PAC to directly contribute $10,000 to the Hatch campaign, and to make independent expenditures on its behalf. (See exhibits to Attachment 1) The complaint concedes, however, that it only contends, but cannot prove, that the costs of the mail solicitation exceeded $5,000. The complaint also asserts that Ruff PAC planned "massive" media expenditures on behalf of the Hatch campaign during late October, and attaches press reports to that effect.

A response to the complaint submitted by counsel to the Hatch committees (Attachment 2) states that Ruff PAC has not advised the Hatch committees that it has made any in-kind contributions on their behalf, and also that Ruff PAC cancelled

8504053419 2

any plans it may have had to make independent expenditures on behalf of the Hatch campaign up to election day. Ruff PAC requested and received an extension of time in which to respond, to November 24, 1982.

Because Ruff PAC has not yet responded to the complaint, this Office cannot yet recommend any finding in the matter. While the Hatch committees' response indicates that Ruff PAC may not have made expenditures on Hatch's behalf, we believe we should await the Ruff PAC response in order to better determine whether such expenditures were made and in what amounts. Ruff PAC reports on file with the Commission do not list contributions or expenditures on behalf of the Hatch campaign, but those reports are not current. (The most recent Ruff PAC filing is dated October 1, covering the period ending August 31, 1982.) Upon receipt of Ruff PAC's response, this Office will promptly make recommendations in this matter.

8504053419 3

November 23, 1982
Date

Charles N. Steele
General Counsel

By: Kenneth C. Gross
Kenneth A. Gross
Associate General Counsel

Attachments
1. complaint and exhibits
2. response of Hatch committees to complaint notification

GCC #3675

BEFORE THE
FEDERAL ELECTION COMMISSION

COMPLAINT

WILSON FOR UTAH COMMITTEE,	)	
	)	
Petitioner,	)	
	)	
v.	)	MUR No.
RUFF POLITICAL ACTION COMMITTEE,	)	
HATCH ELECTION COMMITTEE,	)	
FRIENDS OF ORRIN HATCH COMMITTEE,	)	
ORRIN G. HATCH,	)	
	)	
Respondents.	)	

I. INTRODUCTION

The Wilson for Utah Committee ("the Committee") files this complaint pursuant to § 437g(a)(1) of the Federal Election Campaign Act of 1971, as amended ("the Act"), alleging violations of the Act by the Ruff Political Action Committee ("Ruff-PAC"), the Hatch Election Committee, the Friends of

Attachment 1 - 1 of 26

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Orrin Hatch Committee and Orrin G. Hatch ("Senator Hatch").[1/] (Hereinafter, the term "Hatch Committees" will be used to refer to all authorized committees of Senator Hatch unless otherwise noted.)

The Committee specifically alleges that Ruff-PAC has violated, and plans to continue violating, the Act by making contributions in excess of the Act's limitations to the Hatch Committees and that the Hatch Committees have violated, and will continue to violate, the Act by accepting these excessive contributions. 2 U.S.C. § 441a. The Committee maintains that these violations result from allegedly "independent" expenditures by Ruff-PAC on behalf of Senator Hatch --

---

[1/] The Wilson for Utah Committee is the principal campaign committee of Ted Wilson, 1982 Democratic nominee for the United States Senate in the State of Utah. The Ruff Political Action Committee is a registered multicandidate committee organized to support candidates seeking nomination or election to federal office. The Hatch Election Committee is the principal campaign committee of Senator Orrin G. Hatch, 1982 Republican nominee for the United States Senate in the State of Utah. The Friends of Orrin Hatch Committee is an authorized committee organized to support the re-election to federal office of Orrin Hatch. Orrin Hatch is a United States Senator from the State of Utah and the Republican nominee for re-election to that office in 1982.

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expenditures which, in reality, have been and will continue to be coordinated with, and made in cooperation and consultation with, the Hatch Committees. All the committees have further violated the Act by failing to report the making or receiving of the excessive contributions in violation of 2 U.S.C. § 434.

The Committee seeks immediate Commission action to rectify these violations, including expedited investigation into this complaint, prompt conciliation with the respondents, and the imposition of appropriate civil penalties.

II. RUFF-PAC "INDEPENDENT" ACTIVITY ON BEHALF OF THE HATCH COMMITTEES

Ruff-PAC calls itself an "independent political action committee" which supports candidates for federal office through "direct financial support, assistance with campaign strategy, and independent expenditures." Exhibit A.

Recently, in this election year, Ruff-PAC solicited contributions for the purpose of making a $10,000 contribution to and unlimited independent expenditures on behalf of Senator Hatch. Exhibits B & C. In its solicitations, Ruff-PAC advocates the

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election of Senator Hatch to the Senate in clear and unambiguous terms. Oddly enough, as of its August monthly report filed with the Federal Election Commission, Ruff-PAC had not reported either contributions to or independent expenditures on behalf of Senator Hatch.[2/] Yet, whatever accounts for Ruff-PAC's reporting failures, it can reasonably be presumed that the production and mailing costs of such a mailing would exceed the $5,000 per election contribution limitation imposed by 2 U.S.C. § 441a.[3/] It follows, then, that unless the solicitation was a bona fide "independent" expenditure, it would exceed the statutory contribution limits.

2/It should be noted that as of Friday, October 1, 1982, Ruff-PAC's September monthly report had not as yet been received by the Federal Election Commission. The filing date for monthly reports is the 20th of each month. This raises the possibility of an additional reporting violation by Ruff-PAC which the Commission should investigate.

3/This is, in any event, an appropriate question for exploration by the FEC when investigating the Complaint. The FEC should note, however, the mailing solicits contributions by offering a hard-bound limited edition biography of Senator Hatch in return. Any amounts spent by Ruff-PAC to finance the production and promotional costs of this book must also be accounted for in assessing the level of the Ruff-PAC's spending on behalf of Senator Hatch.

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As set forth below, the Committee asserts that the expenditures were not independent and were in fact excessive contributions. Moreover, there have been repeated reports, referenced in this Complaint, that Ruff-PAC expects to undertake in the near future massive new -- and equally bogus -- "independent" expenditures to promote the election of Senator Hatch.

III. THE RELATIONSHIP OF RUFF-PAC AND THE HATCH COMMITTEES: BOGUS "INDEPENDENCE"

A. The Law

Under the Act, an independent expenditure must be made "without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate." 2 U.S.C. § 431(17). The Federal Election Commission ("FEC") in its regulations defines "[m]ade with the cooperation or with the prior consent of . . ." as, among other things:

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> (A) Based on information about the candidate's plans, projects, or needs provided to the expending person by the candidate, or by the candidate's agents, with a view toward having an expenditure made;
>
> (B) Made by or through any person who is, or has been, authorized to raise or expend funds, . . . or who is, or has been, receiving any form of compensation or reimbursement from the candidate, the candidate's committee or agent.

11 C.F.R. §§ 109.1(b)(4)(i)(A), (B).

The regulations define the term "agent" as:

> any person who has actual oral or written authority, either express or implied, to make or to authorize the making of expenditures on behalf of a candidate, or . . . any person who has been placed in a position within the campaign organization where it would reasonably appear that in the ordinary course of campaign-related activities he or she may authorize expenditures.

11 C.F.R. § 109.1(b)(5).

Thus, when coordinating activities through an "agent" of a candidate, or making expenditures through a person compensated

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by a candidate, a committee loses its independence by force of legal presumption.

The FEC has further interpreted these regulations in several advisory opinions. For example, in Advisory Opinion 1979-80, the FEC stated that:

> use of an agent of a candidate or candidate's campaign committee by a political committee to make independent expenditures, either for or against that candidate or any opponent of that candidate, raises the presumption that the expenditure is made with the cooperation or prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of such candidate. Thus, use of an agent is presumed to destroy the independence of the expenditure . . . .

More specifically, in the same advisory opinion, the FEC stated that where an independent expenditure committee employs the same political consultant as a candidate it supports, the presumption of independence is destroyed. See AO 1979-80, Situation 2. In addition, where an independent expenditure committee engages the same direct mail firm as the opponent of

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a candidate it opposes, the presumption is also destroyed where the communication used advocates the election or defeat of a clearly identified candidate. See AO 1979-80, Situation 5. See also Advisory Opinion 1982-20.

B. The Facts

1. Common Agents and Vendors

Ruff-PAC and the Hatch Committees have employed the same political consultant (Hurst and Associates, 350 South 400 East, Salt Lake City, Utah) and the same direct mailing firm (Amerad, 350 South 400 East, Salt Lake City, Utah). These same political consultant and direct mailing firms have been employed jointly by Ruff-PAC and the Hatch Committees during this 1982 election cycle when Ruff-PAC has been making its allegedly "independent" direct mail expenditures supporting Senator Hatch.

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According to financial disclosure reports filed with the FEC, the Hatch Committees have made payments to Amerad totalling in excess of $40,000, while Ruff-PAC has retained this same service at a cost in excess of $6,000. Likewise, the Hatch Committees have retained Hurst and Associates at a payment over time of over $140,000, with Ruff-PAC also making payments to this firm in 1982 of over $1,000. As set forth in these reports, the expenditures in question cover a wide range of purposes, such as "postage," "mailing services," and "consulting" -- thus falling squarely witnin the scope of Advisory Opinion 1979-80.[4/]

These firms have received documented compensation from the Hatch Committees, while at the same time presumably participating in the independent expenditures made by Ruff-PAC on Senator Hatch's behalf. Thus, Amerad and Hurst and

---

[4/]The type of services provided by these firms is another area the FEC should investigate. Vague terms, such as "consulting," do not reveal the extent of services that may be provided, ranging from, for example, preparation of materials to advice on campaign strategy.

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Associates are persons by whom or through whom independent expenditures are made while receiving compensation or reimbursement from the candidate or his agents -- the specific activity prescribed by the Act and FEC Regulations.

2. Shared Office Facilities

In addition, Ruff-PAC and the Hatch Election Committee shared offices and facilities together at 227 Massachusetts Avenue, N.W., Washington, D.C. Exhibit D (photograph), and Exhibit E (affidavit of Mr. Phil Noble). As Exhibit D shows, a separate sign outside 227 Massachusetts Avenue carried the names of both the Hatch Committee and Ruff-PAC, side-by-side. Moreover, reports filed by Ruff-PAC confirm this arrangement by disclosing payments by that committee to the Hatch Election Committee for rental and use of a copier.

In his affidavit, Mr. Noble, recounts a visit he paid to the above address. Upon entering the Hatch Election Committee offices, and encountering an employee of that committee, Mr. Noble stated that he thought that Ruff-PAC was also located

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there. The employee replied that the Hatch Committee and Ruff-PAC had indeed shared offices, but Ruff-PAC had since moved. This cooperation between the two committees precludes any claim of "independence" by Ruff-PAC. By sharing the same offices and facilities, and most likely also staff, with the Hatch Election Committee, Ruff-PAC clearly had access to the candidate's campaign plans and strategies. This coordinated strategy is consistent with their use of common agents. Notwithstanding Ruff-PAC's claimed "independent" activities during the 1980 elections and its avowed plans to continue these activities in 1982 (Exhibit A), it is impossible to view the close relationship with the Hatch Committees as maintaining that "independence."

- The FEC should investigate the possibility that this collusive activity destroys the presumption that independent expenditures are made without "information about the candidate's plans, or needs" provided by the candidate or his agents. See 11 C.F.R. § 109.1(b)(4)(i)(A). Sharing offices, staff and facilities would result in information about the candidate's plans and needs being shared as well. It would

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strain credulity to argue that such sharing of information with an avowed independent expenditure committee, was done without any intention of its being used for the benefit of the candidate.

Finally, the Committee is aware that Ruff-PAC is planning to make a large number of media expenditures in the near future to benefit Senator Hatch. See Exhibit F. Even on the off chance that the past mailings made by Ruff-PAC on behalf of Senator Hatch did not cause Ruff-PAC to exceed the contribution limits, these mailing expenditures when combined with the anticipated massive media expenditures clearly would. In view of the clear pattern of cooperation and consultation between Ruff-PAC and the Hatch Committees, there is no possible means of establishing that these media expenditures are bona fide independent expenditures.

IV. CONCLUSION

It should be plain that the Committee has offered sufficient evidence of possible violations of the Act to

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justify a "reason to believe" finding and a full investigation by the FEC. The FEC's Office of General Counsel has always maintained that "reason to believe" findings rest on a de minimus showing, a showing sufficiently adequate to justify the invocation of the FEC's full investigatory powers. It is the Committee's position in this Complaint that more than a de minimus level of evidence is set forth to warrant such an investigation. The evidence shows that Ruff-PAC and the Hatch Committees have violated the Act in the following manner:

1. Violation of § 441a. The Committee has shown that Ruff-PAC and the Hatch Committees have employed the same political consultant and direct mail service. In addition, they have shared offices and facilities. Yet Ruff-PAC seeks to make independent expenditures on behalf of Senator Hatch.

Under the legal presumption triggered by these circumstances under FEC regulations and rulings, Ruff-PAC cannot claim true "independence" here. No "independence" can be asserted where the committee coordinates its activities with a demonstrated "agent" of the campaign of a candidate who will

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benefit from the "independent" expenditures, or where its expenditures have been made, in effect, through a person who is a paid employee or consultant of the Hatch Committees.

For these reasons, Ruff-PAC's current and planned expenditures on behalf of Senator Hatch are serious violations of the law. These expenditures are not independent, but instead constitute contributions subject to limitations established in § 441a of the Act.

2. Violation of § 434. As of this date, Ruff-PAC has failed to report any of its expenditures as either independent expenditures on behalf of or contributions to the Hatch Committees. Such activity should be reported as contributions and not as independent expenditures. As such, they must also be disclosed by the Hatch Committees. This, the Hatch Committees have failed to do, as well.

In addition, as of October 1, 1982, Ruff-PAC has failed to file its September monthly report.

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On the basis of the foregoing, the Committee requests that the FEC:

1. Conduct a prompt and immediate investigation of the facts and legal conclusions stated in this Complaint;

2. Enter into a prompt conciliation with Ruff-PAC and the Hatch Committees to remedy the violations alleged in this Complaint, and most importantly, to ensure that no further violations occur; and

3. Impose any and all appropriate penalties grounded in violations alleged in this Complaint.

Respectfully submitted,

Robert F. Bauer
Counsel, Wilson for Utah Committee

Subscribed and sworn to me on this 14th day of October, 1982.

Notary Public

My Commission Expires January 1, 1987

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WITH A VIEW TOWARD 1982

EXHIBIT A

In 1980, Ruff-PAC supported 35 Congressional candidates with direct financial support, assistance with campaign strategy, and independent expenditures. Of these candidates, 27 were victorious. . . and that translates Ruff-PAC's efforts into a 77% success rate. More than dramatic results considering that Ruff-PAC supported only underdogs and closely contested races!

But 1982 represents an even greater challenge. First, being an off year election, we can expect the traditional resurgence of the opposition party. This historical trend is expected to manifest itself across the country where free enterprise candidates meet opponents backed by liberal special interests. But more importantly, the opposition has learned much from the 1980 elections. We can expect their strategy to incorporate some of the hard lessons learned in 1980. In short, without your help now, it will become increasingly difficult to maintain the trend only begun in the last election.

As no worthy effort goes unfunded, no worthy candidate can be elected without donations from those who can offer critical financial support. We are asking for your support now, so we have the vast financial resources needed for 1982. There is a great deal that remains unfinished, and only your assistance can help put America back on the right track.

Listed below are Ruff-PAC's *initial target states* for 1982. In these states, Ruff-PAC will work through direct contributions, direct campaign strategy assistance, or independent expenditures to elect strong free enterprise candidates who will support fiscally sound and morally prudent legislation.

U.S. SENATE RACES	HOUSE OF REPRESENTATIVE RACES
Arizona	Arizona
California	California
Connecticut	Colorado
Maine	Florida
Michigan	Maine
Nevada	New Mexico
New Jersey	Oregon
New York	Tennessee
Ohio	Texas
Texas	Utah
Vermont	Washington

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Howard J. Ruff
Chairman

P.S. Remember that it is nearing the end of the calendar year. The first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

HOWARD - I believe that Ruff PAC can make a significant difference in 1982. It is vital that we support candidates that will represent our views while maintaining gains made in 1980. Please accept my donation in the amount I've listed below. My check or charge card information enclosed.

Name: _____
Address: _____
_____
City/State: _____
Zip: _____

My donation is as follows:
_____Check _____Charge card
Name of Card _____
Expiration Date _____
Signature _____

___ $100 ___ $750 ___ $500
___ $250 ___ $100 ___ $50 ___ Other

___ I would also like to donate my time or services.

Make check payable to: Ruff PAC
1875 South State Street, Suite 1400
Orem, Utah 84057
(801) 225-6022

Howard J. Ruff, Chairman
Neal B. Blair, President
Uwanda S. Smellie, Program Director

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Howard J. Ruff
Chairman

EXHIBIT B



1835 South State St., Suite 150, Orem, Utah 8405
1-801-225-0622

Dear Friend:

Will you help me get the facts out on Orrin Hatch? We want to let at least one million people in Utah know the facts about Senator Orrin Hatch.

Will you, after reading this letter, fill out the coupon and return it to us with your contribution?

As our gift to you, our way of saying thank you, we would like to send you a free complimentary first edition of the new, exciting, and highly informative hardback entitled Orrin Hatch. Challenging the Washington Establishment. This is a fascinating behind-the-scenes account.

Why are we doing all of this? We are not members of Hatch's campaign staff. We're not even advisors.

We are an independent political action committee determined to let Utah know the facts about Orrin Hatch—to let them evaluate him. Not on cheap innuendoes or demagoguery. But evaluate him with his record. Most Utahns will agree—Senator Orrin Hatch has done an outstanding job for Utah and the United States.

With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's record. We will write press releases, make phone calls, and stump the streets to let voters know the facts.

As part of this endeavor, we are offering Dr. Richard Vatterli's insightful and carefully prepared biography on Senator Hatch. Orrin was a bit reluctant to have a biography--he felt it was a bit much. Afterall, who is he?

Well, who is he? Just what has he done?

Orrin Hatch. Challenging the Washington Establishment chronicles his amazing challenge and victory over established Senator Frank Moss. The first few chapters tell in a fresh, crisp style one of the most interesting success stories in United States Senate-race history.

Without dropping the pace, the author then relates the highlights of Senator Hatch's outstanding rise to national

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leadership and service to Utah. Behind the scenes stories fill this fast paced narrative.

Won't you help Ruff-PAC perform this critical service? As an independent political action committee, we can donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth.

This we will do with your help. But time is running out on us. The time to act is now.

So if you'll quickly send your donation either by check or with your VISA/Mastercard information (as provided for on the coupon) in the next five days, we'll quickly send you a free gift of the hardback first edition, nearly 200-page biography of Senator Orrin Hatch. Give copies to your friends--it could make the difference in this election.

Thank you sincerely for your support.

Very truly yours,

Neal

Neal B. Blair
President

P.S. Remember the first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help.

P.P.S. Contributors who send more than $25 will receive the Orrin Hatch book absolutely free. Send us $100 and we'll give you five books. Send $250 and we'll give you 15 books. Send $500 and you can give 35 friends a copy. Could you also include $1 for postage and handling? Our thanks for your concern and generosity.

NEAL--I believe that Ruff PAC can make a significant difference in the Orrin Hatch campaign in 1982. It is vital we support candidates who will represent our views. Please accept my donation in the amount I've listed below. Please send me _____ copies of the Orrin Hatch biography. My check or charge card information is enclosed.

Name_____ Address_____
City/State/ZIP_____

My donation is as follows: _____Check _____Charge Card
VISA/Mastercard No. _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _
Expiration Date_____
Signature_____
___$1000 ___$750 ___$500 ___$250 ___$100 ___$50 ___$25 ___Other
Make check payable to: Ruff PAC 1835 South State Street, Suite 150, Orem, Utah 84057
Howard J. Ruff, Chairman
Neal B. Blair, President

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EXHIBIT C
Howard J. Ruff
Chairman

1875 South State Street, Suite 1400, Orem, Utah 84057

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOOK "ORRIN HATCH"



Dear Friend of Orrin Hatch,

For one month only, Ruff-PAC, a national citizen's political action committee dedicated to supporting free enterprise candidates, will give a copy of the book to any Hatch supporter who donates $25 or more to Ruff-PAC. Our way of saying thank you for your generous contribution. This is a minimum contribution. If you can give more, please do. For Ruff-PAC is one of Hatch's biggest supporters. Federal law allows us to contribute up to $10,000 to Hatch's election campaign. We plan to do just that with the contributions we receive.

READ OF THE INNER WORKINGS OF WASHINGTON.

Discover the incredible backroom dealings surrounding action on abortion, also the never before told stories of the creation and impetus behind the balanced budget and tax limitation amendment.

FIND OUT WHAT THE IRON TRIANGLE IS AND HOW IT AFFECTS LEGISLATIVE DECISIONS.

Rarely has a book been able to capture the imagination while being a phenominal educational tool. After reading "Orrin Hatch", Americans will receive a clearly outlined vision of a careful course out of the mire.

Ruff-PAC is overwhelmed with the opportunity of giving you this profound, factual hardback book. Ruff-PAC is dedicated to electing strong free-enterprise candidates who will fight to strengthen our economy and our national defense.

Feel free to use the enclosed postage paid return envelope to mail your contribution to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of "Orrin Hatch" the moment it gets off the press. Please add $1 for each book ordered for postage and handling.

For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you tow books with a contribution of $50 or more and three books when you contribute $100 or more.

Thank you so much for your support and we hope you thoroughly enjoy "Orrin Hatch" Compliments of Ruff-PAC.

With warm regards,

Neal B. Blair
President

I believe Ruff-PAC can make a significant difference in 1982. Please send me _____copy (copies) of Orrin Hatch. Please accept my donation in the amount I've listed.

My donation is as follows:
___$1000___$750___$500___$250___$100___$50___Other

___Check ___Visa/Mastercard

Name _____ Visa/Mastercard Number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Address _____ Expiration Date _____

City/State/Zip _____ Signature _____

Make check payable to: Ruff-PAC, 1875 South State Street, Suite 1400, Orem, Utah 84057 (801) 225-0622

Paid for by Ruff PAC, an independent political action committee A copy of our report is on file with the Federal Election Commission, Washington, D.C

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Ruff-PAC PRESENTS:

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOOK

ORRIN HATCH

by Dr. Richard Vetterli

Discover the incredible backroom dealings surrounding legislative action on abortion.
Find out what the Iron Triangle is and how it affects daily legislative decisions.

In a few weeks, one of the most profound and insightful books on the inner workings of our government will roll off the presses. *Orrin Hatch* is filled with exciting and provocative stories surrounding the rise in national prominence of Senator Orrin Hatch as well as an insightful understanding of the American political process. *Orrin Hatch* is destined to be an American classic.

Only a limited number of copies will be available in this first commemorative edition. We want you to have one as our gift.

Only a limited number of contributors to Ruff-PAC will be able to receive an advanced hardback copy of the book — your own copy before it hits the national bookstores.

For one month only, Ruff-PAC will give a copy of the book to any subscriber who donates $25 or more to Ruff-PAC. Our way of saying thank you for the generous contribution. This is a minimum contribution. If you can give more, please do.

Orrin Hatch is a provocative look at how an unknown but remarkably talanted Salt Lake City lawyer rose to national prominence overnight, becoming one of the foremost champions of the conservative causes and, amazingly, in just 48 months, became the chairman of the most significant and largest oversight committee in the United States Senate. No success story has ever read like that of Utah's Orrin Hatch.

Scholar and writer Dr. Richard Vetterli explains in detail how the United States has gotten into the financial and moral mess it is currently in as he shows how the Senator from Utah fought toe-to-toe against the Kennedys, McGoverns, and Metzenbeums of the Senate. He carefully draws the background and depicts the struggles of the conservative movement against the onslaught of the modern liberals and their plans for an egalitarian, monolithic society.

Not only are the life and times and struggles of Orrin Hatch chronicled, but the emergence of the New Right is simply and accurately explained. *Orrin Hatch* portrays the classic liberal. Rarely has anyone written with such clarity, insight, and detail. The book is filled with classic stories of political battles — battles that Hatch sometimes won, sometimes lost — but regardless of the results, the senator remains steadfast to his convictions and unyielding to the pressures of national prominence.

Feel free to use the coupon below to make your donation to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of *Orrin Hatch*, *the moment* it gets off the press. Please add $1 or more for postage and handling. For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you two books with a contribution of $50 or more, and three books when you contribute $100 or more. But we must urge you to remember the supply of first edition hardback copies is limited and the deadline is in one month. Act today so you won't be disappointed on missing out on this exclusive offer.

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EXHIBIT C
Page 3

Chairman's Report on Ruff-PAC, A National ★★★★★★★★★ Independent Political Action Committee ★★★★★★★★★

THE 1980 ELECTIONS...THE RECORD SPEAKS FOR ITSELF

Ruff-PAC experienced great success in 1980. Take a close look at Ruff-PAC's record...winning 27 of 35 races. All of Ruff-PAC's candidates were either decided underdogs or in closely contested races!

U.S. SENATE

Ruff-PAC Won/lost	Ruff-PAC's Candidate	Ruff-PAC's Opposition	State
WON	JEREMIAH DENTON	Jim Folsom, Jr.	ALABAMA
WON	FRANK MURKOWSKI	Clark Gruening	ALASKA
Lost	Mary Buchanan	Gary Hart	Colorado
WON	PAULA HAWKINS	Bill Gunter	FLORIDA
WON	STEVEN SYMMS	Frank Church	IDAHO
Lost	David O'Neal	Alan Dixon	Illinois
WON	DAN QUAYLE	Birch Bayh	INDIANA
WON	CHARLES GRASSLEY	John C. Culver	IOWA
Lost	Gene McNary	Thomas Eagleton	Missouri
WON	ALFONSE M. D'AMATO	Elizabeth Holtzman	NEW YORK
WON	JOHN P. EAST	Robert Morgan	N. CAROLINA
WON	DONALD NICKLES	Andy Coats	OKLAHOMA
WON	JAMES ABDNOR	George McGovern	S. DAKOTA
Lost	Steward Ledbetter	Patrick Leahy	Vermont
WON	ROBERT W. KASTEN	Gaylord Nelson	WISCONSIN
WON	SLADE GORTON	Warren Magnuson	WASHINGTON

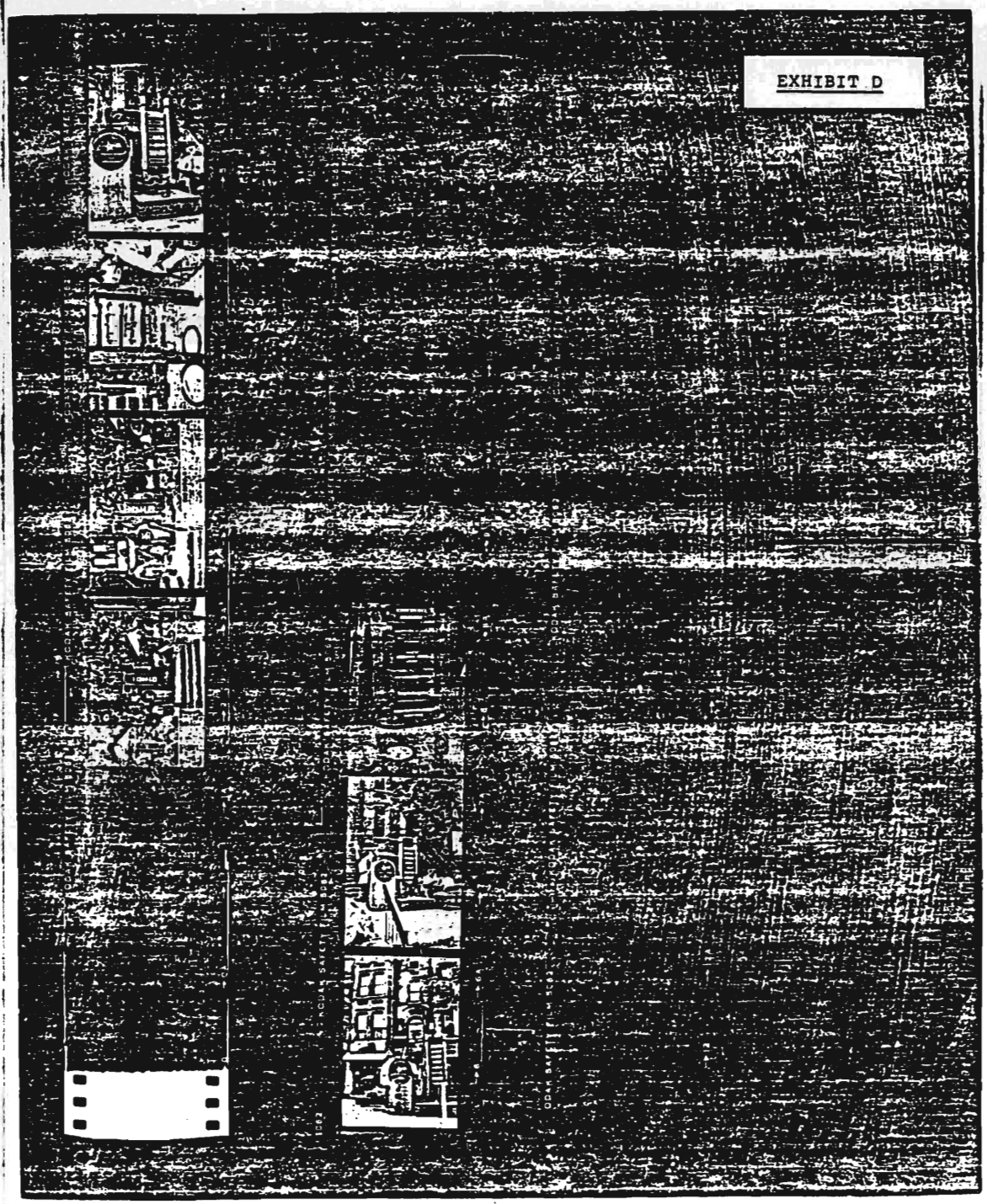
HOUSE OF REPRESENTATIVES (Congressional District Noted by State)

				Dist.
Lost	Richard H. Huff	Morris Udall	Arizona	2
WON	EUGENE CHAPPIE	Harold Johnson	CALIFORNIA	1
WON	BOBBI FIEDLER	James Corman	CALIFORNIA	21
WON	ROBERT K. DORNAN	Cary Peck	CALIFORNIA	27
WON	DAVID DREIER	James Lloyd	CALIFORNIA	35
WON	JOHN PATRICK HILER	John Brademas	INDIANA	3
WON	JIM JEFFRIES	Sam Keys	KANSAS	2
WON	BILL EMERSON	Bill Burlison	MISSOURI	10
Lost	Anne Bagnal	Stephen Neal	N. Carolina	5
WON	BOB McEWEN	Ted Strickland	OHIO	6
WON	DENNIS SMITH	Al Ullman	OREGON	2
Lost	David C. DiCarlo	Marc Marks	Pennsylvania	24
WON	CLAUDINE SCHNEIDER	Edward Beard	R. ISLAND	2
WON	THOMAS R. HARTNETT	Mendel Davis	S. CAROLINA	1
WON	JACK M. FIELDS	Bob Eckhardt	TEXAS	8
Lost	Jim Bradshaw	James Wright	Texas	12
WON	RON PAUL	Mike Andrews	TEXAS	22
WON	JAMES V. HANSEN	Gunn McKay	UTAH	1
WON	FRANK R. WOLF	Joseph Fisher	VIRGINIA	10

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EXHIBIT E

AFFIDAVIT OF PHIL NOBLE

I, Phil Noble, do herewith swear and depose as follows:

1. Through the firm that I own and operate, Phil Noble and Associates of Washington, D.C., I have participated in the formulation of campaign strategy and the conduct of research in support of various candidates for public office. One of my firm's clients has been the Wilson for Utah Committee, and I am active in my own personal support for the election of Mayor Ted Wilson of Salt Lake City, Utah to the United States Senate.

2. Having learned of the active efforts made and planned by Ruff-PAC on behalf of Mr. Wilson's opponent, I made a visit to what I understood to be Ruff-PAC's address here in Washington, D.C., 227 Massachusetts Avenue, N.W., Washington, D.C. It was my expectation to pick up Ruff-PAC literature which would describe the scope of their operations in this election year in Utah.

3. The sign outside of 227 Massachusetts Avenue, N.W., which carried the names of various resident businesses, included a separate plaque with the names of both Ruff-PAC and the Hatch Election Committee. When I arrived at Ruff-PAC's offices, however, I found instead an office housing the Hatch Election Committee.

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4. I asked an employee I encountered at the Hatch Election Committee whether I had somehow found the wrong address, but he informed me that Ruff-PAC had, in fact, once shared these same offices with the Hatch Election Committee. Ruff-PAC, he told me, had since moved.

Phil Noble

Subscribed and sworn to before me on this 6th day of October, 1982.

Notary Public

My Commission Expires January 1, 1987

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EXHIBIT F

Ruff PAC Sets $500,000 For 'Conservative Aid'

Ist. 7/12

OREM (UPI) — The political action committee led by widely-known financial analyst Howard Ruff plans to spend more than $500,000 to help elect conservative candidates this fall, including funding a series of negative campaigns nationwide.

The director of the Ruff PAC, Neil Blair, said the Orem-based group will be active in the reelection fights of Utah Republican Sen. Orrin Hatch and Republican Congressman James Hansen, as well as the 3rd District congressional campaign of Republican Ray Beckham.

Blair also said the Ruff PAC has led a $125,000 negative attack on incumbent Democratic Congressman Jack Brooks of Texas, whom he calls "one of the biggest, strongest and most powerful liberals ever to serve in the House," and has begun a campaign against Virginia's Sen. Robert Byrd.

PAC's Contributors

The Ruff-PAC collects contributions across the country from followers of Howard Ruff, who glean the conservative's investment advice from his newspaper, Ruff Times, and his weekly radio and television commentaries. Ruff, a Mormon, moved to central Utah last year.

Blair claims the PAC has a good track record of successful political activity, having spent $114,000 on 1980 campaigns. Blair said of the 19 senatorial candidates the PAC contributed to that year, 15 were eventually elected.

He points out Ruff-PAC spent $45,000 in a last-minute advertising blitz to help defeat longtime Democratic Senator Frank Church in Idaho in 1980, and believes the ads "were absolutely devastating."

Negative Campaigns

Negative campaigns run by independent groups have been loudly criticized in Utah this year by both Democrats and Republicans, but Blair claims these critics "insult the intelligence of Utah voters."

"It is basically unsophisticated people who make those kind of charges," he said in defense of negative campaigns. "I think they help to clarify issues, and candidates have plenty of opportunity to reply to an unfair attack from an independent group."

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Conservatives to get aid from Ruff PAC

OREM (UPI) — The political action committee led by financial analyst Howard Ruff plans to spend more than $500,000 to help elect conservative candidates this fall, including funding a series of negative campaigns nationwide.

The director of the Ruff PAC, Neil Blair, said the Orem-based group will be active in the reelection fights of Utah Republican Sen. Orrin Hatch and Republican Rep. James Hansen, as well as the 3rd District congressional campaign of Republican Ray Beckham.

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The Ruff PAC collects contributions across the country from followers of Howard Ruff, who glean the conservative's investment advice from his newspaper Ruff Times, and his weekly radio and television commentaries.

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He points out Ruff PAC spent $45,000 in a last-minute advertising blitz to help defeat longtime Democratic Sen. Frank Church in Idaho in 1980, and believes the ads "were absolutely devastating."

Negative campaigns run by independent groups have been loudly criticized in Utah this year by both Democrats and Republicans, but Blair claims these critics "insult the intelligence of Utah voters."

"It is basically unsophisticated people who make those kind of charges," he said in defense of negative campaigns. "I think they help to clarify issues, and candidates have plenty of opportunity to reply to an unfair attack from an independent group."

Blair added "the best thing about an independent campaign is they can spend as much money as they want attacking or supporting candidates" while federal law limits their direct involvement in the candidate's "official" campaign.

Hatch brought independent campaigns under fire in June when he rejected help from the National Pro-Life Political Action Committee, which promised to spend $200,000 in Utah to discredit Hatch's challenger, Salt Lake Mayor Ted Wilson.

Blair said the Ruff PAC may contribute to the National Pro-Life PAC, which has continued its anti-Wilson campaign absent Hatch's support.

"People in Utah have a propensity to put their principles ahead of their pocketbooks in voting, and they are in tune with Hatch's philosophies," Blair said.

The Ruff PAC leader said that this year the PAC already has "a full-time operative in West Virginia laying groundwork for a campaign against Senate Minority Leader Robert Byrd."

Despite the Ruff PAC activity against Brooks, the incumbent overcame a primary challenge and appears to be a strong contender this fall.

Blair said the goal of Ruff PAC is "to help change America." They have formed two other groups — "Free the Eagle" and "Howard Ruff Foundation" — to publicize their political ideas.

Ruff is best known for his financial advice, but Blair insists the PAC is also interested in moral and defense issues, with a conservative twist.

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SEDAM & HERGE
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
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8300 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 821-1000

GLENN J. SEDAM, JR.
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ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER

KAREN LUSSEN BLAIR
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B. ERIC SIVERTSEN

SUITE 270
1700 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20006
(703) 821-1000
TELEX: 710-831-0886
CABLE: SEDAMHERGE

November 5, 1982

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1484

Dear Mr. Gross:

This responds to your letters to Hatch Election Committee and Friends of Orrin Hatch Committee, dated October 15, 1982, in which you reported that Wilson for Utah Committee had filed a complaint with the Federal Election Commission on October 14, 1982, which alleged that Ruff Political Action Committee, Hatch Election Committee and Friends of Orrin Hatch Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended. This matter has been numbered MUR 1484.

Enclosed herewith, for your records, is a copy of a Statement of Designation of Counsel, signed by the Treasurer of Hatch Election Committee and Friends of Orrin Hatch Committee, designating the undersigned as their counsel in connection with this matter. Hatch Election Committee is the principal campaign committee of Senator Orrin G. Hatch, a candidate for election to the United States Senate from the State of Utah. Friends of Orrin Hatch Committee is an authorized committee of Senator Hatch. This constitutes a response by both Hatch Election Committee and Friends of Orrin Hatch Committee, which are hereinafter together referred to as the "Hatch Committees."

In its complaint, Wilson for Utah Committee alleged that Ruff Political Action Committee ("Ruff-PAC") was reportedly planning to make substantial expenditures in support of the election of Senator Hatch; and, that by reason of certain asserted facts, such expenditures, if made, would not qualify as independent expenditures as defined in 2 U.S.C. 431(17).

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Attachment 2-1of2

The Treasurer of the Hatch Committees advises that their records reveal that Ruff-PAC reimbursed the Hatch Committees for certain expenses, all of which were reported in their periodic reports. Ruff-PAC has not formally advised the Hatch Committees that it has made any in-kind contributions on behalf of the Hatch Committees. Furthermore, counsel has been advised by representatives of Ruff-PAC that any plans they may have had to make "independent expenditures" in support of Senator Hatch were cancelled and that, through and including November 2, 1982, no such expenditures were made. It is anticipated that the response submitted to you by Ruff-PAC will substantiate that fact.

By reason of the fact that Ruff-PAC did not make any of its planned expenditures in support of Senator Hatch, the complaint fails to support a finding that the Hatch Committees are in violation of the limitations contained in 2 U.S.C. 441a by reason of the activities of Ruff-PAC. It is respectfully submitted, therefore, that no further action should be taken against the Hatch Committees in connection with this matter.

Sincerely yours,

J. Curtis Herge

J. Curtis Herge
Counsel to Hatch Election
Committee and Friends of
Orrin Hatch Committee

enclosure

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Attachment 2 - 2 of 2

BEFORE THE
FEDERAL ELECTION COMMISSION

COMPLAINT

WILSON FOR UTAH COMMITTEE, Petitioner, v. RUFF POLITICAL ACTION COMMITTEE, HATCH ELECTION COMMITTEE, FRIENDS OF ORRIN HATCH COMMITTEE, ORRIN G. HATCH, Respondents.	)	MUR No.

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I. INTRODUCTION

The Wilson for Utah Committee ("the Committee") files this complaint pursuant to § 437g(a)(1) of the Federal Election Campaign Act of 1971, as amended ("the Act"), alleging violations of the Act by the Ruff Political Action Committee ("Ruff-PAC"), the Hatch Election Committee, the Friends of

Attachment 1 - 1 of 26

Orrin Hatch Committee and Orrin G. Hatch ("Senator Hatch").[1/] (Hereinafter, the term "Hatch Committees" will be used to refer to all authorized committees of Senator Hatch unless otherwise noted.)

The Committee specifically alleges that Ruff-PAC has violated, and plans to continue violating, the Act by making contributions in excess of the Act's limitations to the Hatch Committees and that the Hatch Committees have violated, and will continue to violate, the Act by accepting these excessive contributions. 2 U.S.C. § 441a. The Committee maintains that these violations result from allegedly "independent" expenditures by Ruff-PAC on behalf of Senator Hatch --

---

1/The Wilson for Utah Committee is the principal campaign committee of Ted Wilson, 1982 Democratic nominee for the United States Senate in the State of Utah. The Ruff Political Action Committee is a registered multicandidate committee organized to support candidates seeking nomination or election to federal office. The Hatch Election Committee is the principal campaign committee of Senator Orrin G. Hatch, 1982 Republican nominee for the United States Senate in the State of Utah. The Friends of Orrin Hatch Committee is an authorized committee organized to support the re-election to federal office of Orrin Hatch. Orrin Hatch is a United States Senator from the State of Utah and the Republican nominee for re-election to that office in 1982.

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expenditures which, in reality, have been and will continue to be coordinated with, and made in cooperation and consultation with, the Hatch Committees. All the committees have further violated the Act by failing to report the making or receiving of the excessive contributions in violation of 2 U.S.C. § 434.

The Committee seeks immediate Commission action to rectify these violations, including expedited investigation into this complaint, prompt conciliation with the respondents, and the imposition of appropriate civil penalties.

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II. RUFF-PAC "INDEPENDENT" ACTIVITY ON BEHALF OF THE HATCH COMMITTEES

Ruff-PAC calls itself an "independent political action committee" which supports candidates for federal office through "direct financial support, assistance with campaign strategy, and independent expenditures." Exhibit A.

Recently, in this election year, Ruff-PAC solicited contributions for the purpose of making a $10,000 contribution to and unlimited independent expenditures on behalf of Senator Hatch. Exhibits B & C. In its solicitations, Ruff-PAC advocates the

election of Senator Hatch to the Senate in clear and unambiguous terms. Oddly enough, as of its August monthly report filed with the Federal Election Commission, Ruff-PAC had not reported either contributions to or independent expenditures on behalf of Senator Hatch.[2/] Yet, whatever accounts for Ruff-PAC's reporting failures, it can reasonably be presumed that the production and mailing costs of such a mailing would exceed the $5,000 per election contribution limitation imposed by 2 U.S.C. § 441a.[3/] It follows, then, that unless the solicitation was a bona fide "independent" expenditure, it would exceed the statutory contribution limits.

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2/It should be noted that as of Friday, October 1, 1982, Ruff-PAC's September monthly report had not as yet been received by the Federal Election Commission. The filing date for monthly reports is the 20th of each month. This raises the possibility of an additional reporting violation by Ruff-PAC which the Commission should investigate.

3/This is, in any event, an appropriate question for exploration by the FEC when investigating the Complaint. The FEC should note, however, the mailing solicits contributions by offering a hard-bound limited edition biography of Senator Hatch in return. Any amounts spent by Ruff-PAC to finance the production and promotional costs of this book must also be accounted for in assessing the level of the Ruff-PAC's spending on behalf of Senator Hatch.

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As set forth below, the Committee asserts that the expenditures were not independent and were in fact excessive contributions. Moreover, there have been repeated reports, referenced in this Complaint, that Ruff-PAC expects to undertake in the near future massive new -- and equally bogus -- "independent" expenditures to promote the election of Senator Hatch.

III. THE RELATIONSHIP OF RUFF-PAC AND THE HATCH COMMITTEES: BOGUS "INDEPENDENCE"

A. The Law

Under the Act, an independent expenditure must be made "without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate." 2 U.S.C. § 431(17). The Federal Election Commission ("FEC") in its regulations defines "[m]ade with the cooperation or with the prior consent of . . ." as, among other things:

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(A) Based on information about the candidate's plans, projects, or needs provided to the expending person by the candidate, or by the candidate's agents, with a view toward having an expenditure made;

(B) Made by or through any person who is, or has been, authorized to raise or expend funds, . . . or who is, or has been, receiving any form of compensation or reimbursement from the candidate, the candidate's committee or agent.

11 C.F.R. §§ 109.1(b)(4)(i)(A), (B).

The regulations define the term "agent" as:

any person who has actual oral or written authority, either express or implied, to make or to authorize the making of expenditures on behalf of a candidate, or . . . any person who has been placed in a position within the campaign organization where it would reasonably appear that in the ordinary course of campaign-related activities he or she may authorize expenditures.

11 C.F.R. § 109.1(b)(5).

Thus, when coordinating activities through an "agent" of a candidate, or making expenditures through a person compensated

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by a candidate, a committee loses its independence by force of legal presumption.

The FEC has further interpreted these regulations in several advisory opinions. For example, in Advisory Opinion 1979-80, the FEC stated that:

> use of an agent of a candidate or candidate's campaign committee by a political committee to make independent expenditures, either for or against that candidate or any opponent of that candidate, raises the presumption that the expenditure is made with the cooperation or prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of such candidate. Thus, use of an agent is presumed to destroy the independence of the expenditure . . . .

More specifically, in the same advisory opinion, the FEC stated that where an independent expenditure committee employs the same political consultant as a candidate it supports, the presumption of independence is destroyed. See AO 1979-80, Situation 2. In addition, where an independent expenditure committee engages the same direct mail firm as the opponent of

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a candidate it opposes, the presumption is also destroyed where the communication used advocates the election or defeat of a clearly identified candidate. See AO 1979-80, Situation 5. See also Advisory Opinion 1982-20.

B. The Facts

1. Common Agents and Vendors

Ruff-PAC and the Hatch Committees have employed the same political consultant (Hurst and Associates, 350 South 400 East, Salt Lake City, Utah) and the same direct mailing firm (Amerad, 350 South 400 East, Salt Lake City, Utah). These same political consultant and direct mailing firms have been employed jointly by Ruff-PAC and the Hatch Committees during this 1982 election cycle when Ruff-PAC has been making its allegedly "independent" direct mail expenditures supporting Senator Hatch.

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According to financial disclosure reports filed with the FEC, the Hatch Committees have made payments to Amerad totalling in excess of $40,000, while Ruff-PAC has retained this same service at a cost in excess of $6,000. Likewise, the Hatch Committees have retained Hurst and Associates at a payment over time of over $140,000, with Ruff-PAC also making payments to this firm in 1982 of over $1,000. As set forth in these reports, the expenditures in question cover a wide range of purposes, such as "postage," "mailing services," and "consulting" -- thus falling squarely within the scope of Advisory Opinion 1979-80.[4/]

These firms have received documented compensation from the Hatch Committees, while at the same time presumably participating in the independent expenditures made by Ruff-PAC on Senator Hatch's behalf. Thus, Amerad and Hurst and

---

[4/]The type of services provided by these firms is another area the FEC should investigate. Vague terms, such as "consulting," do not reveal the extent of services that may be provided, ranging from, for example, preparation of materials to advice on campaign strategy.

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Associates are persons by whom or through whom independent expenditures are made while receiving compensation or reimbursement from the candidate or his agents -- the specific activity prescribed by the Act and FEC Regulations.

2. Shared Office Facilities

In addition, Ruff-PAC and the Hatch Election Committee shared offices and facilities together at 227 Massachusetts Avenue, N.W., Washington, D.C. Exhibit D (photograph), and Exhibit E (affidavit of Mr. Phil Noble). As Exhibit D shows, a separate sign outside 227 Massachusetts Avenue carried the names of both the Hatch Committee and Ruff-PAC, side-by-side. Moreover, reports filed by Ruff-PAC confirm this arrangement by disclosing payments by that committee to the Hatch Election Committee for rental and use of a copier.

In his affidavit, Mr. Noble, recounts a visit he paid to the above address. Upon entering the Hatch Election Committee offices, and encountering an employee of that committee, Mr. Noble stated that he thought that Ruff-PAC was also located

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there. The employee replied that the Hatch Committee and Ruff-PAC had indeed shared offices, but Ruff-PAC had since moved. This cooperation between the two committees precludes any claim of "independence" by Ruff-PAC. By sharing the same offices and facilities, and most likely also staff, with the Hatch Election Committee, Ruff-PAC clearly had access to the candidate's campaign plans and strategies. This coordinated strategy is consistent with their use of common agents. Notwithstanding Ruff-PAC's claimed "independent" activities during the 1980 elections and its avowed plans to continue these activities in 1982 (Exhibit A), it is impossible to view the close relationship with the Hatch Committees as maintaining that "independence."

- The FEC should investigate the possibility that this collusive activity destroys the presumption that independent expenditures are made without "information about the candidate's plans, or needs" provided by the candidate or his agents. See 11 C.F.R. § 109.1(b)(4)(i)(A). Sharing offices, staff and facilities would result in information about the candidate's plans and needs being shared as well. It would

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strain credulity to argue that such sharing of information with an avowed independent expenditure committee, was done without any intention of its being used for the benefit of the candidate.

Finally, the Committee is aware that Ruff-PAC is planning to make a large number of media expenditures in the near future to benefit Senator Hatch. See Exhibit F. Even on the off chance that the past mailings made by Ruff-PAC on behalf of Senator Hatch did not cause Ruff-PAC to exceed the contribution limits, these mailing expenditures when combined with the anticipated massive media expenditures clearly would. In view of the clear pattern of cooperation and consultation between Ruff-PAC and the Hatch Committees, there is no possible means of establishing that these media expenditures are bona fide independent expenditures.

IV. CONCLUSION

It should be plain that the Committee has offered sufficient evidence of possible violations of the Act to

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justify a "reason to believe" finding and a full investigation by the FEC. The FEC's Office of General Counsel has always maintained that "reason to believe" findings rest on a de minimus showing, a showing sufficiently adequate to justify the invocation of the FEC's full investigatory powers. It is the Committee's position in this Complaint that more than a de minimus level of evidence is set forth to warrant such an investigation. The evidence shows that Ruff-PAC and the Hatch Committees have violated the Act in the following manner:

1. Violation of § 44la. The Committee has shown that Ruff-PAC and the Hatch Committees have employed the same political consultant and direct mail service. In addition, they have shared offices and facilities. Yet Ruff-PAC seeks to make independent expenditures on behalf of Senator Hatch.

Under the legal presumption triggered by these circumstances under FEC regulations and rulings, Ruff-PAC cannot claim true "independence" here. No "independence" can be asserted where the committee coordinates its activities with a demonstrated "agent" of the campaign of a candidate who will

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benefit from the "independent" expenditures, or where its expenditures have been made, in effect, through a person who is a paid employee or consultant of the Hatch Committees.

For these reasons, Ruff-PAC's current and planned expenditures on behalf of Senator Hatch are serious violations of the law. These expenditures are not independent, but instead constitute contributions subject to limitations established in § 441a of the Act.

2. Violation of § 434. As of this date, Ruff-PAC has failed to report any of its expenditures as either independent expenditures on behalf of or contributions to the Hatch Committees. Such activity should be reported as contributions and not as independent expenditures. As such, they must also be disclosed by the Hatch Committees. This, the Hatch Committees have failed to do, as well.

In addition, as of October 1, 1982, Ruff-PAC has failed to file its September monthly report.

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On the basis of the foregoing, the Committee requests that the FEC:

1. Conduct a prompt and immediate investigation of the facts and legal conclusions stated in this Complaint;

2. Enter into a prompt conciliation with Ruff-PAC and the Hatch Committees to remedy the violations alleged in this Complaint, and most importantly, to ensure that no further violations occur; and

3. Impose any and all appropriate penalties grounded in violations alleged in this Complaint.

Respectfully submitted,

Robert F. Bauer
Counsel, Wilson for Utah Committee

Subscribed and sworn to me on this 14th day of October, 1982.

Notary Public

My Commission Expires January 1, 1987

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WITH A VIEW TOWARD 1982

EXHIBIT A

In 1980, Ruff-PAC supported 35 Congressional candidates with direct financial support, assistance with campaign strategy, and independent expenditures. Of these candidates, 27 were victorious. . . and that translates Ruff-PAC's efforts into a 77% success rate. More than dramatic results considering that Ruff-PAC supported only underdogs and closely contested races!

But 1982 represents an even greater challenge. First, being an off year election, we can expect the traditional resurgence of the opposition party. This historical trend is expected to manifest itself across the country where free enterprise candidates meet opponents backed by liberal special interests. But more importantly, the opposition has learned much from the 1980 elections. We can expect their strategy to incorporate some of the hard lessons learned in 1980. In short, without your help now, it will become increasingly difficult to maintain the trend only begun in the last election.

As no worthy effort goes unfunded, no worthy candidate can be elected without donations from those who can offer critical financial support. We are asking for your support now, so we have the vast financial resources needed for 1982. There is a great deal that remains unfinished, and only your assistance can help put America back on the right track.

Listed below are Ruff-PAC's *initial target states* for 1982. In these states, Ruff-PAC will work through direct contributions, direct campaign strategy assistance, or independent expenditures to elect strong free enterprise candidates who will support fiscally sound and morally prudent legislation.

U.S. SENATE RACES	HOUSE OF REPRESENTATIVE RACES
Arizona	Arizona
California	California
Connecticut	Colorado
Maine	Florida
Michigan	Maine
Nevada	New Mexico
New Jersey	Oregon
New York	Tennessee
Ohio	Texas
Texas	Utah
Vermont	Washington

The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Howard J. Ruff
Chairman

P.S. Remember that it is nearing the end of the calendar year. The first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

HOWARD - I believe that Ruff PAC can make a significant difference in 1982. It is vital that we support candidates that will represent our views while maintaining gains made in 1980. Please accept my donation in the amount I've listed below. My check or charge card information enclosed.

Name: _____
Address: _____
_____
City/State: _____
Zip: _____

My donation is as follows:
_____Check _____Charge card
Name of Card _____
Expiration Date _____
Signature _____

___$100 ___$750 ___$500
___$250 ___$100 ___$50 ___Other

___I would also like to donate my time or services.

Make check payable to: Ruff PAC
1875 South State Street, Suite 1400
Orem, Utah 84057
(801) 225-6622

Howard J. Ruff, Chairman
Neal B. Blair, President
Uwarda S. Smellie, Program Director

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Howard J. Ruff
Chairman

EXHIBIT B

1835 South State St., Suite 150, Orem, Utah 84057
1-801-225-0622

Dear Friend:

Will you help me get the facts out on Orrin Hatch? We want to let at least one million people in Utah know the facts about Senator Orrin Hatch.

Will you, after reading this letter, fill out the coupon and return it to us with your contribution?

As our gift to you, our way of saying thank you, we would like to send you a free complimentary first edition of the new, exciting, and highly informative hardback entitled Orrin Hatch. Challenging the Washington Establishment. This is a fascinating behind-the-scenes account.

Why are we doing all of this? We are not members of Hatch's campaign staff. We're not even advisors.

We are an independent political action committee determined to let Utah know the facts about Orrin Hatch--to let them evaluate him. Not on cheap innuendoes or demagoguery. But evaluate him with his record. Most Utahns will agree--Senator Orrin Hatch has done an outstanding job for Utah and the United States.

With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's record. We will write press releases, make phone calls, and stump the streets to let voters know the facts.

As part of this endeavor, we are offering Dr. Richard Vetterli's insightful and carefully prepared biography on Senator Hatch. Orrin was a bit reluctant to have a biography--he felt it was a bit much. Afterall, who is he?

Well, who is he? Just what has he done?

Orrin Hatch. Challenging the Washington Establishment chronicles his amazing challenge and victory over established Senator Frank Moss. The first few chapters tell in a fresh, crisp style one of the most interesting success stories in United States Senate-race history.

Without dropping the pace, the author then relates the highlights of Senator Hatch's outstanding rise to national

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leadership a[illegible] service to Utah. Behind the [illegible]enes stories fill this fast paced narrative.

Won't you help Ruff-PAC perform this critical service? As an independent political action committee, we can donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth.

This we will do with your help. But time is running out on us. The time to act is now.

So if you'll quickly send your donation either by check or with your VISA/Mastercard information (as provided for on the coupon) in the next five days, we'll quickly send you a free gift of the hardback first edition, nearly 200-page biography of Senator Orrin Hatch. Give copies to your friends--it could make the difference in this election.

Thank you sincerely for your support.

Very truly yours,

Neal

Neal B. Blair
President

P.S. Remember the first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help.

P.P.S. Contributors who send more than $25 will receive the Orrin Hatch book absolutely free. Send us $100 and we'll give you five books. Send $250 and we'll give you 15 books. Send $500 and you can give 35 friends a copy. Could you also include $1 for postage and handling? Our thanks for your concern and generosity.

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NEAL--I believe that Ruff PAC can make a significant difference in the Orrin Hatch campaign in 1982. It is vital we support candidates who will represent our views. Please accept my donation in the amount I've listed below. Please send me _____ copies of the Orrin Hatch biography. My check or charge card information is enclosed.

Name_____ Address_____
City/State/ZIP_____

My donation is as follows: _____Check _____Charge Card
VISA/Mastercard No. _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _
Expiration Date_____
Signature_____
___$1000 ___$750 ___$500 ___$250 ___$100 ___$50 ___$25 ___Other
Make check payable to: Ruff PAC 1835 South State Street, Suite 150, Orem, Utah 84057
Howard J. Ruff, Chairman
Neal B. Blair, President

1-18-8/26

EXHIBIT C

Howard J. Ruff
Chairman

1875 South State Street, Suite 1400, Orem, Utah 84057

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOOK "ORRIN HATCH"



Dear Friend of Orrin Hatch,

For one month only, Ruff-PAC, a national citizen's political action committee dedicated to supporting free enterprise candidates, will give a copy of the book to any Hatch supporter who donates $25 or more to Ruff-PAC. Our way of saying thank you for your generous contribution. This is a minimum contribution. If you can give more, please do. For Ruff-PAC is one of Hatch's biggest supporters. Federal law allows us to contribute up to $10,000 to Hatch's election campaign. We plan to do just that with the contributions we receive.

READ OF THE INNER WORKINGS OF WASHINGTON.

Discover the incredible backroom dealings surrounding action on abortion, also the never before told stories of the creation and impetus behind the balanced budget and tax limitation amendment.

FIND OUT WHAT THE IRON TRIANGLE IS AND HOW IT AFFECTS LEGISLATIVE DECISIONS.

Rarely has a book been able to capture the imagination while being a phenominal educational tool. After reading "Orrin Hatch", Americans will receive a clearly outlined vision of a careful course out of the mire.

Ruff-PAC is overwhelmed with the opportunity of giving you this profound, factual hardback book. Ruff-PAC is dedicated to electing strong free-enterprise candidates who will fight to strengthen our economy and our national defense.

Feel free to use the enclosed postage paid return envelope to mail your contribution to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of "Orrin Hatch" the moment it gets off the press. Please add $1 for each book ordered for postage and handling.

For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you tow books with a contribution of $50 or more and three books when you contribute $100 or more.

Thank you so much for your support and we hope you thoroughly enjoy "Orrin Hatch" Compliments of Ruff-PAC.

With warm regards,

Neal B. Blair
President

I believe Ruff-PAC can make a significant difference in 1982. Please send me _____copy (copies) of Orrin Hatch. Please accept my donation in the amount I've listed.

My donation is as follows:

___$1000___$750___$500 ___$250___$100___$50___Other

___Check ___Visa/Mastercard

Name _____

Address _____

City/State/Zip _____

Visa/Mastercard Number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Expiration Date _____

Signature _____

Make check payable to: Ruff-PAC, 1875 South State Street, Suite 1400, Orem, Utah 84057 (801) 225-0622

Paid for by Ruff PAC, an independent political action committee. A copy of our report is on file with the Federal Election Commission, Washington, D.C.

1-19026

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Ruff-PAC PRESENTS:

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOOK

ORRIN HATCH

by Dr. Richard Vetterli

Discover the incredible backroom dealings surrounding legislative action on abortion.
Find out what the Iron Triangle is and how it affects daily legislative decisions.

In a few weeks, one of the most profound and insightful books on the inner workings of our government will roll off the presses. *Orrin Hatch* is filled with exciting and provocative stories surrounding the rise in national prominence of Senator Orrin Hatch as well as an insightful understanding of the American political process. *Orrin Hatch* is destined to be an American classic.

Only a limited number of copies will be available in this first commemorative edition. We want you to have one as our gift.

Only a limited number of contributors to Ruff-PAC will be able to receive an advanced hardback copy of the book — your own copy before it hits the national bookstores.

For one month only, Ruff-PAC will give a copy of the book to any subscriber who donates $25 or more to Ruff-PAC. Our way of saying thank you for the generous contribution. This is a minimum contribution. If you can give more, please do.

Orrin Hatch is a provocative look at how an unknown but remarkably talanted Salt Lake City lawyer rose to national prominence overnight, becoming one of the foremost champions of the conservative causes and, amazingly, in just 48 months, became the chairman of the most significant and largest oversight committee in the United States Senate. No success story has ever read like that of Utah's Orrin Hatch.

Scholar and writer Dr. Richard Vetterli explains in detail how the United States has gotten into the financial and moral mess it is currently in as he shows how the Senator from Utah fought toe-to-toe against the Kennedys, McGeverns, and Metzenbaums of the Senate. He carefully draws the background and depicts the struggles of the conservative movement against the onslaught of the modern liberals and their plans for an egalitarian, monolithic society.

Not only are the life and times and struggles of Orrin Hatch chronicled, but the emergence of the New Right is simply and accurately explained. *Orrin Hatch* portrays the classic liberal. Rarely has anyone written with such clarity, insight, and detail. The book is filled with classic stories of political battles — battles that Hatch sometimes won, sometimes lost — but regardless of the results, the senator remains steadfast to his convictions and unyielding to the pressures of national prominence.

Feel free to use the coupon below to make your donation to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of *Orrin Hatch, the moment* it gets off the press. Please add $1 or more for postage and handling. For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you two books with a contribution of $50 or more, and three books when you contribute $100 or more. But we must urge you to remember the supply of first edition hardback copies is limited and the deadline is in one month. Act today so you won't be disappointed on missing out on this exclusive offer.

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Chairman's Report on Ruff-PAC, A National ★★★★★★★★★ Independent Political Action Committee ★★★★★★★★★

THE 1980 ELECTIONS. . . THE RECORD SPEAKS FOR ITSELF

Ruff-PAC experienced great success in 1980. Take a close look at Ruff-PAC's record. . . winning 27 of 35 races. All of Ruff-PAC's candidates were either decided underdogs or in closely contested races!

U.S. SENATE

Ruff-PAC Won/lost	Ruff-PAC's Candidate	Ruff-PAC's Opposition	State
WON	JEREMIAH DENTON	Jim Folsom, Jr.	ALABAMA
WON	FRANK MURKOWSKI	Clark Gruening	ALASKA
Lost	Mary Buchanan	Gary Hart	Colorado
WON	PAULA HAWKINS	Bill Gunter	FLORIDA
WON	STEVEN SYMMS	Frank Church	IDAHO
Lost	David O'Neal	Alan Dixon	Illinois
WON	DAN QUAYLE	Birch Bayh	INDIANA
WON	CHARLES GRASSLEY	John C. Culver	IOWA
Lost	Gene McNary	Thomas Eagleton	Missouri
WON	ALFONSE M. D'AMATO	Elizabeth Holtzman	NEW YORK
WON	JOHN P. EAST	Robert Morgan	N. CAROLINA
WON	DONALD NICKLES	Andy Coats	OKLAHOMA
WON	JAMES ABDNOR	George McGovern	S. DAKOTA
Lost	Steward Ledbetter	Patrick Leahy	Vermont
WON	ROBERT W. KASTEN	Gaylord Nelson	WISCONSIN
WON	SLADE GORTON	Warren Magnuson	WASHINGTON

HOUSE OF REPRESENTATIVES (Congressional District Noted by State)

				Dist.
Lost	Richard H. Huff	Morris Udall	Arizona	2
WON	EUGENE CHAPPIE	Harold Johnson	CALIFORNIA	1
WON	BOBBI FIEDLER	James Corman	CALIFORNIA	21
WON	ROBERT K. DORNAN	Cary Peck	CALIFORNIA	27
WON	DAVID DREIER	James Lloyd	CALIFORNIA	35
WON	JOHN PATRICK HILER	John Brademas	INDIANA	3
WON	JIM JEFFRIES	Sam Keys	KANSAS	2
WON	BILL EMERSON	Bill Burlison	MISSOURI	10
Lost	Anne Bagnal	Stephen Neal	N. Carolina	5
WON	BOB McEWEN	Ted Strickland	OHIO	6
WON	DENNIS SMITH	Al Ullman	OREGON	2
Lost	David C. DiCarlo	Marc Marks	Pennsylvania	24
WON	CLAUDINE SCHNEIDER	Edward Beard	R. ISLAND	2
WON	THOMAS R. HARTNETT	Mendel Davis	S. CAROLINA	1
WON	JACK M. FIELDS	Bob Eckhardt	TEXAS	8
Lost	Jim Bradshaw	James Wright	Texas	12
WON	RON PAUL	Mike Andrews	TEXAS	22
WON	JAMES V. HANSEN	Gunn McKay	UTAH	1
WON	FRANK R. WOLF	Joseph Fisher	VIRGINIA	10

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KODAK SAFETY FILM 5062
KODAK SAFETY FILM 5062
KODAK SAFETY FILM 5062

AFFIDAVIT OF PHIL NOBLE

I, Phil Noble, do herewith swear and depose as follows:

1. Through the firm that I own and operate, Phil Noble and Associates of Washington, D.C., I have participated in the formulation of campaign strategy and the conduct of research in support of various candidates for public office. One of my firm's clients has been the Wilson for Utah Committee, and I am active in my own personal support for the election of Mayor Ted Wilson of Salt Lake City, Utah to the United States Senate.

2. Having learned of the active efforts made and planned by Ruff-PAC on behalf of Mr. Wilson's opponent, I made a visit to what I understood to be Ruff-PAC's address here in Washington, D.C., 227 Massachusetts Avenue, N.W., Washington, D.C. It was my expectation to pick up Ruff-PAC literature which would describe the scope of their operations in this election year in Utah.

3. The sign outside of 227 Massachusetts Avenue, N.W., which carried the names of various resident businesses, included a separate plaque with the names of both Ruff-PAC and the Hatch Election Committee. When I arrived at Ruff-PAC's offices, however, I found instead an office housing the Hatch Election Committee.

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4. I asked an employee I encountered at the Hatch Election Committee whether I had somehow found the wrong address, but he informed me that Ruff-PAC had, in fact, once shared these same offices with the Hatch Election Committee. Ruff-PAC, he told me, had since moved.

Phil Noble

Subscribed and sworn to before me on this 6th day of October, 1982.

Notary Public

My Commission Expires January 1, 1987

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1-24 of 26

Ruff PAC Sets $500,000 For 'Conservative Aid'

Dist. 7/12

OREM (UPI) — The political action committee led by widely-known financial analyst Howard Ruff plans to spend more than $500,000 to help elect conservative candidates this fall, including funding a series of negative campaigns nationwide.

The director of the Ruff PAC, Neil Blair, said the Orem-based group will be active in the reelection fights of Utah Republican Sen. Orrin Hatch and Republican Congressman James Hansen, as well as the 3rd District congressional campaign of Republican Ray Beckham.

Blair also said the Ruff PAC has led a $125,000 negative attack on incumbent Democratic Congressman Jack Brooks of Texas, whom he calls "one of the biggest, strongest and most powerful liberals ever to serve in the House," and has begun a campaign against Virginia's Sen. Robert Byrd.

PAC's Contributors

The Ruff-PAC collects contributions across the country from followers of Howard Ruff, who glean the conservative's investment advice from his newspaper, Ruff Times, and his weekly radio and television commentaries. Ruff, a Mormon, moved to central Utah last year.

Blair claims the PAC has a good track record of successful political activity, having spent $114,000 on 1980 campaigns. Blair said of the 10 senatorial candidates the PAC contributed to that year, 15 were eventually elected.

He points out Ruff-PAC spent $45,000 in a last-minute advertising blitz to help defeat longtime Democratic Senator Frank Church in Idaho in 1980, and believes the ads "were absolutely devastating."

Negative Campaigns

Negative campaigns run by independent groups have been loudly criticized in Utah this year by both Democrats and Republicans, but Blair claims these critics "insult the intelligence of Utah voters."

"It is basically unsophisticated people who make those kind of charges," he said in defense of negative campaigns. "I think they help to clarify issues, and candidates have plenty of opportunity to reply to an unfair attack from an independent group."

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I-250126

Conservatives to get aid from Ruff PAC

OREM (UPI) — The political action committee led by financial analyst Howard Ruff plans to spend more than $500,000 to help elect conservative candidates this fall, including funding a series of negative campaigns nationwide.

The director of the Ruff PAC, Neil Blair, said the Orem-based group will be active in the reelection fights of Utah Republican Sen. Orrin Hatch and Republican Rep. James Hansen, as well as the 3rd District congressional campaign of Republican Ray Beckham.

Blair also said the Ruff PAC has led a $125,000 negative attack on incumbent Democratic Congressman Jack Brooks of Texas, whom he calls "one of the biggest, strongest and most powerful liberals ever to serve in the House," and has begun a campaign again't Virginia's Sen. Robert Byrd.

The Ruff PAC collects contributions across the country from followers of Howard Ruff, who glean the conservative's investment advice from his newspaper Ruff Times, and his weekly radio and television commentaries.

Blair claims the PAC has a good track record of successful political activity, having spent $114,000 on 1980 campaigns. Blair said of the 19 senatorial candidates the PAC contributed to that year, 15 were eventually elected.

He points out Ruff PAC spent $45,000 in a last-minute advertising blitz to help defeat longtime Democratic Sen. Frank Church in Idaho in 1980, and believes the ads "were absolutely devastating."

Negative campaigns run by independent groups have been loudly criticized in Utah this year by both Democrats and Republicans, but Blair claims these critics "insult the intelligence of Utah voters."

"It is basically unsophisticated people who make those kind of charges," he said in defense of negative campaigns. "I think they help to clarify issues, and candidates have plenty of opportunity to reply to an unfair attack from an independent group."

Blair added "the best thing about an independent campaign is they can spend as much money as they want attacking or supporting candidates", while federal law limits their direct involvement in the candidate's "official" campaign.

Hatch brought independent campaigns under fire in June when he rejected help from the National Pro-Life Political Action Committee, which promised to spend $200,000 in Utah to discredit Hatch's challenger, Salt Lake Mayor Ted Wilson.

Blair said the Ruff PAC may contribute to the National Pro-Life PAC, which has continued its anti-Wilson campaign absent Hatch's support.

"People in Utah have a propensity to put their principles ahead of their pocketbooks in voting, and they are in tune with Hatch's philosophies," Blair said.

The Ruff PAC leader said that this year the PAC already has "a full-time operative in West Virginia laying groundwork for a campaign against Senate Minority Leader Robert Byrd."

Despite the Ruff PAC activity against Brooks, the incumbent overcame a primary challenge and appears to be a strong contender this fall.

Blair said the goal of Ruff PAC is "to help change America." They have formed two other groups — "Free the Eagle" and "Howard Ruff Foundation" — to publicize their political ideasl.

Ruff is best known for his financial advice, but Blair insists the PAC is also interested in moral and defense issues, with a conservative twist.

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RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

82 OCT 18 A9: 08

SENSITIVE

October 18, 1982

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

SUBJECT: MUR 1484; complaint received October 14, 1982

On October 14, 1982, the Commission received a complaint from the Wilson for Utah Committee alleging possible reporting and contribution limitation violations by the Ruff Political Action Committee, the Hatch Election Committee, the Friends of Orrin Hatch Committee, and Orrin G. Hatch. Specifically, the complaint asserts that certain expenditures by the Ruff Political Action Committee were not independent, but rather contributions in kind to the Hatch campaign and that these contributions exceed the $5,000 limitation of 2 U.S.C. § 441a (a)(2)(A) and were not reported by the contributor or recipient.

Letters notifying the respondents of the complaint have been sent. This is a matter which we believe warrants awaiting the responses of the persons involved. Our office will make a recommendation to the Commission upon receipt of these responses.

8504053424 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 15, 1982

Mr. Robert F. Bauer
Wilson for Utah Committee
Perkins,Coie,Stone,Olson & Williams
1110 Vermont Avenue, NW
Suite 1200
Washington, D.C. 20005

Dear Mr. Bauer:

This letter is to acknowledge receipt of your complaint of October 14,1982, against the Ruff Political Action Committee, the Hatch Election Committee, the Friends of Orrin Hatch Committee, and Orrin G. Hatch 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 five days.

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. We suggest that this information be sworn to in the same manner as your original complaint. For your information, we have attached a brief description of the Commission's procedure for handling complaints. If you have any questions, please contact Steven Barndollar at (202) 523-4073.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

Enclosure

8504053424 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 15, 1982

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ruff Political Action Committee
1835 South State Street
Orem, Utah 84057

Re: MUR 1484

8504053420

Dear Sir/Madam:

This letter is to notify you that on October 14,1982, 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"). A copy of the complaint is enclosed. We have numbered this matter MUR 1484. 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 completing the enclosed form 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.

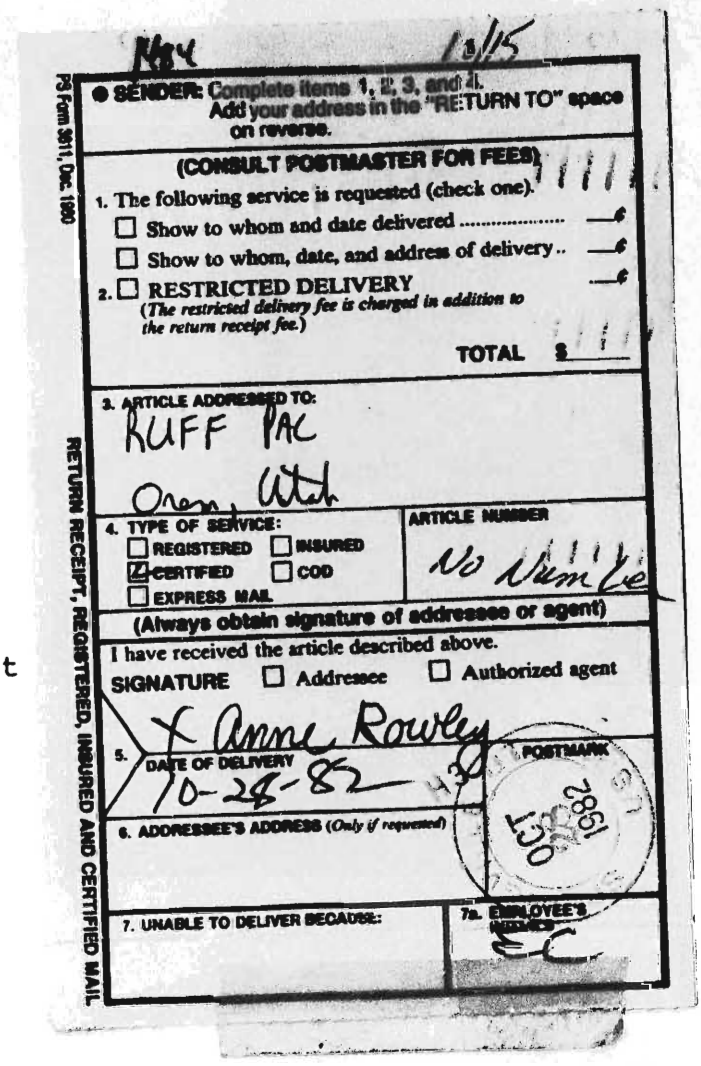
If you have any questions, please contact Nancy Nathan, the staff member assigned to this matter at (202) 523-4073. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement


PS Form 3811, Dec. 1980

SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered ..... ¢
☐ Show to whom, date, and address of delivery .. ¢
2. ☐ RESTRICTED DELIVERY ¢
(The restricted delivery fee is charged in addition to the return receipt fee.)
TOTAL $

3. ARTICLE ADDRESSED TO:
RUFF PAC
Orem, Utah

4. TYPE OF SERVICE:
☐ REGISTERED ☐ INSURED
☑ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER
No Number

(Always obtain signature of addressee or agent)

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

5. DATE OF DELIVERY
10-28-82

POSTMARK
OCT 1982

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 15, 1982

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Hatch Election Committee
405 South Main Street
Suite 711
Salt Lake City, Utah 84111

Re: MUR 1484

Dear Sir/Madam:

This letter is to notify you that on October 14,1982, 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"). A copy of the complaint is enclosed. We have numbered this matter MUR 1484. Please refer to this number in all future correspondence.

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Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

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Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 15, 1982

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Friends of Orrin Hatch Committee
405 South Main Street
Suite 711
Salt Lake City, Utah 84111

Re: MUR 1484

Dear Sir/Madam:

This letter is to notify you that on October 14,1982, 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"). A copy of the complaint is enclosed. We have numbered this matter MUR 1484. Please refer to this number in all future correspondence.

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Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

8504053425 5

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 15, 1982

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Honorable Orrin G. Hatch
7159 South 150 East
Midvale, Utah 84047

Re: MUR 1484

8504053425 6

Dear Senator Hatch:

This letter is to notify you that on October 14,1982, 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"). A copy of the complaint is enclosed. We have numbered this matter MUR 1484. Please refer to this number in all future correspondence.

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Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

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Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

BEFORE THE
FEDERAL ELECTION COMMISSION

COMPLAINT

WILSON FOR UTAH COMMITTEE, Petitioner, v. RUFF POLITICAL ACTION COMMITTEE, HATCH ELECTION COMMITTEE, FRIENDS OF ORRIN HATCH COMMITTEE, ORRIN G. HATCH, Respondents.	)	MUR No.

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I. INTRODUCTION

The Wilson for Utah Committee ("the Committee") files this complaint pursuant to § 437g(a)(1) of the Federal Election Campaign Act of 1971, as amended ("the Act"), alleging violations of the Act by the Ruff Political Action Committee ("Ruff-PAC"), the Hatch Election Committee, the Friends of

Orrin Hatch Committee and Orrin G. Hatch ("Senator Hatch").[1/] (Hereinafter, the term "Hatch Committees" will be used to refer to all authorized committees of Senator Hatch unless otherwise noted.)

The Committee specifically alleges that Ruff-PAC has violated, and plans to continue violating, the Act by making contributions in excess of the Act's limitations to the Hatch Committees and that the Hatch Committees have violated, and will continue to violate, the Act by accepting these excessive contributions. 2 U.S.C. § 441a. The Committee maintains that these violations result from allegedly "independent" expenditures by Ruff-PAC on behalf of Senator Hatch --

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[1/] The Wilson for Utah Committee is the principal campaign committee of Ted Wilson, 1982 Democratic nominee for the United States Senate in the State of Utah. The Ruff Political Action Committee is a registered multicandidate committee organized to support candidates seeking nomination or election to federal office. The Hatch Election Committee is the principal campaign committee of Senator Orrin G. Hatch, 1982 Republican nominee for the United States Senate in the State of Utah. The Friends of Orrin Hatch Committee is an authorized committee organized to support the re-election to federal office of Orrin Hatch. Orrin Hatch is a United States Senator from the State of Utah and the Republican nominee for re-election to that office in 1982.

expenditures which, in reality, have been and will continue to be coordinated with, and made in cooperation and consultation with, the Hatch Committees. All the committees have further violated the Act by failing to report the making or receiving of the excessive contributions in violation of 2 U.S.C. § 434.

The Committee seeks immediate Commission action to rectify these violations, including expedited investigation into this complaint, prompt conciliation with the respondents, and the imposition of appropriate civil penalties.

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II. RUFF-PAC "INDEPENDENT" ACTIVITY ON BEHALF OF THE HATCH COMMITTEES

Ruff-PAC calls itself an "independent political action committee" which supports candidates for federal office through "direct financial support, assistance with campaign strategy, and independent expenditures." Exhibit A.

Recently, in this election year, Ruff-PAC solicited contributions for the purpose of making a $10,000 contribution to and unlimited independent expenditures on behalf of Senator Hatch. Exhibits B & C. In its solicitations, Ruff-PAC advocates the

election of Senator Hatch to the Senate in clear and unambiguous terms. Oddly enough, as of its August monthly report filed with the Federal Election Commission, Ruff-PAC had not reported either contributions to or independent expenditures on behalf of Senator Hatch.[2/] Yet, whatever accounts for Ruff-PAC's reporting failures, it can reasonably be presumed that the production and mailing costs of such a mailing would exceed the $5,000 per election contribution limitation imposed by 2 U.S.C. § 44la.[3/] It follows, then, that unless the solicitation was a bona fide "independent" expenditure, it would exceed the statutory contribution limits.

2/It should be noted that as of Friday, October 1, 1982, Ruff-PAC's September monthly report had not as yet been received by the Federal Election Commission. The filing date for monthly reports is the 20th of each month. This raises the possibility of an additional reporting violation by Ruff-PAC which the Commission should investigate.

3/This is, in any event, an appropriate question for exploration by the FEC when investigating the Complaint. The FEC should note, however, the mailing solicits contributions by offering a hard-bound limited edition biography of Senator Hatch in return. Any amounts spent by Ruff-PAC to finance the production and promotional costs of this book must also be accounted for in assessing the level of the Ruff-PAC's spending on behalf of Senator Hatch.

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As set forth below, the Committee asserts that the expenditures were not independent and were in fact excessive contributions. Moreover, there have been repeated reports, referenced in this Complaint, that Ruff-PAC expects to undertake in the near future massive new -- and equally bogus -- "independent" expenditures to promote the election of Senator Hatch.

III. THE RELATIONSHIP OF RUFF-PAC AND THE HATCH COMMITTEES: BOGUS "INDEPENDENCE"

A. The Law

Under the Act, an independent expenditure must be made "without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate." 2 U.S.C. § 431(17). The Federal Election Commission ("FEC") in its regulations defines "[m]ade with the cooperation or with the prior consent of . . ." as, among other things:

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> (A) Based on information about the candidate's plans, projects, or needs provided to the expending person by the candidate, or by the candidate's agents, with a view toward having an expenditure made;
>
> (B) Made by or through any person who is, or has been, authorized to raise or expend funds, . . . or who is, or has been, receiving any form of compensation or reimbursement from the candidate, the candidate's committee or agent.

11 C.F.R. §§ 109.1(b)(4)(i)(A), (B).

The regulations define the term "agent" as:

> any person who has actual oral or written authority, either express or implied, to make or to authorize the making of expenditures on behalf of a candidate, or . . . any person who has been placed in a position within the campaign organization where it would reasonably appear that in the ordinary course of campaign-related activities he or she may authorize expenditures.

11 C.F.R. § 109.1(b)(5).

Thus, when coordinating activities through an "agent" of a candidate, or making expenditures through a person compensated

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by a candidate, a committee loses its independence by force of legal presumption.

The FEC has further interpreted these regulations in several advisory opinions. For example, in Advisory Opinion 1979-80, the FEC stated that:

> use of an agent of a candidate or candidate's campaign committee by a political committee to make independent expenditures, either for or against that candidate or any opponent of that candidate, raises the presumption that the expenditure is made with the cooperation or prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of such candidate. Thus, use of an agent is presumed to destroy the independence of the expenditure . . . .

More specifically, in the same advisory opinion, the FEC stated that where an independent expenditure committee employs the same political consultant as a candidate it supports, the presumption of independence is destroyed. See AO 1979-80, Situation 2. In addition, where an independent expenditure committee engages the same direct mail firm as the opponent of

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a candidate it opposes, the presumption is also destroyed where the communication used advocates the election or defeat of a clearly identified candidate. See AO 1979-80, Situation 5. See also Advisory Opinion 1982-20.

B. The Facts

1. Common Agents and Vendors

Ruff-PAC and the Hatch Committees have employed the same political consultant (Hurst and Associates, 350 South 400 East, Salt Lake City, Utah) and the same direct mailing firm (Amerad, 350 South 400 East, Salt Lake City, Utah). These same political consultant and direct mailing firms have been employed jointly by Ruff-PAC and the Hatch Committees during this 1982 election cycle when Ruff-PAC has been making its allegedly "independent" direct mail expenditures supporting Senator Hatch.

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According to financial disclosure reports filed with the FEC, the Hatch Committees have made payments to Amerad totalling in excess of $40,000, while Ruff-PAC has retained this same service at a cost in excess of $6,000. Likewise, the Hatch Committees have retained Hurst and Associates at a payment over time of over $140,000, with Ruff-PAC also making payments to this firm in 1982 of over $1,000. As set forth in these reports, the expenditures in question cover a wide range of purposes, such as "postage," "mailing services," and "consulting" -- thus falling squarely within the scope of Advisory Opinion 1979-80.[4/]

These firms have received documented compensation from the Hatch Committees, while at the same time presumably participating in the independent expenditures made by Ruff-PAC on Senator Hatch's behalf. Thus, Amerad and Hurst and

---

[4/]The type of services provided by these firms is another area the FEC should investigate. Vague terms, such as "consulting," do not reveal the extent of services that may be provided, ranging from, for example, preparation of materials to advice on campaign strategy.

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Associates are persons by whom or through whom independent expenditures are made while receiving compensation or reimbursement from the candidate or his agents -- the specific activity prescribed by the Act and FEC Regulations.

2. Shared Office Facilities

In addition, Ruff-PAC and the Hatch Election Committee shared offices and facilities together at 227 Massachusetts Avenue, N.W., Washington, D.C. Exhibit D (photograph), and Exhibit E (affidavit of Mr. Phil Noble). As Exhibit D shows, a separate sign outside 227 Massachusetts Avenue carried the names of both the Hatch Committee and Ruff-PAC, side-by-side. Moreover, reports filed by Ruff-PAC confirm this arrangement by disclosing payments by that committee to the Hatch Election Committee for rental and use of a copier.

In his affidavit, Mr. Noble, recounts a visit he paid to the above address. Upon entering the Hatch Election Committee offices, and encountering an employee of that committee, Mr. Noble stated that he thought that Ruff-PAC was also located

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there. The employee replied that the Hatch Committee and Ruff-PAC had indeed shared offices, but Ruff-PAC had since moved. This cooperation between the two committees precludes any claim of "independence" by Ruff-PAC. By sharing the same offices and facilities, and most likely also staff, with the Hatch Election Committee, Ruff-PAC clearly had access to the candidate's campaign plans and strategies. This coordinated strategy is consistent with their use of common agents. Notwithstanding Ruff-PAC's claimed "independent" activities during the 1980 elections and its avowed plans to continue these activities in 1982 (Exhibit A), it is impossible to view the close relationship with the Hatch Committees as maintaining that "independence."

The FEC should investigate the possibility that this collusive activity destroys the presumption that independent expenditures are made without "information about the candidate's plans, or needs" provided by the candidate or his agents. See 11 C.F.R. § 109.1(b)(4)(i)(A). Sharing offices, staff and facilities would result in information about the candidate's plans and needs being shared as well. It would

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strain credulity to argue that such sharing of information with an avowed independent expenditure committee, was done without any intention of its being used for the benefit of the candidate.

Finally, the Committee is aware that Ruff-PAC is planning to make a large number of media expenditures in the near future to benefit Senator Hatch. See Exhibit F. Even on the off chance that the past mailings made by Ruff-PAC on behalf of Senator Hatch did not cause Ruff-PAC to exceed the contribution limits, these mailing expenditures when combined with the anticipated massive media expenditures clearly would. In view of the clear pattern of cooperation and consultation between Ruff-PAC and the Hatch Committees, there is no possible means of establishing that these media expenditures are bona fide independent expenditures.

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IV. CONCLUSION

It should be plain that the Committee has offered sufficient evidence of possible violations of the Act to

justify a "reason to believe" finding and a full investigation by the FEC. The FEC's Office of General Counsel has always maintained that "reason to believe" findings rest on a de minimus showing, a showing sufficiently adequate to justify the invocation of the FEC's full investigatory powers. It is the Committee's position in this Complaint that more than a de minimus level of evidence is set forth to warrant such an investigation. The evidence shows that Ruff-PAC and the Hatch Committees have violated the Act in the following manner:

1. Violation of § 441a. The Committee has shown that Ruff-PAC and the Hatch Committees have employed the same political consultant and direct mail service. In addition, they have shared offices and facilities. Yet Ruff-PAC seeks to make independent expenditures on behalf of Senator Hatch.

Under the legal presumption triggered by these circumstances under FEC regulations and rulings, Ruff-PAC cannot claim true "independence" here. No "independence" can be asserted where the committee coordinates its activities with a demonstrated "agent" of the campaign of a candidate who will

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benefit from the "independent" expenditures, or where its expenditures have been made, in effect, through a person who is a paid employee or consultant of the Hatch Committees.

For these reasons, Ruff-PAC's current and planned expenditures on behalf of Senator Hatch are serious violations of the law. These expenditures are not independent, but instead constitute contributions subject to limitations established in § 441a of the Act.

2. Violation of § 434. As of this date, Ruff-PAC has failed to report any of its expenditures as either independent expenditures on behalf of or contributions to the Hatch Committees. Such activity should be reported as contributions and not as independent expenditures. As such, they must also be disclosed by the Hatch Committees. This, the Hatch Committees have failed to do, as well.

In addition, as of October 1, 1982, Ruff-PAC has failed to file its September monthly report.

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On the basis of the foregoing, the Committee requests that the FEC:

1. Conduct a prompt and immediate investigation of the facts and legal conclusions stated in this Complaint;

2. Enter into a prompt conciliation with Ruff-PAC and the Hatch Committees to remedy the violations alleged in this Complaint, and most importantly, to ensure that no further violations occur; and

3. Impose any and all appropriate penalties grounded in violations alleged in this Complaint.

Respectfully submitted,

Robert F. Bauer
Counsel, Wilson for Utah Committee

Subscribed and sworn to me on this 14th day of October, 1982.

Notary Public

My Commission Expires January 1, 1987

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WITH A VIEW TOWARD 1982

EXHIBIT A

In 1980, Ruff-PAC supported 35 Congressional candidates with direct financial support, assistance with campaign strategy, and independent expenditures. Of these candidates, 27 were victorious. . . and that translates Ruff-PAC's efforts into a 77% success rate. More than dramatic results considering that Ruff-PAC supported only underdogs and closely contested races!

But 1982 represents an even greater challenge. First, being an off year election, we can expect the traditional resurgence of the opposition party. This historical trend is expected to manifest itself across the country where free enterprise candidates meet opponents backed by liberal special interests. But more importantly, the opposition has learned much from the 1980 elections. We can expect their strategy to incorporate some of the hard lessons learned in 1980. In short, without your help now, it will become increasingly difficult to maintain the trend only begun in the last election.

As no worthy effort goes unfunded, no worthy candidate can be elected without donations from those who can offer critical financial support. We are asking for your support now, so we have the vast financial resources needed for 1982. There is a great deal that remains unfinished, and only your assistance can help put America back on the right track.

Listed below are Ruff-PAC's *initial target states* for 1982. In these states, Ruff-PAC will work through direct contributions, direct campaign strategy assistance, or independent expenditures to elect strong free enterprise candidates who will support fiscally sound and morally prudent legislation.

U.S. SENATE RACES	HOUSE OF REPRESENTATIVE RACES
Arizona	Arizona
California	California
Connecticut	Colorado
Maine	Florida
Michigan	Maine
Nevada	New Mexico
New Jersey	Oregon
New York	Tennessee
Ohio	Texas
Texas	Utah
Vermont	Washington

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The next four years could be as crucial as any period in the history of the Republic. Either we reverse the direction of the last thirty years of political and fiscal philosophy, or we continue down the road towards inflationary ruin, with a high risk of losing our system of government.

I urge you to continue your generous support now. Please give generously.

God bless you for your wonderful patriotism and past support.

Very truly yours,

Howard J. Ruff
Chairman

P.S. Remember that it is nearing the end of the calendar year. The first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help!

HOWARD - I believe that Ruff PAC can make a significant difference in 1982. It is vital that we support candidates that will represent our views while maintaining gains made in 1980. Please accept my donation in the amount I've listed below. My check or charge card information enclosed.

Name: _____
Address: _____
_____
City/State: _____
Zip: _____

Howard J. Ruff, Chairman
Neal B. Blair, President
Uwarda S. Smellie, Program Director

My donation is as follows:
_____Check _____Charge card

Name of Card _____
Expiration Date _____
Signature _____

___ $100 ___$750 ___$500
___$250 ___$100 ___$50 ___Other

___I would also like to donate my time or services.

Make check payable to: Ruff PAC
1875 South State Street, Suite 1400
Orem, Utah 84057
(801) 225-0622

Howard J. Ruff
Chairman

EXHIBIT B

1835 South State St., Suite 150, Orem, Utah 84057
1-801-225-0622

Dear Friend:

Will you help me get the facts out on Orrin Hatch? We want to let at least one million people in Utah know the facts about Senator Orrin Hatch.

Will you, after reading this letter, fill out the coupon and return it to us with your contribution?

As our gift to you, our way of saying thank you, we would like to send you a free complimentary first edition of the new, exciting, and highly informative hardback entitled Orrin Hatch. Challenging the Washington Establishment. This is a fascinating behind-the-scenes account.

Why are we doing all of this? We are not members of Hatch's campaign staff. We're not even advisors.

We are an independent political action committee determined to let Utah know the facts about Orrin Hatch--to let them evaluate him. Not on cheap innuendoes or demagoguery. But evaluate him with his record. Most Utahns will agree--Senator Orrin Hatch has done an outstanding job for Utah and the United States.

With the money we raise, we will purchase radio and TV time and newspaper space, and detail the Senator's record. We will write press releases, make phone calls, and stump the streets to let voters know the facts.

As part of this endeavor, we are offering Dr. Richard Vetterli's insightful and carefully prepared biography on Senator Hatch. Orrin was a bit reluctant to have a biography--he felt it was a bit much. Afterall, who is he?

Well, who is he? Just what has he done?

Orrin Hatch. Challenging the Washington Establishment chronicles his amazing challenge and victory over established Senator Frank Moss. The first few chapters tell in a fresh, crisp style one of the most interesting success stories in United States Senate-race history.

Without dropping the pace, the author then relates the highlights of Senator Hatch's outstanding rise to national

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leadership and service to Utah. Behind the [illegible]nes stories fill this fast paced narrative.

Won't you help Ruff-PAC perform this critical service? As an independent political action committee, we can donate $10,000 directly to the Hatch campaign, and spend whatever we deem necessary in an independent endeavor to elaborate the truth.

This we will do with your help. But time is running out on us. The time to act is now.

So if you'll quickly send your donation either by check or with your VISA/Mastercard information (as provided for on the coupon) in the next five days, we'll quickly send you a free gift of the hardback first edition, nearly 200-page biography of Senator Orrin Hatch. Give copies to your friends--it could make the difference in this election.

Thank you sincerely for your support.

Very truly yours,

Neal

Neal B. Blair
President

P.S. Remember the first $100 contributed in a calendar year to a candidate or to a PAC will entitle you to a $50 direct tax credit on your federal income tax return. A $200 contribution entitles a couple filing a joint return to a $100 direct tax credit. Thank you in advance for your help.

P.P.S. Contributors who send more than $25 will receive the Orrin Hatch book absolutely free. Send us $100 and we'll give you five books. Send $250 and we'll give you 15 books. Send $500 and you can give 35 friends a copy. Could you also include $1 for postage and handling? Our thanks for your concern and generosity.

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NEAL--I believe that Ruff PAC can make a significant difference in the Orrin Hatch campaign in 1982. It is vital we support candidates who will represent our views. Please accept my donation in the amount I've listed below. Please send me _____ copies of the Orrin Hatch biography. My check or charge card information is enclosed.

Name_____ Address_____
City/State/ZIP_____

My donation is as follows: _____Check _____Charge Card
VISA/Mastercard No. _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _
Expiration Date_____
Signature_____
___$1000 ___$750 ___$500 ___$250 ___$100 ___$50 ___$25 ___Other
Make check payable to: Ruff PAC 1835 South State Street, Suite 150, Orem, Utah 84057
Howard J. Ruff, Chairman
Neal B. Blair, President

EXHIBIT C

Howard J. Ruff
Chairman

1875 South State Street, Suite 1400, Orem, Utah 84057

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOOK "ORRIN HATCH"



Dear Friend of Orrin Hatch,

For one month only, Ruff-PAC, a national citizen's political action committee dedicated to supporting free enterprise candidates, will give a copy of the book to any Hatch supporter who donates $25 or more to Ruff-PAC. Our way of saying thank you for your generous contribution. This is a minimum contribution. If you can give more, please do. For Ruff-PAC is one of Hatch's biggest supporters. Federal law allows us to contribute up to $10,000 to Hatch's election campaign. We plan to do just that with the contributions we receive.

READ OF THE INNER WORKINGS OF WASHINGTON.

Discover the incredible backroom dealings surrounding action on abortion, also the never before told stories of the creation and impetus behind the balanced budget and tax limitation amendment.

FIND OUT WHAT THE IRON TRIANGLE IS AND HOW IT AFFECTS LEGISLATIVE DECISIONS.

Rarely has a book been able to capture the imagination while being a phenominal educational tool. After reading "Orrin Hatch", Americans will receive a clearly outlined vision of a careful course out of the mire.

Ruff-PAC is overwhelmed with the opportunity of giving you this profound, factual hardback book. Ruff-PAC is dedicated to electing strong free-enterprise candidates who will fight to strengthen our economy and our national defense.

Feel free to use the enclosed postage paid return envelope to mail your contribution to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of "Orrin Hatch" the moment it gets off the press. Please add $1 for each book ordered for postage and handling.

For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you tow books with a contribution of $50 or more and three books when you contribute $100 or more.

Thank you so much for your support and we hope you thoroughly enjoy "Orrin Hatch"
Compliments of Ruff-PAC.

With warm regards,

Neal B. Blair
President

I believe Ruff-PAC can make a significant difference in 1982. Please send me _____copy (copies) of Orrin Hatch. Please accept my donation in the amount I've listed.

My donation is as follows:

___$1000___$750___$500 ___$250___$100___$50___Other

___Check ___Visa/Mastercard

Name _____

Address _____

City/State/Zip _____

Visa/Mastercard Number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Expiration Date _____

Signature _____

Make check payable to: Ruff-PAC, 1875 South State Street, Suite 1400, Orem, Utah 84057 (801) 225-0622

Paid for by Ruff-PAC, an independent political action committee. A copy of our report is on file with the Federal Election Commission, Washington, D.C.

Ruff-PAC PRESENTS:

AN OFFER FOR YOU TO RECEIVE A COMPLIMENTARY COPY OF THE COMMEMORATIVE FIRST EDITION HARDBACK BOOK

ORRIN HATCH

by Dr. Richard Vetterli

Discover the incredible backroom dealings surrounding legislative action on abortion.
Find out what the Iron Triangle is and how it affects daily legislative decisions.

In a few weeks, one of the most profound and insightful books on the inner workings of our government will roll off the presses. *Orrin Hatch* is filled with exciting and provocative stories surrounding the rise in national prominence of Senator Orrin Hatch as well as an insightful understanding of the American political process. *Orrin Hatch* is destined to be an American classic.

Only a limited number of copies will be available in this first commemorative edition. We want you to have one as our gift.

Only a limited number of contributors to Ruff-PAC will be able to receive an advanced hardback copy of the book — your own copy before it hits the national bookstores.

For one month only, Ruff-PAC will give a copy of the book to any subscriber who donates $25 or more to Ruff-PAC. Our way of saying thank you for the generous contribution. This is a minimum contribution. If you can give more, please do.

Orrin Hatch is a provocative look at how an unknown but remarkably talanted Salt Lake City lawyer rose to national prominence overnight, becoming one of the foremost champions of the conservative causes and, amazingly, in just 48 months, became the chairman of the most significant and largest oversight committee in the United States Senate. No success story has ever read like that of Utah's Orrin Hatch.

Scholar and writer Dr. Richard Vetterli explains in detail how the United States has gotten into the financial and moral mess it is currently in as he shows how the Senator from Utah fought toe-to-toe against the Kennedys, McGoverns, and Metzenbaums of the Senate. He carefully draws the background and depicts the struggles of the conservative movement against the onslaught of the modern liberals and their plans for an egalitarian, monolithic society.

Not only are the life and times and struggles of Orrin Hatch chronicled, but the emergence of the New Right is simply and accurately explained. *Orrin Hatch* portrays the classic liberal. Rarely has anyone written with such clarity, insight, and detail. The book is filled with classic stories of political battles — battles that Hatch sometimes won, sometimes lost — but regardless of the results, the senator remains steadfast to his convictions and unyielding to the pressures of national prominence.

Feel free to use the coupon below to make your donation to Ruff-PAC. To those who send us immediately a contribution of $25 or more, we will rush to you a copy of *Orrin Hatch, the moment* it gets off the press. Please add $1 or more for postage and handling. For those who would like to send this insightful and beautifully bound hardback book to friends and relatives, we will send you two books with a contribution of $50 or more, and three books when you contribute $100 or more. But we must urge you to remember the supply of first edition hardback copies is limited and the deadline is in one month. Act today so you won't be disappointed on missing out on this exclusive offer.

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Chairman's Report on Ruff-PAC, A National ★★★★★★★★★★ Independent Political Action Committee ★★★★★★★★★

THE 1980 ELECTIONS . . . THE RECORD SPEAKS FOR ITSELF

Ruff-PAC experienced great success in 1980. Take a close look at Ruff-PAC's record . . . winning 27 of 35 races. All of Ruff-PAC's candidates were either decided underdogs or in closely contested races!

U.S. SENATE

Ruff-PAC Won/lost	Ruff-PAC's Candidate	Ruff-PAC's Opposition	State
WON	JEREMIAH DENTON	Jim Folsom, Jr.	ALABAMA
WON	FRANK MURKOWSKI	Clark Gruening	ALASKA
Lost	Mary Buchanan	Gary Hart	Colorado
WON	PAULA HAWKINS	Bill Gunter	FLORIDA
WON	STEVEN SYMMS	Frank Church	IDAHO
Lost	David O'Neal	Alan Dixon	Illinois
WON	DAN QUAYLE	Birch Bayh	INDIANA
WON	CHARLES GRASSLEY	John C. Culver	IOWA
Lost	Gene McNary	Thomas Eagleton	Missouri
WON	ALFONSE M. D'AMATO	Elizabeth Holtzman	NEW YORK
WON	JOHN P. EAST	Robert Morgan	N. CAROLINA
WON	DONALD NICKLES	Andy Coats	OKLAHOMA
WON	JAMES ABDNOR	George McGovern	S. DAKOTA
Lost	Steward Ledbetter	Patrick Leahy	Vermont
WON	ROBERT W. KASTEN	Gaylord Nelson	WISCONSIN
WON	SLADE GORTON	Warren Magnuson	WASHINGTON

HOUSE OF REPRESENTATIVES (Congressional District Noted by State)

				Dist.
Lost	Richard H. Huff	Morris Udall	Arizona	2
WON	EUGENE CHAPPIE	Harold Johnson	CALIFORNIA	1
WON	BOBBI FIEDLER	James Corman	CALIFORNIA	21
WON	ROBERT K. DORNAN	Cary Peck	CALIFORNIA	27
WON	DAVID DREIER	James Lloyd	CALIFORNIA	35
WON	JOHN PATRICK HILER	John Brademas	INDIANA	3
WON	JIM JEFFRIES	Sam Keys	KANSAS	2
WON	BILL EMERSON	Bill Burlison	MISSOURI	10
Lost	Anne Bagnal	Stephen Neal	N. Carolina	5
WON	BOB McEWEN	Ted Strickland	OHIO	6
WON	DENNIS SMITH	Al Ullman	OREGON	2
Lost	David C. DiCarlo	Marc Marks	Pennsylvania	24
WON	CLAUDINE SCHNEIDER	Edward Beard	R. ISLAND	2
WON	THOMAS R. HARTNETT	Mendel Davis	S. CAROLINA	1
WON	JACK M. FIELDS	Bob Eckhardt	TEXAS	8
Lost	Jim Bradshaw	James Wright	Texas	12
WON	RON PAUL	Mike Andrews	TEXAS	22
WON	JAMES V. HANSEN	Gunn McKay	UTAH	1
WON	FRANK R. WOLF	Joseph Fisher	VIRGINIA	10

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EXHIBIT D

EXHIBIT E

AFFIDAVIT OF PHIL NOBLE

I, Phil Noble, do herewith swear and depose as follows:

1. Through the firm that I own and operate, Phil Noble and Associates of Washington, D.C., I have participated in the formulation of campaign strategy and the conduct of research in support of various candidates for public office. One of my firm's clients has been the Wilson for Utah Committee, and I am active in my own personal support for the election of Mayor Ted Wilson of Salt Lake City, Utah to the United States Senate.

2. Having learned of the active efforts made and planned by Ruff-PAC on behalf of Mr. Wilson's opponent, I made a visit to what I understood to be Ruff-PAC's address here in Washington, D.C., 227 Massachusetts Avenue, N.W., Washington, D.C. It was my expectation to pick up Ruff-PAC literature which would describe the scope of their operations in this election year in Utah.

3. The sign outside of 227 Massachusetts Avenue, N.W., which carried the names of various resident businesses, included a separate plaque with the names of both Ruff-PAC and the Hatch Election Committee. When I arrived at Ruff-PAC's offices, however, I found instead an office housing the Hatch Election Committee.

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4. I asked an employee I encountered at the Hatch Election Committee whether I had somehow found the wrong address, but he informed me that Ruff-PAC had, in fact, once shared these same offices with the Hatch Election Committee. Ruff-PAC, he told me, had since moved.

Phil Noble

Subscribed and sworn to before me on this 6th day of October, 1982.

Notary Public

My Commission Expires January 1, 1987

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EXHIBIT F

Ruff PAC Sets $500,000 For 'Conservative Aid'

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OREM (UPI) — The political action committee led by widely-known financial analyst Howard Ruff plans to spend more than $500,000 to help elect conservative candidates this fall, including funding a series of negative campaigns nationwide.

The director of the Ruff PAC, Neil Blair, said the Orem-based group will be active in the reelection fights of Utah Republican Sen. Orrin Hatch and Republican Congressman James Hansen, as well as the 3rd Distruct congressional campaign of Republican Ray Beckham.

Blair also said the Ruff PAC has led a $125,000 negative attack on incumbent Democratic Congressman Jack Brooks of Texas, whom he calls "one of the biggest, strongest and most powerful liberals ever to serve in the House," and has begun a campaign against Virginia's Sen. Robert Byrd.

PAC's Contributors

The Ruff-PAC collects contributions across the country from followers of Howard Ruff, who glean the conservative's investment advice from his newspaper, Ruff Times, and his weekly radio and television commentaries. Ruff, a Mormon, moved to central Utah last year.

Blair claims the PAC has a good track record of successful political activity, having spent $114,000 on 1980 campaigns. Blair said of the 19 senatorial candidates the PAC contributed to that year, 15 were eventually elected.

He points out Ruff-PAC spent $45,000 in a last-minute advertising blitz to help defeat longtime Democratic Senator Frank Church in Idaho in 1980, and believes the ads "were absolutely devastating."

Negative Campaigns

Negative campaigns run by independent groups have been loudly criticized in Utah this year by both Democrats and Republicans, but Blair claims these critics "insult the intelligence of Utah voters."

"It is basically unsophisticated people who make those kind of charges," he said in defense of negative campaigns. "I think they help to clarify issues, and candidates have plenty of opportunity to reply to an unfair attack from an independent group."

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Conservatives to get aid from Ruff PAC

OREM (UPI) — The political action committee led by financial analyst Howard Ruff plans to spend more than $500,000 to help elect conservative candidates this fall, including funding a series of negative campaigns nationwide.

The director of the Ruff PAC, Neil Blair, said the Orem-based group will be active in the reelection fights of Utah Republican Sen. Orrin Hatch and Republican Rep. James Hansen, as well as the 3rd District congressional campaign of Republican Ray Beckham.

Blair also said the Ruff PAC has led a $125,000 negative attack on incumbent Democratic Congressman Jack Brooks of Texas, whom he calls "one of the biggest, strongest and most powerful liberals ever to serve in the House," and has begun a campaign again't Virginia's Sen. Robert Byrd.

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Blair claims the PAC has a good track record of successful political activity, having spent $114,000 on 1980 campaigns. Blair said of the 19 senatorial candidates the PAC contributed to that year, 15 were eventually elected.

He points out Ruff PAC spent $45,000 in a last-minute advertising blitz to help defeat longtime Democratic Sen. Frank Church in Idaho in 1980, and believes the ads "were absolutely devastating."

Negative campaigns run by independent groups have been loudly criticized in Utah this year by both Democrats and Republicans, but Blair claims these critics "insult the intelligence of Utah voters."

"It is basically unsophisticated people who make those kind of charges," he said in defense of negative campaigns. "I think they help to clarify issues, and candidates have plenty of opportunity to reply to an unfair attack from an independent group."

Blair added "the best thing about an independent campaign is they can spend as much money as they want attacking or supporting candidates" while federal law limits their direct involvement in the candidate's "official" campaign.

Hatch brought independent campaigns under fire in June when he rejected help from the National Pro-Life Political Action Committee, which promised to spend $200,000 in Utah to discredit Hatch's challenger, Salt Lake Mayor Ted Wilson.

Blair said the Ruff PAC may contribute to the National Pro-Life PAC, which has continued its anti-Wilson campaign absent Hatch's support.

"People in Utah have a propensity to put their principles ahead of their pocketbooks in voting, and they are in tune with Hatch's philosophies," Blair said.

The Ruff PAC leader said that this year the PAC already has "a full-time operative in West Virginia laying groundwork for a campaign against Senate Minority Leader Robert Byrd."

Despite the Ruff PAC activity against Brooks, the incumbent overcame a primary challenge and appears to be a strong contender this fall.

Blair said the goal of Ruff PAC is "to help change America." They have formed two other groups — "Free the Eagle" and "Howard Ruff Foundation" — to publicize their political ideasl.

Ruff is best known for his financial advice, but Blair insists the PAC is also interested in moral and defense issues, with a conservative twist.

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