FEDERAL ELECTION COMMISSION

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

THIS IS THE END OF MUR #: 1706

Date Filmed 9/5/86 Camera No. --- 2

Cameraman AS

8604061188 6

FEDERAL ELECTION COMMISSION

Internal memoranda, conciliation negotiations, duplicate copies

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 Frances S. Hagan

date 9-3-86

FEC 5-21-77

8604061188 7

LAW OFFICES OF
CHURCH, HARRIS, JOHNSON & WILLIAMS

P.O. BOX 1645 • GREAT FALLS, MONTANA 59403 • THIRD FLOOR NORWEST BANK BUILDING • PHONE (406) 761-3000

RECEIVED AT THE FEC
HAND DELIVERED
86 JUL 22 A11 : 24

July 21, 1986

86 JUL 22 P3: 29
RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL

Charles N. Steele, General Counsel
Federal Election Commission
ATTN: Lawrence M. Noble
Deputy General Counsel
1325 K Street N.W.
Washington, D.C. 20463

RE: MUR 1706 - Montanans for Marlenee Committee
Douglas N. Wilson as Treasurer

Dear Mr. Noble:

Thank you for your letter of July 11, 1986, enclosing a copy of the Conciliation Agreement concluding matters first raised by the FEC on June 26, 1984, concerning an incident which occurred in the 1982 campaign.

As is suggested by your July 11, 1986, letter, we wish this document to become a part of the public record in this matter.

The provisions of the Federal Election Campaign Act of 1971, as amended, involved in this matter are 2 USC $441f and 2 USC $441a(f). 2 USC $441f prohibits a campaign committee from "knowingly" accepting a contribution made by one person in the name of another person. 2 USC $441a(f) provides that no political committee shall "knowingly" accept a contribution which exceeds $1,000.00 for any one election from any one individual. Because of the FEC's expansive administrative definition of the word "knowingly," a Conciliation Agreement has been signed on behalf of a campaign committee and the committee's treasurer, even though both parties (the Committee and the Treasurer) lacked actual knowledge of the violations. Your definition of "knowingly" imputes knowledge to persons even though such persons lack any actual knowledge of a potential violation of the Federal Election laws.

Admittedly, there was a mistake made in the 1982 campaign, but it was made by Clifford John Christian, the then salaried campaign manager for the 1982 Montanans for Marlenee campaign. Until the letter from the Federal Election Commission dated June 27, 1984, neither Congressman

8604061888

Marlenee nor Douglas N. Wilson, Treasurer of Montanans for Marlenee, nor the Committee was aware of any of the underlying facts concerning the contribution in question. All that was known by the Committee, the Treasurer or the Congressman was that a $2,500.00 contribution was received in the mail at the Great Falls campaign headquarters on a check from a political action committee (PAC). A receipt was issued by a campaign office staff worker other than the Treasurer and mailed to the PAC, acknowledging receipt of the contribution. A copy of this document is attached as deposition Exhibit 3 to the May 30, 1985, deposition of Clifford John Christian, and is also attached to this letter as Exhibit 1. Thereafter, in the Federal Election report prepared by the Treasurer, but supervised by Clifford John Christian (Christian Deposition, page 24, lines 23-24), a $2,500.00 PAC contribution is reported in accordance with the check received and the receipt sent out. See Exhibit 2 attached hereto. All that was "knowingly" done by the Committee or the Treasurer was to receive and report a contribution as required by law in accordance with the facts "known" to the Treasurer and the Committee. That is, at all times, the contribution was received, banked, reported and believed to be a bona fide contribution from a political action committee.

Mr. Christian explains on pages 18, 39 and 40 of his deposition that he was under the impression that a husband and wife could give a total of $4,000.00 to a congressional candidate in any one campaign if both husband and wife each contributed $1,000.00 for the primary election and both husband and wife each contributed $1,000.00 for the general election, for a total of $4,000.00. Mr. Christian was, however, in error as to the proper method of earmarking the contribution. Mr. Christian, at page 26 of his deposition, lines 5 through 9, indicates that it was his impression that the PAC receiving the monies from the contributor was the one under the obligation to demonstrate or show the earmarked nature of that account. Mr. Christian testified under oath he was not aware that Montanans for Marlenee also had that responsibility.

Mr. Christian clearly testifies under oath that neither the Congressman, who was not a party to the FEC complaint, nor the Campaign Committee, Montanans for Marlenee, nor the Campaign Treasurer, Douglas N. Wilson, had any actual knowledge of this transaction.

Marlenee nor Douglas N. Wilson, Treasurer of Montanans for Marlenee, nor the Committee was aware of any of the underlying facts concerning the contribution in question. All that was known by the Committee, the Treasurer or the Congressman was that a $2,500.00 contribution was received in the mail at the Great Falls campaign headquarters on a check from a political action committee (PAC). A receipt was issued by a campaign office staff worker other than the Treasurer and mailed to the PAC, acknowledging receipt of the contribution. A copy of this document is attached as deposition Exhibit 3 to the May 30, 1985, deposition of Clifford John Christian, and is also attached to this letter as Exhibit 1. Thereafter, in the Federal Election report prepared by the Treasurer, but supervised by Clifford John Christian (Christian Deposition, page 24, lines 23-24), a $2,500.00 PAC contribution is reported in accordance with the check received and the receipt sent out. See Exhibit 2 attached hereto. All that was "knowingly" done by the Committee or the Treasurer was to receive and report a contribution as required by law in accordance with the facts "known" to the Treasurer and the Committee. That is, at all times, the contribution was received, banked, reported and believed to be a bona fide contribution from a political action committee.

Mr. Christian explains on pages 18, 39 and 40 of his deposition that he was under the impression that a husband and wife could give a total of $4,000.00 to a congressional candidate in any one campaign if both husband and wife each contributed $1,000.00 for the primary election and both husband and wife each contributed $1,000.00 for the general election, for a total of $4,000.00. Mr. Christian was, however, in error as to the proper method of earmarking the contribution. Mr. Christian, at page 26 of his deposition, lines 5 through 9, indicates that it was his impression that the PAC receiving the monies from the contributor was the one under the obligation to demonstrate or show the earmarked nature of that account. Mr. Christian testified under oath he was not aware that Montanans for Marlenee also had that responsibility.

Mr. Christian clearly testifies under oath that neither the Congressman, who was not a party to the FEC complaint, nor the Campaign Committee, Montanans for Marlenee, nor the Campaign Treasurer, Douglas N. Wilson, had any actual knowledge of this transaction.

8 5 0 4 0 5 1 1 8 9 0

There is no testimony or other evidence, nor has it been suggested by the FEC, that either the Congressman or Douglas N. Wilson had any actual knowledge of what transpired. Unfortunately, it is Douglas Wilson as Treasurer under the FEC definition of "knowingly" who accepts the official responsibility for the mistaken actions of the campaign manager, even though by his own admissions, the campaign manager has stated under oath that Douglas Wilson knew nothing about this transaction, other than it was what it appeared to be, a contribution from a PAC which was reported as such.

In resolving this matter by conciliation, the Congressman, who was not named as a party in the FEC complaint, and Respondents, that is the Committee and the Treasurer, Douglas N. Wilson, as named parties to the FEC complaint, reiterate the lack of any awareness of the transaction and further state that, as individuals, there was a lack of any willful and knowing violation of the Federal Election Campaign Act of 1971, as amended.

Sincerely yours,

CHURCH, HARRIS, JOHNSON & WILLIAMS

BY: Gregory R. Schwandt
GREGORY R. SCHWANDT

GRS:gf

8604061891

DEPOSITION EXHIBIT
PH/Pet · Dell/Rem.
FEC 3
Case# MUR 1701 & 1702

86040511892

RECEIPT Date Aug. 20 1982 2368

Received From NRA PAC

Address 103 Commercial Dr. Box 1411, Bozeman 59715

Two thousand five hundred ——— Dollars $ 2500.00

For 1982 Montana General Campaign

ACCOUNT			HOW PAID		
AMT. OF ACCOUNT			CASH		
AMT. PAID			CHECK	✓	
BALANCE DUE			MONEY ORDER		

By Lorraine Jacobson

EX.806

EXHIBIT 1

SCHEDULE A

any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and mailing address of any political committee to solicit contributions from such committee.

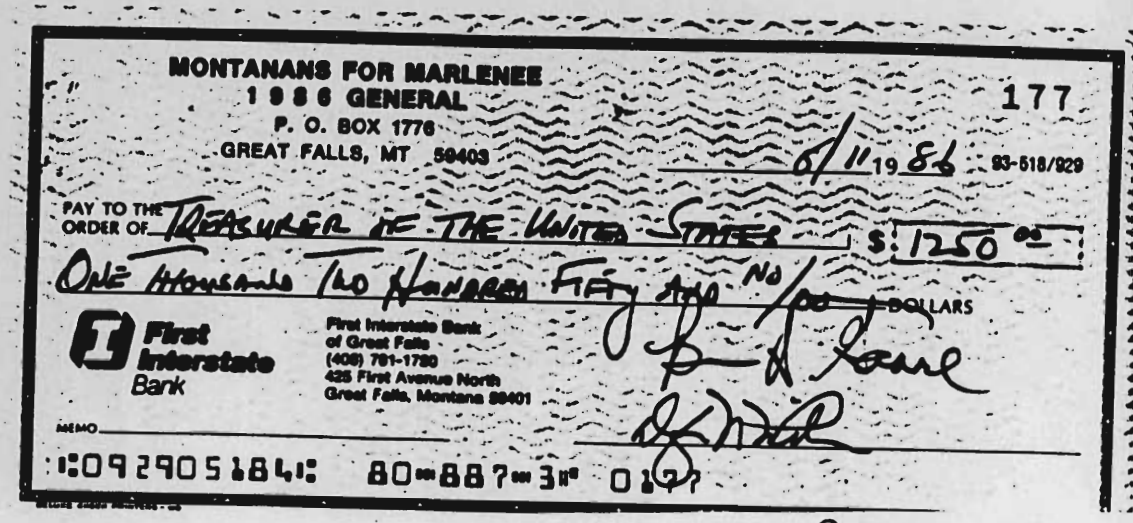
Name of Committee (in Full)

MONTANANS FOR MARLENEE COMMITTEE

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
MDPAC 103 Comercial Drive Bozeman, Mt. 59715			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	8-20-82	2,500.00
	Aggregate Year-to-Date $ 2,500.00		
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Citizens for Responsible Government P. O. Box 624 Butte, Mt. 59703			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	8-26-82	500.00
	Aggregate Year-to-Date $ 500.00		
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Mountain Bell P. A. C. 931 14th St. Room 11 Denver CO 80202			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	8-27-82	500.00
	Aggregate Year-to-Date $ 2,500.00		
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
P.A.C. of the American Hospital Association 840 North Lake Shore Drive Chicago IL 60611			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	8-27-82	250.00
	Aggregate Year-to-Date $ 250.00		
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
IUPAC 1922 F St. N. W. Washington, D. C. 20006			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	8-31-82	500.00
	Aggregate Year-to-Date $ 500.00		
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Intermountain Political Action Committee P. O. Box 746 Denver CO 80201			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	9-3-82	2,500.00
	Aggregate Year-to-Date $ 3,500.00		
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Realtors Political Action Committee 430 N. Michigan Ave. Chicago IL 60611			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	9-3-82	5,000.00
	Aggregate Year-to-Date $ 9,875.00		
SUBTOTAL of Receipts This Page (optional)			11,750
TOTAL This Period (last page this line number only)			

EXHIBIT 2

Hagan


MONTANANS FOR MARLENEE
1986 GENERAL
P. O. BOX 1776
GREAT FALLS, MT 59403

177

6/11 19 86 93-518/929

PAY TO THE ORDER OF TREASURER OF THE UNITED STATES $ 1250 00

ONE THOUSAND TWO HUNDRED FIFTY AND NO/100 DOLLARS

First Interstate Bank

First Interstate Bank of Great Falls (406) 761-1780 425 First Avenue North Great Falls, Montana 59401

MEMO

:092905184: 80-887-3 0177

GCC#1272

MEMORANDUM

TO: Debra A. Reed

FROM: Judy Smith

TO: Judy Smith

FROM: Debra A. Reed

CHECK NO. 177 (a copy of which is attached) RELATING TO MUR 1706 AND NAME Western Intermountain Network Political Action Cmte., Doris Burgess as treas.

WAS RECEIVED ON 8/20/86. PLEASE INDICATE THE ACCOUNT INTO WHICH IT SHOULD BE DEPOSITED:

AUG 20 A 9:36

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

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

/ / OTHER _____

SIGNATURE Debra A. Reed DATE 8/20/86

8-21-86

RECEIVED BY THE FEC
HAND DELIVERED
86 AUG 15 AM 11:10
Gcc# 1272

LAW OFFICES OF
CHURCH, HARRIS, JOHNSON & WILLIAMS

P.O. BOX 1645 • GREAT FALLS, MONTANA 59403 • THIRD FLOOR NORWEST BANK BUILDING • PHONE (406) 761-3000

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL
86 AUG 20 A9:59

August 11, 1986

FEDERAL EXPRESS

Lawrence M. Noble
Deputy General Counsel
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

RE: MUR 1706
Notification of Compliance with Conciliation Agreement

Dear Mr. Noble:

In compliance with the Conciliation Agreement forwarded to me under cover letter dated July 11, 1986, enclosed please find a check payable to the Treasurer of the United States in the amount of $1,250.00 in payment of the civil penalty provided under the Conciliation Agreement.

As counsel for the Respondent, this letter should also serve as notification that the Committee, in further compliance with the Conciliation Agreement, has refunded $2,500.00 to E. C. Yegen by mailing a check by certified mail to his last known address.

Sincerely,

CHURCH, HARRIS, JOHNSON & WILLIAMS

BY: Gregory R. Schwandt
GREGORY R. SCHWANDT

GRS:gf
Enclosure

8604061189

JOSEPH A. POLI
SWISS INSURANCE AGENCY
415-581-3831 OR 415-276-9266
7100 E. 14TH STREET
HAYWARD, CA 94541

2157

10-23 1984

PAY TO THE ORDER OF 1 BWIN Bat-8 0 3 6 3 2 $25.00

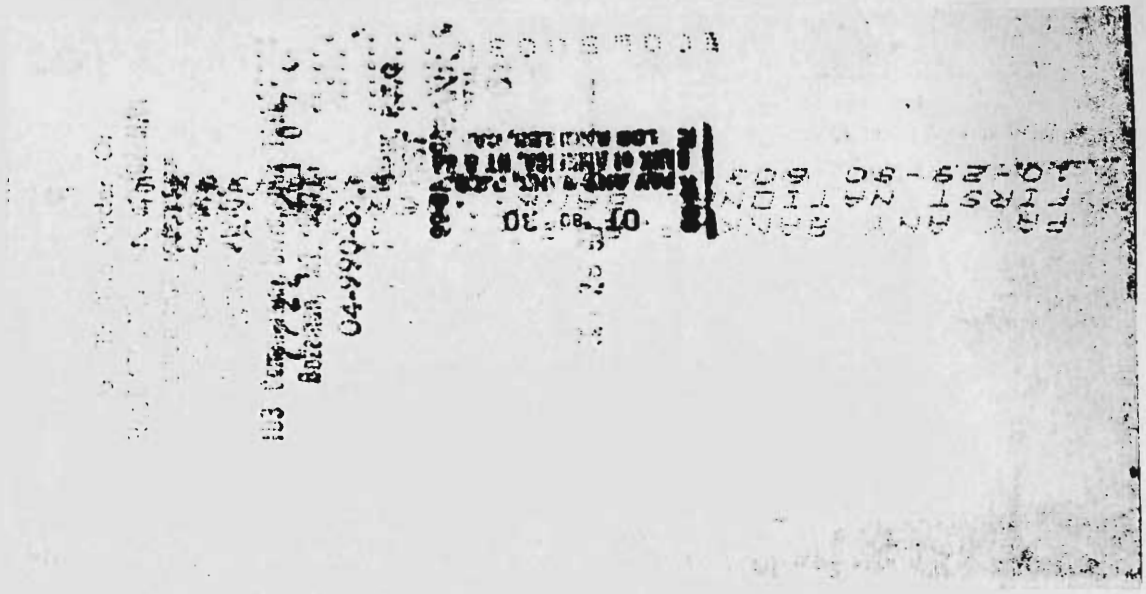
THE SU 25 DOLLARS 00 CTS DOLLARS

BANK OF AMERICA
NATIONAL TRUST AND SAVINGS ASSOCIATION
24099 WATKINS ST., HAYWARD, CA 94544

Joseph A Poli

3418438869

:121000358: 215?=0640 2=00?80= =000002500=



R60405118896

2 Tickets

JOSEPH A. POLI
SWISS INSURANCE AGENCY
415-351-3831 OR 415-276-9266
17100 E. 14TH STREET
HAYWARD, CA. 94541

11-35/1210 5111

9-30 1992

PAY TO THE ORDER OF Friends of Bill Kennedy $200.00

Two hundred and 00/100 DOLLARS

BANK OF AMERICA
WATKINS-FLETCHER BRANCH 649
24069 WATKINS STREET, HAYWARD, CA 94544

Joseph A. Poli

⑆121000358⑆ 5111 0640 2 00780

⑈00000 20000⑈

PAY TO THE ORDER OF
CENTENNIAL BANK
FOR DEPOSIT ONLY
FRIENDS OF BILL KENNEDY
1992 General Election
01-51776-4

R60405113897

JOSEPH A. POLI
SWISS INSURANCE AGENCY
415-351-3831 OR 415-276-9266
17100 E. 14TH STREET
HAYWARD, CA 94541

11-35/1210

5348

11-18 19 82

PAY TO THE ORDER OF Friends of Bill Kennedy $20.00

TWENTY AND 00/100 DOLLARS

BANK OF AMERICA
WATKINS-FLETCHER BRANCH 048
24089 WATKINS STREET, HAYWARD, CA 94544

Joseph A. Poli

⑆121000358⑆ 5348 ⑈0640⑈2⑈00780⑈ ⑈000000 2000⑈

PAY TO THE ORDER OF
CENTENNIAL BANK
FOR DEPOSIT ONLY
FRIENDS OF BILL KENNEDY
1982 General Election
01-51776-4

PAY ANY BANK, P.E.O.
BANK of AMERICA, NT & SA
SAN FRANCISCO, CA
NO '82 23
11-35

8 6 0 4 0 5 1 1 8 9 8

FIRE • AUTOMOBILE • COMPENSATION • LIABILITY • INLAND MARINE • BURGLARY • CASUALTY

BCC#7836

85 JUN 25 A9:10

Mur# 1706

SWISS INSURANCE AGENCY

972 - 53RD STREET
OAKLAND, CALIFORNIA 94608
PHONE 652-9406

17100 EAST 14TH STREET
HAYWARD, CALIFORNIA 94541
PHONE 351-2831

June IO 1985

Mr, Tom Whitehead

Federal Elections Commission

Washington, D C 20463

85 JUN 25 P5:54

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL

Dear Tom;

Pursuant to your recent (5-29-85) requests I am enclosing herewith copies of checks you requested. You indicated we should go thru our September, October, and November envelopes for the years 1980 and 1982 and make copies of all checks made payable to Kennedy and/or Winpac and forward to you. Aside from the one check we discussed the enclosed are what the office found in the above envelopes.

Please be advised you are free to stop at our office and check our envelopes for the above months or any other months you deem necessary in order to complete your investigation. Kindly allow us a weeks time as I am sometimes out of town on business. You dont need a subpoena. Just call in advance.

I have been in business at our Hayward location for thirty years. During that time, as well as I can remember, we ber , we have never been admonished, corrected, charged or been called before the insurance commissioner of the State of California. Likewise we have never appeared before any court of law, criminal or civil. To the best of my memory the internal revenue has, during this period, never checked our records more than three times. Clean. No one needs a subpoena to check our records provided they are legitimate entities.....as yourself.

I am grateful your pointing out to me the legal limitations on political contributions. I think it would be safe to say most donors are not aware of these limits.

8504051189

FIRE • AUTOMOBILE • COMPENSATION • LIABILITY • INLAND MARINE • BURGLARY • CASUALTY

SWISS INSURANCE AGENCY

972 - 53RD STREET
OAKLAND, CALIFORNIA 94608
PHONE 652-9406

17100 EAST 14TH STREET
HAYWARD, CALIFORNIA 94541
PHONE 351-3031

June 10 1985

Tom Whitehead

Federal Election Commission
Washington, D C

I do have a suggestion that may, in the future, assist others from facing an embarrassing position such as mine. Every candidate subject to the Federal Election Commission laws should be required to clearly indicate in his solicitation the limitations on donations insofar as they apply to the donors. Something, if you will, like the mandatory insertions on cigaretes admonishing users of the dangers of smoking.

I suppose, politicians like cigarettes , can be hazardous to ones health.

In my case the irony of the situation is that Mr. Kennedy and I belong to different political partys.

Very Truly
Joseph A Poli

JAP/hf

86040611900

THE Arizona BANK
HOME OFFICE
101 NORTH FIRST AVE.
PHOENIX, ARIZONA

No. 34847351

Stan Burger
REMITTER

BRANCH NUMBER 061

July 22, 86

PAY TO THE ORDER OF ********** U. S. TREASURY F.E.C. ********** **500.00**

THE Arizona BANK

DOLLARS

Rural & Baseline br
OFFICE

CASHIER'S CHECK

Mary Rivas
AUTHORIZED SIGNATURE

⑈34847351⑈ ⑆122101706⑆ 384⑈8000 28⑈

MEMORANDUM

CCC# 1046

TO: Debra A. Reed

TO: Judy Smith

FROM: Judy Smith

FROM: Debra A. Reed

CHECK NO. 34847351 (a copy of which is attached) RELATING TO MUR 1706 (Hagan) AND NAME Stan Burger WAS RECEIVED ON 7/28/86. PLEASE INDICATE THE ACCOUNT INTO WHICH IT SHOULD BE DEPOSITED:

/ / BUDGET CLEARING ACCOUNT (#95F3875.6)

/ ✓ CIVIL PENALTIES ACCOUNT (#95-1099.360)

/ / OTHER _____

SIGNATURE Debra a. Reed DATE 7/29/86

96 JUL 29 AM 10:36
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL
RECEIVED

RECEIVED
FEC
86 JUL 28 P12:20

MUR 1706

LEANNE M. SCHRAUDNER
ATTORNEY AT LAW

502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59771-1715
(406) 586-1942

RECEIVED
FEDERAL ELECTION
COMMISSION
GENERAL COUNSEL
86 JUL 29 AM 11:33

July 25, 1986

Frances B. Hagan
Federal Election Commission
1325 K Street Northwest
Washington, DC 20463

CERTIFIED MAIL NO. P 169 733 554

RE: MUR 1706, Western Intermountain Network Political Action Committee

Dear Frances:

Enclosed please find two checks in the amount of $500.00 each on behalf of Doris Burger and Stan Burger for their fine in the above matter.

Sincerely

Leanne M. Schraudner

lg

Enclosure

8604061190 2

Hagan

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 11, 1986

Leanne M. Schraudner, Esquire
502 South 19th, Suite 305
P. O. Box 1715
Bozeman, Montana 59771-1715

RE: MUR 1706
Western Intermountain Network
Political Action Committee
Doris L. Burger, as treasurer
Stanley Burger
Doris Burger

Dear Ms. Schraudner:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Frances B. Hagan, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

BY: Lawrence M. Noble
Deputy General Counsel

8604051 1903

THE Arizona BANK
HOME OFFICE
101 NORTH FIRST AVE.
PHOENIX, ARIZONA

8 6 0 4 0 5 1 1 9 0 4

No. 34847352

Doris Burger
REMITTER

BRANCH NUMBER 061

July 22, 86

PAY TO THE ORDER OF ********** U.S. TREASURY F.E.C. ********** **500.00**

THE Arizona BANK

DOLLARS

Rural & Baseline br
OFFICE

CASHIER'S CHECK

Mary Reed
AUTHORIZED SIGNATURE

⑈34847352⑈ ⑆122101706⑆ 384⑈0000 28⑈

CCC# 1065

MEMORANDUM

TO: Debra A. Reed

TO: Judy Smith

FROM: Judy Smith

FROM: Debra A. Reed

CHECK NO. 34847352 (a copy of which is attached) RELATING TO MUR 1706 (Hagan) AND NAME Doris Burger

WAS RECEIVED ON 7/29/86. PLEASE INDICATE THE ACCOUNT INTO WHICH IT SHOULD BE DEPOSITED:

/ / BUDGET CLEARING ACCOUNT (#95F3875.[illegible])

/ ✓ CIVIL PENALTIES ACCOUNT (#95-1099.160)

/ / OTHER _____

SIGNATURE Debra A. Reed DATE 7/29/86

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL
86 JUL 29 PM 2:03

RECEIVED THE FEC
CCH 1065
86 JUL 28 P12:20

LEANNE M. SCHRAUDNER
ATTORNEY AT LAW

502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59771-1715
(406) 586-1942

July 25, 1986

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
86 JUL 29 AM 8:33

Frances B. Hagan
Federal Election Commission
1325 K Street Northwest
Washington, DC 20463

CERTIFIED MAIL NO. P 169 [illegible] 55

RE: MUR 1706, Western Intermountain Network Political Action Committee

Dear Frances:

Enclosed please find two checks in the amount of $500.00 each on behalf of Doris Burger and Stan Burger for their fine in the above matter.

Sincerely

Leanne M. Schraudner

jg

Enclosure

8604061905

First Security Bank of Bozeman

P.O. Box 910 Bozeman, MT 59715 · 587-0841 · Member FDIC

8.6040611906 OFFICIAL CHECK 451 5716610

July 15, 1986 tf 75-532/919

DATE

AMOUNT FIRST SECURITY BANK One Thousand Five Hundred and 00/100 $1,500.00**

PAY TO THE ORDER OF Federal Election Commission

Stanley Burger
NAME OF REMITTER

First Security Bank of Bozeman
DRAWER

445 S. Dobson Rd. #1081 Mesa, Az 85202
ADDRESS

PAYABLE THRU FIRST BANK (N.A.) · ST. CLOUD, MN.

By Jennie L Treese
AUTHORIZED SIGNATURE

MEMORANDUM

CCH 1064

TO: Debra A. Reed

FROM: Judy Smith

TO: Judy Smith

FROM: Debra A. Reed

CHECK NO. 451571666l0 (a copy of which is attached) RELATING TO MUR 1706 (Hagan) AND NAME Western Intermountain Network Political Action Committee, Doris Burger, as treasurer

WAS RECEIVED ON 7/29/86. PLEASE INDICATE THE ACCOUNT INTO WHICH IT SHOULD BE DEPOSITED:

RECEIVED
JUL 29 AM 10:48
GENERAL COUNSEL

/ / BUDGET CLEARING ACCOUNT (#95F3875.1[illegible])

/ ✓ CIVIL PENALTIES ACCOUNT (#95-1099.160)

/ / OTHER _____

SIGNATURE Debra A. Reed DATE 7/29/86

RECEIVED AT THE FEC
CCC# 1064
86 JUL 28 P12:28

LEANNE M. SCHRAUDNER
ATTORNEY AT LAW

502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59771-1715
(406) 586-1942

RECEIVED
GENERAL COUNSEL
86 JUL 28 AM 9:23

July 18, 1986

Frances B. Hagan
Federal Election Commission
1325 K Street Northwest
Washington, DC 20463

CERTIFIED MAIL NO. P 169 733 551

RE: MUR 1706, Western Intermountain Network Political Action Committee

Dear Frances:

Enclosed please find a check in amount of $1500.00 on behalf of WINPAC for their fine in the above matter. The monies from Stan and Doris Burger will be forwarded to you shortly.

Sincerely

Leanne M. Schraudner

jg

Enclosure

8604061907

1 Hagan

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 11, 1986

Mr. Joseph A. Poli
Swiss Insurance Agency
17100 East 14th Street
Hayward, California 94541

RE: MUR 1706
Joseph Poli

Dear Mr. Poli:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Frances B. Hagan, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

BY: Lawrence M. Noble
Deputy General Counsel

8604061908

1 Hagan

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 11, 1986

John G. Stevens, Treasurer
Friends of Bill Kennedy Committee
2217 Camino Brazos
Pleasanton, California 94566

RE: MUR 1706
Friends of Bill Kennedy Committee
John G. Stevens, as treasurer

Dear Mr. Stevens:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Frances B. Hagan, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

BY: Lawrence M. Noble
Deputy General Counsel

R 6040511909

Hagan

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 11, 1986

Gregory R. Schwandt, Esquire
Church, Harris, Johnson and Williams
P. O. Box 1645
Great Falls, Montana 59403

RE: MUR 1706
Montanans for Marlenee
Committee
Douglas N. Wilson, as
treasurer

Dear Mr. Schwandt:

On July 9 , 1986, the Commission accepted the conciliation agreement you signed in settlement of violations of 2 U.S.C. §§ 441f and 441a(f), 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. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 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: Lawrence M. Noble
Deputy General Counsel

Enclosure
Conciliation Agreement

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Hagan

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Montanans for Marlenee Committee) MUR 1706
Douglas N. Wilson, as treasurer)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission (hereinafter "the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found probable cause to believe that the Montanans for Marlenee Committee and Douglas N. Wilson, as treasurer, ("Respondents") violated 2 U.S.C. § 441f for receipt of a contribution made by an individual in the name of another and violated 2 U.S.C. § 441a(f) by receipt of an excessive contribution.

NOW, THEREFORE, the Commission and Respondents, 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 Respondents and the subject matter of this proceeding.

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

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

A. Respondent, Montanans for Marlenee Committee, is the principal campaign committee for House candidate Ron Marlenee.

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B. Respondent, Douglas N. Wilson, is treasurer of the Montanans for Marlenee Committee.

C.1. On August 20, 1982, Respondents received a contribution of $2,500 from individual contributor E.C. Yegen through the Western Intermountain Network Political Action Committee ("WINPAC"), a multicandidate political committee.

2. The contribution through WINPAC was arranged by Clifford Christian and Chuck Herringer, campaign manager and financial chairman, respectively, for the Respondent committee during the 1982 campaign. Respondents state that neither the treasurer nor the candidate was aware of the transaction.

3. The contribution from E.C. Yegen was acknowledged by Respondents in a receipt and thank you letter as a contribution from WINPAC. Respondents reported the Yegen contribution as a contribution of $2,500 from WINPAC dated August 20, 1982.

4. 2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

5. 2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

6. By accepting a contribution made by one person in the name of another, Respondents violated 2 U.S.C. § 441f. Respondents state that the violation was not knowing and willful.

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D.1. On August 20, 1982, Respondents received a contribution of $2,500 from an individual, E.C. Yegen.

2. 2 U.S.C. § 441a(a)(1)(A) states that no person shall make contributions to any candidate and his authorized political committes with respect to any election for federal office which, in the aggregate, exceed $1,000.

3. 2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of this section.

4. By accepting a contribution of $2,500 (excessive portion of $1,500) from an individual, Respondents violated 2 U.S.C. § 441a(f).

V. Respondents will refund $2,500 to E.C. Yegen.

VI. Respondents will pay a civil penalty to the Treasurer of the United States in the amount of one thousand two hundred fifty dollars ($1,250), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondents agree that they 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.

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

X. Respondents 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.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and 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 7/10/86
Lawrence M. Noble
Deputy General Counsel

FOR THE RESPONDENTS:
CHURCH, HARRIS, JOHNSON & WILLIAMS

BY: _____ Date June 4, 1986
GREGORY R. SCHWANDT
Individually and for the firm
Third Floor, Norwest Bank Building
P. O. Box 1645
Great Falls, Montana 59403

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Hagan

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Montanans for Marlenee	)	MUR 1706
Douglas N. Wilson, treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of July 9, 1986, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 1706:

1. Accept the agreement attached to the General Counsel's report dated June 26, 1986, and close the file.

2. Send the letter attached to the General Counsel's report dated June 26, 1986.

Commissioners Aikens, Elliott, Harris, Josefiak, and McGarry voted affirmatively for the decision. Commissioner McDonald dissented.

Attest:

7-9-86
Date

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

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Montanans for Marlenee) MUR 1706
Douglas N. Wilson, Treasurer)
)

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement signed by counsel for the Montanans for Marlenee ("the Marlenee Committee") and Douglas N. Wilson, as treasurer. The attached agreement contains

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II. **RECOMMENDATION**

1. The Office of General Counsel recommends accepting this agreement and closing the file.

2. Send the attached letter.

Charles N. Steele
General Counsel

Date 6/26/86

BY: _____
Lawrence M. Noble
Deputy General Counsel

Attachments
Conciliation Agreement (1)
Closing Letter to Respondents (1)
Letters notifying that entire file is closed (4)

5-1 McDonald

Hagan

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 11, 1986

James F. Schoener, Esquire
McGuiness and Williams
Suite 1200
1015 Fifteenth Street, N.W.
Washington, D.C. 20005

RE: MUR 1706
E. C. Yegen
Donna Yegen

Dear Mr. Schoener:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Frances B. Hagan, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

BY: Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 25, 1986

Leanne M. Schraudner, Esquire
502 South 19th, Suite 305
Bozeman, Montana 59771-1715

RE: MUR 1706
WINPAC and Doris L.
Burger, as treasurer
Stanley Burger
Doris L. Burger

Dear Ms. Schraudner:

On June 3, 1986, the Commission accepted the conciliation agreements you signed in settlement of violations of various provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to your clients, and it will become a part of the public record within thirty days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any legal or factual materials to be placed on the public record in connection with the matter, please do so within 10 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 within 10 days.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed.

Enclosed you will find fully executed copies of the final conciliation agreements for your files.

Sincerely,

Charles N. Steele
General Counsel

BY: Lawrence M. Noble
Deputy General Counsel

Enclosure
Conciliation Agreements

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Stanley Burger	)	MUR 1706

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission (hereinafter "the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Stanley Burger ("Respondent") violated 2 U.S.C. § 441a(a)(1)(C) by making contributions in excess of limitations to an unauthorized political committee.

NOW, THEREFORE, the Commission and Respondent, having participated in informal methods of conciliation prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

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

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1. During 1981, Respondent, along with his wife, made contributions in loan form to the Western Intermountain Network Political Action Committee ("WINPAC") as follows:

	Date	Amount	
Loan 1 obtained	08-07-81	$ 2,887.86	
Loan 2 obtained	08-25-81	+15,000.00	
Loan 1 repaid	08-28-81	- 2,887.86	
Loan 3 obtained	12-15-81	+ 5,000.00	
Net Total		20,000.00	
Limitations (2 x $5,000)		-10,000.00	
Amount of Excessive		$ 10,000.00	= $5,000 S. Burger $5,000 D. Burger
Loan 4	11-20-82	$ 4,000.00	= No excessive for 1982

2. At no time did the Respondent's loans exceed the Act's limitations by more than $5,000.

3. 2 U.S.C. § 441a(a)(1)(C) states that no person shall make contributions to any unauthorized political committee in any calendar year, which in the aggregate, exceed $5,000.

4. 2 U.S.C. § 431(8)(A)(i) states that the term "contribution" includes any gift, subscription, loan, advance or deposit of money or anything of value made by any person for the purpose of influencing federal elections. [Emphasis added.]

V. Respondent violated 2 U.S.C. § 441a(a)(1)(C) by making contributions in the form of loans in excess of limitations to the Western Intermountain Network Political Action Committee.

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VI. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of five hundred dollars ($500.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondent agrees that he 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.

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

X. 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.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or

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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: _____ 6/24/86
Lawrence M. Noble
Deputy General Counsel
Date

FOR THE RESPONDENT:

Leanne M Schneider April 11, 1986
Date

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Doris Burger) MUR 1706

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission (hereinafter "the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Doris Burger ("Respondent") violated 2 U.S.C. § 441a(a)(1)(C) by making contributions in excess of limitations to an unauthorized political committee.

NOW, THEREFORE, the Commission and Respondent, having participated in informal methods of conciliation prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

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

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1. During 1981, Respondent, along with her husband, made contributions in loan form to the Western Intermountain Network Political Action Committee ("WINPAC") as follows:

	Date	Amount	
Loan 1 obtained	08-07-81	$ 2,887.86	
Loan 2 obtained	08-25-81	+15,000.00	
Loan 1 repaid	08-28-81	- 2,887.86	
Loan 3 obtained	12-15-81	+ 5,000.00	
Net Total		20,000.00	
Limitations (2 x $5,000)		-10,000.00	
Amount of Excessive		$ 10,000.00	= $5,000 S. Burger $5,000 D. Burger
Loan 4	11-20-82	$ 4,000.00	= No excessive for 1982

2. At no time did the Respondent's loans exceed the Act's limitations by more than $5,000.

3. 2 U.S.C. § 441a(a)(1)(C) states that no person shall make contributions to any unauthorized political committee in any calendar year, which in the aggregate, exceed $5,000.

4. 2 U.S.C. § 431(8)(A)(i) states that the term "contribution" includes any gift, subscription, loan, advance or deposit of money or anything of value made by any person for the purpose of influencing federal elections. [Emphasis added.]

V. Respondent violated 2 U.S.C. § 441a(a)(1)(C) by making contributions in the form of loans in excess of limitations to the Western Intermountain Network Political Action Committee.

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VI. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of five hundred dollars ($500.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondent agrees that she 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.

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

X. 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.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or

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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: _____ 6/24/86
Lawrence M. Noble
Deputy General Counsel
Date

FOR THE RESPONDENT:

_____ April 14 1986
Date

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Western Intermountain Network Political Action Committee	)	MUR 1706
Doris Burger, as treasurer	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission (hereinafter "the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Western Intermountain Network Political Action Committee and Donald Burger, as treasurer, violated the following:

1. 2 U.S.C. § 441f by permitting the use of its name for contributions by individuals;

2. 2 U.S.C. § 44la(f) by receipt of excessive loan/contributions from Stanley and Doris Burger;

3. 2 U.S.C. § 432(c)(1), (2), (3) and (4) by failing to keep an account of contributions;

4. 2 U.S.C. § 432(d) by failing to preserve records for three years;

5. 2 U.S.C. § 434(a)(4)(A)(iv) for failure to file on time its 1981 October Quarterly Report;

6. 2 U.S.C. § 434(b)(2) for failure adequately to disclose receipts;

7. 2 U.S.C. § 434(b)(3)(E) and (5)(D) for failure adequately to identify loan contributors and recipients of loan repayments;

8. 2 U.S.C. § 434(b)(8) for failure adequately and

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continuously to report loan/contributions.

NOW, THEREFORE, the Commission and Respondents, having participated in informal methods of conciliation prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

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

A. Respondent, Western Intermountain Political Action Committee (WINPAC), is a multicandidate political committee.

B. Respondent, Doris Burger became treasurer of WINPAC on May 7, 1984.

C.1. During 1982, Respondents received a request from the campaign manager of the Montanans for Marlenee Committee to transfer a contribution of $2,500 from individual contributor E. C. Yegen through WINPAC to the Marlenee Committee, to avoid disclosure of the actual contributor.

2. On August 19, 1982, Respondents deposited $2,500 into its account from E.C. Yegen and wrote a corresponding check of $2,500 to "Ron Marlenee."

3. Respondents reported the transaction as a

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contribution to "Ron Marlenee for Congress." The Marlenee Committee reported receipt of $2,500 from "WINPAC."

4. 2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

5. 2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

6. By permitting its name to be used to make a contribution from another contributor, Respondents violated 2 U.S.C. § 441f.

D.1. During 1981, Respondents received contributions in loan form from Stanley and Doris Burger as follows:

	Date	Amount	
Loan 1 obtained	08-07-81	$ 2,887.86	
Loan 2 obtained	08-25-81	+15,000.00	
Loan 1 repaid	08-28-81	- 2,887.86	
Loan 3 obtained	12-15-81	+ 5,000.00	
Net Total		20,000.00	
Limitations (2 x $5,000)		-10,000.00	
Amount of Excessive		$ 10,000.00	= $5,000 S. Burger $5,000 D. Burger
Loan 4	11-20-82	$ 4,000.00	= No excessive for 1982

2. At no time did the Burgers' loans exceed the Act's limitations by more than $10,000.

3. 2 U.S.C. § 441a(a)(1)(C) states that no person

8 6 0 4 0 6 1 1 9 3 0

shall make contributions to any unauthorized political committee in any calendar year, which in the aggregate, exceed $5,000.

4. 2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept contributions in violation of this section.

5. 2 U.S.C. § 431(8)(A)(i) states that the term "contribution" includes any gift, subscription, loan, advance or deposit of money or anything of value made by any person for the purpose of influencing federal elections. [Emphasis added.]

6. Respondents violated 2 U.S.C. § 441a(f) by accepting contributions in the form of loans in excess of limitations from Stanley and Doris Burger.

E.1. WINPAC maintained records to support $15,565.26 of at least $62,934.19 in contributions for 1981. The amount missing represents approximately 75% of the amount of total 1981 contributor activity.

2. 2 U.S.C. § 432(c)(1) through (4) states that the treasurer of a political committee shall keep an account of --

(1) all contributions received by or on behalf of such political committee;

(2) the name and address of any person who makes any contribution in excess of $50, together with the date and amount of such contribution by any person;

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(3) the identification of any person who makes contributions aggregating more than $200 during a calendar year, together with the date and amount of such contributions;

(4) the identification of any political committee which makes a contribution, together with the date and amount of any such contribution.

3. 2 U.S.C. § 431(13)(A) and (B) defines the term "identification" to include the name, mailing address and occupation of an individual, as well as the name of his or her employer, and in the case of any other person, the full name and mailing address.

4. 2 U.S.C. § 432(d) requires that the treasurer shall preserve all records to be required by this section for three years after the report is filed.

5. By failing to maintain adequate contribution records for 1981, Respondents violated 2 U.S.C. §§ 434(c)(1)-(4) and 432(d).

F.1. Respondents were required to file a 1981 Year End Report covering July 1 - December 31, 1981. The report filed did not include the period July 1 - September 30, 1981. The financial information for the period 7/1/81 - 9/30/81 was filed on May 3, 1984 in response to the FEC audit.

2. 2 U.S.C. § 434(a)(4)(A)(iv) states that all political committees other than authorized committees of a candidate which file quarterly reports during election years

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shall, in any other calendar year, file a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31 and a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.

3. Respondents violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file on time the completed 1981 Year End semi-annual Report.

G.1. On the report which covered July 1, 1981-September 30, 1981, Respondents reported loan/contributions received as follows:

a) Loan 1 ($2,887.86 from Stanley and Doris Burger) was reported as an unitemized receipt.

b) Loan 2 ($15,000 from Stanley and Doris Burger) was itemized as a loan received directly from the bank.

2. 2 U.S.C. § 434(b)(2)(A) states that reports shall disclose the total amount of all receipts for contributions from persons other than political committees.

3. Respondents violated 2 U.S.C. § 434(b)(2)(A) by failing to disclose adequately receipts from individuals.

H.1. Respondents reported loans and loan repayments as follows:

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1981

a) Loan 1 ($2,887.86 from Stanley and Doris Burger) was reported as an unitemized contribution;

b) Loan 1 repayment was itemized as a disbursement to Stanley Burger without reflecting that the loan was repaid to Doris Burger, also a contributor of Loan 1.

c) Loans 2 and 3 ($15,000 and $5,000 from the Burgers) were reported as coming directly from a bank;

1982

d) Loan 4 ($4,000 from the Burgers) was disclosed as an unitemized contribution and was not corrected in amendments filed in response to the FEC's Interim Audit Report.

2. 2 U.S.C. § 434(b)(3)(E) states that reports shall disclose the identification of each person who makes a loan to the reporting committee during the reporting period, together with the identification of any endorser or guarantor of such loan and the date and amount of value of such loan.

3. 2 U.S.C. § 434(b)(5)(D) requires the disclosure of the identification of each person who receives a loan repayment from the reporting committee during the reporting period, together with the date and amount of such loan repayment.

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4. Respondents violated §§ 434(b)(3)(E) and 434(b)(5)(D) by failing to disclose adequately the identification of persons making loans to the Respondents or receiving loan repayments from Respondents.

I.1. On reports of receipts and expenditures, Respondents disclosed debts during 1981-1982 as follows:

1981

a) On debt schedules which are designed to show continuous reporting of debts outstanding, Loan 1 was itemized as received from and repaid to Stanley C. Burger and did not reflect Doris L. Burger as contributor;

b) On debt schedules, Loans 2 and 3 were shown as loans obtained directly from a bank with the Burgers as guarantors, rather than as loans owed to the Burgers. In addition, the terms of the loan were not disclosed.

1982

c) In amendments filed in response to the Interim Audit Report, WINPAC omitted the required debt schedule for the 1982 Year End Report. Loans 2, 3 and 4 remained outstanding during the period covered by that report (October 1, 1982 to December 31, 1982).

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d) In amendments filed for the period January 1, 1982 through September 30, 1982, WINPAC did include the required debt scheduled for this period. However, the schedules submitted with these amendments incorrectly listed the bank as the source of Loans 2, 3 and 4.

2. 2 U.S.C. § 434(b)(8) requires disclosure of the amount and nature of outstanding debts and obligations owed by the committee.

3. Respondents violated 2 U.S.C. § 434(b)(8) by failing to disclose adequately and continuously its debts and obligations.

V. Respondents will amend disclosure reports as noted herein to correct the public record.

VI. Respondents will pay a civil penalty to the Treasurer of the United States in the amount of one thousand five hundred dollars ($1,500.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondents agree that they 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.

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this

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agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

X. Respondents 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.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and 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: _____ 6/24/86
Lawrence M. Noble
Deputy General Counsel
Date

FOR THE RESPONDENTS:

_____ April 11, 1986
Date

8604061937

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Western Intermountain Network Political Action Committee and Doris Burger, as treasurer	)	MUR 1706
Stanley Burger	)	
Doris Burger	)	

CERTIFICATION

I, Mary W. Dove, recording secretary for the Federal Election Commission executive session of June 3, 1986, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 1706:

1. Accept the counterproposals in the matter of:
   a) Western Intermountain Network Political Action Committee and Doris L. Burger, as treasurer,
   b) Stanley Burger,
   c) Doris L. Burger.
2. Close the file as to these respondents.
3. Send appropriate letters.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald, and McGarry voted affirmatively for this decision.

Attest:

6-4-86
Date

Mary W. Dove
Mary W. Dove
Administrative Assistant

8604061938

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	
Western Intermountain Network	)	
Political Action Committee and	)	MUR 1706
Doris Burger, as treasurer	)	
Stanley Burger	)	
Doris Burger	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached are three conciliation agreements signed by counsel for the Western Intermountain Network Political Action Committee ("WINPAC") and Doris Burger, as treasurer, Stanley Burger and Doris Burger (as an individual). The [illegible]

8604051119 39

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RECOMMENDATION

1. Reject the counterproposals in the matter of:
   a) Western Intermountain Network Political Action Committee and Doris L. Burger, as treasurer;
   b) Stanley Burger,
   c) Doris L. Burger.
2. Send attached letter.

Charles N. Steele
General Counsel

May 14, 1986
Date

BY: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

Attachments
1. Letter from Respondents with three Proposed Agreements
2. Letter to Respondents

RECEIVED AT THE FEC
Gcc#537
86 MAY 21 A10:57

LAW OFFICES OF
MILLER, CANFIELD, PADDOCK AND STONE
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
SUITE 1200
1015 FIFTEENTH STREET, N.W.
WASHINGTON, D.C. 20005
TELEPHONE (202) 789-8640

SIDNEY T. MILLER (1864-1940)
GEORGE L. CANFIELD (1866-1926)
LEWIS H. PADDOCK (1868-1938)
FERRIS D. STONE (1882-1945)

DETROIT, MICHIGAN
ANN ARBOR, MICHIGAN
BIRMINGHAM, MICHIGAN
BOCA RATON, FLORIDA
GRAND RAPIDS, MICHIGAN
KALAMAZOO, MICHIGAN
LANSING, MICHIGAN
MONROE, MICHIGAN
TRAVERSE CITY, MICHIGAN

JAMES F. SCHOENER
(202) 789-8643

86 MAY 21 P4:30
RECEIVED
OFFICE OF THE
GENERAL COUNSEL

May 20, 1986

Frances Hagan, Esquire
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 1706--E.C.YEGAN

Dear Ms. Hagan:

Enclosed please find the $1,000 civil penalty check in the above entitled cause. I believe this completes the file and we will not have any additional comments to add to the record when you make this file a public record.

Very truly yours,

James F. Schoener

James F. Schoener

JFS:bab

Enclosure

8604051199 42

3863

E. C. YEGEN
BOX 959
BILLINGS, MONTANA 59101

4-15 1986

99-31
1023

PAY TO THE ORDER OF U.S. Treasurer $ 1000 00

One Thousand and 00/100 DOLLARS

First Interstate Bank

First Interstate Bank
of Casper, N.A.
104 So. Wolcott
Casper, WY 82601

E. C. Yegen

⑈003863⑈ ⑆102300310⑆ 367 833 ⑈

DELUXE CHECK PRINTERS

MEMORANDUM

GCC# 537

TO: Debra A. Reed

TO: Judy Smith

FROM: Judy Smith

FROM: Debra A. Reed

CHECK NO. 3863 (a copy of which is attached) RELATING TO MUR 1706 (Hagan) AND NAME E. C. Yegen

WAS RECEIVED ON 5/21/86. PLEASE INDICATE THE ACCOUNT INTO WHICH IT SHOULD BE DEPOSITED:

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

/ / CIVIL PENALTIES ACCOUNT (#95-1099.160)

/ / OTHER _____

SIGNATURE Debra A. Reed DATE 5/22/86

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
86 MAY 21 PM 4:30

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 12, 1986

James F. Schoener, Esquire
McGuiness and Williams
Suite 1200
1015 Fifteenth Street, N.W.
Washington, D. C. 20005

RE: MUR 1706
E. C. Yegen

Dear Mr. Schoener:

On May 7 1986, the Commission accepted the conciliation agreement you signed in settlement of violations of 2 U.S.C. §§ 441f and 441a(a)(1)(A), provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to your client, and it will become a part of the public record within thirty days after this matter has been closed with respect to all other respondents involved. 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 within 10 days.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed.

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

8504051944

RECEIVED BY THE FEC
CCC#261
86 APR 21 A9:09

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
E.C. Yegen) MUR 1706

CONCILIATION AGREEMENT

86 APR 21 A9:53
RECEIVED
FEC - OFFICE OF GENERAL COUNSEL

This matter was initiated by the Federal Election Commission (hereinafter "the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found probable cause to believe that E.C. Yegen ("Respondent") violated 2 U.S.C. § 441f and 441a(a)(1)(A) by making an excessive contribution to the Montanans for Marlenee Committee ("the Marlenee Committee") in the name of the Western Intermountain Network Political Action Committee ("WINPAC").

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.

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

A. Respondent, E.C. Yegen, was an individual contributor to the Montanans for Marlenee Committee in 1982.

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B.1. On July 25, 1982, Respondent wrote a check for $2,500 on his personal bank account payable to WINPAC. On August 20, WINPAC deposited the check of $2,500 into its bank account and wrote a corresponding check of $2,500 to the Marlenee Committee.

2. The contribution through WINPAC was arranged by Clifford Christian, campaign manager, and by Chuck Herringer, financial chairman of the Marlenee Committee during the 1982 campaign.

3. Respondent's contribution was reported by the Marlenee Committee as a receipt from WINPAC. Respondent's contribution was reported by WINPAC as a contribution to the Marlenee Committee.

4. 2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

5. 2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

6. By making a contribution in the name of another, Respondent violated 2 U.S.C. § 441f.

C.1. Respondent made a contribution of $2,500 to the Marlenee Committee. Respondent contends that he was informed by Chuck Herringer and believed that such contribution was permitted under the FECA.

R6040611946

2. 2 U.S.C. § 441a(a)(1)(A) states that no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $1,000.

3. By making a contribution of $2,500 to an authorized candidate committee, Respondent exceeded the limitations by $1,500, thereby violating 2 U.S.C. § 441a(a)(1)(A).

V. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of one thousand dollars ($1,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VI. Respondent agrees that he 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.

VII. 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.

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

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IX. 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.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and 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 — May 8, 1986
Kenneth A. Gross — Date
Associate General Counsel

FOR THE RESPONDENTS:

James J. Schoener

Date

8604061948

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1706
E. C. Yegen	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on May 7, 1986, the Commission decided by a vote of 5-1 to take the following actions in MUR 1706:

1. Accept the conciliation agreement and close the file as it relates to E.C. Yegen, as recommended in the General Counsel's Report signed May 2, 1986.

2. Send the letter attached to the General Counsel's Report signed May 2, 1986.

Commissioners Aikens, Harris, Josefiak, McDonald and McGarry voted affirmatively for this decision; Commissioner Elliott dissented.

Attest:

5-7-86
Date

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

Received in Office of Commission Secretary: Fri., 5-2-86, 3:17
Circulated on 48 hour tally basis: Mon., 5-5-86, 11:00
Deadline for vote: Wed., 5-7-86, 11:00

8604061 1949

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)
)
E. C. Yegen) MUR 1706
)
)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement signed by counsel for respondent E. C. Yegen. The attached [illegible]

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RECOMMENDATION

1. The Office of General Counsel recommends accepting this agreement and closing the file as it relates to E. C. Yegen.

2. Send attached letter.

Charles N. Steele
General Counsel

May 2, 1986

BY: Kenneth A. Gross
Associate General Counsel

Attachments

Conciliation Agreement
Letter to Respondent

8604061195 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1986

Leanne M. Schraudner, Esquire
502 South 19th, Suite 305
P. O. Box 1715
Bozeman, Montana 59771-1715

RE: MUR 1706
Western Intermountain Network
Political Action Committee
Doris L. Burger, as treasurer

Dear Ms. Schraudner:

This is to advise you that on March 11, 1986, the Commission concluded that there is no probable cause to believe that your clients, WINPAC and Doris L. Burger, as treasurer, violated the Act only insofar as it relates to a contribution by Donna Yegen. The file in this matter will not be closed, however, because of the ongoing pre-probable cause negotiations regarding the other issues in this matter.

If you have questions, contact Frances B. Hagan at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

8604051195 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1986

James F. Schoener, Esquire
McGuiness and Williams
Suite 1200
1015 Fifteenth Street, N.W.
Washington, D.C. 20005

RE: MUR 1706
E. C. Yegen
Donna Yegen

Dear Mr. Schoener:

On March 11, 1986, the Commission determined that there is probable cause to believe your client, E.C. Yegen, committed a violation of 2 U.S.C. §§ 441f and 441a(a)(1)(A), provisions of the Federal Election Campaign Act of 1971, as amended, in connection with a contribution of $2500 through WINPAC to the Montanans for Marlenee.

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.

In addition, the Commission concluded that there is no probable cause to believe that your client, Donna Yegen, violated the Act. Accordingly, the file in this matter has been closed as it pertains to Donna Yegen. This matter will become part of the public record within 30 days after it has been closed with respect to all other respondents involved. Should you wish to submit any factual or legal materials to appear on the public record, please do so within 10 days. The Commission reminds you, however, that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been

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closed. The Commission will notify you when the entire file has been closed.

If you have any questions, or suggestions for changes in the enclosed conciliation agreement, contact Frances B. Hagan, the staff member assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Western Intermountain Network	)	
Political Action Committee	)	MUR 1706
Doris L. Burger, as treasurer	)	
Donna Yegen	)	
E. C. Yegen	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of March 11, 1986, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 1706:

1. Find probable cause to believe that E. C. Yegen violated 2 U.S.C. §§ 441f and 441a(f).

2. Find no probable cause to believe that the Western Intermountain Network Political Action Committee and Doris L. Burger, as treasurer, violated 2 U.S.C. § 441f in the Donna Yegen matter.

3. Find no probable cause to believe that Donna Yegen violated 2 U.S.C. §§ 441f and 441a(a)(1)(A).

4. Close the file as it relates to Donna Yegen.

(continued)

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5. Send the letters attached to the General Counsel's report dated March 4, 1986.

6. Send the conciliation agreement attached to the General Counsel's report dated March 4, 1986.

Commissioners Aikens, Harris, Josefiak, McDonald, and McGarry voted affirmatively for the decision; Commissioner Elliott dissented.

Attest:

3-12-86
Date

Marjorie W. Emmons
Secretary of the Commission

8604061119 56

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	86 MAR 4 P4:32
Western Intermountain Network Political Action Committee Doris L. Burger, as treasurer	)	MUR 1706
Donna Yegen	)	
E.C. Yegen	)	

SENSITIVE
EXECUTIVE SESSION

GENERAL COUNSEL'S REPORT

MAR 11 1986

I. BACKGROUND

On June 26, 1984, the Commission found reason to believe that the Western Intermountain Network Political Action Committee ("WINPAC") and Donald Burger, as treasurer, violated 2 U.S.C. §§ 441f and 44la(f) by permitting the use of its name for an excessive contribution from E. C. and Donna Yegen to the Montanans for Marlenee Committee ("the Marlenee Committee") during 1982. The Commission also found reason to believe that E. C. and Donna Yegen violated 2 U.S.C. § 441f and 2 U.S.C. § 44la(a)(1)(A) by making an excessive contribution to the Montanans for Marlenee Committee in the name of the Western Intermountain Network Political Action Committee.

During the FEC audit of WINPAC, the auditors found a notation on WINPAC's check register and a bank deposit ticket which indicated a receipt of $2,500 from E. C. Yegen and Donna Yegen. According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegens and wrote a corresponding check for $2,500 to "Ron Marlenee." WINPAC was given a receipt from the Marlenee Committee and later received a thank you note from the candidate for a WINPAC contribution.

WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" for the primary election which was held in

8604061957

Montana on June 8, 1982. The Marlenee Committee reported receipt of $2,500 from WINPAC for the general election.

On December 31, 1985, the Office of General Counsel mailed no probable cause to believe briefs to WINPAC and Donna Yegen regarding her role in the Yegens' transaction and sent a probable cause to believe brief to E.C. Yegen regarding his part in the contribution made through WINPAC.

II. **LEGAL ANALYSIS (See OGC Briefs of December 31, 1985)**

Counsel representing E.C. Yegen stated in a response brief that Mr. Yegen made the contribution from his account on behalf of himself and his wife.

The brief states that Mr. Yegen wanted to make a contribution to the Marlenee Committee in a manner that would not "offend" his elderly father. According to the brief, "Mr. Yegen was advised that there was a political committee that could accomodate his contribution desires and accordingly a contribution was made in the amount of $2,500, with the understanding that it was to be for the Marlenee campaign."

The brief further states that Donna Yegen consented to the attribution of $500 to the Marlenee campaign in her name.

The brief asserts that, "The $2000 contribution for the primary and general elections of the Marlenee campaign on behalf of E. C. Yegen would be permissible under the law. With such. . . attribution. . .the contribution is legal and proper."

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2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

The Yegen contribution was made in a single check for $2500. According to the Yegens' brief and as evidenced by a copy of the written instrument, the check was drawn on the account of E. C. Yegen, rather than on an account jointly held by both E.C. and Donna Yegen. The check was signed by E.C. Yegen and no other written statement accompanied the contribution.

11 C.F.R. § 104.8(d) states, "a contribution which represents contributions by more than one person shall indicate on the written instrument, or on an accompanying written statement signed by all contributors, the amount to be attributed to each contributor."

Because the contribution was drawn on an account solely controlled by E. C. Yegen, and since no other signed statement from the donors established Donna Yegen's part in the contribution, the entire contribution of $2500 is attributable to E. C. Yegen, even if Mrs. Yegen would agree to the attribution of $500.

FEC regulations at 11 C.F.R. § 110.6(b) define "earmarked" as:

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> a designation, instruction, or encumbrance (including those which are direct or indirect, express or implied, oral or written) which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's authorized committee.

11 C.F.R. § 110.6(c) and (d) set forth the requirements and the methods for both the intermediary conduit and the recipient committee to report the original source as well as the conduits of such earmarked contributions.

The Yegen case is contrary to the Regulations in that both the conduit WINPAC and the recipient Marlenee Committee acknowledge that the Yegens wanted to make the contribution in such a way as to avoid revealing the connection between the actual contributors and the contribution which was reported in the name of WINPAC. Corroborating statements by WINPAC and the Marlenee Committee (quoted in the General Counsel's Briefs) attest that WINPAC and Marlenee agents knew that the $2,500 contribution in question originated with E. C. Yegen, that steps were taken to arrange for a surreptitious transfer of funds from Mr. Yegen through WINPAC to the Marlenee Committee; and despite the two committees' knowledge of the contribution source, the contribution was reported by both Committees as originating from WINPAC. Based on the testimony and evidence in this matter, the Office of General Counsel concludes that the Yegen contribution of $2,500 was not earmarked for the Marlenee Campaign, but was a contribution made by E. C. Yegen in the name of WINPAC and

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accepted by the Marlenee Committee in violation of 2 U.S.C. § 441f. This Office is recommending probable cause to believe that E. C. Yegen violated 2 U.S.C. § 441f in this matter.

2 U.S.C. § 441a(a)(1)(A) states that no person shall make contributions to any candidate and his authorized political committeess with respect to any election for federal office which, in the aggregate, exceed $1,000.

E. C. Yegen made a contribution of $2500 to the Marlenee Committee, or $1500 in excess of limitations. The Office of General Counsel is recommending probable cause to believe that E. C. Yegen violated 2 U.S.C. § 441a(a)(1)(A) in this matter.

Based on this analysis, the Office of General Counsel is recommending no probable cause to believe that WINPAC violated 2 U.S.C. § 441f in this matter only insofar as it relates to a contribution from Donna Yegen.*/ This Office also is recommending no probable cause to believe that Donna Yegen violated 2 U.S.C. §§ 441f and 441a(a)(1)(A) in this matter.

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

8504061961

*/ The Committee is attempting to resolve other related issues in pre-probable cause conciliation.

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IV. RECOMMENDATIONS

1. Find probable cause to believe that E. C. Yegen violated the following:

   a) 2 U.S.C. § 441f;

   b) 2 U.S.C. § 441a(f).

2. Find no probable cause to believe that the Western Intermountain Network Political Action Committee and Doris L. Burger, as treasurer, violated 2 U.S.C. § 441f in the Donna Yegen matter.

3. Find no probable cause to believe that Donna Yegen violated:

   a) 2 U.S.C. § 441f;

   b) 2 U.S.C. § 441a(a)(1)(A).

4. Close the file as it relates to Donna Yegen.

5. Send attached letters.

4 March 1986
Date

Charles N. Steele
General Counsel

Attachments
Proposed conciliation agreement
Letters to respondents (2)

8504051196 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1986

Gregory R. Schwandt, Esquire
Church, Harris, Johnson
and Williams
P.O. Box 1645
Great Falls, Montana 59403

RE: MUR 1706
Montanans for Marlenee
Committee
Douglas N. Wilson, as
treasurer

Dear Mr. Schwandt:

On March 11, 1986, the Commission determined that there is probable cause to believe your clients committed violations of 2 U.S.C. §§ 441f and 441a(f), provisions of the Federal Election Campaign Act of 1971, as amended in connection with a contribution received from E.C. Yegen.

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.

8604061964

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Conciliation Agreement

3604061119655

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Montanans for Marlenee Committee	)	MUR 1706
Douglas N. Wilson, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of March 11, 1986, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 1706:

1. Find probable cause to believe that the Montanans for Marlenee Committee and Douglas N. Wilson, as treasurer, violated 2 U.S.C. §§ 441f and 441a(f).

2. Send the letter and proposed conciliation agreement attached to the General Counsel's report dated March 4, 1986.

Commissioners Aikens, Harris, Josefiak, McDonald, and McGarry voted affirmatively for the decision; Commissioner Elliott dissented.

Attest:

3-12-86
Date

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

8504061 1966

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

SENSITIVE

In the Matter of)
)
Montanans for Marlenee Committee) MUR 1706
Douglas N. Wilson, as treasurer)

86 MAR 4 P4:32

GENERAL COUNSEL'S REPORT

EXECUTIVE SESSION

MAR 11 1986

I. BACKGROUND

On June 26, 1984, the Commission found reason to believe that the Montanans for Marlenee Committee ("the Marlenee Committee"), and Douglas N. Wilson, as treasurer, violated 2 U.S.C. § 441f for receipt of a contribution made by individuals in the name of another and violated 2 U.S.C. § 44la(f) by receipt of an excessive contribution from these individuals. Depositions were taken in the case and on December 30, 1985, the General Counsel's Brief was mailed to the respondent notifying of the General Counsel's intention to recommend probable cause to believe in this matter.

After requesting and receiving an extension of time to respond to the brief, the respondent requested settlement of the issues through conciliation negotiations. We explained that since the General Counsel's brief had been mailed, a probable cause finding was necessary before we could begin negotiations toward a resolution. Respondent did not submit a substantive response to the brief. Therefore, our analysis remains the same as articulated in the General Counsel's Brief of December 30, 1985.

86040511957

II. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

8604061-11968

III. RECOMMENDATION

1. Find probable cause to believe that the Montanans for Marlenee Committee and Douglas N. Wilson, as treasurer, violated the following:

a) 2 U.S.C. § 441f;
b) 2 U.S.C. § 441a(f).

2. Send the attached letter and proposed conciliation agreement.

4 March 1986
Date

Charles N. Steele
General Counsel

Attachments
Proposed Conciliation Agreement
Letter to Respondent

LAW OFFICES OF
CHURCH, HARRIS, JOHNSON & WILLIAMS

I. W. CHURCH (1884-1972)
G. G. HARRIS (1883-1973)
BJARNE JOHNSON
CARTER WILLIAMS
WM. A. REID
DALE FORBES
CRESAP S. McCRACKEN
DOUGLAS C. ALLEN
MILTON G. WORDAL
RICHARD F. GALLAGHER

DON A. LABAR
ROBERT P. GOFF
R. KEITH STRONG
W. BJARNE JOHNSON
GREGORY R. SCHWANDT
MICHEAL P. LAMB
KENNETH R. DYRUD
JEANNIE YOUNG
STEVEN M. JOHNSON
MARGARET M. JOYCE JOHNSON

P.O. BOX 1645 • GREAT FALLS, MONTANA 59403 • THIRD FLOOR NORWEST BANK BUILDING • PHONE (406) 761-3000

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GCC#9823

February 24, 1986

FEDERAL EXPRESS

Kenneth A. Gross
Associate General Counsel
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

86 FEB 25 P2:23
RECEIVED
FEC
GENERAL COUNSEL

RE: MUR 1706
Montanan's For Marlenee Committee
Douglas N. Wilson, Treasurer

Dear Mr. Gross:

I have your letter of February 20, 1986. It was with some considerable interest I read the enclosure which accompanied your February 20, 1986, letter. I searched our files for a copy of such a letter. Not only was our file devoid of a copy of such material, but its content comes as a surprise to me, given the authority of 11 CFR Part 111.18. As a licensed attorney, I understand I am to be held accountable for legal principles which are available to the general public and can be discerned through legal research. However, I find that I am now trapped by what apparently is an internal General Counsel memoranda never previously provided to either Mr. Lovell or myself, but to which I am told everyone must now adhere in order to complete this process.

Please indulge me momentarily while I depart from the primary issue at hand. This cowboy would like the record to reflect that in his opinion, misguided as it must seem to you, there appears to be, as we say in Montana, an extra joker in your deck of cards. The investigation has been ongoing through several campaigns. I have been led to believe that nothing could be done until you completed your investigation and made a determination on the results of such investigation because, until the investigation was complete, you were not in possession of facts upon which to base any settlement. My clients were not even permitted to know what the investigation consisted of, except to the extent it involved Cliff Christian, the former campaign manager. As soon as you had made your determination, the

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Code of Federal Regulations suggested to me that my clients, for the first time, had a right to conciliation. We availed ourselves of this right after I secured due time to discuss the matter with the Congressman, who was out of the country at the time I received your brief and for almost all of the initial response time thereafter. Perhaps it can be said from hindsight, in view of your February 20, 1986, letter and the internal memo (which I reviewed for the first time as such enclosure), that my request for an extension should have been couched in terms of an extension of time within which to file a brief or otherwise respond. I did not do so, since it appeared to me from a reading of the Regulations which are published and the information which had previously been furnished to us that we had finally arrived at a point that we had a right to conciliation. The state of affairs today suggests I was in error.

The point of all of this is that my clients have now potentially been put in or at a disadvantage due to their counsel's failure to correctly advise them on procedures before the FEC. Counsel's failure is attributable to, at least from where I sit, his inability to find published material and his lack of the enclosure which accompanied your February 20, 1986, letter. If it is not published and you do not provide me a copy, how am I charged with knowledge? Should my clients suffer because of my lack of information?

Having set the record straight, at least from my perspective, no further purpose need be served by continuing to discuss peripheral issues. Let us please get on with the conciliation process, in accordance with your procedure, so that we can hopefully get this matter resolved as soon as possible.

Sincerely,

CHURCH, HARRIS, JOHNSON & WILLIAMS

BY: Gregory R. Schwandt
GREGORY R. SCHWANDT

GRS:gf

8604061970

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 20, 1986

Gregory R. Schwandt, Esquire
Church, Harris, Johnson
and Williams
P.O. Box 1645
Great Falls, Montana 59403

Re: MUR 1706
Montanans for Marlenee
Committee
Douglas N. Wilson, as
treasurer

Dear Mr. Schwandt:

This is to confirm your telephone conversation of February 11, 1986, with our staff member concerning your request for conciliation prior to a finding of probable cause to believe. As explained at that time, such requests cannot be entertained after the briefs on probable cause have been mailed to the respondent. We note that you requested, and were granted, an extension of time specifically to respond to the General Counsel's Brief.

If you have further questions, please contact Frances B. Hagan at (202) 376-8200.

Sincerely,

Kenneth A. Gross
Associate General Counsel

Enclosure
Procedures

8504061971

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 10, 1986

James F. Schoener, Esquire
McGuiness and Williams
Suite 1200
1015 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: MUR 1706
E.C. Yegen

Dear Mr. Schoener:

This is in response to your cover letter to the response brief in the above captioned matter. In that letter you indicated a desire to discuss resolution of this matter through pre-probable cause conciliation.

This is to advise you that requests for pre-probable cause conciliation will not be entertained after the General Counsel's briefs on probable cause have been mailed to the respondent.

If you have questions, please contact Frances B. Hagan at (202) 376-8200.

Sincerely,

Kenneth A. Gross (FH)
Kenneth A. Gross
Associate General Counsel

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86 FEB 6 AM 9:54

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February 5, 1986

FEDERAL EXPRESS

86 FEB 6 P3:20
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL

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

RE: MUR 1706 - Montanan's for Marlenee Committee
Douglas N. Wilson as Treasurer

Dear Mr. Steele:

Thank you for your letter of January 21, 1986, granting an extension until February 10, 1986, in which to respond to your Brief in the above-referenced matter.

As I understand the applicable regulations in 11 C.F.R., we are now at a stage in the proceedings at which I can, for the first time, indicate by a letter to you, as General Counsel, our desire to enter into negotiations directed towards reaching a conciliation agreement. We desire to enter into conciliation.

We have been anxious all along to resolve all questions concerning the one time alleged violations of 2 U.S.C. §§441f and 44la(f) as outlined in your June 27, 1984, reason to believe letter relating to an August 1982 campaign contribution.

I have no other experience dealing with your office in all of the years Montanan's for Marlenee have supported Congressman Marlenee's election and reelection efforts. As a result, I am unaware of how we procedurally "enter into negotiations directed towards reaching such a conciliation agreement." Do I come to Washington to meet with you? Do you intend to meet with me in Montana or have someone on your staff meet with me? Will we proceed by telephone or letter?

I am most anxious to give you my undivided attention in an effort to set the record straight.

Sincerely,

CHURCH, HARRIS, JOHNSON & WILLIAMS

BY: Gregory R. Schwandt
GREGORY R. SCHWANDT

GRS:gf

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 23, 1986

John G. Stevens, Treasurer
Friends of Bill Kennedy Committee
2217 Camino Brazos
Pleasanton, California 94566

Re: MUR 1706
Friends of Bill Kennedy Committee
John G. Stevens, as treasurer

Dear Mr. Stevens:

On June 26, 1984, the Commission found reason to believe that the Friends of Bill Kennedy Committee and you, as treasurer, had violated 2 U.S.C. §§ 441f and 441a(f), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, the Commission has determined to take no further action and on January 8 , 1986, closed its file as it pertains to you and your committee.

The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any materials to appear on the public record, please do so within 10 days of your receipt of this letter.

The confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

If you have any questions, please direct them to Frances B. Hagan, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 23, 1986

Mr. Joseph Poli
Swiss Insurance Agency
17100 East 14th Street
Hayward, California 94541

Re: MUR 1706
Joseph Poli

Dear Mr. Poli:

On June 26, 1984, the Commission found reason to believe that you had violated 2 U.S.C. §§ 441f and 441a(a)(1)(A), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, the Commission has determined to take no further action and on January 8, 1986, closed its file as it pertains to you.

The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any materials to appear on the public record, please do so within 10 days of your receipt of this letter.

The confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

If you have any questions, please direct them to Frances B. Hagan, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

8604061975

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 22, 1986

Leanne M. Schraudner, Esquire
502 South 19th
Bozeman, Montana 59715

RE: MUR 1706
Western Intermountain Network
Political Action Committee
Doris Burger, as treasurer
Stanley Burger
Doris Burger

Dear Ms. Schraudner:

On June 26, 1984, the Commission found reason to believe that your clients violated the following:

A. WINPAC and Donald Burger as treasurer

1. 2 U.S.C. § 441f
2. 2 U.S.C. § 441a(f)
3. 2 U.S.C. § 432(c)(1), (2), (3), and (4)
4. 2 U.S.C. § 432(d)
5. 2 U.S.C. § 434(a)(4)(A)(iv)
6. 2 U.S.C. § 434(b)(2)
7. 2 U.S.C. § 434(b)(3)(E) and (5)(D)
8. 2 U.S.C. § 434(b)(8)

B. Stanley Burger and Doris Burger

2 U.S.C. § 441a(a)(1)(C)

At your request, the Commission determined on January 8, 1986, to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

On January 8, 1986, the Commission also determined to take no further action against WINPAC for a violation of 2 U.S.C. § 441f only in connection with a contribution from Joseph A. Poli.

8604051976

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 21, 1986

Gregory R. Schwandt
Church, Harris, Johnson and Williams
P.O. Box 1645
Great Falls, Montana 59403

Re: MUR 1706
Montanans for Marlenee
Committee
Douglas N. Wilson, as
treasurer

Dear Mr. Schwandt:

This is in reference to your letter dated January 6, 1986, requesting an extension of 20 days to respond to the General Counsel's Brief. After considering the circumstances presented in your letter, the Commission has determined to grant your requested extension. Accordingly, your response will be due on or before February 10.

If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

8604051197 7

QCCH 9474

LAW OFFICES
McGUINESS & WILLIAMS
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
SUITE 1200
1015 FIFTEENTH STREET, N. W.
WASHINGTON, D. C. 20005

202 789-8600

JAMES F. SCHOENER
202 789-8644

86 JAN 16 P5:29

January 16, 1986

Frances B. Hagen, Esquire
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, DC. 20463

Re: MUR 1706 E.C. Yegen

Dear Ms. Hagen:

Enclosed please find 13 copies of a brief on behalf of my client E.C. Yegen. I believe that this matter is reasonable for pre-probable cause conciliation rather than proceeding further at this time. Please let me know your attitude on this.

Very truly yours,

James F. Schoener

James F. Schoener

JFS:pat
Enclosures

8504051978

Before the

Federal Election Commission

In the Matter of E.C. Yegen	MUR 1706

RESPONDENT'S BRIEF

This matter deals with a contribution of $2500 made by E.C. Yegen from his bank account on behalf of himself and his wife in July of 1982. Mr. Yegen wished to make a contribution to Congressman Ron Marlenee and was advised that he could contribute $2000, $1,000 for the primary election and $1,000 for the general election. He could also give a like amount on behalf of his wife Donna Yegen. Mr. Yegen was concerned that his 88 year old father would be offended at the contribution and sought advise of a manner of making a contribution that would not offend his father. Mr. Yegen was advised that there was a political committee that could accomodate his contribution desires and accordingly a contribution was made in the amount of $2500, with the understanding that it was to be for the Marlenee campaign.

The contribution was made under a mistaken impression and belief that this activity complied with the Federal Election Campaign Act. Mr. Yegen believes all of the people who were involved in ths matter likewise believed the actions to be proper.

3604061979

LEANNE M. SCHRAUDNER
ATTORNEY AT LAW

502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59771-1715
(406) 586-1942

RECEIVED AT THE FEC
Case #9404
86 JAN 10 P1:13

86 JAN 10 P3:31
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GENERAL COUNSEL

January 6, 1986

Charles Steele
General Counsel
Federal Election Commission
Washington, DC 20463

RE: MUR 1706
Western Intermountain Network Political Action Committee
Donald Burger, as treasurer, Stanley Burger and Doris Burger

Dear Mr. Steele:

Thank you for your letter received in this office January 3, 1986 with respect to the above.

As you are well aware we have consistently requested pre-probable cause conciliation. Before incurring additional time and expense of filing a brief with the Commission for the probable cause, I would ask that you continue the date for submission of the brief and contact us immediately with respect to a preprobable cause conciliation as we are in hopes we can settle this soon.

Unless I hear from you otherwise I will assume that you will hold this matter in abeyance until we can discuss preprobable cause conciliation.

Sincerely

Leanne M. Schraudner

jg

c: Francis Hagen, Federal Election Commission
Don Burger
Stan & Doris Burger
Federal Election Commission File

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ROBERT P. GOFF
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January 6, 1986

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

RE: MUR1706
Montanan's for Marlenee Committee
Douglas N. Wilson as Treasurer

Dear Mr. Steele:

I have your letter dated December 30, 1985, along with General Counsel's brief in the above-referenced matter. The material arrived in my office on the morning of January 6, 1986. I have checked with the Congressman's office, only to find that the Congressman is somewhere in the Middle East, either Jordan or Israel, on Congressional business. I am informed that the Congressman will not return until January 14, 1986. Realistically, the earliest I could contact the Congressman would be January 15, 1986, to discuss this matter.

Under the circumstances outlined above, I will be unable to file a responsive brief within 15 days as required by your procedural rules. I, therefore, request a 20-day extension, not from the December 30, 1985, date on your letter, but from the January 6, 1986, date on which I received your correspondence. My responsive brief would then be due on or before February 10, 1986.

I would appreciate written confirmation of the extension.

Sincerely,

CHURCH, HARRIS, JOHNSON & WILLIAMS

BY: Gregory R. Schwandt
GREGORY R. SCHWANDT

GRS:gf

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RECEIVED
OFFICE OF THE
GENERAL COUNSEL

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6078 Hagan

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 30, 1985

Gregory R. Schwandt
Church, Harris, Johnson
and Williams
P.O. Box 1645
Great Falls, Montana 59403

RE: MUR 1706
Montanans for Marlenee
Committee
Douglas N. Wilson, as
treasurer

8504051 1982

Dear Mr. Schwandt:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on June 26, 1984, found reason to believe that your clients had violated 2 U.S.C. §§ 441a(f) and 441f, 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 violations have 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.

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 Frances B. Hagan, the staff member assigned to handle this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

8504051119833

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Montanans for Marlenee	)	MUR 1706
Douglas N. Wilson, as treasurer	)	

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On June 26, 1984, the Commission found reason to believe that the Montanans for Marlenee Committee ("the Marlenee Committee"), and Douglas N. Wilson, as treasurer, violated 2 U.S.C. § 441f for receipt of a contribution made by individuals in the name of another and violated 2 U.S.C. § 441a(f) by receipt of an excessive contribution from these individuals.

On April 16, 1985, the Commission approved subpoenas for a deposition of Clifford Christian, former campaign manager of the Marlenee Committee, in connection with his role in arranging the contribution from an individual through a multicandidate committee to the Marlenee Committee.

During the FEC audit of the Western Intermountain Network Political Action Committee ("WINPAC"), the auditors found a notation on WINPAC's check register and a bank deposit ticket which indicated a receipt of $2,500 from E.C. Yegen and Donna Yegen. In response to questions asked at the audit exit conference, the Audit Division received a letter from Stanley Burger, "president" of WINPAC. The letter stated that in August 1982, Mr. Burger received a telephone request from Cliff Christian, then employed as campaign manager of the Montanans for Marlenee Committee (principal campaign committee of House

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candidate Ron Marlenee), asking if WINPAC would pass along a check of $2,500 from two individuals to the Marlenee campaign. Mr. Burger stated that Mr. Christian said that the contributors, E.C. Yegen and Donna Yegen, of Billings, Montana, did not want the "people in Billings to know he had donated that amount to the Marlenee campaign."

According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegens and wrote a corresponding check for $2,500 to "Ron Marlenee." WINPAC was given a receipt from the Marlenee Committee and later received a thank you note from the candidate for a WINPAC contribution.

WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" for the primary election which was held in Montana on June 8, 1982. The Marlenee Committee reported receipt of $2,500 from WINPAC for the general election.

Responses to Reason to Believe and Deposition

In interrogatories attached to the reason to believe notice, this Office asked the Marlenee Committee about Cliff Christian's involvement in this transaction. The Marlenee Committee responded that Cliff Christian had been contacted:

> "by a young campaign worker and told that one Mr. Yegen would like to make a political contribution to the Montanans for Marlenee campaign except that he did not want his father to become aware of his making such a political contribution. Apparently, Mr. Yegen was prepared to make a contribution to a political action committee which supported Congressman Marlenee ..."

8604051985

The Marlenee Committee stated that neither the treasurer nor the candidate was aware of the transaction arranged by the campaign manager.

On May 30, 1985, this Office deposed Cliff Christian for additional information regarding the transfer of money made through WINPAC. In response to questioning, Mr. Christian stated that a Marlenee campaign worker approached him, indicating that an individual, E.C. Yegen, and his wife Donna Yegen would like to contribute $2500 to the Marlenee campaign, but wished to keep from Mr. Yegen's father the amount of support in order to avoid the elder Yegen's negative reaction.

Mr. Christian testified that he "contacted Mr. Burger [president of WINPAC] and asked him if he would accept an earmarked contribution from Mr. Yegen for Congressman Marlenee's campaign." Christian acknowledged in retrospect that his knowledge of the Act and Regulations was incomplete, that he "should have paid more attention to them," but that at the time he did not realize that the Yegen contribution arrangement was "inappropriate or wrong." Mr. Christian stated further:

> I was under the impression that the political committee receiving the monies from the contributor was under obligation to demonstrate or to show the earmarked nature of that account. I was not aware that we [the Marlenee Committee] also have to [report] that.

He indicated that he had relied on Mr. Burger's expertise as founder of WINPAC and former Senate candidate, stating "I thought

8604051-1986

I was well within the limits of the law and I thought I was working with a professional in the political action committee business ..."

Also in a sworn deposition, WINPAC president Stanley Burger reiterated and amplified his previous statement concerning the Yegen contribution, explaining that he agreed to pass along the contribution as a favor to his former colleague Cliff Christian and because he "had no idea that there was anything wrong" with the transaction. Mr. Burger explained that he and Mr. Christian had worked together at the Montana state legislature as lobbyists for different associations with similar interests on certain issues. Mr. Burger stated that he "had no reason to believe that Cliff would ask me to do something that was not within the realm of possibility. Because all of [our] dealings ... always were up front and very honest and sincere ..."

In response to the reason to believe notice, the attorney representing the Yegens stated that his clients intended "a perfectly legal earmarked contribution ... [H]e did not talk to Stan Burger or Cliff Christian. He did make the earmarking to a close friend who agreed to transmit the information to the political action committee." In later discussions, the Yegen attorney stated that the "close friend" of Mr. Yegen who took part in transmittal of information regarding the Yegen contribution was Chuck Herringer, identified by Cliff Christian an financial chairman of the Marlenee campaign whose duties included fundraising.

8504061987

II. Legal Analysis

2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

The Yegen contribution was made in a single check for $2500. According to the Yegens' attorney and as evidenced by a copy of the written instrument, the check was drawn on the account of E.C. Yegen, rather than on an account jointly held by both E.C. and Donna Yegen. The check was signed by E.C. Yegen and no other written statement accompanied the contribution.

11 C.F.R. § 104.8(d) states, "a contribution which represents contributions by more than one person shall indicate on the written instrument, or on an accompanying written statement signed by all contributors, the amount to be attributed to each contributor."

Because the contribution was drawn on an account solely controlled by E.C. Yegen, and since no other signed statement from the donors established Donna Yegen's part in the contribution, the entire contribution of $2500 is attributable to E.C. Yegen.

8504051988

FEC regulations at 11 C.F.R. § 110.6(b) define "earmarked" as:

> a designation, instruction, or encumbrance (including those which are direct or indirect, express or implied, oral or written) which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's authorized committee.

11 C.F.R. § 110.6(c) and (d) set forth the requirements and the methods for both the intermediary conduit and the recipient committee to report the original source as well as the conduits of such earmarked contributions.

The Yegen case is contrary to the Regulations in that both the conduit WINPAC and the recipient Marlenee Committee acknowledge that the Yegens wanted to make the contribution in such a way as to avoid revealing the connection between the actual contributors and the contribution which was reported in the name of WINPAC. The WINPAC and Marlenee Committee statements attest that WINPAC and Marlenee agents knew that the $2,500 contribution in question originated with E.C. Yegen, that steps were taken to arrange for a surreptitious transfer of funds from Mr. Yegen through WINPAC to the Marlenee Committee; and despite the two committees' knowledge of the contribution source, the contribution was reported by both Committees as originating from WINPAC. Based on the testimony and evidence in this matter, the Office of General Counsel concludes that the Yegen contribution of $2,500 was not earmarked for the Marlenee campaign, but was a

8504051989

contribution made by E.C. Yegen in the name of WINPAC and accepted by the Marlenee Committee in violation of 2 U.S.C. § 441f. This Office is prepared to recommend probable cause to believe that the Marlenee Committee violated 2 U.S.C. § 441f in this matter.

2 U.S.C. § 441a(a)(1)(A) states that no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $1,000.

2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of this section.

The Marlenee Committee accepted a contribution of $2500 from E.C. Yegen, or $1500 in excess of limitations. The Office of General Counsel is prepared to recommend probable cause to believe that the Marlenee Committee violated 2 U.S.C. § 441a(f) in this matter.

III. General Counsel's Recommendations

Find probable cause to believe that the Montanans for Marlenee Committee and Douglas N. Wilson, as treasurer, violated the following:

a) 2 U.S.C. § 441f;
b) 2 U.S.C. § 441a(f).

26 Dec 1985
Date

By: Charles N. Steele
General Counsel

8604061-1990

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 30, 1985

James F. Schoener, Esquire
Miller, Canfield, Paddock and Stone
1015 15th Street, N.W., Suite 1200
Washington, D.C. 20005

RE: MUR 1706
E.C. Yegen
Donna Yegen

Dear Mr. Schoener:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on June 26, 1984, found reason to believe that your clients had violated 2 U.S.C. §§ 441a(f) and 441f, 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 violations have occurred as to the contribution from E.C. Yegen. This Office is prepared to recommend no probable cause to believe that a violation occurred as to Donna Yegen. The Commission may or may not approve the General Counsel's Recommendation.

Submitted for your review are briefs 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.

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.

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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 Frances B. Hagan, the staff member assigned to handle this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

8604051199 2

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
E.C. Yegen) MUR 1706

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On June 26, 1984, the Commission found reason to believe that E.C. Yegen violated 2 U.S.C. § 441f and 2 U.S.C. § 441a(a)(1)(A) by making an excessive contribution to the Montanans for Marlenee Committee in the name of the Western Intermountain Network Political Action Committee.

During the FEC audit of the Western Intermountain Network Political Action Committee (WINPAC), the auditors found a notation on WINPAC's check register and a bank deposit ticket which indicated a receipt of $2,500 from E.C. Yegen and Donna Yegen. In response to questions asked at the audit exit conference, the Audit Division received a letter from Stanley Burger, "president" of WINPAC. The letter stated that in August 1982, Mr. Burger received a telephone request from Cliff Christian, then employed as campaign manager of the Montanans for Marlenee Committee (principal campaign committee of House candidate Ron Marlenee),asking if WINPAC would pass along a check of $2,500 from two individuals to the Marlenee campaign. Mr. Burger stated that Mr. Christian said that the contributors, E.C. Yegen and Donna Yegen, of Billings, Montana, did not want the "people in Billings to know he had donated that amount to the Marlenee campaign."

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According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegens and wrote a corresponding check for $2,500 to "Ron Marlenee." WINPAC was given a receipt from the Marlenee Committee and later received a thank you note from the candidate for a WINPAC contribution.

WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" for the primary election which was held in Montana on June 8, 1982. The Marlenee Committee reported receipt of $2,500 from WINPAC for the general election.

Responses to Reason to Believe and Deposition

In interrogatories, this Office asked the Marlenee Committee about Cliff Christian's involvement in this transaction. The Marlenee Committee responded that Cliff Christian had been contacted:

> "by a young campaign worker and told that one Mr. Yegen would like to make a political contribution to the Montanans for Marlenee campaign except that he did not want his father to become aware of his making such a political contribution. Apparently, Mr. Yegen was prepared to make a contribution to a political action committee which supported Congressman Marlenee ..."

On May 30, 1985, this Office deposed Cliff Christian for additional information regarding the transfer of money made through WINPAC. In response to questioning, Mr. Christian stated that a Marlenee campaign worker approached him, indicating that an individual, E.C. Yegen, and his wife Donna Yegen would like to contribute $2500 to the Marlenee campaign, but wished to keep from Mr. Yegen's father the amount of support in order to avoid the elder Yegen's negative reaction.

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Mr. Christian testified that he "contacted Mr. Burger [president of WINPAC] and asked him if he would accept an earmarked contribution from Mr. Yegen for Congressman Marlenee's campaign." Christian acknowledged in retrospect that his knowledge of the Act and Regulations was incomplete, that he "should have paid more attention to them," but that at the time he did not realize that the Yegen contribution arrangement was "inappropriate or wrong." Mr. Christian stated further:

> I was under the impression that the political committee receiving the monies from the contributor was under obligation to demonstrate or to show the earmarked nature of that account. I was not aware that we [the Marlenee Committee] also have to [report] that.

He indicated that he had relied on Mr. Burger's expertise as founder of WINPAC and former Senate candidate, stating "I thought I was well within the limits of the law and I thought I was working with a professional in the political action committee business ..."

Also in a sworn deposition, WINPAC president Stanley Burger reiterated and amplified his previous statement concerning the Yegen contribution, explaining that he agreed to pass along the contribution as a favor to his former colleague Cliff Christian and because he "had no idea that there was anything wrong" with the transaction. Mr. Burger explained that he and Mr. Christian had worked together at the Montana state legislature as lobbyists for different associations with similar interests on certain issues. Mr. Burger stated that he "had no reason to believe that

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Cliff would ask me to do something that was not within the realm of possibility. Because all of [our] dealings ... always were up front and very honest and sincere ..."

In response to the reason to believe notice, the attorney representing the Yegens stated that his clients intended "a perfectly legal earmarked contribution ... [H]e did not talk to Stan Burger or Cliff Christian. He did make the earmarking to a close friend who agreed to transmit the information to the political action committee." In later discussions, the Yegen attorney stated that the "close friend" of Mr. Yegen who took part in transmittal of information regarding the Yegen contribution was Chuck Herringer, identified by Cliff Christian as financial chairman of the Marlenee campaign whose duties included fundraising.

II. Legal Analysis

2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

The Yegen contribution was made in a single check for $2500. According to the Yegens' attorney and as evidenced by a copy of the written instrument, the check was drawn on the account of

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E.C. Yegen, rather than on an account jointly held by both E.C. and Donna Yegen. The check was signed by E.C. Yegen and no other written statement accompanied the contribution.

11 C.F.R. § 104.8(d) states, "a contribution which represents contributions by more than one person shall indicate on the written instrument, or on an accompanying written statement signed by all contributors, the amount to be attributed to each contributor."

Because the contribution was drawn on an account solely controlled by E.C. Yegen, and since no other signed statement from the donors established Donna Yegen's part in the contribution, the entire contribution of $2500 is attributable to E.C. Yegen.

FEC regulations at 11 C.F.R. § 110.6(b) define "earmarked" as:

> a designation, instruction, or encumbrance (including those which are direct or indirect, express or implied, oral or written) which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's authorized committee.

11 C.F.R. § 110.6(c) and (d) set forth the requirements and the methods for both the intermediary conduit and the recipient committee to report the original source as well as the conduits of such earmarked contributions.

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The Yegen case is contrary to the Regulations in that both the conduit WINPAC and the recipient Marlenee Committee acknowledge that the Yegens wanted to make the contribution in such a way as to avoid revealing the connection between the actual contributors and the contribution which was reported in the name of WINPAC. The WINPAC and Marlenee Committee statements attest that WINPAC and Marlenee agents knew that the $2,500 contribution in question originated with E.C. Yegen, that steps were taken to arrange for a surreptitious transfer of funds from Mr. Yegen through WINPAC to the Marlenee Committee; and despite the two committees' knowledge of the contribution source, the contribution was reported by both Committees as originating from WINPAC. Based on the testimony and evidence in this matter, the Office of General Counsel concludes that the Yegen contribution of $2,500 was not earmarked for the Marlenee campaign, but was a contribution made by E.C. Yegen in the name of WINPAC and accepted by the Marlenee Committee in violation of 2 U.S.C. § 441f. This Office is prepared to recommend probable cause to believe that E.C. Yegen violated 2 U.S.C. § 441f in this matter.

2 U.S.C. § 441a(a)(1)(A) states that no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $1,000.

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E.C. Yegen made a contribution of $2500 to the Marlenee Committee, or $1500 in excess of limitations. The Office of General Counsel is prepared to recommend probable cause to believe that E.C. Yegen violated 2 U.S.C. § 441a(a)(1)(A) in this matter.

III. General Counsel's Recommendations

Find probable cause to believe that E.C. Yegen violated the following:

a) 2 U.S.C. § 441f;
b) 2 U.S.C. § 441a(f).

26 Dec 1996
Date

By: Charles N. Steele
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Donna Yegen	)	MUR 1706

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On June 26, 1984, the Commission found reason to believe that Donna Yegen violated 2 U.S.C. § 441f and 2 U.S.C. § 441a(a)(1)(A) by making an excessive contribution to the Montanans for Marlenee Committee in the name of the Western Intermountain Network Political Action Commitee.

During the FEC audit of the Western Intermountain Network Political Action Committee (WINPAC), the auditors found a notation on WINPAC's check register and a bank deposit ticket which indicated a receipt of $2,500 from E.C. Yegen and Donna Yegen. In response to questions asked at the audit exit conference, the Audit Division received a letter from Stanley Burger, "president" of WINPAC. The letter stated that in August 1982, Mr. Burger received a telephone request from Cliff Christian, then employed as campaign manager of the Montanans for Marlenee Committee (principal campaign committee of House candidate Ron Marlenee), asking if WINPAC would pass along a check of $2,500 from two individuals to the Marlenee campaign. Mr. Burger stated that Mr. Christian said that the contributors, E.C. Yegen and Donna Yegen, of Billings, Montana, did not want the "people in Billings to know he had donated that amount to the Marlenee campaign."

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According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegens and wrote a corresponding check for $2,500 to "Ron Marlenee." WINPAC was given a receipt from the Marlenee Committee and later received a thank you note from the candidate for a WINPAC contribution.

WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" for the primary election which was held in Montana on June 8, 1982. The Marlenee Committee reported receipt of $2,500 from WINPAC for the general election.

Responses to Reason to Believe and Deposition

In interrogatories, this Office asked the Marlenee Committee about Cliff Christian's involvement in this transaction. The Marlenee Committee responded that Cliff Christian had been contacted:

> "by a young campaign worker and told that one Mr. Yegen would like to make a political contribution to the Montanans for Marlenee campaign except that he did not want his father to become aware of his making such a political contribution. Apparently, Mr. Yegen was prepared to make a contribution to a political action committee which supported Congressman Marlenee ..."

On May 30, 1985, this Office deposed Cliff Christian for additional information regarding the transfer of money made through WINPAC. In response to questioning, Mr. Christian stated that a Marlenee campaign worker approached him, indicating that an individual, E.C. Yegen, and his wife Donna Yegen would like to contribute $2500 to the Marlenee campaign, but wished to keep from Mr. Yegen's father the amount of support in order to avoid the elder Yegen's negative reaction.

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Mr. Christian testified that he "contacted Mr. Burger [president of WINPAC] and asked him if he would accept an earmarked contribution from Mr. Yegen for Congressman Marlenee's campaign." Christian acknowledged in retrospect that his knowledge of the Act and Regulations was incomplete, that he "should have paid more attention to them," but that at the time he did not realize that the Yegen contribution arrangement was "inappropriate or wrong." Mr. Christian stated further:

> I was under the impression that the political committee receiving the monies from the contributor was under obligation to demonstrate or to show the earmarked nature of that account. I was not aware that we [the Marlenee Committee] also have to [report] that.

He indicated that he had relied on Mr. Burger's expertise as founder of WINPAC and former Senate candidate, stating "I thought I was well within the limits of the law and I thought I was working with a professional in the political action committee business ..."

Also in a sworn deposition, WINPAC president Stanley Burger reiterated and amplified his previous statement concerning the Yegen contribution, explaining that he agreed to pass along the contribution as a favor to his former colleague Cliff Christian and because he "had no idea that there was anything wrong" with the transaction. Mr. Burger explained that he and Mr. Christian had worked together at the Montana state legislature as lobbyists for different associations with similar interests on certain

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issues. Mr. Burger stated that he "had no reason to believe that Cliff would ask me to do something that was not within the realm of possibility. Because all of [our] dealings ... always were up front and very honest and sincere ..."

In response to the reason to believe notice, the attorney representing the Yegens stated that his clients intended "a perfectly legal earmarked contribution ... [H]e did not talk to Stan Burger or Cliff Christian. He did make the earmarking to a close friend who agreed to transmit the information to the political action committee." In later discussions, the Yegen attorney stated that the "close friend" of Mr. Yegen who took part in transmittal of information regarding the Yegen contribution was Chuck Herringer, identified by Cliff Christian as financial chairman of the Marlenee campaign whose duties included fundraising.

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II. Legal Analysis

2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

The Yegen contribution was made in a single check for $2500. According to the Yegens' attorney and as evidenced by a copy of the written instrument, the check was drawn on the account of E.C. Yegen, rather than on an account jointly held by both E.C. and Donna Yegen. The check was signed by E.C. Yegen and no other written statement accompanied the contribution.

11 C.F.R. § 104.8(d) states, "a contribution which represents contributions by more than one person shall indicate on the written instrument, or on an accompanying written statement signed by all contributors, the amount to be attributed to each contributor."

Because the contribution was drawn on an account solely controlled by E.C. Yegen, and since no other signed statement from the donors established Donna Yegen's part in the contribution, the entire contribution of $2500 is attributable to E.C. Yegen.

Based on this analysis, the Office of General Counsel is prepared to recommend no probable cause to believe that Donna Yegen violated 2 U.S.C. §§ 441f and 441a(a)(1)(A) in this matter.

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III. General Counsel's Recommendations

Find no probable cause to believe that Donna Yegen violated:

a) 2 U.S.C. § 441f;
b) 2 U.S.C. § 441a(a)(1)(A).

26 Dec 1984
Date

By: Charles N. Steele
General Counsel

Hagen 6/10

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 30, 1985

Leanne M. Schraudner, Esquire
502 South 19th
Bozeman, Montana 59715

RE: MUR 1706
Western Intermountain Network
Political Action Committee
Donald Burger, as treasurer
Stanley Burger
Doris Burger

Dear Ms. Schraudner:

On June 26, 1984, the Commission found reason to believe that your clients violated the following:

A. WINPAC and Donald Burger as treasurer

1. 2 U.S.C. § 441f
2. 2 U.S.C. § 441a(f)
3. 2 U.S.C. § 432(c)(1), (2), (3), and (4)
4. 2 U.S.C. § 432(d)
5. 2 U.S.C. § 434(a)(4)(A)(iv)
6. 2 U.S.C. § 434(b)(2)
7. 2 U.S.C. § 434(b)(3)(E) and (5)(D)
8. 2 U.S.C. § 434(b)(8)

B. Stanley Burger and Doris Burger

2 U.S.C. § 441a(a)(1)(C)

After considering all the evidence available to the Commission, the Office of General Counsel is prepared to recommend that the Commission find no probable cause to believe that a violation of 2 U.S.C. § 441f has occurred only insofar as it relates to a contribution by Donna Yegen. The Commission may or may not approve the General Counsel's Recommendation.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the Donna Yegen matter. 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 WINPAC's position on the Donna Yegen issue and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of

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General Counsel, if possible. The General Counsel's brief and any brief which you submit will be considered by the Commission before proceeding to a vote of no probable cause to believe a violation has occurred.

As to your clients' request for pre-probable cause conciliation, a letter concerning those issues will be forwarded under separate cover.

If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

8504061200 6

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Western Intermountain Network Political Action Committee	)	MUR 1706
Donald Burger, as treasurer	)	

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On June 26, 1984, the Commission found reason to believe that the Western Intermountain Network Political Action Committee ("WINPAC") and Donald Burger, as treasurer, violated 2 U.S.C. §§ 441f and 441a(f) by permitting the use of its name for an excessive contribution from Donna Yegen to the Montanans for Marlenee Committee ("the Marlenee Committee") during 1982.

During the FEC audit of WINPAC, the auditors found a notation on WINPAC's check register and a bank deposit ticket which indicated a receipt of $2,500 from E.C. Yegen and Donna Yegen. In response to questions asked at the audit exit conference, the Audit Division received a letter from Stanley Burger, "president" of WINPAC. The letter stated that in August 1982, Mr. Burger received a telephone request from Cliff Christian, then employed as campaign manager of the Montanans for Marlenee Committee (principal campaign committee of House candidate Ron Marlenee), asking if WINPAC would pass along a check of $2,500 from two individuals to the Marlenee campaign. Mr. Burger stated that Mr. Christian said that the contributors, E. C. Yegen, and Donna Yegen, of Billings, Montana, did not want the "people in Billings to know he had donated that amount to the Marlenee campaign."

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According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegens and wrote a corresponding check for $2,500 to "Ron Marlenee." WINPAC was given a receipt from the Marlenee Committee and later received a thank you note from the candidate for a WINPAC contribution.

WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" for the primary election which was held in Montana on June 8, 1982. The Marlenee Committee reported receipt of $2,500 from WINPAC for the general election.

Responses To Reason To Believe And Deposition

In interrogatories, this Office asked the Marlenee Committee about Cliff Christian's involvement in this transaction. The Marlenee Committee responded that Cliff Christian had been contacted:

> "by a young campaign worker and told that one Mr. Yegen would like to make a political contribution to the Montanans for Marlenee campaign except that he did not want his father to become aware of his making such a political contribution. Apparently, Mr. Yegen was prepared to make a contribution to a political action committee which supported Congressman Marlenee..."

On May 30, 1985, this Office deposed Cliff Christian for additional information regarding the transfer of money made through WINPAC. In response to questioning, Mr. Christian stated that a Marlenee campaign worker approached him, indicating that an individual, E.C. Yegen, and his wife Donna Yegen would like to contribute $2,500 to the Marlenee campaign, but wished to keep

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from Mr. Yegen's father the amount of support, in order to avoid the elder Yegen's negative reaction.

Mr. Christian testified that he "contacted Mr. Burger [president of WINPAC] and asked him if he would accept an earmarked contribution from Mr. Yegen for Congressman Marlenee's campaign."

In response to the reason to believe notice, the attorney representing the Yegens stated that his client intended "a perfectly legal earmarked contribution...[H]e did not talk to Stan Burger or Cliff Christian. He did make the earmarking to a close friend who agreed to transmit the information to the political action committee."

In later discussions, the Yegen attorney stated that the "close friend" of Mr. Yegen who took part in transmittal of information regarding the Yegen contribution was Chuck Herringer, identified by Cliff Christian as financial chairman of the Marlenee campaign whose duties included fundraising.

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II. **LEGAL ANALYSIS**

2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

FEC regulations at 11 C.F.R. § 110.6(b) define "earmarked" as:

> a designation, instruction, or encumbrance (including those which are direct or indirect, express or implied, oral or written) which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's authorized committee.

11 C.F.R. § 110.6(c) and (d) set forth the requirements and the methods for both the intermediary conduit and the recipient committee to report the original source as well as the conduits of such earmarked contributions.

11 C.F.R. § 104.8(d) states, "a contribution which represents contributions by more than one person shall indicate on the written instrument, or on an accompanying written statement signed by all contributors, the amount to be attributed to each contributor."

The Yegen contribution was made in a single check for $2,500. According to the Yegens' attorney and as evidenced by a copy of the written instrument, the check was drawn on the account of E.C. Yegen, rather than on an account jointly held by both E.C. and Donna Yegen. The check was signed by E.C. Yegen and no other written statement accompanied the contribution.

Because the contribution was drawn on an account solely controlled by E.C. Yegen, and since no other signed statement from the donors established Donna Yegen's part in the contribution, the entire contribution of $2,500 is attributable

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to E. C. Yegen. Based on this evidence, the Office of General Counsel is prepared to recommend no probable cause to believe that WINPAC violated 2 U.S.C. § 441f in connection with a contribution from Donna Yegen.

III. GENERAL COUNSEL'S RECOMMENDATION

Find no probable cause to believe that the Western Intermountain Network Political Action Committee and Donald Burger, as treasurer, violated 2 U.S.C. § 441f in the Donna Yegen matter.

26 December 1985
Date

Charles N. Steele
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Western Intermountain Network	)	
Political Action Committee	)	
Donald Burger, as treasurer	)	
Montanans for Marlenee	)	
Douglas N. Wilson, as treasurer	)	MUR 1706
Friends of Bill Kennedy	)	
John G. Stevens, as treasurer	)	
Joseph Poli	)	
E.C. Yegen	)	
Donna Yegen	)	
Stanley C. Burger	)	
Doris Burger	)	

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CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of January 8, 1986, do hereby certify that the Commission took the following actions in MUR 1706:

1. Decided by a vote of 5-1 to enter into conciliation with Western Intermountain Network Political Action Committee and Donald Burger, as treasurer, before finding probable cause to believe.

   Commissioners Aikens, Elliott, Harris, Josefiak and McGarry voted affirmatively for the decision; Commissioner McDonald dissented.

2. Decided by a vote of 6-0 to enter into conciliation with Stanley Burger before finding probable cause to believe.

3. Decided by a vote of 6-0 to enter into conciliation with Doris Burger before finding probable cause to believe.

(continued)

4. Decided by a vote of 5-1 to approve the proposed conciliation agreements attached to the General Counsel's report dated December 4, 1985, subject to the following amendments:

   a) Correction of the numbering in the agreement with Western Intermountain Network Political Action Committee and Donald Burger, as treasurer.

   b)

   Commissioners Aikens, Elliott, Harris, Josefiak, and McGarry voted affirmatively for the decision; Commissioner McDonald dissented.

5. Decided by a vote of 5-1 to take no further action against the Western Intermountain Network Political Action Committee and Donald Burger, as treasurer, for a violation of 2 U.S.C. § 441f in connection with a contribution from Joseph A. Poli.

   Commissioners Aikens, Elliott, Harris, Josefiak, and McGarry voted affirmatively for the decision; Commissioner McDonald dissented.

6. Decided by a vote of 5-1 to take no further action against Joseph A. Poli for violations of 2 U.S.C. §§ 441f and 441a(a)(1)(A) in connection with a contribution through WINPAC to the Friends of Bill Kennedy Committee.

   Commissioners Aikens, Elliott, Harris, Josefiak, and McGarry voted affirmatively for the decision; Commissioner McDonald dissented.

(continued)

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7. Decided by a vote of 5-1 to take no further action against the Friends of Bill Kennedy Committee and John G. Stevens, as treasurer, for violations of 2 U.S.C. §§ 441f and 441a(f) in connection with a contribution from Joseph A. Poli through WINPAC.

   Commissioners Aikens, Elliott, Harris, Josefiak, and McGarry voted affirmatively for the decision; Commissioner McDonald dissented.

8. Decided by a vote of 6-0 to close the file as it relates to:

   a) Joseph A. Poli;

   b) Friends of Bill Kennedy and John G. Stevens, as treasurer.

9. Decided by a vote of 6-0 to send the letters attached to the General Counsel's report dated December 4, 1985.

Attest:

1-10-86
Date

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

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BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

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In the Matter of	)	
	)	
Western Intermountain Network	)	MUR 1706
Political Action Committee	)	
Donald Burger, as treasurer	)	
Montanans for Marlenee	)	
Douglas N. Wilson, as treasurer	)	
Friends of Bill Kennedy	)	
John G. Stevens, as treasurer	)	
Joseph Poli	)	
E.C. Yegen	)	
Donna Yegen	)	
Stanley C. Burger	)	
Doris Burger	)	

SENSITIVE

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GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 26, 1984, the Commission took the following action in this matter (formerly MUR 1654):

1. Found reason to believe that the Western Intermountain Network Political Action Committee (WINPAC) and Donald Burger, as treasurer, violated 2 U.S.C. § 441f by permitting the use of its name for contributions from other individuals.

2. Found reason to believe that the Montanans for Marlenee and Douglas N. Wilson, as treasurer, and the Friends of Bill Kennedy and John G. Stevens, as treasurer, violated 2 U.S.C. § 441f for receipt of contributions made by individuals in the name of another and violated 2 U.S.C. § 441a(f) by receipt of excessive contributions.

3. Found reason to believe that E.C. Yegen, Donna Yegen, and Joseph Poli violated 2 U.S.C. § 441f and 2 U.S.C. § 441a(a)(1)(A) by making excessive contributions in the name of another.

On August 2, 1984, the Commission took the following action in this matter:

1. Found reason to believe that WINPAC and Donald Burger as treasurer, violated the Act as follows:

a) 2 U.S.C. § 44la(f) by receipt of excessive loan/contributions from Stanley and Doris Burger;

b) 2 U.S.C. § 432(c)(1), (2), (3) and (4) by failing to keep an account of contributions;

c) 2 U.S.C. § 432(d) by failing to preserve records for three years;

d) 2 U.S.C. § 434(a)(4)(A)(iv) for failure to timely file its report including the period July 1 - September 30, 1981.

e) 2 U.S.C. § 434(b)(2) for failure to adequately disclose receipts;

f) 2 U.S.C. § 434(b)(3)(E) and (5)(D) for failure to adequately identify loan contributors and recipients of loan repayments;

g) 2 U.S.C. § 434(b)(8) for failure to adequately and continuously report loan/contributions.

2. Found reason to believe that Stanley C. Burger and Doris L. Burger violated 2 U.S.C. § 44la(a)(1)(C) by making contributions to WINPAC in excess of limitations.

On April 16, 1985, the Commission approved subpoenas for depositions of four individuals in an effort to resolve a significant discrepancy in responses to the reason to believe findings. The depositions were held during the week of May 27, 1985.

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During discussions of enforcement procedures with the WINPAC attorney prior to the depositions, the attorney indicated that she would recommend that her clients settle the matter through pre-probable cause conciliation. Although she was informed at the time that depositions could be required, counsel submitted a request for pre-probable cause conciliation on behalf of WINPAC and Donald Burger, as treasurer, Stanley Burger and Doris Burger. We have reviewed the deposition transcripts and are now prepared to make recommendations in this case.

II. LEGAL ANALYSIS

A. CONTRIBUTIONS IN THE NAME OF ANOTHER

Contribution of $2,500 to Montanans for Marlenee

During the FEC audit of WINPAC, the auditors found a notation on WINPAC's check register and bank deposit ticket which indicated a receipt or $2,500 from E.C. Yegen and Donna Yegen. In response to questions asked at the audit exit conference, the Audit Division received a letter from Stanley Burger, "president" of WINPAC. The letter stated that in August 1982, Mr. Burger received a telephone request from Cliff Christian, then employed as campaign manager of the Montanans for Marlenee Committee (principal campaign committee of House candidate Ron Marlenee), asking if WINPAC would pass along a check of $2,500 from two individuals to the Marlenee campaign. Mr. Burger

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stated that Mr. Christian said that the contributors, E.C. Yegen, and Donna Yegen, of Billings, Montana, did not want the "people in Billings to know he had donated that amount to the Marlenee campaign."

According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegens and wrote a corresponding check for $2,500 to "Ron Marlenee." WINPAC was given a receipt from the Marlenee Committee and later received a thank you note from the candidate.

WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" for the primary election which was held in Montana on June 8, 1982. Thr Marlenee Committee reported receipt of $2,500 from WINPAC for the general election.

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Contribution of $2,000 to Friends of Bill Kennedy

The same WINPAC letter signed by Stan Burger reported a second telephone call from Cliff Christian of the Marlenee Committee in October 1982, requesting that WINPAC pass along a check of $2,000 from another individual, Joe Poli of Hayward, California, to Bill Kennedy, a California congressional candidate. The letter stated that Mr. Poli was a regular contributor to WINPAC. Mr. Burger adds, "[I] received the check and hurriedly took it to Western Union because Mr. Kennedy was in dire need of the money."

The president and the treasurer of WINPAC had told the auditors during the audit exit conference that Mr. Burger had contacted the Friends of Bill Kennedy Committee to inform it of Mr. Poli's contribution.

According to audit workpapers and copies of WINPAC bank records, on October 26, 1982, Mr. Burger wrote a check of $2,000 to "Cash", drawn on a WINPAC account, then wired this amount to the Friends of Bill Kennedy Committee. WINPAC's check contains a notation "10/26 Dep[osit] from Joe Poli for Bill Kennedy." WINPAC mistakenly reported this transaction as a disbursement to Stan Burger for "reimbursement for payment to Ron Marlenee campaign." The Kennedy Committee showed the receipt as a WINPAC contribution to its general election campaign. (The California primary was held June 8, 1982).

Responses to Reason to Believe and Depositions

In interrogatories attached to the reason to believe notice, this office asked the Marlenee Committee about Cliff Christian's involvement in both transactions. The Marlenee Committee responded that Cliff Christian had been contacted:

> "by a young campaign worker and told that one Mr. Yegen would like to make a political contribution to the Montanans for Marlenee campaign except that he did not want his father to become aware of his making such a political contribution. Apparently, Mr. Yegen was prepared to make a contribution to a political action committee which supported Congressman Marlenee..."

The Marlenee Committee stated that neither the treasurer nor the candidate was aware of the transaction arranged by the campaign manager.

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On May 30, 1985, this Office deposed Cliff Christian, former campaign manager of the Marlenee Committee, concerning the two transactions of money made through WINPAC. In response to questioning, Mr. Christian stated that a Marlenee campaign worker approached him, indicating that an individual, E.C. Yegen, and his wife Donna Yegen would like to contribute $2500 to the Marlenee campaign, but wished to keep from Mr. Yegen's father the amount of support in order to avoid the elder Yegen's negative reaction.

Mr Christian testified that he "contacted Mr. Burger [president of WINPAC] and asked him if he would accept an earmarked contribution from Mr. Yegen for Congressman Marlenee's campaign." He acknowledged in retrospect that his knowledge of the Act and Regulations was incomplete, that he "should have paid more attention to them," but that at the time he did not realize that the Yegen contribution arrangement was "inappropriate or wrong." Mr. Christian stated further:

> I was under the impression that the political committee receiving the monies from the contributor was under obligation to demonstrate or to show the earmarked nature of that account. I was not aware that we [the Marlenee Committee] also have to [report] that.

He indicated that he had relied on Mr. Burger's expertise as founder of WINPAC and former Senate candidate, stating "I thought I was well within the limits of the law and I thought I was working with a professional in the political action committee business..."

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In a sworn deposition, WINPAC president Stanley Burger reiterated and amplified his previous statement concerning the Yegen contribution, explaining that he agreed to pass along the contribution as a favor to his former colleague Cliff Christian and because he "had no idea that there was anything wrong" with the transaction. Mr. Burger explained that he and Mr. Christian had worked together at the Montana state legislature as lobbyists for different associations with similar interests on certain issues. Mr. Burger stated that he "had no reason to believe that Cliff would ask me to do something that was not within the realm of possibility. Because all of [our] dealings ... always were up front and very honest and sincere..."

In response to the reason to believe notice, the attorney representing the Yegens stated that his clients intended "a perfectly legal earmarked contribution ... [H]e did not talk to Stan Burger or Cliff Christian. He did make the earmarking to a close friend who agreed to transmit the information to the political action committee." In later discussions, the attorney stated that the "close friend" of Mr. Yegen who took part in transmittal of information regarding the Yegen contribution was Chuck Heringer, identified by Cliff Christian as financial chairman of the Marlenee campaign whose duties included fundraising.

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FEC regulations at 11 C.F.R. § 110.6(b) define "earmarked" as:

> a designation, instruction, or encumbrance (including those which are direct or indirect, express or implied, oral or written) which results in all or any part of a contribution or expenditure being made to or expended on behalf of, a clearly identified candidate or a candidate's authorized committee.

11 C.F.R. § 110.6(c) and (d) set forth the requirements for both the intermediary conduit and the recipient committee in reporting the original source as well as the conduits of this contribution.

In the Yegens' case, both the conduit WINPAC and the recipient Marlenee Committee acknowledge that the Yegens wanted to make the contribution in such a way as to avoid revealing the connection between the actual contributors and the contribution which was reported in the name of WINPAC. The WINPAC and Marlenee Committee statements attest that WINPAC and Marlenee agents knew that the $2,500 contribution in question originated with E.C. Yegen, that steps were taken to arrange for a surreptitious transfer of funds from the Yegens through WINPAC to the Marlenee Committee; and despite the two committees' knowledge of the contribution source, the contribution was reported by both committees as originating from WINPAC. Therefore, this Office concludes that the Yegen contribution of $2,500 was not earmarked for the Marlenee campaign, but was a contribution made in the

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name of WINPAC and accepted by the Marlenee Committee in violation of 2 U.S.C. § 441f. WINPAC has requested pre-probable cause conciliation of this matter.1/

Analysis of the contribution apparently made by Joseph Poli through WINPAC to the Friends of Bill Kennedy Committee is more complex and less conclusive because of the conflicting information provided by the respondents. WINPAC president Stanley Burger offered the following statement in his letter to the auditors concerning the transmittal of $2,000 from Joe Poli in WINPAC's name to the Bill Kennedy Committee:

> In October 1982, I received another (more urgent) call from Mr. Christian asking if I would pass through a check from Mr. Joe Poli of 17100 East 14th Street, Hayward, California 94541, Insurance Broker, to Mr. Bill Kennedy, as candidate for Congress in the amount of $2,000. Having no reason to deny this request and the fact that Mr. Poli is a regular contributor to WINPAC, I agreed, received the check and hurriedly took it to Western Union because Mr. Kennedy was in dire need of the money.

In response to the reason to believe notice, WINPAC's attorney gave no additional information which would refute or expand on Mr. Burger's statement. Furthermore, during the audit exit

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1/Recommendations regarding respondents Montanans for Marlenee, E.C. Yegen and Donna Yegen will be discussed in General Counsel's briefs. Donna Yegen's role in connection with WINPAC will be discussed in a separate WINPAC brief prepared for concurrent circulation.

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conference, Mr. Burger told the auditors that he had contacted the Kennedy Committee and informed it of the contribution. Mr. Burger stated that he did not know such contributions were illegal.

In Mr. Burger's subsequent deposition, he was asked to tell about the conversation he had with Cliff Christian regarding the contribution to the Bill Kennedy Committee. He stated:

> Cliff called me and said, "Stan, we have a friend in California who is really up against the wire from the standpoint of dollars and I have a person who wants to make a contribution of $2,000 to him and they need the money very quickly and since you did the favor for me for Mr. Yegen, I would really appreciate it if you would pass this through and get this money to him as quickly as possible because they need it before the primary..." I again said, "Certainly, if you want that done, I will do it for you." Seeing no reason, after doing the other one, why I shouldn't and subsequently, we received this in the mail and immediately upon receiving it in the mail, we had to convert it into cash to send it through Western Union.

Mr. Burger indicated that at the time of Mr. Christian's request, he did not know of the Kennedy campaign nor did he know anyone on the Kennedy Committee, that he relied on Mr. Christian's assurance that "he [Christian] knew that he [Bill Kennedy] was a type of person that I would approve of ..."

Mr. Burger stated that at the time of the contribution to Kennedy, he did not know Mr. Poli, but that subsequently he had checked his records and found that Mr. Poli had made contributions to WINPAC over five years in amounts of $10 to

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$25, but not in aggregate amounts which would require itemization on FEC reports. He added that after the FEC audit, he had tried to contact Mr. Poli by telephone without success.

Mr. Burger stated that the Poli contribution of $2000 was received by check through the mail, but that he did not actually see the check; instead he saw the WINPAC ledger item showing a contribution to the Kennedy Committee with "Joe Poli" next to the entry in the margin.

Mr. Burger was asked whether Cliff Christian said that Mr. Poli did not want it known that the contribution was his, and Mr. Burger replied that Christian did not say that. Mr. Burger had no explanation as to why the Poli contribution was to be made in the name of WINPAC.

Mr. Burger stated that he notified the Kennedy Committee by telephone that the contribution was on its way, that he probably explained the Poli origins, but could not specifically state that he had given such information to the Kennedy Committee.

In answer to our interrogatories concerning the Kennedy Committee, the Marlenee Committee stated that before receiving the reason to believe notice, "[n]one of us had never heard of Bill Kennedy or Friends of Bill Kennedy ..."

Furthermore, Cliff Christian's deposition testimony is in sharp contrast to Mr. Burger's statement on the Kennedy Committee contribution. Mr. Christian unequivocally rejected Mr. Burger's contentions that Christian arranged a second contribution through WINPAC. Specifically, he denied that a second conversation with

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Mr. Burger ever took place; he denied any knowledge of Joseph Poli or of the Kennedy Committee. Of Mr. Burger's statement concerning the alleged conversation to arrange a Poli donation, Mr. Christian questioned Burger's recollection:

> I don't think there is any malice behind his [Burger's] thought, and probably in his mind today he really does believe that. But I also submit to you that Mr. Burger is absolutely wrong.

For his part, Joe Poli responded to the reason to believe notice stating that "Bill Kennedy is a friend of mine who ran for Congress and lost." He later stated that he volunteered some time for the campaign. Mr. Poli asserted that "I never directed and/or requested and/or had (have) any control over what WINPAC does with the funds I send to their offices." He stated that he does not know nor has he spoken with Cliff Christian and does not know of the Marlenee Committee.

In his deposition statements, Mr. Poli repeatedly stated that he could not remember or "recollect" knowing the names of the WINPAC director (Stanley Burger) or anyone connected with the Marlenee campaign. He stated that on candidate Kennedy's behalf he "walked precincts," distributed literature and made some direct contributions, but could not recall the dates or amounts of direct contributions. He could not recall the amounts he contributed to WINPAC. He stated that he did not write, telephone or otherwise inform anyone at WINPAC that his contributions were to go to the Friends of Bill Kennedy Committee.

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On behalf of the Bill Kennedy Committee, its treasurer stated in response to reason to believe findings that the contribution in question was "received in the name of WINPAC .... It was and is my understanding that this was a contribution made at the sole discretion of the Directors of WINPAC for a candidate whose position they supported." The treasurer disavowed any knowledge of Joseph Poli's involvement in the contribution and claimed no personal awareness "of any connection through the Committee with Mr. Cliff Christian."

The Kennedy Committee treasurer, John Stevens, stated in his deposition that he recalled Mr. Poli's name, assuming that he remembered the name because Mr. Poli may have made a sizeable contribution to the Kennedy campaign. He stated that he had no other knowledge of Mr. Poli or of contributions he may have made to WINPAC. Mr. Stevens stated that he has no information about the telephone call Mr. Burger says he made to the Kennedy Committee to advise of the $2000 contribution from Mr. Poli.

In summary, the responses to reason to believe findings provided conflicting stories regarding the transfer of $2,000 from WINPAC to the Bill Kennedy Committee in October 1982. WINPAC official Stanley Burger volunteered information regarding an arrangement by a Marlenee Committee agent to transfer funds from contributor Joseph Poli to the Kennedy Committee in the name of WINPAC. Mr. Burger's information was quite specific, including a contemporaneous notation on the WINPAC check supporting the receipt and transfer. He also stated that he informed the

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Kennedy Committee of the arrangement. In contrast, the other respondents, (the Marlenee Committee, the Kennedy Committee and Joe Poli), denied any knowledge of an arrangement of funds to be made from an individual to the Kennedy Committee in the name of WINPAC.

Under detailed questioning in sworn depositions, the four principals maintained their previous stances. Unanswered questions remain as to why Mr. Poli would want to make a contribution to the Kennedy Committee through WINPAC. Mr. Poli admits that Bill Kennedy was a "friend" and that he volunteered time in the campaign. The Kennedy reports show that Mr. Poli apparently contributed $400 - $500 directly to the Kennedy Committee during the 1982 election cycle, and had not reached the limitations for donation, particularly if such donations were jointly made with his wife. Yet Mr. Burger is very definite in his account of a telephone call from Cliff Christian of the Marlenee Committee and of the receipt from Joe Poli, intended for the Kennedy Committee in the name of WINPAC. It is not clear why Mr. Burger would offer information which implicates his committee if such information was not true. It is also unclear how Mr. Burger on his own could have connected Joseph Poli with the Kennedy Committee when Mr. Burger professed not to know either of them. Furthermore, why, if he were involved, would Cliff Christian admit to arranging one contribution through WINPAC and unwaveringly deny a second similar transaction, particularly when his involvement in the second transaction had no legal ramifications for the Marlenee Committee?

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It is clear, however, that direct questioning did not resolve the conflict. Therefore, it cannot be determined from the despositions whether there is probable cause to proceed in the matter concerning a contribution from Joseph Poli through WINPAC to the Bill Kennedy Committee. As a result, this Office is recommending that the Commission take no further action regarding the violations of 2 U.S.C. § 441f and 2 U.S.C. § 441a(a)(1)(A) and 2 U.S.C. § 441a(f) in this particular matter (Poli-WINPAC-Kennedy issue).

B. RECEIPT OF EXCESSIVE CONTRIBUTIONS

2 U.S.C. § 441a(a)(1)(C) states that no person shall make contributions to any unauthorized political committee in any calendar year, which in the aggregate, exceed $5,000.

2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept contributions in violation of this section.

2 U.S.C. § 431(8)(A)(i) states that the term "contribution" includes any gift, subscription, loan, advance or deposit of money or anything of value made by any person for the purpose of influencing federal elections. [Emphasis added.]

During 1981, WINPAC accepted excessive contributions in loan form from Stanley C. Burger and his wife, Doris L. Burger. The Burgers' loan contribution history follows:

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Stanley and Doris Burger - 1981-1982 Contributions

	Date		Amount	
Loan 1	08/07/81		$ 2,887.86	
Loan 2	08/25/81		$15,000.00	
		Total	$17,887.86	
Loan 1 Repaid	08/28/81		-2,887.86	
		Total	15,000.000	
Loan 3	12/15/81		+5,000.00	
		Total	20,000.00	
Limitations (2 x $5,000)			-10,000.00	$5,000 S. Burger
	AMOUNT OF EXCESSIVE		10,000.00	= $5,000 D. Burger
Loan 4	11/20/82		$ 4,000.00	= NO EXCESSIVE for 1982

Loan 1 ($2,887.86) was made from the Burger's joint banking account. It did not, on its own, exceed the contribution limits. However, it was outstanding 21 days and was repaid by WINPAC three days after the excessive Loan 2 ($15,000) was made. As the Burgers' loan history shows, the loans exceeded the limits at different times in different amounts, but at no time did the loans exceed the limits by more than $10,000, or $5,000 per contributor.

Loan 2 ($15,000) and Loan 3 ($5,000) were made to WINPAC by the Burgers from a $30,000 line of credit they obtained in their names from a commercial bank. The line of credit was secured with the couple's house. This information was obtained through the FEC audit conducted pursuant to 2 U.S.C. § 438(b).

Counsel for the Committee, for Stanley Burger and Doris Burger, responded to the reason to believe findings, stating that during the third quarter of 1981, WINPAC was unable to meet its expenses as the "contributions fell below the expenditures." The

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Respondents stated that WINPAC officer Stanley Burger attempted to borrow funds in the name of WINPAC, but the bank would not approve the loan unless it was made in the name of Stanley and Doris Burger and secured by a second mortgage on the couple's home. Respondents stated, "in no way was this designed to make a contribution to the Committee. For all practical purposes it was WINPAC's loan for operating expenses." Counsel for the Respondents argues that "at no point were the funds [which were] secured for WINPAC by the Burgers' second mortgage used in any manner to influence any federal election. There were no contributions made to any candidates during the term that the $20,000 was used for WINPAC operating expenses." Respondents stated that WINPAC rather than the Burgers has paid the interest on the Burgers' loans.

Despite the Committee's temporary lack of contributions to federal candidates, the Burgers' loans to WINPAC constitute contributions to a federal political committee organized and registered to influence federal elections. Its operating expenditures paid staff and produced mailings during the time in question, presumably funding activities intended to influence federal elections whether for its own fundraising needs or in support of its ideology. Therefore, WINPAC violated 2 U.S.C. § 441a(f) by accepting contributions in loan form totaling $10,000 (excessive portion) from Stanley and Doris Burger. The Burgers violated 2 U.S.C. § 441a(a)(1)(C) by making excessive contributions in loan form to WINPAC.

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C. RECORDKEEPING

The FEC audit reported that WINPAC maintained records to support only $15,565.26 of at least $62,934.19 in contributions for 1981. The amount missing represents approximately 75% of the amount of total 1981 contributor activity. The WINPAC treasurer stated that the 1981 computer records, which contained all detailed contributor information, were purged to make space for 1981 contribution records. The computerized contributor information could not be reconstructed.

WINPAC's response to reason to believe stated that the records were "accidentally erased" but that "WINPAC did not knowingly and willfully destroy these records." WINPAC adds that the Committee's practices have been "amended" to avoid future recurrence.

2 U.S.C. § 432(c)(1) through (4) states that the treasurer of a political committee shall keep an account of --

(1) all contributions received by or on behalf of such political committee;

(2) the name and address of any person who makes any contribution in excess of $50, together with the date and amount of such contribution by any person;

(3) the identification of any person who makes contributions aggregating more than $200 during a calendar year, together with the date and amount of such contributions;

(4) the identification of any political committee which makes a contribution, together with the date and amount of any such contribution.

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2 U.S.C. § 431(13)(A) and (B) defines the term "identification" to include the name, mailing address and occupation of an individual, as well as the name of his or her employer, and in the case of any other person, the full name and mailing address.

2 U.S.C. § 432(d) requires that the treasurer shall preserve all records to be required by this section for 3 years after the report is filed.

WINPAC requested resolution through pre-probable cause conciliation of the violations of 2 U.S.C. §§ 432(c)(1)(4) and 432(d).

D. FAILURE TO FILE COMPLETE DISCLOSURE REPORTS AND FAILURE TO DISCLOSE RECEIPTS ADEQUATELY

The FEC audit reported that WINPAC failed to include in its 1981 Year End semi-annual Report[2/], any information concerning the period July 1, 1981-September 30, 1981. WINPAC had been notified by the Commission's Reports Analysis Division of failure to file. On May 3, 1984, in response to the Interim Audit Report, WINPAC filed the required information. However, although the report adequately disclosed disbursements, it did not adequately itemize receipts as follows:

a) Loan 1 ($2,887.86 from Stanley and Doris Burger) was reported as an unitemized receipt.

b) Loan 2 ($15,000 from Stanley and Doris Burger was itemized as a loan received directly from the bank.

2/ In a non-election year, WINPAC, which customarily files quarterly, should have filed Mid-Year and Year End Reports. In 1981, it continued to file quarterly. 2 U.S.C. § 434(a)(4)(A)(iv).

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Counsel for WINPAC stated in response to reason to believe findings that the Committee filed its report when the auditors alerted the treasurer of the omission. WINPAC also stated that the Committee reported the loans from the Burgers as direct loans from the bank because "for all practical purposes that was the situation."

2 U.S.C. § 434(a)(4)(A)(iv) states that all political committees other than authorized committees of a candidate which file quarterly reports during election years shall, in any other calendar year, file a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31 and a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.

2 U.S.C. § 434(b)(2)(A) states that reports shall disclose the total amount of all receipts for contributions from persons other than political committees.

Because WINPAC did not adequately itemize receipts and failed to file a complete report on time, the Committee violated the Act. The Committee has requested pre-probable cause conciliation for these violations of 2 U.S.C. §§ 434(a)(4)(A)(iv) and 434(b)(2).

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E. IDENTIFICATION OF LOAN CONTRIBUTORS AND REPAYMENTS

WINPAC failed adequately to correct its disclosure of loans and loan repayments as follows:

1981

a) Loan 1 ($2,887.86 from Stanley and Doris Burger) was reported as an unitemized contribution;

b) Loan 1 repayment was itemized as a disbursement to Stanley Burger without reflecting that the loan was repaid to Doris Burger, also a contributor of Loan 1.

c) Loans 2 and 3 ($15,000 and $5,000 from the Burgers) were reported as coming directly from a bank;

1982

d) Loan 4 ($4,000 from the Burgers) was disclosed as an unitemized contribution.

WINPAC stated that the loan information in reports is complete, but not in the Commission's format, that Doris Burger's name as recipient of a loan repayment with husband Stanley Burger was not reported "for brevity's sake." Finally, counsel stated that this cannot be a question of excessive contributions and of "failing to provide adequate loan information ... It must be one way or the other."

2 U.S.C. § 434(b)(3)(E) states that reports shall disclose the identification of each person who makes a loan to the reporting committee during the reporting period, together with the identification of any endorser or guarantor of such loan and date and amount of value of such loan.

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2 U.S.C. § 434(b)(5)(D) requires the disclosure of the identification of each person who receives a loan repayment from the reporting committee during the reporting period, together with the date and amount of such loan repayment.

Because WINPAC failed adequately to identify loan contributors and repayments, violations of 2 U.S.C. §§ 434(b)(3)(E) and 434(b)(5)(D) occurred. WINPAC requested conciliation of this issue.

F. CONTINUOUS DISCLOSURE OF DEBTS

The audit report disclosed the following findings:

1981

a) On debt schedules which are designed to show continuous reporting of debts outstanding, Loan 1 was itemized as received from and repaid to Stanley C. Burger and did not reflect Doris L. Burger as contributor;

b) On WINPAC debt schedules, Loans 2 and 3 were shown as loans directly from a bank with the Burgers as guarantors, rather than as loans WINPAC owed to the Burgers. In addition, the terms of the loan were not disclosed.

1982

c) In amendments filed in response to the Audit Report, WINPAC omitted the required debt schedule for the 1982 Year End Report. Loans 2, 3 and 4 remained outstanding during the period covered by that report (October 1, 1982 to December 31, 1982).

d) In amendments filed for the period January 1, 1982 through September 30, 1982, WINPAC did include the required debt schedules for this period. However, the schedules submitted with these amendments incorrectly listed the bank as the source of Loans 2, 3 and 4.

WINPAC states that the reports make it clear that the loans were secured through "use of the Burgers' credit, and used entirely by WINPAC for WINPAC's expenses." WINPAC adds that "there is no knowing or willing attempt to fail to disclose information to the FEC."

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2 U.S.C. § 434(b)(8) requires disclosure of the amount and nature of outstanding debts and obligations owed by the committee.

As a result of WINPAC's disclosure discrepancies, violations of 2 U.S.C. § 434(b)(8) occurred. The Committee requested pre-probable cause conciliation in this matter.

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

Attached are conciliation agreements which the Office of

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IV. RECOMMENDATION

1. Enter into conciliation with the following respondents before finding probable cause to believe:

   a) Western Intermoutain Network Political Action Committee and Donald Burger, as treasurer;

   b) Stanley Burger;

   c) Doris Burger.

2. Approve the attached proposed conciliation agreements.

3. Take no further action against the Western Intermountain Network Political Action Committee and Donald Burger, as treasurer, for a violation of 2 U.S.C. § 441f in connection with a contribution from Joseph A. Poli.

4. Take no further action against Joseph A. Poli for violations of 2 U.S.C. §§ 441f and 441a(a)(1)(A) in connection with a contribution through WINPAC to the Friends of Bill Kennedy Committee.

5. Take no further action against the Friends of Bill Kennedy Committee and John G. Stevens, as treasurer, for violations of 2 U.S.C. §§ 441f and 441a(f) in connection with a contribution from Joseph A. Poli through WINPAC.

6. Close the file as it relates to:

   a) Joseph A. Poli;

   b) Friends of Bill Kennedy and John G. Stevens, as treasurer.

7. Send the attached letters.

Charles N. Steele
General Counsel

December 4, 1985
Date

By: Kenneth A. Gross
Associate General Counsel

Attachments
Proposed conciliation agreements (3) and letter (1)
Closing letters (2)

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BEFORE THE FEDERAL ELECTION COMMISSION

FILED
OFFICE OF THE FEC
COMMISSION SECRETARY

SENSITIVE

85 DEC 2 P5:14

In the Matter of	)	
Western Intermountain Network Political Action Committee Donald Burger, as treasurer	)	
Montanans for Marlenee Committee Douglas N. Wilson, as treasurer	)	MUR 1706
E.C. Yegen	)	
Donna Yegen	)	
Friends of Bill Kennedy Committee John G. Stevens, as treasurer	)	
Joseph Poli	)	
Stanley Burger	)	
Doris Burger	)	

GENERAL COUNSEL'S REPORT

The Office of General Counsel is prepared to close the investigation in this matter as to WINPAC and Donald Burger, as treasurer, Montanans for Marlenee Committee and Douglas N. Wilson, as treasurer, E.C. Yegen and Donna Yegen, based on the assessment of the information presently available.

2 December 1985
Date

Charles N. Steele
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

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GENERAL COUNSEL
RECEIVED

IN THE MATTER OF

WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE, ET AL

MUR 1706

* * * * *

DEPOSITION

of

STANLEY C. BURDER

* * * * *

OFFICE OF LEANNE M. SCHRAUDNER
502 South 19th
Bozeman, MT 59715
May 28, 1985

* * * * *

KELLY AMBROSE KELSEY, OFFICIAL COURT REPORTER
Eighteenth Judicial District
Nine Quarter Circle Ranch
Gallatin Gateway, MT 59730
(406) 995-4276

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May 28, 1985

STANLEY C. BURGER,

a witness, having been called on behalf of

after having been first duly sworn, testified upon his oath as follows:

DIRECT EXAMINATION

BY MR. WHITEHEAD:

Q. Would you give me your name and spell your name for the record, please?

A. My name is Stanley C. Burger, S-T-A-N-L-E-Y. B-U-R-G-E-R.

Q. Okay. Could you give us both your home and business addresses?

A. My home address is 5038 South Hardy, Number 1005, Tempe, Arizona 85282. Business address is 326 West Southern, Mesa, Arizona 85282.

Q. Okay. Could you give us the telephone number for each of those?

A. My home phone number is 839-5683 and I don't know whether I can provide you with a business phone and --

Q. If you can't, that will be fine.

A. Yes, I can, it's right here. It's 962-6799.

Q. What is the nature of the company, sir?

A. It's Business Card Express and we probably need to make a correction, it's 326 West Southern instead of two something.

Q. What is the nature of the business?

A. It is a printing firm.

Q. Are you employed by them?

A. I'm a pressman.

Q. Could you tell us your educational background?

A. Yes, I have an eighth grade education.

Q. Where was that?

A. Huron, South Dakota.

Q. Here in --

A. Huron, South Dakota. Huron, H-U-R-O-N, South Dakota.

Q. Have you ever been deposed before?

A. No.

Q. I'm going to ask you a series of questions. If at any time, you don't understand a question that I ask, tell me that you don't understand it and I will either repeat it or try to rephrase it so that you do understand it. If you fail to tell me that you do not understand the question, I will assume that you do not -- you do understand it and I will assume that your answer is the response to that question. Is that clear?

A. It's clear.

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Q. And, are you represented by counsel today?

A. Yes, I am.

Q. Would counsel identify themselves.

MS. SCHRAUDNER: Leanne M. Schraudner, counsel for, I guess, the respondent, I'm not sure what we refer to them --

MR. WHITEHEAD: Respondent, yes.

BY MR. WHITEHEAD:

Q. Okay. Did you consult with anyone other than counsel before this deposition?

A. No, sir.

Q. No one at all?

A. Obviously, I spoke to my son.

Q. Right, anyone else?

A. No.

Q. Could you tell me what was discussed between yourself and your son?

A. The matters that probably would be set forth in this deposition.

Q. In particular, what matters?

A. Those of the Poli, Kennedy, Christian matter.

Q. Was anyone else present during your discussions with your son?

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A. No.

Q. Did you refer to or consult any documents before coming to this deposition?

A. With my attorney.

Q. What were those documents?

A. The documents, I believe, that you have set for exhibits.

Q. Are these the documents that we discussed before the taking of this deposition?

MS. SCHRAUDNER: Yes, they are.

MR. WHITEHEAD: Are there any additional documents?

MS. SCHRAUDNER: Also the ledger -- the ledger entries and their ledger book, we did look at those, too.

MR. WHITEHEAD: Do you have copies of those?

MS. SCHRAUDNER: I believe I made copies of those too, they didn't come out too well. We have the ledger available too.

MR. WHITEHEAD: All right, fine. I'm somewhat aware -- at the end of the deposition, I may take some time to look these over to depose any questions from them.

BY MR. WHITEHEAD:

Q. In discussing this with your son, can you tell us anything in particular or specific that was discussed in relation with the Poli or the Marlenee --

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A. It was a matter of review more than anything else. There wasn't anything specific that hadn't been referred to previously.

Q. Are you familiar with the Western Intermountain Political Action Committee?

A. Network Political Action Committee.

Q. I left out the N, WINPAC.

A. WINPAC.

Q. Now, could you tell us the basis for your familiarity of this particular committee?

A. Yes, in 1976, I started it with essentially my two sons, Ron and Don Burger. It was set up for the purpose of covering the 24 western states and raising money through direct mail for the purpose of contributing to certain candidates in the United States senatorial, congressional and in some instances, gubernatorial races throughout the west.

Q. Was this essentially a conservative type of political action committee?

A. Yes, sir.

Q. Refer to this as WINPAC in the course of the deposition. Who were the original, aside from yourself and your two sons, was there anyone in particular that you called upon for contributions? How did you obtain your first contributions?

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A. We employed the firm of Bruce Eberly and Associates in -- I don't know whether it's in Vienna, Virginia, I believe it was, I believe it's Vienna, however, in addition to that, I had run for the United States Senate in Montana in 1976 and we did substantial direct mail for my campaign.

Q. What was the name of your campaign?

A. Burger for U.S. Senate and those names that we had gleaned from that direct mail were also used in WINPAC.

Q. And, utilized by this Bruce Eberly and Associates in Vienna?

A. No, no, it was in addition to..

Q. The Bruce Eberly organization, did they have any particular mailing list that they utilized on your behalf?

A. Yes, as a matter of fact, we rented them from the Bruce Eberly and Associates to be able to get our house file and they also, at the beginning, wrote -- did the copywriting and the printing, the whole process, as a matter of fact, they did for us. And then, they would send all the direct mail back to us and we would get our house file from that.

Q. What was your -- what is your recollection of the initial response, as far as money is concerned to WINPAC?

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A. It was slow at the beginning. It wasn't long after we started that we made the determination that we could do a lot of things for ourselves that Bruce Eberly was attempting to do but by virtue of the distance involved, could not be done as effectively and as efficiently as we could do it ourselves.

Q. Who was the officers of WINPAC at that time?

A. I was the president, Ron was the treasurer, a gentleman by the name of Robert Lenhart from Billings was a board member. A gentleman by the name of --

Q. Well, it might come to you.

A. I'm sure it will, I can get his first name and his wife's name.

Q. Can't get his last name?

A. Can't get it. He moved to Utah subsequently so --

Q. Was his or was WINPAC ever incorporated?

A. Just through the Federal Elections Committee.

Q. Was incorporated for the purpose of the Federal Elections Campaign Act?

A. You bet.

Q. Is it still in existence?

A. Yes, it is.

Q. Still filing reports?

A. Yes, it is.

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Q. Who is the current treasurer?

A. My wife, Doris L. Burger.

Q. She is the current treasurer, a substitute for your son, is that it?

A. Right.

Q. Going back to your -- your senate bid, did you run in the primary here in Montana?

A. Yes, I did.

Q. What was the outcome of that?

A. I won the primary.

Q. And, you ran against whom?

A. John Melcher.

Q. Just out of curiosity, what percentage of the vote did you get?

A. Somewhere in the neighborhood of 64 - 36.

Q. In the primary?

A. No, the general.

Q. It was 64 - 36 in favor of Melcher, right?

A. Obviously, or I'd be pushing the button.

Q. Who is currently conducting the affairs of WINPAC?

A. I am.

Q. And, your wife?

A. Yup.

Q. Your sons involved at all?

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A. Nope.

Q. Is it at all active at the present time?

A. No.

Q. Is it safe to say or fair to say, it is only active in the sense of filing reports with the Federal Elections Commission and this current matter?

A. That's fair to say.

Q. Now, are you familiar with a Cliff Christian?

A. Yes, I am.

Q. Could you explain the basis for that familiarity?

A. Yes, some time during my career as executive vice-president of the Montana Farm Bureau Federation, I can't recall the exact year, I met --

Q. Excuse me, let me interrupt you just briefly, you were the executive --

A. Vice-president.

Q. Go ahead, of the Montana Farm Bureau Federation, this was approximately --

A. I became the executive vice-president in 1963 and I resigned in 1976.

Q. Okay.

A. I carried on most of the lobbying activities and was director of the lobbying activities in Helena, Montana, and at that particular time, Montana was going

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through, the Montana Farm Bureau Federation itself was going through land use legislation. It was very involved in land use legislation, at that time, Cliff Christian was the executive for the Montana Realtors Association, I'm not sure that that's the proper title. And, by virtue of that affiliation, we worked very closely together. We were very compatible. We were -- the Montana Farm Bureau Federation, was attempting to create a green belt bill and to keep the assessments, tax assessments, on agricultural land at a level at which they can operate and so we worked very closely that year plus subsequent years.

Q. That year again is 19 --

A. I don't recall exactly, it was after -- it was after 1963 but I don't recall exactly the year.

Q. Could we say closer to 1970 than '65 or --

A. I'd really be reluctant to give you that date.

Q. Your association with Mr. Christian goes back some time then?

A. Yes.

Q. Did either one of you serve in the Montana state legislature?

A. No, not to my knowledge.

Q. How often would you guess or estimate that you would see Mr. Christian during a given legislative session, daily? Weekly?

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A. Daily.

Q. Daily. Did you have any business dealings with Mr. Christian other than political dealings?

A. None whatsoever.

Q. Socially?

A. Casual, casually.

Q. Casually, all right. Did you know that Mr. Christian was the campaign manager for Marlenee for Congress Committee?

A. Not until he called me and told me.

Q. When was that?

A. Same time he called me for the Joe Poli donation.

Q. Could you tell me -- that was a telephone contact?

A. Yes, it was.

Q. No personal contact involved?

A. None whatsoever.

Q. Can you tell us what was said between you during the course of that conversation, to the best --

A. Paraphrasing, Cliff called me and told me that --

Q. Excuse me, I don't mean to interrupt, can we set a date on this, at some point?

A. I want to correct this because what I said

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about Poli was not the first contact, the Peter Yegen, Junior was the first contact, that was approximately one week prior to the time of the transaction. Cliff called me and said, "Stan, I need a favor. Peter Yegen, Junior wishes to make a $2500 contribution to the Marlenee campaign but Mr. Yegen does not want the people in Billings to know that he gave that kind of donation to Ron Marlenee. Would you, just as a favor, pass it through WINPAC so that we can get away from that stigma --" or whatever terminology he used. At which time, I had no -- there was no reticence on my part whatsoever because I was reasonably sure -- well, as far as I was concerned, the limit was $5,000 and that I had no reason to believe that Cliff would ask me to do something that was not within the realm of possibility. Because all of the dealings that I've had with him, always were up front and very honest and sincere, at which time, I said, "Certainly, I would do you that favor."

Q. Did you have any question about the legality of the transaction?

A. No, I did not. I had no reason to have any question about the legality of it.

Q. Did Mr. Christian give you any indication that this was legal or illegal?

A. No, that is the only conversation that he had with me.

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Q. Now, did you take any action in connection with this particular transaction?

A. Yes.

Q. All right. Let's turn now to some exhibits and maybe we can stop a minute here.

((Whereupon, FEC exhibit one was marked for identification.))

BY MR. WHITEHEAD:

Q. I show you, Mr. Burger, what has been marked FEC exhibit one for identification and purports to be a check dated 7-25-1982 to WINPAC in the amount of $2500 drawn on the First National Bank of Casper, Wyoming and signed, what appears to be the signature, "E.C. Yegen". It also has a notation on the memorandum, "Political contribution". I ask you, are you at all familiar with that particular check?

A. I am not personally familiar with the check.

Q. Do you recall seeing this check in the past?

A. No, I do not.

Q. How was the money that Christian talked to you about as coming from Mr. Yegen transmitted to you, in your recollection?

A. To my recollection, it came through the mail.

Q. Was it by check?

A. Yes.

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Q. Could this have been the same check?

A. Probably.

Q. All right. Turning your attention to the endorsement, stamped endorsement, First Security Bank of Bozeman, Bozeman, Montana, for deposit only, WINPAC, is that your --

A. That's --

Q. That's your endorsement stamp?

A. That is our stamp.

Q. Evidently this is the check that came through your committee for transmission to --

A. Yes.

Q. All right. Okay. Now, we can get to the one that I was -- this I will ask you to mark for identification as FEC, for indentification, number two.

((Whereupon, FEC exhibit two was marked for identification.))

BY MR. WHITEHEAD:

Q. Mr. Burger, I show you what appears to be a copy of check, number 1090, on WINPAC's operating account dated August 19th, 1982, paid to the order of Ron Marlenee, in the amount of $2500, signed by a Mr. Stan Burger and drawn on the Security National Bank of Bozeman, I ask you, are you familiar with this particular check?

A. Yes, I am.

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Q. Could you tell us what this check is?

A. The check is the contribution to Ron Marlenee that was sent to us from Peter Yegen, Junior.

Q. And, you also have a deposit slip, WINPAC's operating account, which is on the front side of that particular exhibit, which is dated 8-19-1982, it reflects a deposit of Yegen, 2867, in the amount of $2500, total deposit that day was $2540, are you familiar with this?

A. Not -- not personally.

Q. Could we say that this was the deposit slip to the operating account?

A. Yes.

Q. On that particular date?

A. Yes.

Q. Let me ask you about the -- I'm not going to ask you about the endorsements. I will ask you to mark this for identification as FEC exhibit three.

((Whereupon, FEC exhibit three was marked for identification.))

BY MR. WHITEHEAD:

Q. Mr. Burger, I'll show you what appears to be a receipt dated August 20th, 1982, numbered receipt 2368 of a check for $2500 from WINPAC, in the amount of -- I'm sorry, for the year 1982, Marlenee general campaign, signed Loraine Jacobson, and I ask you if you're familiar with this

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particular --

A. Yes, I am.

Q. What is this?

A. It's a receipt for the $2500 contribution.

Q. All right. This is the receipt that you received from the Ron Marlenee For Congress Committee, is that it?

A. For the Yegen contribution.

Q. Right. Okay. At any time, Mr. Burger, did you or anyone connected with your committee report this particular transaction emanating from Yegen to WINPAC to the Federal Election Commission or the Marlenee For Congress Committee as a Yegen contribution?

A. I cannot answer that.

Q. Are you familiar with the regulations of the Federal Elections Campaign Act, specifically rule, section one ten, six, which says that earmarked contributions must be reported to the FEC, the clerk of the house, or the secretary of the senate and to the intended recipient as to who gave the check, if you're going to earmark it, you have to earmark it to the committee itself and to the commission or the secretary of the senate or clerk of the house?

A. I was not familiar with that at that time.

Q. You were not familiar with that at that time?

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And, is it as a consequence, is it correct to say that you reported this contribution as being from WINPAC?

A. I cannot answer that question.

Q. Did you handle any of the reports at that time?

A. No, I did not.

Q. Who handled them?

A. Don Burger, the treasurer.

Q. Okay. Let me show you, I'll tell you -- I'll have you mark this for identification, whatever the next number is.

((Whereupon, FEC exhibit four was marked for identification.))

BY MR. WHITEHEAD:

Q. I show you what has been marked for identification as FEC exhibit four, which is a copy of a page from a report filed by Western Intermountain Network Political Action Committee, reflecting the contributions for Marlenee For Congress Committee. You will note that that was reported as being sent on 8-12-82 in the amount of $2500. Are you at all familiar with this particular report?

A. No, I'm not.

Q. Okay. All right. Mark this as FEC for identification, five.

((Whereupon, FEC exhibit five was marked for identification.))

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BY MR. WHITEHEAD:

Q. Mr. Burger, I show you what appears to be a letter from Congressman Ron Marlenee, dated October 6th, 1982, and addressed to Mr. Stan Burger, are you familiar with this letter?

A. I assume that at the time that it was received, that I was familiar with it.

Q. Now, the letter talks in terms of WINPAC's contribution to the campaign for Mr. Marlenee, did you make any effort to advise Mr. Marlenee that it was instead a Yegen contribution, after receiving this letter?

A. I'm sure that I didn't.

Q. Okay. All right. Thank you. Are you familiar with the name Chuck Herringer? H-E-R-R-I-N-G-E-R?

A. No, I'm not.

Q. Did -- I'll ask the question, even though your answer is negative. Did the name Chuck Herringer come up during a conference between yourself and Mr. Christian, in particular, to this action?

A. No, it did not.

Q. Did Mr. Christian ever mention the name Chuck Herringer?

A. Not to my recollection.

Q. Turning now our attention to the Joe Poli --

A. Poli.

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Q. Poli?

A. I think it's Poli.

Q. Now, let me get this -- let's just take a few brief seconds.

((Whereupon, a break was taken.))

BY MR. WHITEHEAD:

Q. Mr. Burger, I show you what appears to be a copy of a check numbered 1143 from WINPAC, dated October 26th, 1982, made to cash, the amount of $2,000 and drawn on the Security Bank of Montana -- of Bozeman and a signature thereon appears to be that of Stan Burger, are you familiar with this partiuclar check?

A. Yes, I am.

Q. Can you explain what this check is?

A. Yes, this is a --

Q. Is that your signature, by the way?

A. Yes, that's my signature. This is a check that was sent to the Bill Kennedy campaign in California, again, at the direction of Mr. Christian who called me just probably a day or two before the date on this check.

Q. October 24 or 25, somewhere --

A. Yes.

Q. Tell us the conversation that was had between the two of you.

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A. Cliff called me and said, "Stan, we have a friend in California who is really up against the wire from the standpoint of dollars and I have a person who wants to make a contribution of $2,000 to him and they need the money very quickly and since you did the favor for me for Mr. Peter Yegen, Junior, I would really appreciate it if you would pass this through and get this money to him as quickly as possible because they need it before the primary." Which followed the first Tuesday of the first -- the first Tuesday in November of that same year and I again said, "Certainly, if you want that done, I will do it for you." Seeing no reason, after doing the other one, why I shouldn't and subsequently, we received this in the mail and immediately upon receiving it in the mail, we had to convert it into cash to send it through Western Union. There was a mistake in making it out to me rather than cash and we scratched that out and made it out for cash and took it to the bank immediately, myself, and cashed it and took the money directly from the bank to the Baxter Hotel where Western Union was housed and sent it on to Mr. Kennedy.

Q. To your knowledge, was Cliff Christian still the campaign manager of Marlenee For Congress Committee on October 26th of 1982?

A. I assume that to be the case.

Q. Didn't it strike you as rather peculiar that

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the campaign manager of Ron Marlenee was calling you in connection with a campaign in California, in a transaction that was having its beginnings and its end in California?

A. No, it didn't.

Q. Why?

A. I can't even answer that question, all I know, he asked me that favor, must have had a reason, that favor again, that he wanted, as far as I was concerned, there was nothing wrong with it so I never even questioned it.

Q. Had you had any contact with Mr. Christian between the transaction involving the Yegen and the transaction involving the Poli check?

A. None, none whatsoever.

Q. Where was the Ron Marlenee For Congress Committee situated?

A. He was in Billings when he made the first call, I don't know where he made the second call from and I say that because there was a campaign headquarters in Billings and a campaign headquarters in Great Falls so I don't know which one he called from the second time.

Q. But, there were no questions asked in connection with the oddity, if you will, of this California transaction?

A. None.

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Q. Did he give any indication of why he was asking you to do this?

A. No.

Q. Nothing was said along the line of, "I need this done because --", did he mention anybody connected with the Kennedy committee?

A. No, the only thing he said, as I reported before, that -- that he knew that he was a type of person that I would approve of and that he needed this money very badly for the primary. That's, to my knowledge, all that was said.

Q. At that time, did you know Mr. Poli?

A. No, I did not.

Q. At that time, did you know Mr. Kennedy?

A. No, I did not.

Q. Did you know anyone connected with Mr. Kennedy's campaign?

A. No, I did not.

Q. At present, do you know Mr. Poli?

A. I know of Mr. Poli.

Q. Have you had any direct contact with Mr. Poli?

A. No, I have not. I have called his office but did not get to talk to him.

Q. Who did you talk to?

A. I talked to his secretary.

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Q. What was said?

A. I called Mr. Poli on several occasions to talk with him directly and he was either out of the office or was busy. My purpose in making the call was for the purpose of finding out what the Kennedy address was because of the audit, the WINPAC audit.

Q. Federal Elections Committee audit?

A. Because I did not recall where in California he was from and I looked through mycampaign book and I could not find it. Out of desperation, by virtue of having to get the information, I finally called Joe Poli's office and he was busy and couldn't talk to me so I told his secretary what I wanted, which was nothing more than the address of the Kennedy campaign committee and asked if she would please go in and get it from Mr. Poli, at which time, she did and brought me back the address that I needed.

Q. Approximately what date was this?

A. It was after the audit.

Q. So, you had Mr. Kennedy's address at the time you sent the check itself?

A. Yes.

Q. The money order?

A. Yes.

Q. Western Union money order?

A. Yes.

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Q. But, it was somewhere in your records and therefore, you were trying to get it from Mr. Poli?

A. We couldn't find it in the records so consequently, I did everything I possibly could to get -- comply with the Federal Elections Committee, to get that address.

Q. Do you recall the name of the secretary that you talked to?

A. No, I do not.

Q. All right. Turning your attention again to exhibits that we're discussing, there is in the left hand corner, a certain notation dated 10-26, and I would ask you first of all, is that your handwriting?

A. No, it is not.

Q. Whose handwriting?

A. Carolyn Keth.

Q. Spell it, please?

A. C-A-R-O-L-Y-N. K-E-T-H.

Q. What is her position?

A. She was a secretary.

Q. To the committee?

A. No, just secretary for WINPAC.

Q. For WINPAC?

A. (Witness nods head affirmatively.)

Q. Are you familiar -- were these deposit notations

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written under your direction?

A. Yes.

Q. Tell me what they were all about.

A. First was, "10-26, deposit from Poli check." The next is a notation that it was from Poli for Bill Kennedy. The notation of 10-26 is a check drawn for $2,000 and it indicates that the total amount was $1960 to the Kennedy campaign and $40 for purchasing a Western Union transmission.

Q. To your knowledge, is it a true reflection of what the transaction involved?

A. Absolutely.

Q. Did Mr. Christian say to you or tell you that Mr. Poli would send you a check for $2,000, to WINPAC, that is?

A. I don't recall.

Q. How, indeed, did you get the $2,000 from Mr. Poli?

A. Through the mail.

Q. By check? Through the mail, you said, but by check, was it?

A. Yes.

Q. Whose check was it?

A. I think -- I can't answer that question, I didn't see it come in.

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Q. What is your best recollection?

A. I assume that it was a check from Joe Poli.

Q. Why do -- on what basis do you make that assumption?

A. Because I think that's reflected in the ledger.

Q. Okay. We may indeed have to find the ledger. I'll go on with just a few minutes more, then we'll take a little bit of a break here.

To the best of your knowledge, did Mr. Christian send Joe Poli's check to you?

A. So far as I know, that's the only way we could have gotten it.

Q. Could it have come from Mr. Poli himself?

A. It's possible, that could happen.

Q. But, what is your best recollection?

A. All I know is it came by virtue of the direction from Mr. Christian.

Q. Could it have been that the contribution was sent in cash?

A. I don't believe so.

Q. Did Mr. Christian say that Mr. Poli did not want it known, at any time, that he, Mr. Poli, was making the contribution to Mr. Kennedy?

A. No, he did not.

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Q. Was it clear to you, at that time, that this was a contribution from Mr. Poli to the Kennedy campaign?

A. Yes, it was.

Q. Was any reason given to you by, and we may have touched upon this, by Mr. Christian as to why this Poli transmission was to be in the name of WINPAC and not in the name of Mr. Poli?

A. No, there was not.

Q. Okay. You told our auditors during the audit, if you recall, that you telephoned the Kennedy committee to tell them the check was on the way, do you have any recollection of that?

A. Yes, I do.

Q. To whom did you speak?

A. I don't have the slightest idea.

Q. When do you -- did you call, do you recall?

A. As soon as I received the check.

Q. Do you have any recollection of what was said?

A. Paraphrasing --

Q. Please.

A. "Is this campaign in need of any money?" After the introductions were made, at which time, I believe it was a female voice, said, "You bet, do you know where we might be able to get some." And I said, "Would you be happy if I were able to send you $2,000 as a contribution

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today?" And they said, "We would be ecstatic and it would be very welcome."

Q. It was a female?

A. I believe it was a female.

Q. Could it have been Mr. Kennedy himself?

A. No, it was not Mr. Kennedy himself.

Q. Does the name Mr. Stevens strike a chord with you?

A. No, it does not, it does not.

Q. Did you make any mention of the fact that the contribution was to be from Joe Poli?

A. I didn't -- I do not recall, there's a possibility that I did.

Q. Think deep, think hard about that one.

A. I would say that there's more than a slight possibility that I did because that's where -- since we received the money from Joe Poli, I would want them to know that.

Q. And, it was during this conversation?

A. With whomever.

Q. With the female, that you can't recall the name of?

A. Yes.

Q. That's a possibility, distinct possibility --

A. Yes.

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Q. Could you state that it was not said, that the contribution was coming from WINPAC?

A. No, it probably was explained to them that it would be coming through WINPAC but actually from Joe Poli, I would have reason to my recollection to make that statement.

Q. Did you keep any notes or daily entries of any kind that would --

A. No, I did not, not on these, not on this matter, without going too deeply, I feel very strongly that WINPAC should be given credit for its contributions and whatever other contributions may be made, that the person who's giving that contribution, should be identified so that they would not, in fact, know that WINPAC -- it was not a direct WINPAC contribution in the Kennedy campaign.

Q. So, it's more or less a logical deduction based on recollection, that this was indicated to the Kennedy committee, that it was a contribution from Joe Poli?

A. Yes.

Q. Through WINPAC?

A. That's right, and I further want to substantiate that by virtue of not having to make that statement to the Marlenee campaign because it should have been so obvious.

Q. I was just going to ask you about that. Did

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Christian, at any time during the second Poli transaction or conversation, indicate that this was to be an earmarked contribution from Poli?

A. No, he did not.

Q. I think I may have asked this question, but let me ask it again, is it your testimony that you never questioned Christian about why the money could not have been paid directly by Poli to the Kennedy committee?

A. I never questioned it.

Q. No question, okay. I'm going to -- this is yours, let's go off the record for just half a minute.

((Whereupon, a short break was taken.))

BY MR. WHITEHEAD:

Q. Mr. Burger, I show you what's been marked for identification as FEC exhibit seven, which, in addition to being a duplication of the October 26th, 1982 check made out to cash, which has already been introduced into the record, also is a copy or copies of your checkbook entries and I draw your attention to the entry number one one four three, which is dated October 26th, 1982, and is made payable to Mr. Stan Burger, are you familiar with this particular check stub?

A. I have reviewed it.

Q. Is that your handwriting?

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A. No, it is not.

Q. Whose handwriting?

A. Carolyn Keth.

Q. Done that before. Could you, based on your review, could you tell us what the -- what is involved on that particular notation?

A. Yes, the notation is for $2,000 as -- which is to be sent to Bill Kennedy, $10 to the Security Bank which I can't -- I don't know what that is for. Well, it says for wiring cash, that's what it says so it is for wiring cash and there is another notation under Stan for $10, I don't know what that is for except that there was more than the $10 for wiring the cash, there was a total of $40 by the time we got through and as is pointed out by the auditor's markings with the asterisk on the left hand side of the check, there was a deposit on 10-26 for $2,000.

Q. That -- that asterisked information is attributable to whom, do you say?

A. To the auditor, FEC auditor.

Q. Okay. All right. Turning your attention to -- all right, I'm sorry.

A. By the way, you know that -- what that notation is on the bottom, for which is the pink deposit.

Q. What is -- the bank notes deposit?

A. That's the one that she referred to you that

8504073

Q. And, please explain the basis of your familiarity?

A. I guess we should strike that one, I'm not familiar necessarily with 1090, the stub for 1090.

Q. Okay. Whose handwriting is that?

A. Carolyn Keth's.

Q. Was -- can we state for the record that what she did was under your direction as --

A. Yes.

Q. And, that you would have directed her how to make out this particular check and deposit slip?

A. Yes.

Q. Based on that, can you tell us what 1090 reflects?

A. It reflects $2500, $2,000 from E.C. Yegen and $500 from Donna Yegen and one check in the amount of $2500, which was sent to the Marlenee campaign. I don't -- well.

Q. Go ahead, if you have anything.

A. I don't know why her entry has the Yegen rather than the Marlenee on the stub but that's the transaction.

Q. That's my next question, but the check was going out to the Marlenee?

A. That's right.

R 6040 0207 4

Q. But, the breakdown was the Yegen?

A. That's right.

Q. Where would you have come upon the knowledge by which to direct Miss Keth as to how to break this check down?

A. From the stub of the check.

Q. Are you familiar with that particular stub?

A. Yes, I am.

Q. Whose handwriting is that, do you know?

A. I don't have the slightest idea except for the person whose initials it is.

Q. Mr. Yegen, is that what you're saying?

A. No, certainly that notation is not Mr. Yegen's writing.

Q. Who is C.J.A. Junior?

A. I would say Cliff Christian, I don't know that to be a fact.

Q. Do you know his middle initial?

A. No, I do not.

Q. Do you know if he is a junior or not?

A. I believe he is but that's only by vague recollection.

Q. Is that the Yegen telephone number there, do you know that?

A. I don't know that either.

8604062075

Q. Are you familiar with the code 918, is that local?

A. No, that is not local nor is it Billings, but --

Q. What was your understanding of what the notation PMFCECY meant?

A. I don't have the slightest idea.

Q. What was your understanding of what you were to do with this particular check when you read the notation, $500 of this amount can be credited to Ms. Donna Yegen?

A. So far as I could discern, make a notation that $500 of it was from her.

Q. Does that reflect what transpired in 1090?

A. Yes, yes, sir.

Q. All right. One last exhibit. Mr. Burger, I'm going to show you what's identified as FEC exhibit for identification number nine, which is taken from the reports filed by Western Intermountain Network Political Action Committee. You'll note item F talks in terms of a disbursement to Stan Burger, 720 West Birch, Bozeman, the purpose was for reimbursement for payment to Ron Marlenee campaign, 10-26 and the amount was $2,010, are you familiar with this particular --

A. No, I'm not.

Q. Who would have handled this report?

A. Don Burger.

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Q. Okay. Would you say that this was the reimbursement for the payment to the Kennedy committee, considering the date and time and the amount?

A. Yes.

Q. And, the $10, I take it reflects the $10 payment to the bank for the money order?

A. Oh, that's right, that's where the difference came, that's right.

Q. You explain it, I was guessing.

A. Yeah, but now that's true, you see, I was -- couldn't figure out where that $10 came from, that it was -- what it was from, certified, for the certified check and evdiently taken from the check stub and put on the report.

Q. Can we take a small break and --

((Whereupon, a short break was taken.))

BY MR. WHITEHEAD:

Q. Let's go back on the record, if you would. Mr. Burger, I show you what has been marked for identification as FEC exhibit number nine, which is a copy of two pages taken from the WINPAC ledger which was made available to me this morning before this deposition. The first page reflects transactions in August, 1982, and drawying your attention to lines 28, 29 and 30, this reflects the Yegen transaction as entered in the ledger, are you familiar with

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this?

A. Only from a review standpoint.

Q. Would you have been the individual who had given instructions as to the entry of these items?

A. No.

Q. Who would have done that?

A. Probably was given by my wife to her prior to her employment as to how she should break down the various entries.

Q. Given by your wife to whom?

A. To Carolyn Keth.

Q. What is your wife's name, Doris?

A. Doris.

Q. Thank you. Based on your review, can you explain to us, you know, what this ledger entry reflects and if you will break down the various figures involved?

A. It reflects on August 19, this was a check received from E.C. Yegen in the amount of $2500 and that there was a check written, number 1090, for the same amount and I can't tell you what the transfer stands for, nor can I tell you what the REG designation is.

Q. Looking at page, the second page of that particular exhibit, you'll notice that it says MPC donations and continuing over down to the bottom, you'll find this $2500, does that jog your memory in any way? That is the

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same line.

A. Yeah, well, that would be -- or that's a continuation of the lines, okay, well, that would be the entry and the -- no, I can't -- I can't tell you what the name -- I can't tell why, the reason that transfer, obviously the word transfer is there.

Q. Right. Apparently, the $40 does not seem to be picked up?

A. I don't believe that that is a part of the same transaction.

Q. So, you can't explain transfer REG?

A. No, I can't.

Q. Well, I -- let me ask you to mark this as the next exhibit.

((Whereupon, FEC exhibit 11 was marked for identification.))

MR. BURGER: Let me take a stab at this.

BY MR. WHITEHEAD:

Q. Go ahead.

A. In trying to recall what may have transferred, there were two accounts for WINPAC, this transaction could have very easily been put into the other book and transferred from that book to here. And that is, so far as I can tell, the reason for that transfer.

R 6040 2079

Q. What were the two accounts by name?

A. I'm not that familiar with them.

Q. Okay. Let me turn your attention to FEC exhibit 11 for identification, consisting of two pages, and also is a copy of two particular pages in the WINPAC ledger book turned over to me prior to this deposition. Directing your attention to lines 11 and 12, apparently on October 26, 1982, there is a notation to the Bill Kennedy campaign, etcetera. Could you explain, first of all, are you familiar with those notations?

A. In review.

Q. Based on review?

A. Based on review.

Q. Would you have been the one who would have directed Ms. Keth to enter this into the ledger?

A. By virtue of her working for me, yes.

Q. Not your wife?

A. My wife would have given her general directions at the time she was hired as to the way in which she should put certain transactions in, I don't believe she was given, to my knowledge, she was not given any specific directions relative to this particular transaction and she did this on her own.

Q. Turning your attention to the notation, "Joe Poli", whose handwriting is that?

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A. That's Carolyn Keth's.

Q. And that reflects the Bill Kennedy campaign, that's also hers?

A. That's true.

Q. Would she have any knowledge of Joe Poli or Bill Kennedy on her own?

A. None whatsoever.

Q. So, is it proper to assume that she was told to enter these particular items in the ledger by someone else?

A. No.

Q. Then, you explain it to me. Okay.

A. Okay. She was brand new when this transaction -- when this transpired and not knowing any different, this is the only way that she knew how to put it in so that's what she did.

Q. Would she have done this from other records that we have introduced into this deposition?

A. Yes. And, by virtue of this being different than any other of the rest, she put certain notations so that she could identify it, I'm sure.

Q. Okay. I don't have any further questions.

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CROSS EXAMINATION

BY MS. SCHRAUDNER:

Q. I have a few.

MR. WHITEHEAD: Do you want to take a little break time?

MS. SCHRAUDNER: No, I have just a few. I think we're ready.

BY MS. SCHRAUDNER:

Q. Stan, you explained before that you had developed a close relation with Mr. Christian through your lobbying. What is the basic foundation of, you know, one lobbyist to another, their credibility or the relationship you develop with a lobbyist is based on what?

MR. WHITEHEAD: I wish you would rephrase that question, it's quite leading, would you just ask him?

BY MS. SCHRAUDNER:

Q. Through your experience with Mr. Christian, what kind of relationship had you developed?

A. I guess I would have to explain that there were an awful lot of people as a lobbyist, there was an awful lot of people that I worked in lobbying activities with. There were some that I worked with because I had to, it was my job, and there was no reason to either trust or

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distrust them but with certain lobbyist, there is every reason to believe, by virtue of your affiliation and association and particularly in the specific area that we were in, in land use planning, and him being the expert in the building and field of the real estate's position, we came -- we became very close, and as far as I was concerned, I depended on him entirely for all of the information which proved to be in every case in the legislature, a correct assumption.

Q. And, you could rely on his word?

A. Yes, I could.

Q. What was the history of WINPAC's contributions to Marlenee before this contribution in August?

A. There may have been one contribution given to Mr. Marlenee during the lifetime of WINPAC and that probably was in the amount of $250 and that was not at the sole -- at my direction. I ultimately made the direction but Mr. Marlenee and I were not that close that I felt as though WINPAC's money should be put into his campaign.

Q. Why was that?

A. Because there were certain issues that as far as I was concerned, Mr. Marlenee was not consistent with as it relates to WINPAC's philosophy.

Q. Would that approximate $250 contribution have been the only other contribution to Marlenee from WINPAC?

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A. Yes.

Q. Could you describe the relationship that your son, Don, who filled out the FEC reports, had with your organization and with your bookkeeper?

A. I think -- I think you referred to Don and it's Ron -- I'm sorry, that's wrong, Ron was the original treasurer, I'm sorry, you're right, I'm wrong. The relationship he had with the organization?

Q. Yes.

A. Don was there for the purpose of filling out the FEC reports and he was also carrying on his own business, he had a photography business at the time. He was very knowledgeable in the computer part of the direct mail process and carried that on extensively.

Q. He did not do the bookkeeping though, is that right?

A. No, he did not.

Q. But, when he filled out the FEC reports, what did he rely on to fill them out with?

A. The -- I can't think of the name of it.

Q. Ledger?

A. Ledger.

Q. So, would it be fair to say that he would rely on the entries there but he may not have been a party to the transactions that went on and he pieced them

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together from the ledger?

A. Yes, correct.

Q. That might account for the discrepancies in his reports and the ledger?

A. Yes. He truly did not -- was not involved in these transactions.

Q. Now, in August of 1982, when Mr. Christian called and asked you to make the contribution for the Yegens through WINPAC to the Marlenee campaign, did you discuss the legalities of that with anyone?

MR. WHITEHEAD: I think he already testified to that.

BY MS. SCHRAUDNER:

Q. He may have.

A. No, I did not.

Q. Did you talk with Don about it?

A. Probably I did ask him if it was all right to do so being the treasurer, I assume that to be the case.

Q. Did you have counsel at the time?

A. No.

Q. At the time that you made, and I believe you may have testified to this, but at the time you made the contribution to the "Friends For Kennedy" and the Marlenee campaign, did you have any idea that there was anything

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wrong with those contributions?

A. I certainly did not.

Q. Have you, since the time of the contributions to the Kennedy campaign or prior to the contribution in late October of 1982, has WINPAC made any other contributions to Kennedy?

A. None.

Q. To "The Friends For Kennedy" and your relationship with Mr. Poli, you testified before, Mr. Burger, that you did not know him personally, has he ever contributed to WINPAC?

A. After having seen his name come through on the check, I noted in reviewing the contributions that he was a regular contributor to WINPAC.

Q. What kind of contributions would he make, in terms of dollar amounts?

A. They were $10, $15, $20 or $25 contributions but never enough so that we had to submit his name in the FEC report.

Q. Did the Marlenee campaign ever ask WINPAC in other campaign years for additional contributions?

A. Yes.

Q. And, they weren't made, is that right?

A. They were not.

Q. Stan, I'm handing you what's been marked as

R 6 0 4 0 6 2 0 8 6

FEC exhibit number eight and it includes the bottom of the check stub that you received from the Yegens, can you tell us what the date is on the bottom of that check stub?

A. 7-25-82.

Q. I'm also handing you what has been marked as FEC exhibit two, which is the check that you made to Ron Marlenee and your deposit ticket, what is the date on the deposit ticket?

A. 8-19-82.

Q. Would there be any reason that you would have had the check from 7-27 to 8-19?

A. None whatever.

Q. Would you have deposited the check at the same time that you received it?

A. Without a doubt.

Q. Do you have any idea where the check was between July 27th and August 19th when you received it?

A. I have no idea.

Q. Do you recall where it was mailed from?

A. No, I don't because I didn't open the envelope.

MS. SCHRAUDNER: I have no further questions.

MR. WHITEHEAD: Just a couple.

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REDIRECT EXAMINATION

BY MR. WHITEHEAD:

Q. You testified that you only contributed one time prior to the Marlenee $250, do you recall when that contribution was made?

A. No, I don't -- I don't really recall when it was made, it just -- it just, in the back of my mind somewhere it appears as though, after several calls from several people, they convinced me that it would be a good idea to send some money to him.

Q. Was it during the campaign of 1982 or prior?

A. May I take a moment and look at the ledger?

Q. Sure, I have no problem.

A. It was made on October the 30th, 1980, in the amount of $250.

Q. Was Cliff Christian campaign manager for Mr. Marlenee during that campaign?

A. Not to my knowledge.

Q. Who was the campaign manager during that campaign, do you know?

A. I don't know.

Q. Was Cliff Christian connected with the Marlenee committee in any way in 1980, during the campaign?

A. Not to my knowledge.

Q. Do you have any idea what Mr. Christian was

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doing in 1980 as far as political campaigns are concerned?

A. So far as I know, he was still in the employment of the realtors.

Q. Have you known Mr. Christian to be connected with campaigns here in Montana or elsewhere in the past?

A. No.

Q. Okay. Your son, Don, who was the treasurer --

A. Yes.

Q. Ron earlier, was he paid or did he do it as a volunteer?

A. He was paid.

Q. Do you recall what his salary was?

A. No, I don't.

Q. Does he have any background in political campaigning?

A. No, he does not.

Q. You said that you discussed with him the legality of the transaction or it's probable that you discussed the legalities of the transaction involved in both the Yegen - Poli contributions?

A. Probably said something to the extent of, "Is there any reason why I couldn't make this transaction?"

Q. What would have been the basis of any knowledge that he would have to give you reasons one way or the other?

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A. By virtue of being the treasurer and examining what rules and regulations there may be.

Q. He did have some familiarity with the rules and regulations of the Federal Elections Campaign Act?

A. Yes.

Q. He did, all right. Why did you discuss the matter with Don, what prompted you to do this?

A. Only because of the amount and the fact that I wanted him to know that I was doing it.

Q. Was there any thought in your mind that there might be something illegal to this?

A. No, no, none whatsoever.

Q. You say Mr. Poli has regularly contributed in the amount of $10 to $25, less than the $50 required for reporting purposes --

A. I'm sure less than $100 or $200 in the --

Q. Used to be 50, it's up now, you're right. Did you go back and check or was this based on your recollection of Poli's contributions?

A. Had he contributed in the aggregate enough to be -- for his name to be on the FEC reports, it would have been there.

Q. What period of time would be involved in those contributions by Mr. Poli to WINPAC?

A. Probably over a period of five years.

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Q. Okay.

A. Or more.

Q. Do you have any idea what the total contributions that Mr. Poli made to WINPAC were?

A. I have none.

Q. Okay.

MS. SCHRAUDNER: I have two quick questions.

RECROSS EXAMINATION

BY MS. SCHRAUDNER:

Q. When you say that Don was familiar with the FEC regulations, is that familiarity based on him having to do the quarterly reports?

A. Yes.

Q. Basically, it wasn't much more beyond that, is that right, Stan?

A. Yes, that's right.

Q. And, let me go back and make sure I understood the question, Mr. Whitehead said that you had said you discussed the contributions of the Marlenee and Poli with Don, I understood you to say you discussed the first transaction with -- on Marlenee contribution with Don and not the second?

A. There would be no reason for me to discuss the second, after I got clear on the first, there would be no

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reason for me to ask.

Q. So, it was just the first one you discussed with him?

A. (Witness nods head affirmatively.)

MS. SCHRAUDNER: No further questions.

MR. WHITEHEAD: Do you want to waive signature?

MS. SCHRAUDNER: We'll waive the signature.

((Whereupon, the above-captioned proceedings were concluded.))

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STATE OF MONTANA)
: ss.
County of Gallatin)

REPORTER'S CERTIFICATE

I, KELLY AMBROSE KELSEY, court reporter, a notary public in and for the County of Gallatin, State of Montana, do hereby certify:

That the witness in the foregoing deposition, STANLEY C. BURGER, was duly sworn by me to testify the truth, the whole truth, and nothing but the truth in the foregoing cause; that the deposition was then taken before me at the time and place herein named; that the deposition was reported by me in machine shorthand and later transcribed into typewriting under my direction; and the -51- foregoing pages contain a true record of the testimony of the witness.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this 10th day of June, 1985.

Kelly Ambrose Kelsey
Notary Public for the State of Montana
Residing at Gallatin Gateway, Montana
My commission expires: March 5, 1986

8604052093

E. C. [illegible]
[illegible]
BILLINGS, MONTANA 59101

111 2867

7-25 1082

99-31
1023

PAY TO THE ORDER OF WINPAC $2500 00

Twenty Five Hundred and 00/100 DOLLARS

First National Bank of Casper
CASPER, WYOMING
- Political Com. -

F. C. [illegible]

⑆102300310⑆ 367 833 ⑈ ⑈0000250000⑈

8600405.20994

Pay To The Order Of
FIRST SECURITY BANK of BOZEMAN
BOZEMAN, MONTANA
For Deposit Only

WINPAC
103 Commercial Drive, Box 1411
Bozeman, MT 59715
04[illegible]

[illegible]

[illegible]

[illegible]

PLAINTIFF'S DEPOSITION EXHIBIT
FEC EXHIBIT

PLAINTIFF'S DEPOSITION EXHIBIT
FEC EXHIBIT
2

IN ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE ACCOUNT STATED

DATE	AMOUNT
TOTAL OF INVOICES	
LESS ___ % DISCOUNT	
LESS	
TOTAL DEDUCTIONS	
AMOUNT OF CHECK	

WINPAC
OPERATING ACCOUNT
103 COMMERCIAL DRIVE
P. O. BOX 1411
BOZEMAN, MONTANA 59715

1090

Aug. 19 1982 93-6 / 921

PAY TO THE ORDER OF Ron Marlenee $2500

two thousand and fist Hundred Dollars and no Cents DOLLARS

PAID

SECURITY BANK of BOZEMAN
AUG 20 82

Ron Dugan

⑈092100061⑈ 04⑈990⑈8⑈ 0134 ⑈00002500⑈

8600405 20935

WINPAC
OPERATING ACCOUNT

DATE 8/19/82

	DOLLARS	CENTS
CURRENCY		
COIN		
CHECKS LIST EACH SEPARATELY 4/Aeen 2817	2500	00

8604050096

A6040320097

RECEIPT Date Aug. 20, 1982 2368

Received From IKINAC

Address 103 Commercial Dr. Box 1411, Bozeman 59715

Two thousand five hundred —— Dollars $ 2500.00

For 1982 Montanans General Campaign

ACCOUNT			HOW PAID		
AMT. OF ACCOUNT			CASH		
AMT. PAID			CHECK	✓	
BALANCE DUE			MONEY ORDER		

By Loraine Jacobson

8K806 REDIFORM ①

PLAINTIFF'S DEPOSITION EXHIBIT FEC EXHIBIT 3

...ments ... be sold or used by any person f... ... and contributions or for ... address of any ... political committee to which contributions ... committee

...e... Intermountain Network Political Action Committee

Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (M, D, Y)	Amount of Each Disbursement This Period
...ntain Bell ...en Utah	Telephones Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9-30-82	$216.70
... Name, Mailing Address and ZIP Code Montana Power Company ...ee, Montana	... of Disbursement Utilities Disbursement for ☐ Primary ☐ General ☐ Other (specify)	...	Amount of Each Disbursement This Period
... Name, Mailing Address and ZIP Code ...olyn Keth Peter Koch Tower ...eman, MT 59715	Purpose of Disbursement Payroll Disbursement for ☐ Primary ☐ General ☐ Other (specify)	9-30-82	$205.84
... Name, Mailing Address and ZIP Code Marlenee for Congress ...nos C00107417	Purpose of Disbursement Campaign Contrib. Disbursement for ☐ Primary ☐ General ☐ Other (specify)	9-12-82	$2500.00
... Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for ☐ Primary ☐ General ☐ Other (specify)	...	Amount of Each Disbursement This Period
... Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for ☐ Primary ☐ General ☐ Other (specify)	...	Amount of Each Disbursement This Period
... Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for ☐ Primary ☐ General ☐ Other (specify)	...	Amount of Each Disbursement This Period
... Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for ☐ Primary ☐ General ☐ Other (specify)	...	Amount of Each Disbursement This Period
... Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for ☐ Primary ☐ General ☐ Other (specify)	...	Amount of Each Disbursement This Period
... Subtotal this page (optional) ... Total to date (last page this line number only)			$2922.54 $24,360.00

PLAINTIFF'S DEPOSITION EXHIBIT FECEXHIBIT 4

RON MARLENEE
MONTANA

WASHINGTON OFFICE:
[illegible] HOUSE OFFICE BUILDING
[illegible] WASHINGTON, D.C. 20515
(202) 225-[illegible]

MONTANA OFFICES:
312 5TH STREET SOUTH
GREAT FALLS, MONTANA 59405
(406) 453-[illegible]

2717 1ST AVENUE NORTH
BILLINGS, MONTANA 59101
(406) 657-[illegible]

Congress of the United States
House of Representatives
Washington, D.C. 20515

October 6, 1982

Mr. Stan Burger
WINPAC
103 Commercial Drive
P. O. Box 1411
Bozeman, Mt. 59715

Dear Mr. Burger:

I would like to thank the WINPAC for the contribution to my 1982 campaign for the United States Congress.

It means a great deal to me that you would make a financial commitment to my reelection efforts and I accept it as an expression of your support for my philosophy to control the size and expense of the Federal Government and aid the business world.

Your support for my efforts in the Congress is very important to me and you may be assured that I will continue to do everything possible to be worthy of your confidence in me. Again, my sincere thanks.

If I may be of any help to you in the future, please do not hesitate to call.

Sincerely,

RON MARLENEE

PLAINTIFF'S DEPOSITION EXHIBIT
FEC EXHIBIT
5

Copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.
Absolutely no taxpayers' funds have been used in the preparation or mailing of this correspondence.

C 00204065 20099

DATE		AMOUNT		
10/26	Dep from Gil			
Pol Ex	Bill Kennedy			
10/26	Check to	2000	00	
Exct	5/1960	Brandy		
1	40 Sx	Telephone		
		copy		
TOTAL OF INVOICES				
LESS ___ % DISCOUNT				
LESS				
TOTAL DEDUCTIONS				
AMOUNT OF CHECK				

WINPAC
P. O. BOX 100 - 587-9288
BOZEMAN, MONTANA 59715

1143

October 26th 19 92 93-61 921

PAY TO THE ORDER OF Clerk $2000

TWO THOUSAND DOLLARS 00 CTS DOLLARS

DWT 2682

First Security Bank
Bozeman, Montana

Glen Berger

⑈092100617⑈ 01990⑈8⑈ ⑈0000 200000

8500405 21100

PLAINTIFF'S DEPOSITION EXHIBIT FEC EXHIBIT 6

8604060210 1

1141

Oct 19th 19 82

TO Montana Bell

(Cash received from Lytton 20th stop)

FOR Oct 4 Bill

BAL. BROUGHT FORD	6605	93
DEPOSITS 10-13	40	00
10-14	194	50
10-19	200	00
10-19	243	90
10-19	1045	00
TOTAL	8328	43
AMOUNT THIS CHECK	237	64
BALANCE	8090	79

1142

Oct 19th 19 82

TO Electra Graphics

FOR Chic (546 92)

IBM (520 42)

IBM Service (273 00)

DEPOSITS TOTAL	8090	79
AMOUNT THIS CHECK	1340	34
BALANCE	6750	45

1143

Oct 26th 1982

TO Stan Burger

FOR $2000.00 to Bill Kennedy

$ $ 10.00 to Security Bank

For wiring cash

10-14	112	50
10-20	341	00
10-20	2400	00
10-21	727	34
10-21	352	35
10-21	38	00
10-22	762	00
DEPOSITS	11,588	84
10/26	2000	00
TOTAL	13,588	84
AMOUNT THIS CHECK	2000	00
BALANCE	11,588.	84

$10.00

* Pink note deposit from Jos Poli for B. Kennedy

R604062102

1143

WINPAC

P. O. BOX 100 587-9288

BOZEMAN, MONTANA 59715

Oct 26th 19 82 83-61 921

PAY TO THE ORDER OF Stan Burger $2000.00

DOLLARS

Oct 26 82

FIRST SECURITY BANK BOZEMAN, MONTANA 5971

For wiring cash

⑆092800621⑆ 990 ⑈8⑈ ⑈00002000⑈

BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT

DATE		AMOUNT
10/26	Dep Jos Poli	
	Pd to Bill Kennedy	2000 00
10/26	Check to Security Bank for wiring cash	10 00

TOTAL OF INVOICES

LESS ____ % DISCOUNT

LESS

TOTAL DEDUCTIONS

AMOUNT OF CHECK

PLAINTIFF'S DEPOSITION EXHIBIT FEC EXHIBIT 7

8600405 2103

1088

Aug 12 1982

TO USDC

FOR

BAL. BROT FORW'D	5091	83
DEPOSITS	20	00
TOTAL	5059	83
AMOUNT THIS CHECK	1229	50
BALANCE	3830	33

8-16 145 83

8-11 100 00

8-17 20 00

1089

Aug 18 1982

TO USDC

FOR

DEPOSITS	4095.	33
	8-17 2	71
TOTAL	4098	04
AMOUNT THIS CHECK	93	00
BALANCE	4005	04

8-18 44

1090

8-19 1982

TO E.C. YEGEN (2000)
& DONNA YEGEN (500)

FOR $2,500.00

Transfer funds for deposit

DEPOSITS		
TOTAL	4049	04
AMOUNT THIS CHECK	2500	00
BALANCE	1549	04

E C Yegen 2000 00
Dona Yegen 500 00

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

DELUXE - FORM DVC-3 V-4

E. C. YEGEN
BILLINGS, MT 59101

INVOICE DATE	INVOICE NO.	DESCRIPTION	TOTAL AMOUNT	DEDUCTIONS DISCOUNT	DEDUCTIONS FREIGHT	NET AMOUNT
7-25-82		Draft, Inc - PMT FOR $500.00 of this amount to Cantrell Mrs Donna Yegen Glgf. Regens - 918-443-2760				2500 00

V-4

PLAINTIFF'S DEPOSITION EXHIBIT
FEC EXHIBIT 8

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

Western Intermountain Network Political Action Committee

A. Full Name, Mailing Address and ZIP Code Carolyn Keth 805 Peter Koch Tower Bozeman, MT 59715	Purpose of Disbursement Part time Help Disbursement for: ☐Primary ☐General ☐Other (specify):	Date (month, day, year) 10-1-82	Amount of Each Disbursement This Period 205.84
B. Full Name, Mailing Address and ZIP Code U.S.P.O. Bozeman, MT 59715	Purpose of Disbursement Mialing (postage) Disbursement for: ☐Primary ☐General ☐Other (specify):	Date (month, day, year) 10-15-82	Amount of Each Disbursement This Period $500.00
C. Full Name, Mailing Address and ZIP Code Carolyn Keth 805 Peter Kock Tower Bozeman, MT 59715	Purpose of Disbursement Part time Help Disbursement for: ☐Primary ☐General ☐Other (specify):	Date (month, day, year) 10-15-82	Amount of Each Disbursement This Period $205.84
D. Full Name, Mailing Address and ZIP Code Mountain Bell Bozeman, MT 59715	Purpose of Disbursement Telephone expense Disbursement for: ☐Primary ☐General ☐Other (specify):	Date (month, day, year) 10-19-82	Amount of Each Disbursement This Period $237.64
E. Full Name, Mailing Address and ZIP Code Electrographics P.O. Box 100 Bozeman, MT 59715	Purpose of Disbursement Reimbursement for office equipment payments Disbursement for: ☐Primary ☐General ☐Other (specify):	Date (month, day, year) 10-19-82	Amount of Each Disbursement This Period $1340.34
F. Full Name, Mailing Address and ZIP Code Stan Burger 720 West Birch Bozeman, MT 59715	Purpose of Disbursement Reimbursement for payment to Ron Marlenee Campaign Disbursement for: ☐Primary ☐General ☐Other (specify):	Date (month, day, year) 10-26-82	Amount of Each Disbursement This Period $2010.00
G. Full Name, Mailing Address and ZIP Code Electrographics P.O. Box 100 Bozeman, MT 59715	Purpose of Disbursement Printing Services Disbursement for: ☐Primary ☐General ☐Other (specify):	Date (month, day, year) 10-27-82	Amount of Each Disbursement This Period $1907.25
H. Full Name, Mailing Address and ZIP Code Carolyn Keth 805 Peter Koch Tower Bozeman, MT 59715	Purpose of Disbursement Wages Disbursement for: ☐Primary ☐General ☐Other (specify):	Date (month, day, year) 10-29-82	Amount of Each Disbursement This Period $205.84
I. Full Name, Mailing Address and ZIP Code Internal Revenue Service Ogden Utah	Purpose of Disbursement Quarterly Withholding Disbursement for: ☐Primary ☐General ☐Other (specify):	Date (month, day, year) 10-30-82	Amount of Each Disbursement This Period $382.25
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			

PLAINTIFF'S DEPOSITION EXHIBIT FEC 8 EXHIBIT

		Aug 1982			Ck	Dep	Payroll Gen	Payroll Counsel	Postage Upfirst	Postage Due	Prtg	Telegd	Tape
1		2				5284.50							
2		3				15.00							
3		4	DIANE DEVINE	1075	92.75								
4		5	SHARI CURTIS	1076	8.95								
5		5				123.00							
6		5	ROXIE CURTIS	1077	34.17								
7		5	MARILYN VINKEMULDER	1078	34.75								
8		5	KARIN VINKEMULDER	1079	26.17								
9		5	JAMES HOAG	1080	16.52								
10		7	ANITA CLOSING	1081	104.35								
11		5				78.00							
12		6				205.00							
13		7	PAM GOAN	1082	3.00								
14		7	LINDA GOAN	1084	48.57								
15		9	MARJORIE BURGER	1085	50.00								
16		9				299.00							
17	✓	10	CELESTE WIENKE	1086	13.50								
18		10				84.00							
19		12	ELECTROGRAPHICS	1087	2640.34						2640.34		
20		12	USPO	1088	229.50				229.00				
21		12				20.00							
22		16				145.00							
23		11				100.00							
24		17				20.00							
25	✓	18	U.S.P.O.	1089	93.00				93.00				
26		17	Tax Refund			2.71							
27		18				44.00							
28		19	E.C. Yeger Transf	1090	2500.00								
29		19	Reg			2500.00							
30			$2116.44		6845.57	8962.21	0	0	1322.00		2640.34		

PLAINTIFF'S DEPOSITION EXHIBIT FEC EXHIBIT 10

(11) Mail Out Dep.	(12) Supplies	(13) (14) MAC v Serv. Contract	(15) Loans	(16) Subscrip	(17) Ins	(18) Tst	(19) Int	(20) Repts	(21) Lend	(22) Div Paid	(23) Bank	(24) Misc	
~													1
													2
92.75													3
8.95													4
													5
34.17													6
34.75													7
26.17													8
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382 23		2500 00			9	0	1	7	4	0	4	0	30

	Oct 1982			Checks	Dep.	Payroll Gen	Payroll Consult	Postage Upgrd.	Postage Due	Printg.	Telph.	Telex
1	18				1045 00							
2	19	Mountain Bell	1141	257 64							257 64	
3	19	Elector Graphics	1142	1340 37						1340 37		
4	19				112 50							
5	20				346 00							
6	21				2400 00							
7	21				727 34							
8	21				552 35							
9	21				38 00							
10	22				862 00							
11	26	Bill Kennedy Campaign	1143	2000 00								
12	26				2000 00							
13	23				191 00							
14	23				93 00							
15	25				1526 20							
16	25				151 00							
17	26	Elector Graphics	1144	1634 25						1634 25		
18	27	Elector Graphics	1145	273 00						273 00		
19	26				180 00							
20	27				222 00							
21	29	Carolyn Kirk	1146	205 84	1080 00	205 84						
22	30	IRS	1147	3822 25	3550 00							332 00
23	31	State of Montana Dept. of Rev.	1148	35 77	1480 00	10.00	Payroll Deposit Liabilities					35 77
24	30	Empl. Sec. Div.	1149	38 28		50 00						38 28
25					2563 59							
26				36182	66800			18750		10020		
				97661		6752		18750		42475		456
		12,673.83										
				1 2 7 3 4 6 9		0 4 0 9 8						

(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	
Acct	YMPC												
Supplies	Travel	Donations	Taxes	Insurance	Ins.	Int.	Int.	Repairs	Rent	Dir/Mil	Bank	Misc.	
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ORIGINAL

BEFORE THE FEDERAL

ELECTION COMMISSION

In the Matter of

WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE, et al.

No. MUR 1706

ERASABLE BOND RAG CONTENT

DEPOSITION OF JOSEPH A. POLI,

produced as a witness by and on behalf of the Federal Election Commission, pursuant to Notice and Subpoena, taken on Wednesday, May 29, 1985, at the hour of 2:00 p.m., at the office of the U.S. ATTORNEY, Federal Building, 280 South First Street, Room 371, San Jose, California, before MELINDA M. MC DONALD, CSR #5249, a Notary Public for the State of California.

--o0o--

JMS JOYCE MAILIE SAWAYA CERTIFIED SHORTHAND REPORTER INC.
1025 LINCOLN AVENUE . SAN JOSE, CALIFORNIA 95125 . 287-7980
1486 MISSION STREET . SANTA CRUZ, CALIFORNIA 95060 . 429-9722

#5664

R 860406 12109

APPEARANCES

For the Federal Election Commission:

THOMAS J. WHITEHEAD
ASSISTANT GENERAL COUNSEL
Federal Election Commission
1325 "K" Street, N.W.
Washington, D.C. 20463

ERASABLE BOND
PAC CONTENT

--ooo--

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JOSEPH A. POLI,

having been first duly sworn by the Notary Public to tell the truth, the whole truth, and nothing but the truth, testified as follows:

EXAMINATION BY MR. WHITEHEAD:

Q Could you give the court reporter your name and spell your last name, please.

A You mean like it is spelled here (indicating), or like it should be?

Q Whatever the correct spelling is, please.

A Joseph A. Poli.

Q How is that spelled?

A Spell it?

Q Yes, please.

A Oh, J-o-s --

Q You don't have to spell Joseph. I just meant your last name.

A P-o-l-i.

Q Thank you. Could you tell us first your home address and phone number.

A 4631 Ewing Road. That's spelled E-w-i-n-g, Castro Valley, 94546.

Q And what is your home phone number, please?

A Area code [415] 357-7759.

Q Now, what is your business name and address and phone number?

A Business name is Swiss Insurance Agency. The

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address is 17100 East Fourteenth Street, Hayward, 94541. The phone number is area code [415] 351-3831.

Q Is Swiss Insurance Agency a corporation, Mr. Poli?

A No.

Q Is it a sole proprietorship?

A Yes.

Q And are you the sole proprietor?

A The wife and I, yes.

Q Your wife and yourself. So it is a business name, in style?

A Yeah, that is right.

Q How long have you been doing business in the name of Swiss Insurance Agency?

A Over thirty years.

Q And could you explain exactly what the nature of that business is?

A Insurance.

Q What sort? The selling of insurance?

A All forms.

Q Tell us more about that. Do you sell insurance; are you an agent? I'm not quite sure that I understand.

A We are agents and brokers.

Q Do you have any people in your employ?

A Yes.

Q How many?

A Two and a half.

Q Explain.

A One of them works just half a day.

COPY
EXHIBIT ONLY

JMS JOYCE MARIE SAWAYA CERTIFIED SHORTHAND REPORTER INC.

Q Is that the secretary?
A Uh-huh. They're all secretaries, yes.
Q Everyone's a secretary?
A Uh-huh.
Q So in the brokering and in the agency end of your business, that is carried on by you and by your wife; is that correct?
A All the girls participate. We all participate.
Q So they're not just secretaries?
A No. They sell; they do everything.
Q Do you represent any particular insurance companies?
A Several.
Q The majors?
A Safeco, Safeco Life, all their subsidiaries; Hanover Insurance and all the subsidiaries. That's a host of companies. That's the major ones, I'd say. We broker with several others, but I'm not sure --
Q Do you have any exclusive territory?
A No, just California.
Q Just California?
A Uh-huh.
Q So there is competition in the brokerage business?
A Licensed in California only. That is correct.
Q Is your wife licensed in California, also?
A No.
Q Are any of the secretaries licensed in California?
A Yes, one.
Q Have you ever been deposed before?

R 5 0 4 0 5 - 2 1 1 3

A You mean like this?

Q Yes, in a formal setting with the stenographer.

A I'm thinking. Not to my knowledge.

Q I'm going to ask you a series of questions. If at any time you do not understand the question that I ask, tell me that you don't understand it and I will either repeat it or try to rephrase it so that you do understand. If you fail to tell me that you don't understand the question, I'll assume that you do understand it and I'll assume that your answer responds to the question. Is that clear?

A Yeah, yeah.

Q By the way, what is your educational background, Mr. Poli?

A I went to grammar school, I went to high school.

Q Here in California?

A Uh-huh, I'm a native. And I started attending the University of California until the war broke out.

Q World War --

A -- I -- II.

Q Did you complete your freshman year, your sophomore year?

A I completed -- let's see; God, that was a long time ago. Three and a half years.

Q At the University of California at Berkeley?

A In Berkeley.

Q Okay. And you are not represented by counsel here today?

8604-2114

JMS JOYCE MARIE SAWAYA CERTIFIED SHORTHAND REPORTER INC.

A Well, no. In the past thirty years, I don't think I've ever had to have an attorney, except for a couple of real estate transactions that were purely routine.

However, when I did see in this letter you may consult with an attorney, I did phone one here in San Jose that I was going to ask to come with me. But he's on vacation, so I figured, well, I'd come by myself.

Q Did you consult with anyone other than an attorney prior to this deposition?

A Pertaining to this?

Q Pertaining to this particular deposition.

A No, no.

Q Did you refer to any documents before this deposition pertaining to this deposition?

A No.

Q I'm going to ask you whether or not you're familiar with a set of names, a series of names that I will give you. And I will ask you if you are familiar to explain the basis for that particular familiarity. All right?

First of all, are you familiar with a committee known as Marlenee for Congress, M-a-r-l-e-n-e-e?

A Spell that again.

Q Capital M-a-r-l-e-n-e-e.

A Is he from this area?

Q No, he was actually from Montana.

A At this point, I have no recollection of that name.

Q That committee is the principal campaign committee for a person by the name of Ron Marlenee. Are you

R 6 0 4 0 6 | 2 | 1 5

familiar with the name Ron Marlenee?

A I don't at this point recollect him at all or that name.

Q Are you familiar with a committee known as the Western Intermountain Network Political Action Committee, or WINPAC, as it is known?

A Yeah, yes, uh-huh.

Q Can you explain to me for the record the basis of your familiarity? When did you first become familiar with that name?

A I can't remember the -- the time. I get a lot of mail, as perhaps you're aware.

Q Take your time.

A And -- but I've contributed to that committee.

Q How did you first become familiar with them, if you were just to --

A I don't remember. They probably sent me some literature.

Q So you're assuming that you got a piece of direct mail literature from them; is that it?

A Yes, that would be my thought.

Q Is there anything in your recollection about WINPAC that caused you to contribute to WINPAC? Political philosophy, what have you, anything that might --

A I don't remember. The only thing I remember, there is a picture of a very dignified, elderly gentleman on their literature up in the right-hand corner or left-hand corner, gray-haired chap, and I remember that.

A 860406 121 16

Q How long ago was this?
A Oh, God, that -- how long?
Q Ago.
A It started?
Q Yes.
A Oh, I have no idea.
Q Could we make an estimate? Would it be in the late seventies, the mid-seventies?
A I'd hate to tell you something I don't know, Tom, or I can't really remember, you know.
Q Well, I was just trying to put it in some kind of a framework. We can probably come back to it and, if we ask more questions, we might find out.
Are you familiar with the name Stanley Burger, B-u-r-g-e-r?
A Lee Berg (sic)?
Q A Stanley Burger.
A Oh, Stanley Burger, two words?
Q Right, Stanley Burger. If I tell you that he is the treasurer of WINPAC, does that refresh your recollection?
A I would just believe you if you told me that.
Q Do you have any familiarity with the name Doris Burger, who is his wife?
A Offhand, I don't.
Q Or Donald Burger?
A Can't recollect it.
Q Are you familiar with the name E. C. Yegan, spelled Y-e-g-a-n?

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A Don't recollect it offhand.

Q Or his wife, Donna Yegan?

A Are they from this area? Are they supposed --

Q No, they're not.

A Oh, all right.

Q I'm just trying to see --

A Uh-huh.

Q -- if you remember these people.

Are you familiar with the name Chuck Herringer, spelled H-e-r-r-i-n-g-e-r?

A Offhand, I am not.

Q Okay, fine. Are you familiar with the name Bill Kennedy?

A Oh, yes.

Q And the Friends of Kennedy Committee; are you familiar with that?

A I know -- yeah, I know Bill Kennedy, yeah.

Q All right. Explain the basis of your familiarity with Mr. Kennedy.

A Mr. Kennedy is a friend of mine who ran for Congress from my district.

Q How long have you known Mr. Kennedy?

A Let me ask you a question. When did he run for Congress? Do you recall?

Q He ran for Congress in 1982 and 1980.

A Okay. Then it would go back to a little bit before 1980.

Q How did you come to know Mr. Kennedy?

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A I don't recall offhand, unless it was just some literature that was sent to me originally.

Q Did you meet Mr. Kennedy?

A Oh, yes.

Q Where did you meet Mr. Kennedy?

A I think the first time I met him was in San Leandro.

Q What was that again?

A The first time I met him I believe was in San Leandro. You asked where I met him; San Leandro.

Q Under what circumstances?

A As I recollect, I went into his headquarters to pick up some literature for Kennedy For Congress. And I think during one of those times, he happened to be there and I met him.

Q Why did you happen to be in there to pick up some of Mr. Kennedy's literature? Were you working for Mr. Kennedy, his committee at the time?

A No. I was interested in his -- in Mr. Kennedy and his campaign, so I went in there, and I wanted to see what kind of a person he was, and picked up some literature. It's not too far from our office, so I stopped by and picked up what he had.

Q And in the course of picking up the literature, you met Mr. Kennedy?

A I don't know if it was the first time or not, but I'm sure that's where I originally met him.

Q Did you ever work for the Friends of Kennedy Committee?

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A Oh, yes, I walked -- I walked one or two precincts for him.

Q In the year 1980?

A I don't remember.

Q In the year 1982?

A It could have been both. It could have been both, yeah.

Q But you do have recollection of walking precincts for him?

A Oh, man, I have recollections of sore feet. Didn't even belong to my own party, but --

Q Are you a Democrat?

A I'm not a Republican.

Q Was he a Republican candidate?

A He's a Republican candidate, but he's a good man.

Q Are you familiar with the committee treasurer, Mr. Stevens, John Stevens?

A Offhand, I'm not, no.

Q Who in the committee did you know? Aside from meeting Mr. Kennedy, who on the committee staff did you know?

A There was one lady that worked there sometimes, and I can't remember her name.

Q You can't remember her name?

A No. I really wasn't that associated with them, except that they gave me a couple of precinct lists and I just worked my tail off on those precincts. And I'd go and pick up literature and deliver the literature.

R 6 0 4 0 5 1 2 1 2 0

Q Were you paid for any of your activities?
A No.
Q It was all volunteer?
A Oh, yes, uh-huh.
Q What would you estimate the time was that you put into this? Was it a couple of nights a week or afternoons or --
A Usually in the afternoons. I'd take a day, a half a day and walk a precinct.
Q Was it door to door --
A Yes, uh-huh.
Q -- with the literature?
A Yes.
Q Did you ever make any money contributions to Mr. Kennedy, to the Friends of Bill Kennedy Committee?
A I think I did, yeah.
Q In what amount?
A I don't remember.
Q In what year?
A Don't remember that, either. Probably during the first time he ran and the subsequent time, too.
Q Was it over $100?
A It could have been.
Q Do you have any record of contributing to Mr. Kennedy's committee?
A Oh, sure. There would be a check stub someplace in the old books.
Q And this is one of those things I believe that

R 6 0 4 0 5 1 2 1 2 1

Ms. Hagan asked you to bring to the deposition?

A She did.

Q Copies of any checks --

A She did.

Q -- that were made payable to WINPAC or for the Friends of Kennedy Committee?

A Not the Friends of Kennedy. She asked me if I had some for WINPAC, and I said, well, I presume there was.

Q Could you tell us whether or not you were able to discover any WINPAC checks during the course of the search for these?

A Well, as I mentioned to you, I had the girl look in these files.

Q Explain to me how you keep your files.

A Okay. Every check that we write, whether it's from our trustee account or from our personal account, if it's a deductible check, then it's recorded on the ledger. Then we have a folder for each of the ledger entries, so that every ledger entry has a corresponding authorization or statement or bill in one of the appropriate folders.

For instance, if we write a check to the -- for insurance, the girl records it on insurance and then she puts a little memo in the insurance folder showing that check number, plus the amount and the purpose of the check. Those are meticulously recorded and balanced.

Q What about those checks that are nondeductible checks?

A The nondeductible checks -- let's see; how does she

R 8 6 0 4 0 5 1 2 1 2 2

do that? Several of those nondeductible checks are not entered and -- but there is a folder that says "Nondeductibles," and if it's a bill or something of that sort, then it goes into that folder.

Q And would you have considered your checks to either Mr. Kennedy or to WINPAC as nondeductible or deductible checks?

A Those are nondeductible.

Q And I take it that they went into these particular folders?

A That's right.

Q Is it correct that you were unable to find those checks during your search?

A I didn't make the search. The office girl did. I asked her if she'd make a cursory search in the folder, and she didn't come up with anything.

Q Well, may I direct you, if you will, to try and find with due diligence both of those checks, if they exist, the check --

A Can you give me a year, more or less? Because we have a box for every year.

Q Yes. We're talking about 1982.

A Oh, okay.

Q We're talking --

A '82.

Q -- 1982 in October.

A 1982, October, okay.

Q And that would be payable to WINPAC.

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A October. And do you have an indication of the amount of the check or checks?

Q Two thousand dollars.

A Okay. So you're saying there was a check?

Q I'm asking.

A Oh, I see. Well, if you're pinpointing it like this, I'm assuming you know about the check.

Q Well, what I'm asking you to do is try and find a check payable to WINPAC in October of 1982.

A And you're saying it would be October of 1982 for $2000. Okay. That will localize it for me, because I know first of all what box to pull; secondly, what envelope to go into. And failing that, I can have them pull the stubs for 1982 for October, and it's got to be in there.

Q Now, I would ask you also to do a diligent search for any checks that were made payable to the Friends of Bill Kennedy Committee or the Kennedy For Congress Committee or whatever the name of the campaign was that you have contributed to him during the years 1980 or 1982, if you will.

A '80?

Q I would imagine there would be checks paid probably in the neighborhood of, say, September, October, November, because that's --

A Okay, good, all right.

Q Those are the political months, if you will.

A So it would be 1980?

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Q Or 1982.

A Or 1982, and that would be the months of September --

Q Say September, October, November.

A -- October, November. Okay. Well, this --

Q I would ask you to do this by way of a diligent search rather than what we've tried to avoid up till now, which is a subpoena for any documents.

A You can have them or you can come over and look for them, if you like. There is no problem.

Q If I had enough time, I would certainly do it.

Do you have any recollection of making contributions to WINPAC in October of 1982?

A Specifically, I don't have a recollection.

Q Well, is the amount $2000 an unusual amount?

A For --

Q Is it a large amount for you to be contributing to a candidate?

A Oh, yes. Oh, yes.

Q Would it be safe to say that if you made a contribution in the neighborhood of $2000, you'd have a recollection of that or a memory of that? I'm not trying to put words in your mouth, but what I'm saying to you is that since you do deem that to be a large contribution, would you have --

A I wouldn't necessarily remember it, because I during the course of the year sign scores of checks.

Q How about political contributions; do you sign

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scores of checks for political contributions?

A Oh, not that many, no. I'd say if a check was written -- and you say it was written for $2000?

Q I'm asking; I'm not saying.

A That would be a large contribution for us, yes.

Q Do you have any recollection of the contribution of $2000 to --

A No.

Q -- WINPAC?

A Offhand, I don't remember.

Q To the WINPAC Committee, offhand, you don't?

A Offhand, I don't. But if you indicate it's there, I'll look for it.

Q Are you familiar with the name Christian, Cliff Christian?

A Is he from this area?

Q I'm not sure. He has been in Montana, and he's currently in Colorado. Whether he's from California or was from California at any time, I don't know. I really can't answer the question. Are you familiar with that name?

A At this point in time, it doesn't ring a bell. Can you give me a little more input on him?

Q All right. I certainly will in the course of the deposition. I just want to ask you a couple of questions about other names.

(Whereupon, there was an off-the-record discussion.)

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Q BY MR. WHITEHEAD: Are you familiar with the name John Maresca, M-a-r-e-s-c-a?

A Is he from this area?

Q He was during the 1982 campaign for Kennedy, for Bill Kennedy, his campaign manager, according to testimony. Does that name strike a chord?

A Oh, wait a minute. Would you be able to describe him as a young fellow in his twenties, maybe?

Q I have no idea. I can't tell you a physical description. I just know that he was the campaign manager for the Friends of Bill Kennedy in the campaign of 1982.

A Uh-huh.

Q Does that name strike a chord?

A I remember meeting some young fellow that was a primary mover for Kennedy. Now, whether that's his name or not, I can't remember.

As I mentioned, I was never in those headquarters very long other than probably dropping in and picking up literature and distributing it.

Q Were you ever involved in any strategy decisions --

A No.

Q -- with the Kennedy committee?

A No.

Q Were you ever involved in any meetings of Friends --

A No.

Q -- of Bill Kennedy Committee?

So it's your testimony then that you just went in, got literature, walked the precincts and distributed the

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JMS JOYCE MARIE SAWAYA CERTIFIED SHORTHAND REPORTER INC.

literature?

A Walked the precincts for him. I never participated in any of their strategy or attended any of their meetings or talked with them in any way other than contributing and working on precincts.

Q Are you familiar with the name Political Advertising and Consulting Company?

A Offhand, I'm not.

Q Are you familiar with the name Mark Barnes, B-a-r-n-e-s, who's supposed to be the president of the Political Advertising and Consulting Company?

A Don't recall it.

Q Did you ever mention to a Cliff Christian that you wanted to give a contribution to the Kennedy For Congress Committee?

A Don't remember.

Q You're not saying that you did not contact or have any dealing with Cliff Christian, indicating to him that you wanted to give a contribution to the Kennedy For Congress Committee; you're just saying that you can't recall that this happened?

A That's true.

Q But it could have happened?

A Oh, yes. Oh, yes, uh-huh.

Q It is our understanding Cliff Christian says that you contacted him to give a contribution to the Friends of Bill Kennedy Committee, but that you wanted to give it through another organization.

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A I can't even recall that man.

Q But you're not saying that you don't know Mr. Christian and you're not saying that you did not unequivocally call or talk to Mr. Christian; you're just saying you can't recall?

A I can't recall that man or even that -- not that conversation, no.

Q But you can't unequivocally state that it didn't take place?

A What?

Q The conversation and the substance that I have just stated.

A Repeat that.

Q Can you unequivocally state that you never talked to a Cliff Christian about giving a contribution to the Friends of Bill Kennedy Committee through another organization?

A Yes, I can say that.

Q You can unequivocally state that this never did take place?

A That's right, because I don't remember that man at all.

Q That's recollection. What I'm saying to you is: Can you deny unequivocally that this ever took place?

A That's true.

Q Not that you can't recall it taking place, but that it did not take place.

A That's right.

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Q And that's your testimony under oath here today; is that correct?

A Yep.

Q Did you ever inform anyone else connected with WINPAC that you wanted to make a contribution to the Friends of Bill Kennedy Committee through the WINPAC committee?

A No.

Q You indicated you have no recollection of the name Stan Burger.

A Offhand, I don't, no.

Q Can you state unequivocally that you don't know of Mr. Burger or have not heard of Mr. Burger?

A No, I can't do that, because I am just saying I don't recall him.

Q But you can't state unequivocally that you don't know him; is that correct?

A I cannot state that I do know him.

Q But you can't state that you do not know him, also; is that correct?

A Yes.

Q You stated that you have indeed made contributions to WINPAC or Western Intermountain Network?

A Oh, yes, I have.

Q In contributing to WINPAC, did you ever write, telephone, or otherwise inform anyone at WINPAC that your contributions were to go to the Kennedy For Congress Committee or the Friends of Bill Kennedy?

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A No.
Q You did not?
A Huh-uh.
Q You did not write them, you did not telephone them, and you did not otherwise inform them?
A No.
Q I may have asked this before, but I'll ask it again. You stated that you did contribute to the Friends of Bill Kennedy Committee.
A I contributed to Kennedy, yes.
Q You're not sure of the amount or whether it was in 1980 or 1982; is that your testimony?
A I'm not sure of the amounts, no, I'm not.
Q Are you sure of the date, 1982 or 1980?
A Oh, no, I'm not.
Q Could it have been both, could it have been one?
A It could have been both, yes.
Q It could have been both?
A Uh-huh.
Q Did you contribute as much as $2000 to the Friends of Bill Kennedy Committee?
A I don't recall, but since you requested the copies of these checks, I will find out for sure and tell you. You've indicated you want me to search out the checks for 1982 on or around October, for 1980 on or around September, October, November, and to advise you of the amounts and the dates.
Q And provide us with copies.

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A And copies, yeah.

Q We will hold the originals or we'll make copies and send you back the originals.

A No, we'll make copies, and I can do that. But as to the exact amount, at this time, Tom, I wouldn't know.

Q Fine. We have testimony that indicates through Mr. Burger that he received a call from Mr. Christian stating that the Kennedy committee was in dire financial straits and needed money and that an individual by the name of Joseph Poli wanted a contribution to go to the Friends of Bill Kennedy through the Western Intermountain Network Political Action Committee.

We have evidence in the records that that's how the matter was treated by WINPAC, that it was send to the Friends of Bill Kennedy by way of a money order, bank-certified check, I believe.

A By me?

Q This is what we have by way of testimony up to this point in time, that indeed the WINPAC Committee did send $2000 to the Friends of Bill Kennedy, and they have noted in their records that it was from Joseph Poli.

Can you shed any light on that particular transaction?

A I can't account for their activities or for their actions. I'm personally delighted to hear they sent him $2000 or more or whatever, but I have or never had any control over their activities. So what they wanted to do or what they did with their funds, that's strictly their

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JMS JOYCE MARIE SAWAYA CERTIFIED SHORTHAND REPORTER INC.

business, not mine.

Q I understand it --

A Although I am pleased to know that they did send the money to him.

Q But you can't tell us anything about the transaction involving the call from Mr. Christian to Mr. Burger of WINPAC --

A (Witness shakes head from side to side.)

Q -- indicating that Mr. Joseph Poli wanted to give $2000 to the Friends of Bill Kennedy through WINPAC?

A Huh-uh. I don't recall that at all.

Q You don't have any recollection?

A No.

Q But can you deny that any of these statements by Mr. Christian are -- can you deny that these statements were true, that what Mr. Christian represented to Mr. Burger were not the facts?

A I can't account for what Mr. Christianson (sic) says --

Q Christian.

A -- whoever he is. As I mentioned, I can't even recall the man.

Q Did you ever tell anybody connected -- and I may have asked this question. And if I did, I'll ask it one more time.

Did you ever tell anyone connected with the Friends of Bill Kennedy Committee that you wanted to give money to that committee through another vehicle, through another

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conduit, through another source?

A I don't recall anything like that.

Q Can you deny that you ever said anything to anybody connected with the Friends of Bill Kennedy?

A Pertaining to what?

Q Giving contributions through another committee or source.

A Sure don't recall anything like that, Tom.

Q You cannot deny it?

A I can't deny what I can't recall.

Q You just cannot recall one way or another?

A Just can't recall.

Q And you can't recall whether or not you gave the Friends of Bill Kennedy an amount over or under $1000 during the 1982 campaign?

A No, but I can find out for you.

Q You can find out?

A Uh-huh.

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MR. WHITEHEAD: Okay, fine, all right. I have no further questions at the present time, Mr. Poli. I'm going to hold the deposition open, Ms. Reporter, for the simple reason that I may want to go into these documents at a later time through the deposition.

(Whereupon, the deposition of JOSEPH A. POLI adjourned at 2:45 p.m.)

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_____

JOSEPH A. POLI

Subscribed and sworn to before me this

_____ day of _____, 1985.

_____

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STATE OF CALIFORNIA) SS
)

I, MELINDA M. MC DONALD, C.S.R. #5249, A NOTARY PUBLIC FOR THE STATE OF CALIFORNIA, DO HEREBY CERTIFY:

THAT PRIOR TO BEING EXAMINED, THE WITNESS NAMED IN THE FOREGOING DEPOSITION WAS BY ME DULY SWORN TO TESTIFY THE TRUTH, THE WHOLE TRUTH AND NOTHING BUT THE TRUTH;

THAT SAID DEPOSITION WAS TAKEN DOWN BY ME IN SHORTHAND AT THE TIME AND PLACE THEREIN NAMED AND THEREAFTER REDUCED TO TYPEWRITING UNDER MY DIRECTION.

I FURTHER CERTIFY THAT I AM NOT INTERESTED IN THE OUTCOME OF THIS ACTION.

WITNESS MY HAND AND OFFICIAL SEAL THIS 12th DAY OF June, 1985.

OFFICIAL SEAL
MELINDA M. McDONALD
NOTARY PUBLIC - CALIFORNIA
SANTA CRUZ COUNTY
My Comm. Expires July 1, 1987

Melinda M. McDonald

NOTARY PUBLIC FOR THE STATE OF CALIFORNIA

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BCC#7841

ORIGINAL

BEFORE THE FEDERAL

ELECTION COMMISSION

In the Matter of

WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE, et al.

No. MUR 1706

ERASABLE BOND RAG CONTENT

DEPOSITION OF JOHN G. STEVENS,

produced as a witness by and on behalf of the Federal Election Commission, pursuant to Notice, taken on Wednesday, May 29, 1985, at the hour of 10:20 a.m., at the office of the U.S. ATTORNEY, Federal Building, 280 South First Street, Room 371, San Jose, California, before MELINDA M. MC DONALD, CSR #5249, a Notary Public for the State of California.

--oOo--

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JMS JOYCE MARIE SAWAYA CERTIFIED SHORTHAND REPORTER, INC.
[illegible] LINCOLN AVENUE, SAN JOSE, CALIFORNIA [illegible]
[illegible] MISSION STREET, SANTA CRUZ, CALIFORNIA [illegible]

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APPEARANCES

For the Federal Election Commission:

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

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BOX
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JOHN G. STEVENS,

having been first duly sworn by the Notary Public to tell the truth, the whole truth, and nothing but the truth, testified as follows:

EXAMINATION BY MR. WHITEHEAD:

Q Mr. Stevens, would you give us your full name and spell it for the court reporter, please.

A John, J-o-h-n, G. Stevens, S-t-e-v-e-n-s.

Q Could I have your home address and home phone number?

A 2217 Camino Brazos, B-r-a-z-o-s, Pleasanton, 94566. The phone number is [415] 846-1254.

Q And could you give us your business address and phone number, please?

A I work at Centennial Bank, 987 B Street, Hayward. And that phone number is [415] 886-1976.

Q What is your position at the bank, Mr. Stevens?

A Manager of the Hayward branch.

Q Could you give us a breakdown of your educational background, please?

A Graduated from General Motors Institute, Flint, Michigan, 1958. In addition to that, I've taken a number of courses in financial management and accounting analysis and related areas.

Q What was the major or specialty that you --

A At General Motors, the concentration was in their business administration and specifically for the company,

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their dealer network organization, service and sales, warranty, finance.

Q And did you work for General Motors for some period of time?

A No.

Q What was your --

A I was drafted on graduation and never got back.

Q Drafted into the --

A Into the U.S. Army.

Q How long did you serve in the Army?

A Two years.

Q When you came out of the Army, where did you take employment?

A When I came out of the Army, the automobile business was not doing well. It was 1959 -- it was at the end of 1959. And I went to work for Associates Investment Company, a commercial finance company.

Q Where is that?

A Out of South Bend, Indiana. I worked in Syracuse, New York.

Q How long were you employed by them?

A Five and a half years.

Q What was your title, your duties?

A I had a number of duties. I was a loan adjuster, which is a title for a collector. I took a special credit course and became a credit manager, buying installment contracts.

Q And after that employment?

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A While in the employment of Associates, I was transferred to Oakland, California, and shortly thereafter left and joined the Bank of California in 1964. And I stayed with them for eight years, starting out as a buyer for installment contracts and eventually becoming a bank manager.

Q Which is the position you have today?

A Yes.

Q Is that the same bank?

A No, no. There are a couple of banks in between.

Q I see. Why don't you just fill us in on that.

A All right. In -- let's see; I changed to First State Bank of Northern California in 1973, and I went from there to California Canadian Bank in 1975. In 1979 I changed to Centennial Bank and have been there to the present.

Q Have you ever been deposed before, Mr. Stevens?

A Yes.

Q So you're familiar with a deposition?

A Yes.

Q Well, I'm going to ask you a series of questions, and if at any time you don't understand the question that I ask, tell me that you don't understand and I will either repeat it or try to rephrase it so that you do understand it. If you fail to tell me that you do not understand the question, I'll assume that you do understand it and I will assume that your answer is a response to that question. Is that clear?

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A Yes.

Q Are you represented by counsel here today?

A No.

Q Have you consulted with anyone before this deposition about this deposition?

A No.

Q Have you referred to any documents before this deposition that pertain to this particular deposition?

A I reread my letter of July 9, 1984.

Q May I see that, please?

(Witness hands document to counsel.)

Q BY MR. WHITEHEAD: And this is your ledger to Mrs. or Ms. Frances, e-s, B. Hagan of the Federal Election Commission?

A That's right.

Q This is a reference to MUR 1654; is that correct?

A I don't know that reference number.

Q Well, let me explain. The reference number is the reference number of the Federal Election Commission, and it refers to a matter under review, which is shortened to MUR. The MUR now is 1706, 1654 having been merged into that particular number.

A The answer to your question would be yes.

Q Is that the only document?

A Yes.

Q Okay. Thank you. I'll just leave that there.

Now, are you familiar with any of the following names? Mr. Cliff Christian?

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A No.

Q You've not heard his name in the past in any context?

A I believe the --

(Whereupon, there was an off-the-record discussion.)

(Whereupon, the record was read by the court reporter.)

THE WITNESS: I believe the name was mentioned in the request for information that I received, to which this letter responded. And my response in that letter was that I had not prior to that time been aware of that name.

MR. WHITEHEAD: Let the record show that Mr. Stevens was referring to the letter from Ms. Hagan in his testimony.

Q BY MR. WHITEHEAD: Let's back up just a bit.

Are you familiar with the Kennedy For Congress Committee?

A Yes.

Q Can you tell us the basis of your familiarity?

A I served as the treasurer for that committee.

Q For what period of time?

A In the 1982 and 1980 campaigns.

Q Mr. Kennedy ran for Congress, did he not?

A From the California Ninth District.

Q As a Republican?

A A Republican.

Q Let's take first the '80 election. What were the

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results of the primary in that election? Did Mr. Kennedy win the primary?

A As I recall, there was no opposition in the primary.

Q And in the general election, who was his opponent?

A He was opposed by Fortney Stark, the Democrat incumbent.

Q What were the results of that?

A Stark won that election.

Q And coming to the 1982 election, was he opposed in that election, that is, Mr. Kennedy?

A He was not opposed in the primary.

Q In the general?

A He ran again against Stark, the Democratic incumbent and again lost.

Q I see. Did he run for office at any point prior to the 1980 Congressional race?

A No.

Q That was his first effort?

A Yes. I'm sorry. To the best of my knowledge, that was his first effort.

Q Right. And were you his treasurer through those two campaigns?

A Yes.

Q Have you had previous political experience?

A No.

Q Are you a friend of Mr. Kennedy; is that the reason for taking --

A We were personal friends, yes.

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Q And he asked you to be the treasurer?
A Yes.
Q And you accepted?
A Yes.
Q Was it the Kennedy For Congress -- is that the title of the committee, Kennedy For Congress? Was it the Kennedy For Congress Committee? I want to be correct.
A Oh, the Friends of Bill Kennedy was the name of the committee.
Q Thank you. Were there any other treasurers besides yourself at any point in time for the Friends of Bill Kennedy?
A No.
Q Were there any other officers?
A There were a succession of campaign managers.
Q I see.
A I can't give you all their names. I can't remember them all.
Q Could you give us some names?
A The most -- the one at the close of the 1982 campaign was John Maresca, M-a-r-e-s-c-a.
Q You say at the close of the 1982 campaign?
A Yes.
Q What dates approximately would that entail?
A I'm sorry, I can't -- I really can't tell you what those dates were.
Q Several months?
A Yes, I think several months up to or just prior to

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the election date would be fair.

Q To the general election date?

A Yes.

Q And prior to that, talking '82 again, do you have any other names as campaign managers?

A I'm sorry, I don't. They were not local people. They were not people I was personally familiar with before or after that period, and so I don't have recollection of their names.

Q How about Mr. Maresca; was he local, to your knowledge?

A No, he wasn't, but I think he was there for the longest period of time.

Q Do you know where he was from?

A He was from Southern California.

Q Did Mr. Maresca ever mention, to your knowledge, the name Cliff Christian to you or anyone else connected with the committee?

A I have no recollection that he and I ever spoke of that name.

Q Are you familiar with the Marlenee, M-a-r-l-e-n-e-e, For Congress Committee?

A No, I'm not.

Q Are you familiar with the name Ron Marlenee?

A No, I'm not.

Q Are you familiar with the name Chuck or Charles Herringer, H-e-r-r-i-n-g-e-r?

A No.

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Q Are you familiar with an E. C. Yegan, spelled Y-e-g-a-n?

A No, I'm not.

Q A Donna Yegan, Y-e-g-a-n?

A No.

Q Are you familiar with Mr. Stan Burger, Stanley Burger?

A No, except that his name also appeared, as I recall, in this letter from Mrs. --

Q Hagan?

A -- Hagan.

Q That's the first time that you heard of the name Stan Burger?

A Yes.

Q Are you familiar with the Western Intermountain Network Political Action Committee, or WINPAC?

A I believe that the campaign had a contribution from that PAC. I have no other knowledge of it.

Q We'll come back to that. Are you familiar with the name Joe Poli, or Poli, P-o-l-i?

A I recognize the name also as being a contributor to the campaign. I don't know him personally.

Q You do not know him personally, but yet you recognize him as a contributor to the campaign. Could you tell us, did he contribute in the 1982 election campaign?

A I would have to refer to my reports. I don't know offhand.

Q You don't know? Well, what do you base your

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knowledge of his contribution on? You just testified that you had some knowledge of his contributing to the committee.

A I remember his name.

Q Do you have any recollection of what he might have contributed?

A I don't. I'd have to refer to the records.

Q Do you have any recollection of his contributing to the Kennedy Committee in 1980?

A I'm sorry, I don't, without looking at the reports.

Q All right. Would you know offhand whether Mr. Kennedy knew Mr. Poli?

A I'm sure that he did.

Q What do you base that knowledge on?

A Most of the campaign contributions of any size -- and I think of Mr. Poli as being one of size, or I wouldn't remember the name -- came from people that Bill either knew or had developed a relationship with.

Q Would you have any knowledge of a connection between Mr. Joe Poli or Poli and the WINPAC contribution?

A No.

Q None whatsoever?

A No.

MR. WHITEHEAD: I'm going to ask the court reporter to mark this exhibit as Federal Election Commission, or FEC, Exhibit 1 for identification.

(Whereupon, Federal Election Committee Exhibit No. 1 was marked for identification.)

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Q BY MR. WHITEHEAD: Mr. Stevens, I'll show you what has been marked FEC Exhibit 1 for identification, which appears to be a copy of a report filed by the Friends of Bill Kennedy with the Federal Election Commission.

And I draw your attention to the item G, which is a contribution dated 10-27-82 from WINPAC, 505 West Aspen, Bozeman, Montana, and ask you are you familiar with this particular document?

A Yes.

Q Did you make out this report?

A This is my handwriting.

Q And this is what it purports to be, that is, a copy of your report filed with the Commission; is that correct?

A Yes.

Q Are you familiar with the entry that talks about the $2000 or that refers to the $2000 contribution from WINPAC, item G?

A May I ask for a clarification of the question?

Q Yes. Well, I guess what I'm looking for is: Are you familiar with the transaction involving this?

A I'm sure that I handled the transaction, that I took care of the deposit, recorded the contribution and made out the report. The reason I asked for clarification is I want to be sure is that what you were asking for. That's the extent of my knowledge of the contribution.

Q Mr. Burger states that he contacted someone connected with the Kennedy committee regarding this particular contribution. He said in testimony that he

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talked with some woman connected with the committee.

Did you receive any information pursuant or in connection with that telephone call?

A No. From time to time, there were women that worked in the office, in the campaign office, so that that's possible. There were women staff members that were there most of the time.

Q Well, let's ask first of all: Did he speak with you?

A No.

Q He did not? Did anyone make any notes or other memorialization of the phone call from Mr. Burger?

A Not that I'm aware of.

Q Do you have all of the committee records in your possession?

A I have only the records that relate to these reports that I prepared.

Q Do you have any knowledge of how the WINPAC contribution was transmitted to the committee?

A No.

Q By check, money order or wire transfer?

A If it's fair to do that, I would presume that it was done by check because most of our -- 99 percent of our contributions were submitted by check. If it came in the form -- in another form, I don't -- I wouldn't have recollection of that. I am certain that it was not cash.

Q Well, the testimony from Mr. Burger was that it was sent by way of money order. And as you say, 99 percent of the transactions involved checks, so this would be rather

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unusual, would it not?

A A money order? Is it a postal money order? Well, postal money orders can't be made in that size.

Q No, I think it was a bank.

A Bank money orders are usually not made in that size.

Q It was a bank or some sort of wire transfer or a transfer of that sort. Mr. Burger has testified that he received a call from Mr. Christian and it was indicated to him that the Kennedy campaign was in dire need of money and would he send a $2000 contribution to the Friends of Bill Kennedy, which indeed was the contribution of Mr. Poli or Poli.

Do you have any knowledge or any information that could pertain to that particular transaction?

A No, I don't. I would have been given the item to deposit, to record as a reportable contribution. But I have no knowledge of the background that preceded that contribution.

Q Well, was the Kennedy committee in dire need of finances in and around 10-12, 1982 -- of contribution, I should say?

A If I could refer to my reports of that day, I could tell you what our situation was at that time.

Q Do you have any of those reports with you?

A Off the record?

Q Yes, let's go off the record.

(Whereupon, there was an off-the-record discussion.)

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THE WITNESS: If we could go back on the record?

MR. WHITEHEAD: Sure. Back on the record, please.

THE WITNESS: FEC Form 3, prepared as of November 22, 1982, showed a bank balance of $3040.

Q BY MR. WHITEHEAD: What were your debts and obligations?

A Debts and obligations listed at $2416. So I would say that at that time, yes, we would have been in need of money.

Q Was $2000 considered to be a large contribution by the committee?

A Yes.

Q Was there any practice of acknowledging by letter or any other form to a contributor of such a large amount of money?

A Not within my responsibility, though it may have been a practice.

Q Who would have handled that particular area of responsibility?

A I think most appropriately, it would have been done by the candidate.

Q Did the candidate ever discuss with you a letter of thanks to WINPAC for its $2000 contribution?

A No.

Q Do you have any knowledge of whether or not there was a dollar amount that triggered some sort of a letter of thanks?

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A No, I don't.

Q Is the committee still in existence or has it been terminated?

A It has not been terminated because of the -- an outstanding debt that has not been resolved.

Q What is that debt and what is its size?

A It's --

Q So you are still filing reports, in effect?

A Yes. $2416.40.

Q Owed to . . . ?

A Owed to the Sparks newspapers.

Q Are you familiar with the name Donald Burger, B-u-r-g-e-r?

A No.

Q Or the name Doris Burger, B-u-r-g-e-r?

A No.

Q About that period of time, what as the number of people working for the campaign?

A The campaign had a professional consultant, a campaign manager.

Q Who was the professional consultant?

A The firm name was Political Advertising and Consulting. The consultant was its president, Mark Barnes, spelled B-a-r-n-e-s.

Q Where are they located?

A Los Angeles.

Q What's the address?

A 8820 Sepulveda Boulevard.

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Q Spell it, please.

A S-e-p-u-l-v-e-d-a, Suite 212, Los Angeles, 90045.

Q This was in addition to your campaign manager of John Maresca?

A Yes.

Q Do you have any address for Mr. Maresca? You mentioned Southern California. Do you have anything else?

A No, I'm sorry, I don't.

Q Was Mr. Maresca employed on a full-time basis by the committee?

A Yes.

Q He reported to the office daily?

A Yes.

Q As the campaign manager, to your knowledge, what were his duties?

A His duties were to organize and conduct the affairs of the campaign, scheduling appointments and activities, often accompanying the candidate, coordinating other activities, the advertising, cost control, fund raising.

Q Fund raising; that's the interesting one. How did he --

A Well, if I may interject?

Q Sure.

A The major fund raiser in the campaign I think has to be the candidate.

Q How did Mr. Maresca come to be hired as the Kennedy campaign manager, to your knowledge?

A I believe that he was referred by Mr. Barnes.

8604051215 4

Q What were the duties of Mark Barnes and the political advertising and consulting committee?

A He helped with the -- what do you call it? The tenor, I think, of the campaign; helped the candidate to know his responsibilities; helped the manager to know his responsibilities and how to fulfill them; to teach us who were all amateurs how we would properly run a campaign; and also to give counsel and guidance on such questions as debating, whether to and how to; the different things that a candidate should and shouldn't be doing.

Q And, to your knowledge, how did the committee come to know of and hire Political Advertising and Consulting?

A There were a number of political consultants, professionals, who were recommended to us. And based upon their track record, we -- and nothing else; we didn't know any of them personally -- we had to make a decision as to which one we would hire -- also, of course, their cost. And he was selected in that process.

Also, of course, the professional has to agree to accept the candidate. There is a searching process on both sides.

Q What does Mr. Kennedy do these days?

A Presently, he's an insurance agent.

Q I see. For whom?

A Farmers Insurance.

(Whereupon, there was an off-the-record discussion.)

MR. WHITEHEAD: Back on the record.

8604055-21-55

Q BY MR. WHITEHEAD: I may have asked this question previously, but let me ask it one more time, if I did. Was the Kennedy committee aware of the WINPAC, or Western Intermountain Network? Did you know of its existence?

A To the second question, no. To the first, I don't know how they would have known of WINPAC.

Q All right. Were you or did anyone on the -- were you surprised to receive some $2000 from WINPAC?

A I don't think that surprised is appropriate. In those days, we were pleased to receive contributions of that amount. I don't know that that was the only one in that amount.

Q Did anyone connected with the committee express any surprise at receiving the amount of $2000 from WINPAC, to your knowledge?

A I'm sure that in delivering those checks, somebody must have said how pleased they were to have received the contribution.

Q But you have no further recollection than that, do you?

A No, I don't.

MR. WHITEHEAD: Okay. I don't think I have any further questions. You're entitled, Mr. Stevens, to see the transcript at the court reporter's office, if you want to. What you can do is check it for accuracy as to answers and make nominal changes. You can't change the entire answer to conform with what you're thinking of at the time that you reviewed it, and I've had that done in

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the past.

THE WITNESS: Apparently.

MR. WHITEHEAD: Off the record.

(Whereupon, there was an off-the-record discussion.)

MR. WHITEHEAD: Back on the record.

Or you can waive signature, what is known as waiving signature, which means you don't have to see the thing and it will be considered as if you had signed it. It's up to you.

THE WITNESS: I would most probably waive the signature requirement.

MR. WHITEHEAD: Well, you have to tell me yes or no.

THE WITNESS: I will waive the signature requirement.

MR. WHITEHEAD: All right. I appreciate your coming today, Mr. Stevens.

(Whereupon, the deposition of JOHN G. STEVENS concluded at 10:55 a.m.)

--o0o--

_____

JOHN G. STEVENS

Subscribed and sworn to before me this

____ day of _____, 1985.

_____

JMS JOYCE MARIE SAWAYA CERTIFIED SHORTHAND REPORTER INC.

A60405121157

STATE OF CALIFORNIA) SS
)

I, MELINDA M. MC DONALD, C.S.R. #5249, A NOTARY PUBLIC FOR THE STATE OF CALIFORNIA, DO HEREBY CERTIFY:

THAT PRIOR TO BEING EXAMINED, THE WITNESS NAMED IN THE FOREGOING DEPOSITION WAS BY ME DULY SWORN TO TESTIFY THE TRUTH, THE WHOLE TRUTH AND NOTHING BUT THE TRUTH;

THAT SAID DEPOSITION WAS TAKEN DOWN BY ME IN SHORTHAND AT THE TIME AND PLACE THEREIN NAMED AND THEREAFTER REDUCED TO TYPEWRITING UNDER MY DIRECTION.

I FURTHER CERTIFY THAT I AM NOT INTERESTED IN THE OUTCOME OF THIS ACTION.

WITNESS MY HAND AND OFFICIAL SEAL THIS 12th DAY OF June, 1985.

OFFICIAL SEAL
MELINDA M. McDONALD
NOTARY PUBLIC - CALIFORNIA
SANTA CRUZ COUNTY
My Comm. Expires July 1, 1987

Melinda M. McDonald

NOTARY PUBLIC FOR THE STATE OF CALIFORNIA

R6040612158

FEC A

...on record from such Records or Statements must not be sold or used by any person for the purpose of soliciting contributions or for ... purposes, other than using the name and address of any political committee to which contributions from such committee...

(Committee (in Full)
Friends of Bill Kennedy # 091677

(Name, Mailing Address and ZIP Code)	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt This Period
American Cyanamid Cit. Action Comm. 375 Eye St. N.W. Washington, D.C 20005 For: ☐ Primary ☒ General (Election(s)):	Name of Employer: P.A.C. Occupation: Aggregate Year-to-Date: $ 250	10-22-82	$ 250
(Name, Mailing Address and ZIP Code) Assoc. General Contractors of America 857 E. Street N.W. Washington, D.C. 20006 For: ☐ Primary ☒ General (Election(s)):	Name of Employer: P.A.C. Occupation: Aggregate Year-to-Date: $ 2,200	10-22-82	200
(Name, Mailing Address and ZIP Code) Exxco Pol. Involvement Comm. 1000 Westchester Ave. White Plains, N.Y. 10650 For: ☐ Primary ☒ General (Election(s)):	Name of Employer: P.A.C. Occupation: Aggregate Year-to-Date: $ 500	10-25-82	500
(Name, Mailing Address and ZIP Code) Petroleum Exploration Prod. Political Comm. of CA. Co. 610 Newport Ctr. Drive Newport Beach, CA 92660 For: ☐ Primary ☒ General (Election(s)):	Name of Employer: P.A.C. Occupation: Aggregate Year-to-Date: 500	10-25-82	500
(Name, Mailing Address and ZIP Code) Superior Oil Co. P.A.C. P.O. Box 1521 Houston TX 77001 For: ☐ Primary ☒ General (Election(s)):	Name of Employer: P.A.C. Occupation: Aggregate Year-to-Date: 500	10-25-82	500
(Name, Mailing Address and ZIP Code) Eli Lilly & Co. P.A.C. 307 East McCarty St. Indianapolis, IN 46225 For: ☐ Primary ☒ General (Election(s)):	Name of Employer: P.A.C. Occupation: Aggregate Year-to-Date: 500	10-25-82	500
(Name, Mailing Address and ZIP Code) WIN PAC 505 W. Aspen Bozeman, MT. 59715 For: ☐ Primary ☒ General (Election(s)):	Name of Employer: P.A.C. Occupation: Aggregate Year-to-Date: $ 2,000	10-27-82	2,000
TOTAL of Receipts This Page (optional)			$ 445
(All Transfer Receipts Page this line number only)			

FEC EXH. 1
5-29-85
WIT: STEVENS

GCC #1794

EILEEN CARPENTER & ASSOCIATES, INC.
Certified Shorthand Reporters
1500 Cherryville Road
Littleton, Colorado 80121
303-761-8283

June 17, 1985

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL
85 JUN 20 P1:48

Thomas J. Whitehead
Assistant General Counsel
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

Re: Before the Federal Election Commission in the Matter of Western Intermountain Network Political Action Committee, et al., MCR 1706

Dear **Mr. Whitehead:**

This is to advise that the deponent, **Clifford J. Christian** read and signed **his** deposition on **June 7, 1985.** The deponent made certain changes by affidavit which is attached to the deposition.

The original is enclosed for filing with the file in this matter. Thank you.

Sincerely,

EILEEN CARPENTER & ASSOCIATES, INC.

Eileen J. Carpenter

Eileen J. Carpenter, C.S.R.
Registered Professional Reporter

EJC/s

Enclosure

cc: **Gregory R. Schwandt**

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AMENDMENT TO DEPOSITION

The Witness, Clifford John Christian, states he wishes to make the following changes in testimony as originally given:

PAGE	LINE	SHOULD READ	REASON
3	18	655 Pearl	Wrong Address
4	20	Council of Montana	misspelled
4	21	Strike And	NOT part of name
5	19	STrike 2nd And	NOT part of name
5	21	WALTERMIKE	misspelled
6	14	Strike effective insert Executive	misspelled
9	16	STRIKE for insert from	misspelled
10	9	Strike representations insert relations	Wrong word
10	19	Strike JAy insert letter J.	wrong word
11	18	Strike period insert comma Strike he insert I	Sentence Structure Correct meaning

Clifford John Christian
(Signature of Deponent)

Subscribed and sworn to before me this 7th day of June, 1985.

My commission expires: December 4, 1986

E J Carpenter
Notary Public

EILEEN CARPENTER & ASSOC., INC.
1500 CHERRYVILLE ROAD
LITTLETON, COLORADO 80121

19121504098

AMENDMENT TO DEPOSITION

The Witness, Clifford John Christian, states he wishes to make the following changes in testimony as originally given:

PAGE	LINE	SHOULD READ	REASON
19	4	Strike $2500.00 insert $ 25.00	Wrong amount
19	9	Strike (sic)	Correct amount
20	30	Strike Burger insert Yegen	wrong person
22	3	Strike Congressional insert Campaign	Wrong meaning
27	25	After the word is, insert mistaken.	word left out
27	25	has capitalized - after the word Has	Clarify sentence and
~~28~~	___	insert Mr. Burger a . Insert	Sentence Structure
___	___	a question marks at end of	
___	___	Sentence	
28	9	Strike Social insert Socialist	~~wrong~~ wrong word

Clifford John Christian
(Signature of Deponent)

Subscribed and sworn to before me

this 7th day of June, 1985.

My commission expires: December 4, 1986

E J Carpenter
Notary Public

EILEEN CARPENTER & ASSOC., INC.
1500 CHERRYVILLE ROAD
LITTLETON, COLORADO 80121

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AMENDMENT TO DEPOSITION

The Witness, Clifford John Christian, states he wishes to make the following changes in testimony as originally given:

PAGE	LINE	SHOULD READ	REASON
32	6	Strike CORRECTION insert Connection	wrong word
35	1	Strike Vkory insert Viguery	~~tt~~ misspelled
38	8	Strike degrees insert duties	wrong word
40	4	the word he is soley intended	clarification
		to mean Mr. Burger	
42	25	Mr. Whitehead's statement is	Clarification
		inaccurate. Mr. Schwandt Represented	
		Montanans for Marlenee (Soley)	

Clifford John Christian
(Signature of Deponent)

Subscribed and sworn to before me

this 7th day of June, 1985.

My commission expires: December 4, 1986

E J Carpenter
Notary Public

EILEEN CARPENTER & ASSOC., INC.
1500 CHERRYVILLE ROAD
LITTLETON, COLORADO 80121

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DEPOSITION OF

CLIFFORD JOHN CHRISTIAN

BEFORE THE FEDERAL ELECTION COMMISSION	)	
	)	
In the Matter of:	)	MUR 1706
	)	
WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE, et al.	)	

1961 Stout Street
12th Floor
Denver, Colorado 80294
Thursday, May 30, 1985

PURSUANT TO AGREEMENT, the deposition of CLIFFORD JOHN CHRISTIAN was taken by the Federal Election Commission pursuant to the pertinent Federal Rules of Civil Procedure at 2:03 p.m. this date, before Laura L. Guy, Notary Public, Registered Professional Reporter and Certified Shorthand Reporter, State of Colorado.

A P P E A R A N C E S

THOMAS J. WHITEHEAD, Assistant General Counsel, Federal Election Commission, 1325 K Street, Northwest, Washington, D.C. 20463, appearing on behalf of the Federal Election Commission.

GREGORY R. SCHWANDT, Attorney at Law, Law Office of Church, Harris, Johnson and Williams, P.O. Box 1645, Third Floor, Northwestern Bank Building, Great Falls, Montana 59403, appearing on behalf of the Montanans for Marlenee and Douglas Wilson, Treasurer.

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Examination by Mr. Schwandt	39

EXHIBITS

FEDERAL ELECTION COMMISSION'S DEPOSITION EXHIBIT NO.		
1	Check No. 2867	16
2	Check stub dated 7/25/82	20
3	Receipt dated 8/20/82, No. 2368	21
4	Letter dated 10/6/82 to Mr. Stan Burger	22
5	Montanans for Marlenee Committee Attachment	24

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Whereupon, the following proceedings were had:

CLIFFORD JOHN CHRISTIAN

the deponent, having been first duly sworn, was examined and testified as follows:

EXAMINATION

BY MR. WHITEHEAD:

Q Would you state your name and spell your last name for the record, please.

A Clifford John Christian, C-l-i-f-f-o-r-d J-o-h-n C-h-r-i-s-t-i-a-n.

Q Could you give us your home address and telephone number, please.

A Currently I use two; 4525 Highway 12 West, Helena, Montana 59601 and --

Q What was the phone number there?

A Area code 406-442-0202. And Denver home address of 455 Pearl Street, No. 202, Denver, 80203. And the number is area code 303-832-1318.

Q Mr. Christian, could you give me your business address, telephone number and spell it for the record, if you will, please.

A It's 1200 Lincoln street, L-i-n-c-o-l-n, Denver, Colorado 80203, Suite 600.

Q And what is the name of the company by whom

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you're employed?

A The Mountain States Legal Foundation.

Q What is your position with that particular organization?

A Director of Public Affairs.

Q And how long have you held this job?

A Approximately six months.

Q Prior to that particular -- is this a nonprofit foundation?

A Yes, it is.

Q It's a non -- not a stock operation or anything like that, is it?

A No, it's a 501 C3 IRC exempted nonprofit organization.

Q And prior to your six months' employment with the Mountain States --

A Mountain States Legal Foundation.

Q -- Legal Foundation, where were you employed?

A I was a director of the Political Education Counsel of Montana as well as Montanans for Effective Government and Political Action Committee.

Q Two separate boards, two separate organizations?

A The Political Education Counsel was also a 501 C3 tax exempt organization that dealt solely and exclusively

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in political education. Montanans for Effective Government and Political Action Committee, a political action committee, we raised funds and primarily through in-kind service provided services to selective candidates, both the Democratic and Republican parties.

Q And I take it that committee is registered federally?

A It's registered at the state in Montana.

Q It has no federal activity whatsoever?

A No federal activity at all.

Q So there is no need for it to be registered with the Federal Election Commission?

A No.

Q How long were you with these organizations?

A Approximately one year.

Q So that takes you about to 1983 or thereabouts. What did you do prior to that?

A Prior to that, the Political Education Counsel in Montana and Montanans for Effective Government and Political Action Committee, I was the Bureau Chief of Elections for Secretary of Chief Jim Wallmeyer of Montana.

Q Located in?

A Helena, Montana.

Q And how long did you hold that position?

A Year.

Q A year?

A One year.

Q And prior to that?

A I was the campaign manager for Congressman Ron Marlenee and worked with and exclusively for Montanans for Marlenee Committee.

Q And is that a registered principle campaign committee for the candidate Ron Marlenee?

A It is.

Q And how long did you hold the position as campaign manager for that particular committee?

A From December 1981 until November 30, 1982.

Q And prior to that, what was your employment?

A Prior to that, I was the effective vice-president of the Montana Association of Realtors headquartered in Helena, Montana.

Q How long did you hold that particular position?

A Eight years.

Q Eight years. Okay. Do you have any stock ownership in any big companies? Did you have any stock ownership in any of the corporations that you may have mentioned in the course of this testimony today?

A None.

Q None whatsoever. How about your educational

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background? Mr. Christian, can you give us that for the record, please.

A 3.5 years of college, University of Montana, majoring in history and political science and I'm 26 credits short currently of a degree.

Q Secondary schools in Montana, I take it, all elementary schools?

A Yes, with the exception of one year in California in elementary school.

Q Have you ever resided, aside from that particular point in time, as a child in California?

A For about one year.

Q As a child?

A As a child.

Q Have you ever been deposed before, Mr. Christian?

A Never have.

Q Okay. Are you here pursuant to a subpoena?

A No, voluntarily.

MR. SCHWANDT: For the record, I think that before the day, before I -- today is Thursday. On Tuesday, Mr. Douglas Wilson did receive a subpoena but I think your office had coordinated long enough in advance so that Mr. Christian knew that today was where he was supposed to go. And so whether it's by subpoena or just because today was the

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day --

MR. WHITEHEAD: Fine. It wasn't clear in my own mind.

MR. SCHWANDT: Yeah.

Q (By Mr. Whitehead) I'm going to ask you a series of questions. If at any time you do not understand a question that I ask, you tell me you don't understand and I will either repeat it or try to rephrase it so that you understand it. If you fail to tell me that you do not understand the question, I'll assume that you do understand it and further assume that your answer responds to that question. Is that true?

A Clearly.

Q Good. And you're represented by counsel here today.

MR. WHITEHEAD: And would Counsel identify himself for the record?

MR. SCHWANDT: Well, I'm here on behalf of Montanans for Marlenee and the treasurer, Douglas Wilson, the two named parties to MUR 1654 and now 1706. Since I understand that the deposition of Mr. Christian seeks to place him as an agent of the Montanans for Marlenee, I anticipate that's why we are aware of the proceeding and so that I'm sitting here not specifically, however, representing Mr. Christian.

MR. WHITEHEAD: I understand.

Q (By Mr. Whitehead) Mr. Christian, did you consult with anyone other than counsel before this deposition?

A No one.

Q Have you referred to any documents prior to the taking of this deposition?

A No.

Q Not at all? You haven't leafed through anything or no document whatsoever, is that right, letters, memoranda, reports, anything?

A Yeah. I have reviewed the FEC letter sent to Douglas Wilson and the charges laid out as well as the response. Yes, this is the one letter of -- the date is indistinguishable, but it's a letter to Mr. Wilson, Douglas Wilson, treasurer, for the FEC, a LeAnn Elliott, chairman.

Q Yeah, she's the chairman.

A And I have also reviewed the responses by Attorney Chuck Lovell to the initial inquiry. So yes, I've looked at those documents.

Q But no other documents extraneous of the documents within the context of this MUR?

A No.

Q Okay. Fine. I think you've explained for the record your position with the Marlenee Committee in 1982 but

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for my benefit, would you give me a title again?

A Campaign manager.

Q And what were your duties as the campaign manager for the Marlenee Committee?

A Overall management of the day-to-day activities of the campaign to implement the political strategy as defined to the committee and with the concurrence of the Congressman. That included a great deal of public representations, fund-raising, scheduling, to a lesser extent speech representation as well as overall administration of a paid staff and then currently overseeing the volunteers in both headquarters.

Q Were you paid?

A Pardon?

Q Were you paid a salary?

A Yes, I was.

Q Who were you hired by for this particular job?

A The administrative assistant for the Congressman. A Jay Riley Johnson was a friend of mine and as aware of my background and my interest in politics, and he contacted me. From that contact, I interviewed with the Congressman and he hired me.

Q Had you had any prior experience at running a campaign?

A No, none.

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Q Full-fledged Congressional seat campaign?

A No.

Q Have you ever worked in the Congressman's office?

A The Congressional office?

Q Yeah.

A No, I have not.

Q You have not. And why did you leave the Marlenee Committee?

A The campaign had successfully concluded.

Q Now, do you know a Mr. Stan Burger?

A Yes, I do.

Q Could you explain the basis of your knowing Mr. Burger, when you first met him, if you would, taking us through?

A Mr. Burger, at the time I first met him, was the staff director for the Montanans Farm Bureau Federation and was my equal in that. He was the executive vice-president for the Montana Association of Realtors.

Q Excuse me, let me interrupt just briefly. Were those state-sponsored jobs or were they independent of the state? Can you just explain for the record?

A Sure. Both organizations were trade associations independent of the state, of any state organization, and consisted of volunteer memberships in

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either the realtors or the Farm Bureau Federation. Both Mr. Burger and myself were chief hired guns for the associations.

Q Meaning lobbyists?

A Primarily lobbyists, yeah. The relationship with Mr. Burger I would imagine -- and I'm simple trying to pinpoint the most accurate time that I would have first met him -- would have been in 1973 in that that was my first year as a lobbyist for the realtor association in Montana so --. So from that time up to and including the transaction we're talking about today, Mr. Burger and I had a close friendship both personally and professionally.

Q Did you meet together socially on occasion?

A Only during an occasion. Mr. Burger lived in Bozeman, Montana, and I lived in Helena so we really didn't see each other except in a session. The relationship, although it was personal, was probably more professional than personal.

Q Did your families have any kind of a social relationship?

A No, none whatsoever. Many of the issues of the concern for the Farm Bureau Federation were of issues of concern to the realtor association. Consequently we did have a strong working relationship on a number of issues.

Subsequent to Mr. Burger resigning his position with the Farm Bureau Federation --

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Q What year was that do you recall? Just --

A '7 -- 1976, perhaps. We could tie that back in that Mr. Burger resigned his Farm Bureau Federation position to run for the United States Senate, and that year could be identified if it's necessary.

And Mr. Burger asked me to sit on his steering committee or his think tank for his unsuccessful bid for the U.S. Senate.

Q Tell me what you did in connection with your duties or your involvement with the so-called think tank for the --

A Well, it's just simply that his staff or Mr. Burger would run ideas by a number of individuals who had been asked to sit on this think tank, and our opinions would be listened to. Unfortunately, they weren't followed very often.

Q Were they voluntary positions?

A Yes, no one paid and strictly voluntary.

Q Who were some of the staff that Mr. Burger had at the time when --

A His son Don, I believe, Burger; his wife Doris; his other son, and his first name escapes me.

Q Ron, I believe.

A Ron, Ron Burger were on staff, and there were other individuals but I simply don't remember them.

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Q Who were some of the other members of the think tank that you mentioned would meet?

A Everett Snortland from, I believe, Choteau, Montana, or in that area.

Q You better spell those names.

A C-h-o-t-e-a-u and Snortland, S-n-o-r-t-l-a-n-d. I'm sorry, I just simply can't --

Q That's all right.

A We met very infrequently, generally under some kind of a crisis situation. In fact, a lot of the times our opinions were asked over the phone.

Q Did you have any fund-raising? Did you do any fund-raising for him?

A No, no, I didn't.

Q No. Were you asked to do any fund-raising for him?

A I was not. Richard Vigory, who is a direct-mail fund-raising consultant out of Alexandria, Virginia, was in charge of that program and volunteers such as myself were not privy to the fund-raising and really were not brought into that aspect of the campaign.

Q How long -- you said several months you were in this particular position with Mr. Burger?

A Uh-huh. Uh-huh.

Q Did he successfully -- did he win the primary?

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A He lost.

Q The primary?

A Lost badly.

Q To whom?

A Oh, excuse me, he did win the primary. He lost the general election.

Q To whom?

A Senator John Milcher.

Q What was the split, do you have any idea?

A It was significant. I'm sorry, I don't remember the numbers.

Q Bringing us back in time to the point where you were campaign manager for the Marlenee Committee, did you have any contact with Mr. Burger, either personal, telephone or what have you?

A Only one.

Q Tell me about that contact.

A One of our paid staff members came to me.

Q What was his name?

A Dennis Rehberg, R-e-h-b-e-r-g, and was asked -- asked me if, in fact, we would accept a contribution from a Mr. Yegen in Wyoming, Y-e-g-e-n.

Q What was Mr. Rehberg's first name?

A Rehberg, Dennis.

Q R-e-h --

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A R-e-h-b-e-r-g. The campaign worker indicated that for personal reasons, those being the father of Mr. Yegen living in Billings and extremely conservative and not willing to participate at the level that his son was participating in the -- in the campaign would go to the point of almost excluding E.C. Yegen from the will should it be discovered that E.C. Yegen and his wife provided a contribution of $2500 directly to the Montanans for Marlenee.

Should Mr. Yegen have done that, it would obviously have been shown in the newspapers when they disclose who's contributing to the campaigns.

At that point in time, I contacted Mr. Burger and asked him if he would accept an earmark contribution from Mr. Yegen for Congressman Marlenee's campaign. Mr. Burger said he saw no problems with that, and he said -- and I indicated that a check from Mr. and Mrs. Yegen would be forthcoming.

MR. WHITEHEAD: All right. Let me have the court reporter mark this for identification as FEC Exhibit for Identification 1.

(FEC Deposition Exhibit 1 marked for identification.)

Q (By Mr. Whitehead) Mr. Christian, I show you what has been marked for identification as FEC Exhibit 1 which appears to be a copy of a check, Mr. E.C. Yegen, Box

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959, Billings, Montana, dated 7/25/82, 2867 made payable to the order of WINPAC spelled W-I-N-P-A-C in the amount of 2500 and drawn on the First National Bank of Casper, and this is a signature which appears to be that of an E.C. Yegen. And I ask you, Mr. Christian, are you familiar with this particular check?

A I have never seen this check. I know the check was issued from Mr. Yegen to WINPAC in the amount of $2500.

Q Would anyone connected with the Marlenee Committee have had anything to do with the transmission of this particular check to WINPAC?

A It could have happened but I'm not aware of it.

Q Is the name Chuck Herringer familiar to you?

A Yes.

Q Who is he?

A He sat on the Montanans for Marlenee Committee.

Q What was his position entitled?

A As a volunteer and at that time treasurer of the -- or chairman of the financial committee, excuse me.

Q Is he in any way connected with this transaction?

A I believe so but again I don't have any direct

knowledge of that. I know for a fact that Mr. Herringer and Mr. Yegen are friends simply because they're in the same business, that being the oil and gas business.

Q What do you mean by the oil and gas business? What?

A Well, they're both, as I understand it, independent oil and gas brokers.

Q Mr. Herringer and Mr. Yegen?

A Mr. Herringer and Mr. Yegen, yes.

Q And Mr. Herringer, however, did sit as a consultant for the Montanans for Marlenee Committee?

A Yes, he did.

Q Did he ever broach the subject of this Yegen transaction to you?

A To me directly?

Q Uh-huh.

A No, it -- now it may have happened and the connection would have been between Mr. Herringer and Mr. Rehberg, the campaign staff worker. But at the point that I became involved in this and made the decisions about the money, I simply remember the fact that Mr. Yegen wanted to make a $2500 contribution and was well below the $4,000 total limit for husband and wife. And I simply asked Mr. Burger to run it through his bank to protect Mr. Yegen from his father's possible vindictive behavior.

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Q Just for the record, I take it his father did not appreciate Mr. Marlenee, is that it?

A Oh, on the contrary. Mr. Marlenee received the $2500 contribution from Peter A. Yegen, Jr. every year at his election cycle. But Mr. Yegen is a -- Mr. Peter A. Yegen is a unique individual.

Q That's the father of Mr. E.C. Yegen?

A Yes, it is. And knowing Mr. Peter Yegen, Jr., the father of Mr. E.C. Yegen personally, a $25 (sic) contribution to any politician is more than the politician deserves. And I'm just second-guessing Mr. Peter Yegen's opinions. But certainly a $2500 contribution may have brought on apoplexy.

Q You may have testified, let me ask you again if you had, did you contact Mr. Burger to find out if this transaction could be handled in this fashion by WINPAC?

A I called Mr. Burger directly and spoke to Mr. Burger directly, told him of the situation between Mr. Yegen and his father and asked if, in fact, if he would take the $2500 contribution, distribute it accordingly between husband and wife and send it back to the Montanans for Marlenee. And he agreed to do that.

Q Did you tell him it was on its way and did you put him in contact with anybody else who --

A No, I simply called my staff member,

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Mr. Rehberg, and said that it had been taken care of and to have Mr. Rehberg direct the check to WINPAC. And I assumed that Mr. Rehberg simply called Mr. Burger and said, "Send it." I provided Mr. Rehberg with the name of the organization and the address.

(FEC Deposition Exhibit 2 marked for Identification.)

Q (By Mr. Whitehead) I show you what has been marked as FEC Exhibit 2 for Identification which appears to be a copy of a check stub or notation or memorandum in the name of E.C. Yegen, Billings, Montana, and with certain writings dated 7/25/82, handwriting notation's donation-PMFCECY in the amount of 2500. Now, that's in one particular handwriting and style. I ask you, are you familiar with this particular document?

A I am not.

Q Are you familiar with that particular handwriting?

A No.

Q All right. Further down in a different handwriting and style is written $500 of this amount can be credited Mrs. Dona, D-o-n-a, Yegen, initials are CJH Jr. Are you familiar with that particular handwriting?

A I am not.

Q Is Mr. Herringer a junior by the way, do you

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know?

A I simply do not know.

Q Is his middle initial J., do you know of him?

A I'm sorry, it's either Chuck Herringer or Charles Herringer and I simply do not know.

Q All right. FEC Exhibits for Identification 1 and 2, to your knowledge, never went through your hands; is that what your testimony is?

A To my knowledge, they never did go through my hands.

(FEC Deposition Exhibit 3 marked for identification.)

Q (By Mr. Whitehead) I show you what has been marked for Identification as FEC Exhibit 3 which is a copy of a check -- I'm sorry, a copy of a receipt dated August 20, 1982, No. 2368, received from WINPAC, 103 Commercial Drive, Box 1411, Bozeman, $2,500 for 1982 Marlenee General Campaign signed by a Loraine Jacobson. I ask you if you're familiar with that particular exhibit?

A Well, I'm familiar with the format.

Q What about the name?

A Loraine Jacobson?

Q Who is she?

A A volunteer in the Great Falls campaign office where our accounting procedures take place.

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Q Marlenee Committee?

A Montanans for Marlenee, yes. The financial operation was split. We had two Congressional offices, one in Billings, Montana, where I was headquartered along with staff manager Mr. Rehberg, and we had a Great Falls campaign office in the Great Falls office.

We had a Barbara Ford in charge of that office under my direction, and it was Barbara's responsibilities to collect all contributions, record those contributions, return thank you notes to the contributors, make the deposits and review of -- of those transactions with the treasurer, Douglas Wilson.

Loraine Jacobson is simply a volunteer complying with the requests of the staff to send these receipts to the appropriate contributors.

Q And that is a Marlenee receipt form?

A I believe it looks very similar to the one we used.

(FEC Deposition Exhibit 4 marked for identification.)

Q (By Mr. Whitehead) This is a copy of what appears to be a letter from the Congressman, himself, in his Congressional offices in Washington, D.C., addressed to Mr. Stan Burger of WINPAC, 103 Commercial Drive, P. O. Box 1411, Bozeman, Montana. It appears to be a thank you note from the

Congressman to WINPAC for the contribution for the 1982 campaign. Are you familiar with this particular document?

A Yes, I am but first let me correct your statement that this came from the Congressman's Washington office. It did not.

Q Okay. Please tell me where it came from.

A It is not on official Congressional record stationery. In fact, the disclosure at the bottom says that the --

Q I wasn't trying to misrepresent you.

A This is a standard reply response form that we used within the campaign. I'm sure if you checked the Congressman's signature next to the signature that is applied to this thank you letter you'll find that they are not identical. We had a number of staff members as well as volunteers trained in the signature of Ron Marlenee simply to generate quickly the response mechanisms we needed.

So this is familiar and this is the standard response form we used for all contributors.

Q Well, just as an aside, this is an October the 6th, 1982, letter, isn't it? The contribution was in August so you must have either not been as quick as you would have liked or you were overpowered with a lot of work.

A Overpowered is a good description.

Q All right. Were you in charge of having these

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particular letters or these form letters sent out to the various contributors?

A Yes, sir, I was.

Q Was there any reason why a letter did not go to Mr. Yegen since this, indeed, was Mr. Yegen's contribution to the campaign rather than Mr. Burger's?

A This contribution was treated as the thousands of other contributions are treated, and they were scheduled -- the check came in from WINPAC and the thank you was scheduled to go back to the director of WINPAC, Mr. Burger.

Q All right.

This is FEC 5 which is a copy of the record taken from a federal election which appears to be a copy of the records taken from the federal election for the Montanans for Marlenee Committee. And I direct your attention to Item F.

(FEC Deposition Exhibit 5 marked for identification.)

Q (By Mr. Whitehead) Are you familiar with this particular document?

A Yes, I am.

Q Were you in charge of filling out the various reports?

A I was charged with supervising the filling out.

Q Supervising the filling out. So you have

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looked at this document in the past at some point?

A I have.

Q Directing your attention to Item A WINPAC, 103 Commercial Drive, 8/20/82, is this the contribution that we have been referring to up to this point?

A It appears so.

Q In your testimony, it is -- it appears to be; is that right?

A It appears to be, yes.

Q Nowhere on any of these particular documents are the names E.C. Yegen or Dona Yegen noted?

A That's correct.

Q At the time, were you familiar with the Federal Election Commission rules and regulations concerning earmarked contributions?

A At the time I thought I was; in reflection it's obvious that I should have paid more attention to them.

Q I refer you to Rule 1 10.6 which deals with eamarked contributions. And --

MR. SCHWANDT: Excuse me, if I might, what are we reading from? It's rule --

MR. WHITEHEAD: It's 11 C.F.R. 1 106 -- 1 10.6 referring specifically to all parts of that particular rule.

MR. SCHWANDT: Thank you.

Q (By Mr. Whitehead) It's actually a

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regulation, not rule. Strike that. But turning your attention to the Rule 1 10.6 C, were you familiar with that particular rule at the time that you transacted the Yegen/WINPAC contribution?

A I was not. I was under the impression that the political action committee receiving the moneys from the contributor was under obligation to demonstrate or to show the earmarked nature of that account. I was not aware that we also have to do that.

Q The recipient?

A The recipient.

Q The intended recipient, Montanas for Marlenee?

A Yeah.

Q So it is your testimony that you did not, at any time, make notice to the Montanas for Marlenee or to the commission, itself, or the secretary of the Senate, the clerk of the House of the earmarking of the Yegen contribution?

A I do not notify the offices for Montanans for Marlenee and I did not notify the other authorities.

Q Okay.

Do you know a person by the name of Joe Poli, P-o-l-i?

A I do not.

Q Mr. Burger stated that he got a call from you which said that Mr. Joseph Poli wanted to make a contribution

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through WINPAC to the Friends of Bill Kennedy Committee in California. Mr. Burger testified that you asked him to do this for Mr. Poli and yourself through WINPAC, and that he subsequently carried on the -- carried up the transaction. Are you familiar with Mr. Poli? Do you recall the conversation? Did it ever take place? Do you deny its taking place?

A To the best of my knowledge, the conversation never took place. I have no knowledge of Mr. Poli, the Friends of Bill Kennedy whatsoever.

Q Can you unequivocally state that it did not take place, the telephone conversation between yourself and Mr. Burger?

A Unequivocally, yes. I was sure unequivocally that the conversation never took place and would love to have a polygraph taken on both of us.

Q Do you have any idea why Mr. Burger would have testified to this transaction?

A Well, I do but then it's -- but it's strictly guessing on my part. About the time that all of this happened, Mr. Burger was going through some physical and emotional problems. And this is strictly hearsay on my part, okay, from mutual friends and conversations. And I just personally believe strongly that Mr. Burger, because of his physical and emotional problems, is -- has record on this

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claim of my assisting Mr. Kennedy.

I don't think there is any malice behind his thought, and probably in his mind today he really does believe that. But I also submit to you that Mr. Burger is absolutely wrong.

Q Do you know anybody connected with the Kennedy Committee? This is a California committee now.

A I don't know if the man is Republican or Democrat, a Nazi or a Social. I don't know, I have no idea. The only thing I know about Mr. Kennedy is what we've learned from the FEC, and that is the individual ran for Congress from California. Subsequent we also learned from the FEC that Mr. Poli is the contributor. But that's the extent of my knowledge in this area.

My attorney told me not to talk at length but --

Q That's good.

A I really would like to find out more about this transaction and perhaps bring in Mr. Kennedy and Mr. Poli and/or any of the staff members of the Kennedy campaign and see if there is any connection between myself and this race.

Q That's why we're doing the investigation, Mr. Christian.

A Okay.

Q Since you say that the conversation did not,

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in fact, take place, then Mr. Burger could not have told you or had you told him that this contribution to Kennedy was from Poli or Poli, rather?

A It simply did not happen, sir.

Q Did you in any way handle a check from Mr. Poli and transmit it to Mr. Burger at WINPAC?

A No, sir.

Q This is an unequivocal no?

A To the best of any knowledge, I haven't.

Q I'm not talking recollection now, I'm talking --

A No, I'm not going to make any unequivocal statement in this area. In the heat of a campaign, a campaign manager literally handles daily dozens and sometimes hundreds and then sometimes thousands of checks of contribution in a day's time. There may be a staff member of mine that I'm not aware of that made this transaction. I am only guessing, I'm only second-guessing. To the best -- to the very best of my knowledge, I never handled a check from Mr. Poli.

Q Well, Mr. Burger doesn't testify that any staff member had anything to do with it. He testified that it was Mr. Christian.

A Then I deny his allegation.

Q Are you familiar with the name Kathleen Poli?

A I am not.

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Q Are you familiar with the name Patricia Poli?
A I am not.
Q Are you familiar with the name John Maresca?
A I am not.
Q Are you familiar with the name Political Advertising and Consultant Company or a Mark Barns?
A I am not.
MR. WHITEHEAD: I'd like to take five minutes.
(A recess was taken.)
Q (By Mr. Whitehead) For the record, Mr. Christian, were you ever contacted by any other person in connection with the Joe Poli check?
A Not to my knowledge.
MR. SCHWANDT: Let's --
Q (By Mr. Whitehead) You say you have no knowledge of Mr. Poli, Mr. Joe Poli, or the other Polis that I've mentioned. Did anyone contact you in connection with the Joe Poli transaction?
A Again, not to my knowledge. I simply recall nothing about that transaction at all. I know nothing about that transaction.
Q Did anyone on your staff and the committee come to you with any information pertaining to the Joe Poli transaction that we've described here?
A No, not to my knowledge.

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Q The Marlenee Committee was your first campaign managerial committee, I believe?

A Yes, sir, it was.

Q Could you tell us what kind of training you had for this particular campaign, if you had any training for this campaign?

A I did. It was a one-week cram course that was held in Washington, D.C., conducted by the Republican National Committee. The scope of the cram course primarily consisted of strategy, speech writing, fund-raising and to the best of my knowledge, Greg and I were talking about it at lunch --

Q Meaning Mr. --

A Mr. Schwandt and I were talking about it at lunch today. We all were provided the FEC Rules and Regulations and told -- that was -- that was not time enough to in-depth study these documents, but that we were encouraged to read those and to follow those rules and regulations; if -- if we had any questions, to call the Republican Campaign or Congressional Committee.

Q Approximately when was this one-week course?

A Latter part of December of '81 or the first part of January of '82.

Q Did the Congressman tell you to get down and take this particular course or how did you come --

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A Yes, yes, he did.

Q He directed you to go down and take the course; is that it?

A Well, his administrative assistant, Mr. Johnson, actually directed me to.

Q Did Mr. Johnson hire you as a campaign manager?

A Congressman Marlenee hired me in correction with the Montanans for Marlenee.

Q What, if anything, did the Congressman tell you about your duties or what your duties and responsibilities were with the committee?

A One thing for sure was the Congressman Marlenee -- is that he doesn't equivocate and he was extremely explicit in his directions to me that he wanted not even the appearance of inappropriate actions. And that I was to see that the campaign staff and the volunteers conducted themselves absolutely within the law and the rules and regulations attended to that law or to those laws.

I remember specifically that conversation in that also during the course of that conversation the Congressman was very, very emphatic about rejecting, in the strongest possible terms, any contributions from a PAC known as the Bread PAC. So that conversation was pretty vivid in -- in my mind.

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Q I'm familiar with Bread PAC. Where was the conversation? Where did the conversation take place?

A In his Washington, D.C. office. Subsequent to that initial conversation, we had many more conversations, many reviews by the Congressman on the actions of the campaign and any improprieties.

Q Did you report to the Congressman directly?

A Yes, I did.

Q Did you report to Mr. Wilson at all?

A At least once a week, the treasurer and I would review income and expenses and that primarily was the conversation, "Do we have enough income to cover the expenses that are coming up," primarily the advertising which is the huge amount of any campaign costs in today's campaigns.

Q How much strategy -- did you discuss strategy with Mr. Wilson?

A No, he was not part of the strategy team. He was strictly the -- the treasurer.

Q How large a staff? How large a paid staff did the committee have?

A We had 1 1/2 staff members in the Great Falls office and we had four staff members in the Congressional office in Billings.

Q This is paid staff?

A Paid staff.

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Q Were they in the nature of secretarial staff or professional staff or what?

A The professional staff consisted of myself as the campaign manager and Mr. Dennis Rehberg as the fund raiser. Other staff members were, indeed, very professional in their jobs; Barbara Ford handled the administrative duties and the follow-up thank you letters to the contributors and worked very closely with treasurer, Douglas Wilson. That was her position.

And the primary focus of the Great Falls office, the other individuals were simply support staff.

Q Secretarial?

A Yes.

Q Bookkeeping, this kind of thing?

A Yes, uh-huh.

Q Mr. Herringer was -- did he -- did you testify that he was a volunteer account committee, Mr. Herringer?

A Mr. Herringer was a member of Montanans for Marlenee in a steering committee and was a volunteer.

Q As a volunteer?

A Yes.

Q Was he involved in fund-raising in any way?

A Yes, he was voluntary.

Q Did Montanans for Marlenee Committee utilize the services of any paid political organization such as the

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Vicory Organization that you testified about?

A No, they did not. We employed a professional survey company out of Michigan.

Q What's the name of that company?

A Market Opinion Research.

Q Whereabouts in Michigan?

A Detroit, I believe.

Q And what did they do for the committee?

A Ran a series of polls, a bench mark if you're familiar with polling, and then some tracts to follow on that.

Q Did you have any mailing lists that you utilized in the fund race?

A Dozens upon dozens of lists. We actively pursued, through our volunteers and through members of the Montanans for Marlenee any type of list of individuals that would reside in the Congressman's district.

Q Did you have any rented lists or purchased lists or any of the various lists around the market?

A No, we did not.

Q Did you attempt to obtain funds from outside the state of Montana?

A Yes, most surely primarily from political action committees.

Q Okay. Did you do a large mailing list in

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order to solicit these particular contributions?

A Yes, we did. We put together a comprehensive political action committee kit on the Congressman and mailed those extensively throughout Washington, D.C., or wherever the political action committees' headquarters were located.

Q And where were those lists obtained?

A The Republican National Committee provided me a fairly comprehensive list of political action committees, their interests and also their political philosophy based on their past contributions about it, liberal, moderate to conservative. And then we targeted the PACs that we felt were -- that had an interest in Eastern Montana or had a philosophical position equal to the Congressman's.

Q Our records will reflect it, of course, but do you know offhand what sort of round numbers, what kind of contributions the campaign received and what kind of expenditures the campaign made?

A I wish I had those exact figures for you. Unfortunately towards the end of the campaign, the Congressman and I had some strong personal differences and I left approximately 30 days -- by my own choice -- 30 days sooner than scheduled.

I would probably have those records for you today. I am simply guessing at that point in time, but I am guessing that we received just over $300,000 in contributions

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and expended about the same amount of money.

Q Did you resign as campaign manager?

A I did.

Q Because of personal disputes between yourself and the Congressman?

A As most people in politics understand, those kinds of relationships are tenuous at best, and decisions are made constantly under crisis management. And the campaign manager and the candidate literally spend every waking moment either together or on the phone. And the pressures of the campaign are really great.

And at the -- towards the end of the campaign, was apparent that I was displeased with some of the Congressman's actions and he was displeased with some of my actions. We made a mutual agreement to terminate the relationship as quickly as possible following the election.

Q Following the election?

A The re-election of the Congressman.

Q The general election?

A Yes.

Q So it was after the general election that you resigned?

A November 30.

Q You were campaign manager right through the primary and through the general; is that right?

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A Yes, sir.

Q Were the disputes on the basis of how the campaign was run or do you have any idea what the disputes were on?

A There were no specific disputes. I wanted the Congressman in Montana campaigning because of the opponent and he chose to stay in Washington, D.C., and attend to his Congressional degrees. I took offense to that as the campaign manager and he took offense that I was taking offense.

Q I see.

A That primarily is an area -- another area of consternation. I guess as far as I'm concerned as a campaign manager is that the Congressman just virtually refused to assist the Montanans for Marlenee and myself and Mr. Rehberg in the collection of contributions. He found it personally distasteful and would not participate no matter how much we asked of him. He refused to make the phone calls and various things that I consider essential to a winning campaign.

We won in spite of that but we could have won by a larger number, I think, and would have had a greater excess of income over expenses had he followed my advice as campaign manager. So primarily it was his decision to be a Congressman, not a campaigner and his decision not to activity participate in fund-raising, both of which I feel

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are personally critical for any candidate.

Q But you didn't resign during the heat of the campaign? It was well after the campaign was over?

A Well after 30 days approximately.

MR. WHITEHEAD: I have no further questions at this time.

MR. SCHWANDT: I have just a couple.

EXAMINATION

BY MR. SCHWANDT:

Q Mr. Christian, did you at any time discuss the WINPAC/Yegen connection with respect to the contribution we've been talking about, talk to the Congressman about that?

A I did not.

Q Did he know about the source of the WINPAC money?

A The Congressman would routinely review contributions after the campaign was over. This was not his first election and he thought he knew what he needed to know about contributions. That is what's the bottom line, how much money do we have and how much can we spend.

Routinely after an election, he would review who the contributors were. So no, specifically, this whole transaction with WINPAC didn't take more than 15 minutes. And in a campaign, $2500 -- in a $300,000 campaign, 2500 bucks is nothing. And I strongly believe then that I was

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well within the intent of the law in that the Yegen's had the ability to give us $4,000, both husband and wife, from the primary and general campaign; and that $2500 was well under that limit; and he was simply trying to do Mr. Yegen a favor.

And had our differences, those being between myself and the Congressman, had they not come to the surface towards the end of the campaign and had I stayed another month with the campaign as planned, I most probably would have divulged to the Congressman the nature of the transaction; that is Yegen making a contribution to WINPAC who, in turn, made a contribution to us. But we never simply got to that point.

Q I would ask the same question with respect to the treasurer Douglas Wilson.

A None. Mr. Wilson is -- was and is an outstanding accountant and that was his function with the committee. As far as political strategy, as far as who the contributions were coming from, those were never discussed with him.

Q So he would have no reason, so far as you are aware, to think that $2500 from WINPAC was anything other than what it --

A No.

Q -- purported to be?

A I made the 15-minute decision, as I said. The

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check then went through the process and I just left it. I was on to other decisions. Then Mr. Wilson would never have had any indications about the initial source of the contribution.

Q Now, at the time that you did this, do I understand your testimony to be that you thought you were doing nothing inappropriate or wrong?

A I did.

Q And if it turns out that something was inappropriate or wrong, did you do something that the Congressman had specifically told you not to?

A Knowing the laws today, yes, I did something that he specifically said not to do.

Q But at the time you did it, again you thought you were --

A I thought I was well within the limits of the law and I thought I was working with a professional in the political action committee business who would not handle that at his end of the transaction.

Q And who was that?

A Mr. Burger.

Q Did you ask Mr. Burger if this was okay, if it was legal or illegal, appropriate or inappropriate?

A I simply asked -- I told him the situation between Mr. Yegen and his father and I asked him if he would

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take the money earmarked for Marlenee through the Montanans for Marlenee Committee.

Q And it was your understanding that the money was to be earmarked a thousand for the primary, a thousand for the general for Mr. Yegen and 250 --

MR. WHITEHEAD: Let me interrupt. Ask him the question and don't tell him the answers. Ask him the question, please.

Q (By Mr. Schwandt) Was it your understanding -- What was the money to be earmarked for?

A My conversations with Mr. Burger were that I said, "Stan, there is $2500 that's going to be contributed between Mr. and Mrs. Yegen. Will you make the split accordingly and send the check to Montanans for Marlenee?" He said yes.

I thought that Mr. Burger understood when I said make the split between Mr. and Mrs. Yegen accordingly -- the man was a professional or held himself out to be as a professional -- would make that split and then send it back in. So that my understanding was a thousand for the primary, a thousand for the general for Mr. E.C. Yegen, 250 in the primary, 250 in the general for Mrs. Dona Yegen.

MR. SCHWANDT: That's all I have.

MR. WHITEHEAD: I'll -- well, since you're representing him personally, Mr. Christian, I'm going to

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close the deposition at this point. Let me explain to you that you can either waive signature or you can -- by going to the court reporter's office, you can look at the transcript. This matter is highly confidential, of course, so she'll have the original and she'll only send us the original. She won't send us a copy.

You can make any changes you think necessary as long as they're minor changes and then sign it, or instead you can waive signature and let it go as it stands at the present time according to what the court reporter puts together. I leave that up to you.

THE DEPONENT: I do not waive the signature. I do want to see that.

(The deposition was concluded at 3:19 p.m.)

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I, CLIFFORD JOHN CHRISTIAN, do hereby certify that I have read the foregoing deposition and the foregoing transcript is a true and correct record of my testimony except as noted on the attached Amendment to Deposition.

Clifford John Christian
CLIFFORD JOHN CHRISTIAN

STATE OF Colorado)
) ss.
COUNTY OF Arapahoe)

Subscribed and sworn to before me this 7th day of June, 1985.

My Commission expires: December 4, 1986

E J Carpenter
Notary Public

EILEEN CARPENTER & ASSOC., INC.
1500 CHERRYVILLE ROAD
LITTLETON, COLORADO 80121
Address

8604022207

REPORTER'S CERTIFICATE

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

I, Laura L. Guy, Registered Professional Reporter, Certified Shorthand Reporter and Notary Public, State of Colorado, duly commissioned to administer oaths, do hereby certify that previous to the commencement of the examination, the said CLIFFORD JOHN CHRISTIAN was duly sworn by me to testify to the truth in relation to the matters in controversy between the said parties; that the said deposition was taken in stenotype by me at the time and place aforesaid and was thereafter reduced to typewritten form under my supervision; that the foregoing is a true and correct transcript of my stenotype notes thereof;

That I am not attorney nor counsel, nor in any way connected with any attorney or counsel for any of the parties to said action, nor otherwise interested in the outcome of this action.

IN WITNESS WHEREOF, I have affixed my signature and seal this 10TH day of June, 1985.

My commission expires August 11, 1987.

Laura L. Guy

Laura L. Guy, Notary Public
within and for the
State of Colorado

COSTS:_____

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E. C. YEGEN
BOX [redacted]
BILLINGS, MONTANA 59101

111 2867

7-25 1982

99-31
1023

PAY TO THE ORDER OF WINPAC $ 2500.00

Twenty Five Hundred and 00/100 DOLLARS

First National Bank of Casper
CASPER, WYOMING
- Political Com -

E. C. Yegen

⑆102300310⑆ 367 833 ⑈ 0000250000⑈

DEPOSITION EXHIBIT
Plf/Pet - Deft/Resp.
FEC 1
Case# MUR1701-G

8600405.122209

Pay To The Order Of
FIRST SECURITY BANK of BOZEMAN
BOZEMAN, MONTANA
For Deposit Only
WINPAC
103 Commercial Drive, Box 1411
Bozeman, MT 59715
04[illegible]

AUG 23 82

AUG 23 82 FEE
UNITED BANK
23-7
CASPER, WYOMING

8604061 2210

DEPOSITION EXHIBIT
PW/Pet - Def't/Resp.
FEC 2
Case# MUR 1701 & LG.

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY NO RECEIPT DESIRED

E. C. YEGEN
BILLINGS, MT 59101

DELUXE - FORM DVC-3 V-4

INVOICE DATE	INVOICE NO.	DESCRIPTION	TOTAL AMOUNT	DEDUCTIONS DISCOUNT	DEDUCTIONS FREIGHT	NET AMOUNT
7-25-82		Donation - PMFCEC4				$500.00 XX
		"500.00 of this amount can be credited more Dons years G.H.F.				
		Yegen's - 918-443-2760				

DEPOSITION EXHIBIT
PW/Pet · Def/Resp.
FEC 3
Case# MUR 1701a

3

RECEIPT Date Aug. 20 1982 2368

Received From KMPAC

Address 103 Commercial Dr. Box 1411, Bozeman 59715

Two thousand five hundred ——— Dollars $ 2500.00

For 1982 Montanans Getting Good Government

ACCOUNT			HOW PAID		
AMT. OF ACCOUNT			CASH		
AMT. PAID			CHECK	✓	
BALANCE DUE			MONEY ORDER		

By Loraine Jacobson

8K606 RECEIPT 3

8604022117

RON MARLENEE
MONTANA

WASHINGTON OFFICE:
[illegible] HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3211

MONTANA OFFICES:
212 5TH STREET SOUTH
GREAT FALLS, MONTANA 59405
(406) 453-6890

2717 1ST AVENUE NORTH
BILLINGS, MONTANA 59102
(406) 657-6790

Congress of the United States
House of Representatives
Washington, D.C. 20515

Attachment 2
Page 4 of 8

October 6, 1982

DEPOSITION EXHIBIT
Plf/Pet - Deft/Resp.
FEC 4
Case# MUR 1701G LG

Mr. Stan Burger
WINPAC
103 Commercial Drive
P. O. Box 1411
Bozeman, Mt. 59715

Dear Mr. Burger:

I would like to thank the WINPAC for the contribution to my 1982 campaign for the United States Congress.

It means a great deal to me that you would make a financial commitment to my reelection efforts and I accept it as an expression of your support for my philosophy to control the size and expense of the Federal Government and aid the business world.

Your support for my efforts in the Congress is very important to me and you may be assured that I will continue to do everything possible to be worthy of your confidence in me. Again, my sincere thanks.

If I may be of any help to you in the future, please do not hesitate to call.

Sincerely,

RON MARLENEE

A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.
Absolutely no taxpayers' funds have been used in the preparation or mailing of this correspondence.

SCHEDULE A

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (In Full)

MONTANANS FOR HARLEE COMMITTEE

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
MEPAC 103 Commercial Drive Bozeman, Mt. 59715			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	8-20-82	2,500.00
	Aggregate Year-to-Date $ 2,500.00		
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Citizens for Responsible Government P. O. Box 624 Butte, Mt. 59703			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	8-26-82	500.00
	Aggregate Year-to-Date $ 500.00		
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Mountain Bell P. A. C. 931 14th St. Room 11 Denver CO 80202			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	8-27-82	500.00
	Aggregate Year-to-Date $ 2,500.00		
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
P.A.C. of the American Hospital Association 840 North Lake Shore Drive Chicago IL 60611			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	8-27-82	250.00
	Aggregate Year-to-Date $ 250.00		
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
IIEPAC 1922 F St. N. W. Washington, D. C. 20006			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	8-31-82	500.00
	Aggregate Year-to-Date $ 500.00		
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Intermountain Political Action Committee P. O. Box 746 Denver CO 80201			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	9-3-82	2,500.00
	Aggregate Year-to-Date $ 3,500.00		
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Realtors Political Action Committee 430 N. Michigan Ave. Chicago IL 60611			
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation P. A. C.	9-3-82	5,000.00
	Aggregate Year-to-Date $ 9,875.00		
SUBTOTAL of Receipts This Page (optional)			11,750
TOTAL This Period (last page this line number only)			

GCC #7785
85 JUN 12 AM 8:58
THE FEC

EILEEN CARPENTER & ASSOCIATES, INC.
Certified Shorthand Reporters
1500 Cherryville Road
Littleton, Colorado 80121
303-761-8283

June 7, 1985

85 JUN 12 P2:36
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL

Thomas J. Whitehead
Assistant General Counsel
Federal Election Commission
1325 K Street
Northwest, Washington, D.C. 20463

Re: Before the Federal Election Commission in the Matter of Western Intermountain Network Political Action Committee, et al., MCR 1706

Dear Mr. Whitehead,

Please find enclosed a copy of Exhibit No. 1 from the deposition of Clifford John Christian, which was inadvertently omitted from your copy of the deposition.

We apologize for any inconvenience that this may have caused.

If we can be of any further help to you in the future, please do not fail to give us a call.

Sincerely,

EILEEN CARPENTER & ASSOCIATES, INC.

Eileen J. Carpenter

Eileen J. Carpenter, C.S.R. ELP
Registered Professional Reporter

cc: Gregory R. Schwandt

8604051221 4

E. O. YEGEN
BOX [redacted]
BILLINGS, MONTANA 59101

2867

7-25 1982

99-31
1023

PAY TO THE ORDER OF WINPAC $2500.00

Twenty Five Hundred and 00/100 DOLLARS

First National Bank of Casper
CASPER, WYOMING
- Political Com. -

E. O. Yegen

⑆102300310⑆ 367 833 ⑈ ⑈0000250000⑈

DEPOSITION EXHIBIT
Plf/Pet - Deft/Resp.
FEC 1
Case# MUR1701 & 6

A 8 6 0 4 0 6 1 2 2 1 5

Pay To The Order Of
FIRST SECURITY BANK of BOZEMAN
BOZEMAN, MONTANA
For Deposit Only
WINPAC
103 Commercial Drive, Box 1411
Bozeman, MT 59715
04[illegible]

AUG 23 82

UNITED BANK
BOOT CENTER CO.
2867

AUG 23 82 REG

RECEIVED
GENERAL COUNSEL

85 JUN 12 P2:36

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 21, 1985

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Leanne Shraudner, Esquire
502 South 19th, Suite 305
P.O. Box 1715
Bozeman, Montana 59715

Re: MUR 1706
Western Intermountain Network
Political Action Committee
Donald Burger, Treasurer

Dear Ms. Shraudner:

In a letter dated May 17, 1985, this Office mailed a subpoena for testimony which required that your client, Stanley Burger appear for a deposition at the U.S. Courthouse in Phoenix, Arizona, on May 23, 1985. As communicated to your office by telephone on May 17, 1985, and at your request, the place for the deposition has been changed.

This is to confirm that your client is required to appear and give sworn testimony on May 23, 1985, at your law office, 502 South 19th Street, Suite 305, Bozeman, Montana, beginning at 10 a.m.

If you have any questions, please contact Frances B. Hagan, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

8604061221 6

LEANNE M. SCHRAUDNER
ATTORNEY AT LAW

502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59771-1715
(406) 586-1942

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
85 MAY 21 A8:41

RECEIVED BY THE FEC
Hagan
85 MAY 21 A8:40

May 17, 1985

Frances B. Hagan
Federal Election Commission
1325 K Street N.W.
Washington, DC 20463

RE: MUR 1706 WINPAC, Doris Burger, Stan Burger

Dear Frances:

This is to confirm our phone conversation regarding the deposition of Stan Burger. Mr. Burger will be available for deposition in Bozeman, Montana, on the 28th of May, the date you requested.

Please contact us immediately to confirm this date, as Mr. Burger is adjusting his schedule to accommodate your May 28th scheduling request.

Thank you for your cooperation.

Sincerely

Leanne Schraudner

Leanne M. Schraudner

jg
c: Stan & Doris Burger
Don Burger

8604051227

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 17, 1985

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Leanne M. Shraudner, Esquire
502 S. 19th, Suite 305
P.O. Box 1715
Bozeman, Montana 59715

RE: MUR 1706
Western Intermountain Network
Political Action Committee
Donald Burger, Treasurer

Dear Ms. Shraudner:

On June 27, 1984, your clients were notified that the Commission found reason to believe that your clients violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended. You were notified of additional violations on August 3, 1984. 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 which requires your client to appear and give sworn testimony on May 28, 1985, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00, plus mileage at the rate of 20.5 cents per mile.

Please confirm the scheduled appearance with Frances B. Hagan on our toll free line (800/424-9530) within two days of your receipt of this notification.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena

8604051221 8

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Western Intermountain Network) MUR 1706
Political Action Committee, et. al.)

SUBPOENA

To: Stanley C. Burger
5038 S. Hardy Drive #1005
Tempe, Arizona 85282

Pursuant To 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to MUR 1706. Notice is hereby given that the deposition is to be taken on May 28, 1985 at the U.S. Courthouse, 230 N. First Avenue, Conference Room A, Phoenix, Arizona, beginning at 10:00 a.m.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 16th day of May, 1985.

John Warren McGarry
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

8604061229

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 17, 1985

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Douglas N. Wilson, Treasurer
Montanans for Marlenee
P.O. Box 1776
Great Falls, Montana 59403

RE: MUR 1706(formerly 1654)
Montanans for Marlenee
Douglas N. Wilson, Treasurer

Dear Mr. Wilson:

On June 22, 1984, your committee was notified that the Commission found reason to believe that the Montanans for Marlenee and you, as treasurer, violated 2 U.S.C. § 441f and 2 U.S.C. § 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 committee is necessary.

Consequently, the Federal Election Commission has issued the attached subpoena which requires your committee's agent, Cliff Christian, to appear and give sworn testimony on May 30, 1985, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00, plus mileage at the rate of 20.5 cents per mile.

Please confirm the scheduled appearance with Frances B. Hagan on our toll free line (800/424-9530) within two days of your receipt of this notification.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena

cc: Cliff Christian

8604051222 0

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Montanans for Marlenee Douglas N. Wilson, Treasurer	)	MUR 1706 (formerly 1654)

SUBPOENA

To: Cliff Christian
Mountain States Legal Foundation
1200 Lincoln Street
Suite 600
Denver, Colorado 80203

Pursuant To 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to MUR 1706 (formerly 1654). Notice is hereby given that the deposition is to be taken on May 30, 1985 at the Federal Building, 1961 Stout Street, Suite 1200, Denver, Colorado, beginning at 2:00 p.m.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this day of , 1985.

John Warren McGarry
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

8604061222 1

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Montanans for Marlenee	)	MUR 1706 (formerly 1654)
Douglas N. Wilson,	)	
Treasurer	)	

SUBPOENA

To: Cliff Christian
Mountain States Legal Foundation
1200 Lincoln Street
Suite 600
Denver, Colorado 80203

Pursuant To 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to MUR 1706 (formerly 1654). Notice is hereby given that the deposition is to be taken on May 30, 1985 at the Federal Building, 1961 Stout Street, Suite 1200, Denver, Colorado, beginning at 2:00 p.m.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 16th day of May, 1985.

John Warren McGarry
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

8604061222

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 17, 1985

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Joseph A. Poli
Swiss Insurance Agency
17100 East 14th Street
Hayward, California 94541

RE: MUR 1706 (formerly 1654)
Jospeh A. Poli

Dear Mr. Poli:

On June 27, 1984, you were notified that the Commission found reason to believe that you violated 2 U.S.C. § 441f and 2 U.S.C. § 441a(a)(1)(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 you is necessary.

Consequently, the Federal Election Commission has issued the attached subpoena which requires you to appear and give sworn testimony on May 29, 1985, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

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 of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00, plus mileage at the rate of 20.5 cents per mile.

Please confirm the scheduled appearance with Frances B. Hagan on our toll free line (800/424-9530) within two days of your receipt of this notification.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena

8604061222 3

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Joseph A. Poli	)	MUR 1706
Western Intermountain Network	)	
Political Action Committee, et. al.	)	

SUBPOENA

To: Mr. Joseph A. Poli
Swiss Insurance Agency
17100 East 14th Street
Hayward, California 94541

Pursuant To 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to MUR 1706 (formerly 1654). Notice is hereby given that the deposition is to be taken on May 29, 1985 at the Federal Building, 280 South First Street, Room 371, San Jose, California, beginning at 2:00 a.m.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 16th day of May 1985.

John Warren McGarry
John Warren McGarry
Federal Election Commission

ATTEST:

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

8604061222 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 17, 1985

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John G. Stevens, Treasurer
Friends of Bill Kennedy
2217 Camino Brazos
Pleasanton, California 94566

RE: MUR 1706 (formerly 1654)
Friends of Bill Kennedy Committee
John G. Stevens, Treasurer

Dear Mr. Stevens:

On June 27, 1984, you were notified that the Commission found reason to believe that the Friends of Bill Kennedy and you, as treasurer, violated 2 U.S.C. § 441f and 2 U.S.C. § 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 you is necessary.

Consequently, the Federal Election Commission has issued the attached subpoena which requires you to appear and give sworn testimony on May 29, 1985, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

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 of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00, plus mileage at the rate of 20.5 cents per mile.

Please confirm the scheduled appearance with Frances B. Hagan on our toll free line (800/424-9530) within two days of your receipt of this notification.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena

8604051222 5

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Friends of Bill Kennedy	)	MUR 1706
John G. Stevens, Treasurer	)	

SUBPOENA

To: John G. Stevens, Treasurer
Friends of Bill Kennedy
2217 Camino Brazos
Pleasanton, California 94566

Pursuant To 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to MUR 1706 (formerly 1654). Notice is hereby given that the deposition is to be taken on May 29, 1985 at the Federal Building, 280 S. First Street, Room 371, San Jose, California, begining at 10:00 a.m.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 16th day of May, 1985.

John Warren McGarry
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

8604061226

LAW OFFICES OF
CHURCH, HARRIS, JOHNSON & WILLIAMS

I. W. CHURCH (1894-1972)
E. G. HARRIS (1893-1972)
W. BJARNE JOHNSON
CARTER WILLIAMS
WM. A. REID
DALE FORBES
CREAP S. McCRACKEN
CHARLES C. LOVELL
DOUGLAS G. ALLEN
MILTON G. WORDAL

RICHARD F. GALLAGHER
DON A. LABAR
ROBERT P. GOFF
R. KEITH STRONG
W. BJARNE JOHNSON
GREGORY R. SCHWANDT
MICHEAL F. LAMB
KENNETH R. SYRUD
JEANNIE YOUNG

P.O. BOX 1645 • GREAT FALLS, MONTANA 59403 • THIRD FLOOR NORWEST BANK BUILDING • PHONE (406) 761-3000

RECEIVED AT THE FEC
HAND DELIVERED
85 MAY 15 P1:
GCC#7465

MAY 15 P2:29
GENERAL COUNSEL

May 14, 1985

STRICTLY CONFIDENTIAL

VIA FEDERAL EXPRESS

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

ATTN: Frances B. Hagan

RE: MUR 1706 (formerly 1654)
Montanans for Marlenee - Douglas N. Wilson, Treasurer

SUBJECT: Designation of Counsel - Gregory R. Schwandt

Dear Ms. Hagan:

Following the withdrawal of Charles C. Lovell as counsel in the above-referenced matter, enclosed please find a new designation of counsel form signed by Douglas N. Wilson, Treasurer, Montanans for Marlenee.

I have now had the opportunity to review Mr. Lovell's prior correspondence with you and submissions to you. I am in agreement with Mr. Lovell's assessment of the matter to this point in time, including, but not limited to, Mr. Lovell's letter and submissions dated July 27, 1984.

If I may be of assistance to you by way of coordinating your further investigation or providing you with additional information, please feel at liberty to contact me at your convenience.

Sincerely,

CHURCH, HARRIS, JOHNSON & WILLIAMS

BY: _____
GREGORY R. SCHWANDT

GRS:gf
Enclosure

8604061222 7

MUR 1706 (formerly 1654)

NAME OF COUNSEL: GREGORY R. SCHWANDT

ADDRESS: CHURCH, HARRIS, JOHNSON & WILLIAMS

P. O. Box 1645
Great Falls, Montana 59403

TELEPHONE: (406) 761-3000

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
MAY 15 2 48

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

May 14, 1985
Date

Signature DOUGLAS N. WILSON, Treasurer

RESPONDENT'S NAME: MONTANANS FOR MARLENEE

ADDRESS: Douglas N. Wilson, Treasurer

TO BE MARKED "PERSONAL AND CONFIDENTIAL"

1000 1st Avenue South

Great Falls, Montana 59401

HOME PHONE: (406) 453-9483

BUSINESS PHONE: (406) 761-4645

8604061228

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

FEC SECRETARY

In the Matter of)
)
Western Intermountain Network) MUR 1706
Political Action Committee,)
et. al.)

1984 MAY 13 A10:15

COMPREHENSIVE INVESTIGATIVE REPORT #3

On June 26, 1984, the Commission took the following action in this matter (formerly MUR 1654):

1. Found reason to believe that the Western Intermountain Network Political Action Committee (WINPAC) violated 2 U.S.C. § 441f by permitting the use of its name for contributions from other individuals.

2. Found reason to believe that the Montanans for Marlenee and the Friends of Bill Kennedy and their treasurers violated 2 U.S.C. § 441f for receipt of contributions made by individuals in the name of another and violated 2 U.S.C. § 44la(f) by receipt of excessive contributions.

3. Found reason to believe that E.C. Yegen, Donna Yegen, and Jospeh Poli violated 2 U.S.C. § 441f and 2 U.S.C. § 44la(a)(1)(A) by making excessive contributions in the name of another.

On August 2, 1984, the Commission took the following action in this matter:

1. Found reason to believe that WINPAC and Donald Burger as treasurer, violated the Act as follows:

a) 2 U.S.C. § 44la(f) by receipt of excessive loan/contributions from Stanley and Doris Burger;

8504051229

b) 2 U.S.C. § 432(c)(1), (2), (3) and (4) by failing to keep an account of contributions;

c) 2 U.S.C. § 432(d) by failing to preserve records for three years;

d) 2 U.S.C. § 434(a)(4)(A)(iv) for failure to timely file its 1981 October Quarterly Report;

e) 2 U.S.C. § 434(b)(2) for failure to adequately disclose receipts;

f) 2 U.S.C. § 434(b)(3)(E) and (5)(D) for failure to adequately identify loan contributors and recipients of loan repayments;

g) 2 U.S.C. § 434(b)(8) for failure to adequately and continuously report loan/contributions.

2. Found reason to believe that Stanley C. Burger and Doris L. Burger violated 2 U.S.C. § 441a(a)(1)(C) by making contributions to WINPAC in excess of limitations.

On April 16, 1985, the Commission authorized depositions of four individuals apparently involved in the transfer of a contribution in the name of WINPAC to the Bill Kennedy Committee. Since that authorization, we have attempted to arrange the most efficient schedule of meetings that will, in one trip, accommodate everyone involved in giving testimony. Scheduling problems have arisen, however, due to attorneys' prior commitments and a deponent's three-week trip abroad. In addition, the attorney for a respondent committee announced that he was dissolving his law practice to take a position as a Federal judge and his client wanted to obtain new counsel.

8604061230

We have tentatively scheduled the series of depositions for the week of May 27, 1985 and thereafter will report on the results.

Charles N. Steele
General Counsel

May 10, 1985
Date

Kenneth A. Gross
Associate General Counsel

8604051223 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 3, 1985

Charles C. Lovell, Esquire
Church, Harris, Johnson and
Williams
P.O. Box 1645
Great Falls, Montana 59403

Re: MUR 1706(formerly 1654)
Montanans for Marlenee
Douglas N. Wilson, Treasurer

Dear Mr. Lovell:

This is to confirm receipt of your letter dated April 23, 1985, stating that you are no longer representing the Montanans for Marlenee Committee and Douglas N. Wilson, as treasurer. Your letter will be made a part of the file in this case.

Sincerely,

Kenneth A. Gross
Associate General Counsel

R 6 0 4 0 5 1 2 2 3 2

GCC #7329
RECEIVED BY FEC

LAW OFFICES OF
CHURCH, HARRIS, JOHNSON & WILLIAMS

I. W. CHURCH (1894-1972)
E. G. HARRIS (1892-1975)
BJARNE JOHNSON
CARTER WILLIAMS
WM. A. REID
DALE FORBES
CREBAR B. McCRACKEN
CHARLES C. LOVELL
DOUGLAS C. ALLEN
WILTON G. WONDAL

RD F. GALLAGHER
DON A. LABAR
ROBERT F. GOFF
R. KEITH STRONG
W. BJARNE JOHNSON
GREGORY R. SCHWANDT
MICHAEL F. LAMB
KENNETH R. DYRUD
JEANNIE YOUNG

P.O. BOX 1645 • GREAT FALLS, MONTANA 59403 • THIRD FLOOR NORWEST BANK BUILDING • PHONE (406) 761-3000

85 APR 30 P12:04

April 23, 1985

CERTIFIED MAIL - RETURN
RECEIPT REQUESTED

STRICTLY CONFIDENTIAL

Federal Election Commission
1325 K Street Northwest
Washington, D.C. 20463

ATTENTION: Frances B. Hagan

RE: MUR 1654
Montanans for Marlenee
Douglas N. Wilson, Treasurer

APR 30 10:04

Dear Ms. Hagan:

This letter confirms our telephone conversation of yesterday during which I told you that I am closing out my practice of law and transferring all pending matters to other attorneys. Accordingly, I have withdrawn as counsel for Douglas N. Wilson in this matter and have notified both you and him of this fact. Obviously it will be necessary for Mr. Wilson to have some period of time within which to secure other counsel. I would request - on his behalf - that a period of 20 days be allowed for Mr. Wilson to secure new counsel who can familiarize himself or herself with the file, before any further proceedings (other than dismissal) are had herein.

Please make the appropriate entries in the Commission record to evidence my withdrawal and acknowledge Commission receipt of this letter and approval of this withdrawal.

Thank you for your many courtesies during the course of this matter.

Sincerely,

CHURCH, HARRIS, JOHNSON & WILLIAMS

BY: Charles C. Lovell
CHARLES C. LOVELL

CCL:ja
cc: Douglas N. Wilson

8504051223 3

6 CCH 7015

LAW OFFICES OF
MILLER, CANFIELD, PADDOCK AND STONE
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
SUITE 1200
1015 FIFTEENTH STREET, N.W.
WASHINGTON, D.C. 20005
TELEPHONE (202) 789-8640

SIDNEY T. MILLER (1864-1940)
GEORGE L. CANFIELD (1866-1926)
LEWIS H. PADDOCK (1866-1935)
FERRIS D. STONE (1862-1948)

DETROIT, MICHIGAN
ANN ARBOR, MICHIGAN
BIRMINGHAM, MICHIGAN
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KALAMAZOO, MICHIGAN
LANSING, MICHIGAN
MONROE, MICHIGAN
TRAVERSE CITY, MICHIGAN

JAMES F. SCHOENER
(202) 789-8643

85 APR 17 P12:49

85 APR 17 P3:54
GENERAL COUNSEL

April 16, 1985

Frances B. Hagen, Esquire
Office of the General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1654

Dear Ms. Hagen:

You have asked for the name of the close friend of Mr. E. C. Yegen who handled the 1982 contribution which was questioned in MUR 1654. The individual involved is Mr. Chuck Heringer of Billings, Montana.

If there is additional information you need, please contact me at your convenience.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE

By James F. Schoener
James F. Schoener

JFS/cb

8504061223 4

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Western Intermountain Network Political Action Committee, et al.	)	MUR 1706

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of April 16, 1985, do hereby certify that the Commission decided by a vote of 5-1 to authorize the subpoenas and cover letters to:

a) Cliff Christian (Marlenee Committee)
b) Stanley Burger (WINPAC)
c) John G. Stevens (Bill Kennedy Committee)
d) Joseph Poli

as recommended in the General Counsel's report dated April 5, 1985.

Commissioners Elliott, Harris, McDonald, McGarry, and Reiche voted affirmatively for the decision; Commissioner Aikens dissented.

Attest:

4-16-85
Date

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

8604061235

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
FEC
SECRETARY

In the Matter of)
)
Western Intermountain Network) MUR 1706
Political Action Committee,)
et. al.)

GENERAL COUNSEL'S REPORT

Background

On June 26, 1984, the Commission took the following action in this matter (formerly MUR 1654):

1. Found reason to believe that the Western Intermountain Network Political Action Committee (WINPAC) violated 2 U.S.C. § 441f by permitting the use of its name for contributions from other individuals.

2. Found reason to believe that the Montanans for Marlenee and the Friends of Bill Kennedy and their treasurers violated 2 U.S.C. § 441f for receipt of contributions made by individuals in the name of another and violated 2 U.S.C. § 44la(f) by receipt of excessive contributions.

3. Found reason to believe that E.C. Yegen, Donna Yegen, and Jospeh Poli violated 2 U.S.C. § 441f and 2 U.S.C. § 44la(a)(1)(A) by making excessive contributions in the name of another.

On August 2, 1984, the Commission took the following action in this matter:

1. Found reason to believe that WINPAC and Donald Burger as treasurer, violated the Act as follows:

a) 2 U.S.C. § 44la(f) by receipt of excessive loan/contributions from Stanley and Doris Burger;

8504051236

b) 2 U.S.C. § 432(c)(1), (2), (3) and (4) by failing to keep an account of contributions;

c) 2 U.S.C. § 432(d) by failing to preserve records for three years;

d) 2 U.S.C. § 434(a)(4)(A)(iv) for failure to timely file its 1981 October Quarterly Report;

e) 2 U.S.C. § 434(b)(2) for failure to adequately disclose receipts;

f) 2 U.S.C. § 434(b)(3)(E) and (5)(D) for failure to adequately identify loan contributors and recipients of loan repayments;

g) 2 U.S.C. § 434(b)(8) for failure to adequately and continuously report loan/contributions.

2. Found reason to believe that Stanley C. Burger and Doris L. Burger violated 2 U.S.C. § 441a(a)(1)(C) by making contributions to WINPAC in excess of limitations.

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Contribution of $2,500 to Montanans for Marlenee

During the FEC audit of WINPAC, the auditors found a notation on WINPAC's check register and a bank deposit ticket which indicated a receipt of $2,500 from E.C. Yegen and Donna Yegen. In response to questions asked at the audit exit conference, the Audit Division received a letter from Stan Burger, "president" of WINPAC. The letter stated that in August 1982, Mr. Burger received a telephone request from Cliff Christian, then employed as campaign manager of the Montanans for

Marlenee Committee (principal campaign committee of House candidate Ron Marlenee), asking if WINPAC would pass a check of $2,500 from two individuals to the Marlenee campaign. Mr. Burger stated that Mr. Christian said that the contributors, E.C. Yegen, Jr. and Donna Yegen, of Billings, Montana, did not want the "people in Billings to know he had donated that amount to the Marlenee campaign."

According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegens and wrote a corresponding check for $2,500 to "Ron Marlenee." WINPAC was given a receipt from the Marlenee Committee and later received a thank you note from the candidate.

WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" designated for the primary election which was held in Montana on June 8, 1982. The Marlenee Committee reported receipt of $2,500 from WINPAC designated for the general election.

8604512238

Contribution of $2,000 to Friends of Bill Kennedy

The same WINPAC letter signed by Stan Burger reported a second telephone call from Cliff Christian of the Marlenee Committee in October 1982, requesting that WINPAC pass along a check of $2,000 from another individual, Joe Poli of Hayward, California, to Bill Kennedy, a California congressional candidate. The letter stated that Mr. Poli was a regular contributor to WINPAC. Mr. Burger adds, "[I] received the check

and hurriedly took it to Western Union because Mr. Kennedy was in dire need of the money."

The president and treasurer of WINPAC had told the auditors during the audit exit conference that Mr. Burger had contacted the Friends of Bill Kennedy Committee to inform it of Mr. Poli's contribution.

According to audit workpapers and copies of WINPAC bank records, on October 26, 1982, Mr. Burger wrote a check of $2,000 to "Cash", drawn on a WINPAC account, then wired this amount to the Friends of Bill Kennedy Committee. WINPAC's check contains a notation "10/26 Dep[osit] from Joe Poli for Bill Kennedy." WINPAC mistakenly reported this transaction as a disbursement to Stan Burger for "reimbursement for payment to Ron Marlenee campaign." The Kennedy Committee showed the receipt as a WINPAC contribution designated to its general election campaign. (The California primary was held June 8, 1982).

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Responses to Reason to Believe

In interrogatories attached to the reason to believe notice, this office asked the Marlenee Committee about Cliff Christian's involvement in both transactions. The Marlenee Committee responded that Cliff Christian had been contacted:

> "by a young campaign worker and told that one Mr. Yegen would like to make a political contribution to the Montanans for Marlenee campaign except that he did not want his father to become aware of his making such a political contribution. Apparently, Mr. Yegen was prepared to make a contribution to a political action committee which supported Congressman Marlenee ..."

The Marlenee Committee stated that neither the treasurer nor the candidate was aware of the transaction arranged by the campaign manager.

In response to the reason to believe notice, the attorney representing the Yegens stated that his client intended "a perfectly legal earmarked contribution ... [H]e did not talk to Stan Burger or Cliff Christian. He did make the earmarking to a close friend who agreed to transmit the information to the political action committee."

FEC regulations at 11 C.F.R. § 110.6(b) define "earmarked" as:

> a designation, instruction, or encumbrance (including those which are direct or indirect, express or implied, oral or written) which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's authorized committee.

11 C.F.R. § 110.6(c) and (d) set forth the requirements for both the intermediary conduit and the recipient committee in reporting the original source as well as the conduits of this contribution.

In the Yegens' case, both the conduit WINPAC and the recipient Marlenee Committee acknowledge that the Yegens wanted to make the contribution in such a way as to avoid revealing the connection between the actual contributors and the contribution which was reported in the name of WINPAC. The WINPAC and Marlenee Committee statements attest that WINPAC and Marlenee

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agents knew that the $2,500 contribution in question originated with the Yegens, that steps were taken to arrange for a surreptitious transfer of funds from the Yegens through WINPAC to the Marlenee Committee; and despite the two committees' knowledge of the contribution source, the contribution was reported as originating from WINPAC. Therefore, this Office concludes that the contribution of $2,500 from E.C. and Donna Yegen was not earmarked for the Marlenee campaign, but was a contribution made by the Yegens in the name of WINPAC and accepted by the Marlenee Committee.

Analysis of the contribution apparently made by Joseph Poli through WINPAC to the Friends of Bill Kennedy Committee is more complex and less conclusive because of the conflicting information provided by the respondents. WINPAC president Stanley Burger offered the following statement in his letter concerning the transmittal of $2,000 from Joe Poli in WINPAC's name to the Bill Kennedy Committee:

> In October 1982, I received another (more urgent) call from Mr. Christian asking if I would pass through a check from Mr. Joe Poli of 17100 East 14th Street, Hayward, California 94541, Insurance Broker, to Mr. Bill Kennedy, as candidate for Congress in the amount of $2,000. Having no reason to deny this request and the fact that Mr. Poli is a regular contributor to WINPAC, I agreed, received the check and hurriedly took it to Western Union because Mr. Kennedy was in dire need of the money.

In response to the reason to believe notice, WINPAC's attorney gave no additional information which would refute or expand on

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Mr. Burger's statement. Furthermore, during the audit exit conference, Mr. Burger told the auditors that he had contacted the Kennedy Committee and informed it of the contribution. Mr. Burger stated that he did not know such contributions were illegal.

On behalf of the Bill Kennedy Committee, its treasurer stated that the contribution was "received in the name of WINPAC .... It was and is my understanding that this was a contribution made at the sole discretion of the Directors of WINPAC for a candidate whose position they supported." The treasurer disavowed any knowledge of Joseph Poli's involvement in the contribution and claimed no personal awareness "of any connection through the Committee with Mr. Cliff Christian."

In answer to our interrogatories concerning the Kennedy Committee, the Marlenee Committee stated that prior to the reason to believe notice, "[n]one of us had never heard of Bill Kennedy or Friends of Bill Kennedy ... Mr. Christian states that he neither knew nor knows anything of the Friends of Bill Kennedy and had nothing to do with any contribution to Bill Kennedy either directly or indirectly."

For his part, Joe Poli responded to the reason to believe notice stating that "Bill Kennedy is a friend of mine who ran for Congress and lost." He later stated that he volunteered some time for the campaign. The Kennedy Committee reported no direct contributions from Joe Poli. Mr. Poli asserted that "I never

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directed and/or requested and/or had (have) any control over what WINPAC does with the funds I send to their offices." He stated that he does not know nor has he spoken with Cliff Christian and does not know of the Marlenee Committee.

In summary, the responses provide conflicting stories regarding the transfer of $2,000 from WINPAC to the Bill Kennedy Committee in October 1982. WINPAC official Stanley Burger volunteered information regarding an arrangement by a Marlenee Committee agent to transfer funds from contributor Joseph Poli to the Kennedy Committee in the name of WINPAC. Mr. Burger's information is quite specific, including a contemporaneous notation on the WINPAC check supporting the receipt and transfer. He also stated that he informed the Kennedy Committee of the arrangement.

In contrast, the other respondents, (the Marlenee Committee, the Kennedy Committee and Joe Poli), deny any knowledge of an arrangement of funds to be made from an individual to the Kennedy Committee in the name of WINPAC. Unanswered questions remain as to why Mr. Poli would want to make a contribution to the Kennedy Committee through WINPAC. Mr. Poli admits that Bill Kennedy was a "friend" and that he volunteered time in the campaign. If the Kennedy records showing no receipts from Mr. Poli are accurate, Mr. Poli and his wife could have given $1,000 each directly to the Kennedy Committee. Yet Mr. Burger is very definite in his account of a telephone call from Cliff Christian of the Marlenee

R60405122 43

Committee and of the receipt from Joe Poli, intended for the Kennedy Committee in the name of WINPAC. It is not clear why Mr. Burger would offer information which implicates his committee if such information was not true.

Recent telephone communciation with the respondents' attorneys has not provided clarifying information in this matter. Therefore, to question more closely the respondents in an effort to resolve this issue, the Office of General Counsel recommends that the Commission approve subpoenas for depositions in this matter.

Recommendation

Authorize the attached subpoenas and cover letters to:

a) Cliff Christian (Marlenee Committee)

b) Stanley Burger (WINPAC)

c) John G. Stevens (Bill Kennedy Committee)

d) Joseph Poli.

Charles N. Steele
General Counsel

April 5, 1985
Date

Kenneth A. Gross
Associate General Counsel

Attachments
Copies of Subpoenas (4) and Letters (4)

8604061224

MUR#1706
MCC#6998

SWISS INSURANCE AGENCY
17100 East 14th Street
HAYWARD, CALIFORNIA 94541

(415) 351-3831 (415) 276-9266

DATE

SUBJECT

TO Fran Hagan
c/o Fec.gov
1325-K St. N.W.
Washington 20463

Fran

On 3-19-85 you called me requesting certain information. I retained your address but the portion containing your requests were misplaced.

Can you please call me or drop me a line re-stating your question(s).

Very Truly

SIGNED

Reorder Item # F277 © Wheeler Group Inc. 1982

FOLD AT (—) TO FIT GRAYARC 2/VIEW ENVELOPE # E

MUR # 1654
RECEIVED
FEC
HAND DELIVERED
85 MAR 27 P 2:28

LAW OFFICES OF
MILLER, CANFIELD, PADDOCK AND STONE
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
SUITE 1200
1015 FIFTEENTH STREET, N.W.
WASHINGTON, D.C. 20005
TELEPHONE (202) 789-8640

ROBERT P. GRIFFIN *
CLEVELAND THURBER
JAMES F. SCHOENER *
WILLIAM G. BUTLER
FITCH R. WILLIAMS
MICHAEL J. HODGE
COUNSEL

EMMETT E. EAGAN
CONSULTING PARTNER

SIDNEY T. MILLER (1864-1940)
GEORGE L. CANFIELD (1866-1939)
LEWIS H. PADDOCK (1868-1938)
FERRIS D. STONE (1882-1945)

JOHN A. GILRAY, JR., P.C.
JAMES E. TOBIN
STRATTON S. BROWN
RICHARD B. GUSHEE, P.C.
PETER P. THURBER
LAWRENCE A. KING, P.C.
ROBERT E. HAMMELL
JOSEPH F. MAYCOCK, JR.
ALLEN SCHWARTZ
JOHN W. GELDER, P.C. *
GEORGE E. PARKER III **
RICHARD A. JONES, P.C.
STEVAN UZELAC, P.C.
GILBERT E. GOVE
WOLFGANG HOPPE
GEORGE F. deCLAIRE *
ROBERT S. KETCHUM, P.C.
SAMUEL J. McKIN III, P.C.
ROCQUE E. LIPFORD, P.C.

JOEL L. FIELL
ROBERT E. GILBERT
MICHAEL P. KNAPP
BRUCE S. SIRGBAUER
DAVID OLMSTEAD
GEORGE T. STEVENSON
JOHN A. THURBER, P.C.
ORIN D. BRUSTAD, P.C.
CARL N. VON ENDE
GORDON A. BECKER
DAVID D. JOSWICK, P.C. *
CHARLES L. BURLEIGH, JR.
JOHN A. MARKER, P.C.
GREGORY L. CURTNER, P.C.
DENNIS R. NEIMAN
KENNETH E. KONOP
LEONARD D. GIVENS
W. MACK FASON
THOMAS J. HEIDEN

MICHAEL D. MULCAHY
JAMES W. WILLIAMS
THOMAS P. HUSTOLES
JOHN D. FIRICH
WILLIAM J. GAUNCH
CLARENCE L. ROSEA, JR.
JERRY T. RUPLEY
MICHAEL W. HARTMANN
KENT E. SHAFER
JOHN J. COLLINS, JR.
LAWRENCE D. OWEN
DENNIS K. LOY
THOMAS W. LINN
STEPHEN G. FALKS
GILLIAN STEINHAUER
JEROME R. WATSON
FRANK L. ANDREWS
DONNA J. DONATI
DONALD W. KEIM

DETROIT, MICHIGAN
BIRMINGHAM, MICHIGAN
BOCA RATON, FLORIDA
GRAND RAPIDS, MICHIGAN
LANSING, MICHIGAN
MONROE, MICHIGAN
TRAVERSE CITY, MICHIGAN

LARRY J. SAYLOR *
CHARLES E. SCHOLL
RICHARD J. SERYAK
MICHAEL R. ATKINS *
MAUREEN P. AUGHTON
LELAND D. BARRINGER *
TIMOTHY D. SOCHOCKI
THOMAS C. PHILLIPS
HUGH M. SMITH
MARJORY G. BASILE
TERRENCE M. CRAWFORD
RYAN H. HAYWOOD
GEORGE G. MARTIN
CHARLES H. McCUEN *
GERALD E. ROSEN
J. KEVIN TIMMER
STEVEN D. WEYHING
BRANT A. FREER
JOHN D. STOUT

RICHARD A. GAFFIN
AMANDA VAN DUSEN
BRIAN A. KABER
GARY A. BRUDER
SALLY L. GEIS
KAY I. JOHNSON
E. ELIZABETH PERLMAN
J. SCOTT TIMMER
CHARLES L. SWEERIS
BEVERLY HALL BURNS
JOHN D. RAYIS
STEPHEN J. OTT
LINDA O. GOLDBERG
THOMAS G. APPLEMAN
KAREN A. PULLIAM
NANETTE RUTKA
HAROLD W. BULGER, JR.
GREGORY V. DiCENSO
NANCY KEPPELMAN
CYNTHIA B. FAULHABER

RICK A. RACYNSKI
NOAH YANICH
LISA B. ARCHER
MICHAEL P. COAKLEY
STEFAN B. HERPEL
MICHAEL L. LENCIONE
KIRK D. MESSMER
PATRICIA T. QUINN
KEVIN L. SMITH
TIMOTHY S. KNOWLTON
JEFFREY M. McHUGH
DIANE M. SOUBLY
KAREN A. McCOY
THOMAS F. CAVALIER
GERARD McGUIRE
JOHN J. AYAUB
JAMES D. ROSS
CLAUDIA J. ROBERTS
LINDA G. SKLAREN

* ALSO ADMITTED IN DISTRICT OF COLUMBIA
** ALSO ADMITTED IN FLORIDA

March 27, 1985

Frances B. Hagan, Esquire
Office of the General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1654 / 1706

Dear Ms. Hagan:

Enclosed please find the Designation of Counsel for Mr. E. C. Yegen in the above matter and the check (both sides) used in making the contribution. I have written again requesting the voucher and the name of the man who delivered the check. I'll get back to you as soon as possible.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE

By James F. Schoener
James F. Schoener

JFS/cb
Enclosures

8604012246

STATEMENT OF DESIGNATION OF COUNSEL

MUR 1654

NAME OF COUNSEL: James F. Schoener

ADDRESS: Miller, Canfield, Paddock and Stone
1015 15th Street, N.W., Suite 1200
Washington, DC 20005

TELEPHONE: 202/789-8640

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

3-11-85
Date

E. C. Yegen
Signature

RESPONDENT'S NAME: E. C. Yegen

ADDRESS: [redacted] Box 959
Billings, MT 59102

HOME PHONE:

BUSINESS PHONE:

8604061224 7

E. C. [redacted]
[redacted]
[redacted], MONTANA [redacted]

111 2867

7-25 1982

PAY TO THE ORDER OF WINMAC $ 2500 00

Twenty Five Hundred and no/100 ** DOLLARS

1 First National Bank of Cooper
- Polima Conn -

E. C. [redacted]

⑆102300360⑆ 367 833 ⑈ ⑈0000250000⑈

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Pay To The Order Of
FIRST SECURITY BANK OF MONTANA
BOZEMAN, MONTANA
For Deposit Only
WINMAC
183 Commercial Drive, Box 1411
Batavia, NY 14011
04[redacted]

SECURITY BANK

AUG 23 82

23-7
UNITED BANK
AUG 23 PEB

LAW OFFICES OF
MILLER, CANFIELD, PADDOCK AND STONE
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
SUITE 1200
1015 FIFTEENTH STREET, N.W.
WASHINGTON, D.C. 20005

TELEPHONE (202) 789-8640

SIDNEY T. MILLER (1864-1940)
GEORGE L. CANFIELD (1866-1928)
LEWIS H. PADDOCK (1866-1935)
FERRIS D. STONE (1882-1945)

DETROIT, MICHIGAN
ANN ARBOR, MICHIGAN
BIRMINGHAM, MICHIGAN
BOCA RATON, FLORIDA
GRAND RAPIDS, MICHIGAN
KALAMAZOO, MICHIGAN
LANSING, MICHIGAN
MONROE, MICHIGAN
TRAVERSE CITY, MICHIGAN

JAMES F. SCHOENER
(202) 789-8643

85 MAR 25 A9:44

March 22, 1985

Frances B. Hagan, Esquire
Office of the General Counsel
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
85 MAR 25 A10:45

MUR ~~1654~~ 1706

Dear Ms. Hagan:

Enclosed please find the Designation of Counsel for Donna Yegen. I am still waiting for the answers which you posed before. I will try to call them long distance if they do not reply by the 28th of March.

I apologize for the delay, but as I indicated by phone, Mr. Yegen has been staying in Oklahoma and the mail had to be forwarded.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE

By James F. Schoener
James F. Schoener

JFS/cb
Enclosure

8504061224 9

STATEMENT OF DESIGNATION OF COUNSEL

MUR 1654

NAME OF COUNSEL: James F. Schoener

ADDRESS: Miller, Canfield, Paddock and Stone
1015 15th Street, N.W., Suite 1200
Washington, DC 20005

TELEPHONE: 202/789-8640

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

3-15-85
Date

Donna Yegen
Signature

RESPONDENT'S NAME: Donna Yegen

ADDRESS: [redacted] Box 959
Billings, MT 59102

HOME PHONE:

BUSINESS PHONE:

8604061225O

SENSITIVE

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	85 FEB 21 P12:17
	)	
Western Intermountain Network	)	MUR 1706
Political Action Committee	)	
Montanans for Marlenee	)	
Friends of Bill Kennedy	)	
E. C. Yegan	)	
Donna Yegan	)	
Joseph A. Poli	)	
Stanley C. Burger	)	
Doris L. Burger	)	

COMPREHENSIVE INVESTIGATIVE REPORT #2

On June 26, 1984, the Commission took the following action in this matter (formerly MUR 1654):

1. Found reason to believe that the Western Intermountain Network Political Action Committee (WINPAC), violated 2 U.S.C. § 441f by permitting the use of its name for contributions from other individuals.

2. Found reason to believe that the Montanans for Marlenee and the Friends of Bill Kennedy and their treasurers violated 2 U.S.C. § 441f for receipt of contributions made by individuals in the name of another and violated 2 U.S.C. § 441a(f) by receipt of excessive contributions.

3. Found reason to believe that E.C. Yegan, Donna Yegan, and Joe Poli violated 2 U.S.C. § 441f and 2 U.S.C. § 441a(a)(1)(A) by making excessive contributions in the name of another.

8604061225 1

On August 2, 1984, the Commission took the following action in this matter:

1. Found reason to believe that WINPAC and Donald Burger as treasurer, violated the Act as follows:

a) 2 U.S.C. § 441a(f) by receipt of excessive loan/contributions from Stanley and Doris Burger;

b) 2 U.S.C. § 432(c)(1), (2), (3) and (4) by failing to keep an account of contributions;

c) 2 U.S.C. § 432(d) by failing to preserve records for three years;

d) 2 U.S.C. § 434(a)(4)(A)(iv) for failure to timely file its 1981 October Quarterly Report;

e) 2 U.S.C. § 434(b)(2) for failure to adequately disclose receipts;

f) 2 U.S.C. § 434(b)(3)(E) and (5)(D) for failure to adequately identify loan contributors and recipients of loan repayments;

g) 2 U.S.C. § 434(b)(8) for failure to adequately and continuously report loan/contributions.

2. Found reason to believe that Stanley C. Burger and Doris L. Burger violated 2 U.S.C. § 441a(a)(1)(C) by making contributions to WINPAC in excess of limitations.

R5040512252

Each respondent was notified of the Commission's findings and has since responded to the allegations. The responses to the Commission's findings produced conflicting information regarding the events surrounding the alleged contributions made in the name of WINPAC by an individual to the Friends of Bill Kennedy Committee. This Office is contacting certain of the respondents in an attempt to resolve the conflicting accounts and if possible, further document the transaction.

In addition, as a result of our investigation and discussion with respondents, on February 15, 1985, we received a letter from counsel for three of the respondents in this case. The letter requests pre-probable cause conciliation. Therefore, we are prepared to draft conciliation agreements concerning these respondents (WINPAC, Stan and Doris Burger). Finally, we have analyzed the other issues in this matter and are proceeding to the briefing stage in the investigation.

8604061225 3

February 21, 1985
Date

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

HCC #6659

LEANNE M. SCHRAUDNER
ATTORNEY AT LAW

85 FEB 14 A9:08

BOZEMAN:
502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59771-1715
(406) 586-1942

HARLOWTON:
210 North Central
Harlowton, MT 59036
(406) 632-5574 or
1-800-421-7239

Febraury 11, 1985

85 FEB 14 AM 11:37

Frances B. Hagen
Federal Election Commission
1325 K Street Northwest
Washington, DC 20463

RE: MUR 1706
Western Intermountain Network Political Action Committee
Doris Burger, Stan Burger, Donald Burger

Dear Ms. Hagen:

In regards to the three above parties, please acknowledge that all three parties desire to enter into conciliation proceedings.

Please advise me further how you wish to proceed.

sincerely,

Leanne M. Schraudner

LMS/jg

cc: Stan Burger
Doris Burger
Donald Burger

8604051225 4

SENSITIVE

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OFFICE OF THE FEC
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

84 OCT 22 A10:02

In the Matter of)
)
) MUR 1706
Western Intermountain Political)
Action Committee, et. al.)

COMPREHENSIVE INVESTIGATIVE REPORT #1

On June 26, 1984, the Commission took the following action in this matter (formerly MUR 1654):

1. Found reason to believe that the Western Intermountain Political Action Committee (WINPAC) violated 2 U.S.C. § 441f by permitting the use of its name for contributions from other individuals.

2. Found reason to believe that the Montanans for Marlenee and the Friends of Bill Kennedy and their treasurers violated 2 U.S.C. §441f for receipt of contributions made by individuals in the name of another and violated 2 U.S.C. §441a(f) by receipt of excessive contributions.

3. Found reason to believe that E.C. Yegan, Donna Yegan, and Joe Poli violated 2 U.S.C. §441f and 2 U.S.C. § 441a(a)(1)(A) by making excessive contributions in the name of another.

On August 2, 1984, the Commission took the following action in this matter:

1. Found reason to believe that WINPAC and Donald Burger as treasurer, violated the Act as follows:

a) 2 U.S.C. § 441a(f) by receipt of excessive loan/contributions from Stanley and Doris Burger;

b) 2 U.S.C. § 432(c)(1), (2), (3) and (4) by failing to keep an account of contributions;

c) 2 U.S.C. § 432(d) by failing to preserve records for

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three years;

d) 2 U.S.C. § 434(a)(4)(A)(iv) for failure to timely file its 1981 October Quarterly Report;

e) 2 U.S.C. § 434(b)(2) for failure to adequately disclose receipts;

f) 2 U.S.C. § 434(b)(3)(E) and (5)(D) for failure to adequately identify loan contributors and recipients of loan repayments;

g) 2 U.S.C. § 434(b)(8) for failure to adequately and continuously report loan/contributions.

2. Found reason to believe that Stanley C. Burger and Doris L. Burger violated 2 U.S.C. § 441a(a)(1)(C) by making contributions to WINPAC in excess of limitations.

Each respondent was notified of the Commission's findings and has since responded to the allegations. The numerous responses to multiple allegations must be analyzed to determine whether additional information is required and to make the appropriate recommendations in each case.

8604512256

Oct 19, 1984
Date

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

BOZEMAN:
502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59715
(406) 586-1942

SCHRAUDNER & SULLIVAN

ATTORNEYS AT LAW

HARLOWTON:
210 North Central
Harlowton, MT 59036
(406) 632-5574 or
1-800-421-7239

RECEIVED AT THE FEC
GCC 4544
84 SEP 4 A10:11

Leanne M. Schraudner

Johnette Sullivan

August 30, 1984

84 SEP 4 P12:03
RECEIVED
GENERAL COUNSEL

Frances B. Hagen
Federal Election Commission
1325 K Street Northwest
Washington, DC 20463

RE: MUR 1706
Doris Burger

Dear Ms. Hagen:

Enclosed you will find a Statement of Designation of Counsel. I have been retained by Mrs. Doris Burger in the above reference matter. On August 3, 1984 Lee Ann Elliott wrote Mr. Stan Burger regarding the Federal Electrion Commission's determination that there was a reason to believe that Mr. Stan Burger violated 2 U.S.C.Section 441a (a) (1) (C), a provision of the Federal Election Campaign Act of 1971.

Mrs. Burger's husband had previously been charged with this same alleged violation of Federal Election laws. While Mr. Burger has previously responded to the Federal Election Committee, it just came to Mrs. Burger's attention that she too was charged, thus the delay in responding.

In any case please find enclosed Mrs. Burgers response. Your cooperation in this matter is greatly appreciated.

Sincerely,
SCHRAUDNER & SULLIVAN

Leanne M. Schraudner

LMS/jg
Enclosure
cc: Doris Burger

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DATE: August 29, 1984

BEFORE: THE FEDERAL ELECTION COMMISSION

RE: MUR 1706

RESPONDENT: Doris L. BURGER

Doris L. BURGER RESPONSE

In response to the Federal Election Commission's request for additional factual and legal information regarding the alleged violations by Doris L. Burger of 2 U.S.C. Section 441a (a)(1)(C). Doris L. Burger files the following response and requests the Commission to find that there is no reason to proceed further with this matter.

The Western Intermountain Network Political Action Committee (WINPAC) was the brainchild of Doris' husband, who served as its president from the date that it was organized in 1977 until the present time. WINPAC was organized for the purpose of contributing to candidates, etc. who had fiscally conservative philosophies. In the early years of the Committee's life the Committee was able to financially contribute to candidates. However, in 1981 as a result of a nation wide economic slump and some poor management decisions by WINPAC, the Committee had great difficulty raising monies to contribute to candidates. In fact in the entire calendar year of 1981 through the present (with the exception of two small contributions in the fall of 1982) the Committee made no political contributions to any candidate or any organization. The organization itself had a very difficult time meeting its monthly expenditures, including salaries and supplies, etc.

The reports of receipts and dispursements filed by the Committee outline the serious financial problems of WINPAC. In the reporting period of July through September 30 of 1981, it was apparent that the Committee would not be able to makes its quarterly expenditures, as the contributions fell below the expenditures. During that period the Committee paid only monthly expenditures, i.e. salaries, supplies, etc. Even so the Committee had a deficit of $9545.68. As a result, Mr. Burger

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went to the bank to borrow money in the name of WINPAC to fund the Committee for these basic operating exepnses. The bank was reluctant to lend the money in the name of WINPAC as it was a newly established organization, had no assets, and no credit record. The monthly obligations of WINPAC required immediate action. The bank was willing to loan the money for WINPAC if good faith was shown by securing the loan in Stan and Doris Burger's name with a second mortgage on their home. You will note that all the reports of receipts and dispursements of the Committee show that in fact the loan was made and that the Burgers were considered guarantors. Black's Law dictionary defines guarantor as one who makes a guarantee, and guarantee of course is defined as one who undertakes colateral to answer for the payment of anothers debt. (Emphasis added.) The Burger's acted to aide and assist in providing colateral to insure that WINPAC met its moral and legal obligations for services rendered, etc. In no way was this designed to make a contribution to the Committee. For all practical purposes it was WINPAC's loan for operating expenses.

In any case, after the payment of expenses for the July 1 through September 30, 1981 period there was a remaining balance of $5454.32 from the original $15,000 loan. Over the course of the next quarter because the expenditures were high and the contributions were low that balance of $5454.32 was used to meet the necessary bills in the reporting period through December 31 of 1981. For the reporting period from September through December 31, 1981 the contributions exceeded the expenditures by $272.57. As a result it was necessary for WINPAC to borrow monies for operating expense again. The Burger's then extended an additional $5000 to WINPAC, guaranteed through the second mortgage on their home bringing that financial quarter's balance to $5272.57. You can see that as a result of the expenditures for January 1 through March 31, 1982 the next two reporting periods that the remaining loan was expended by the end of that reporting period on operating expenses. Throughout that period it is important to remember that WINPAC did not contribute to one candidate or political organization. (See Exhibit "A" (consisting of 11 pages) attached--breakdown of finances July, 1981 to March 1982.)

Section 441 (a)(1)(C) U.S.C. provides that no one shall make a contribution exceeding $5000 to a political committee in any calendar year when it is made for the purpose of influencing a federal election. (Emphasis added.)

It is obvious from the above facts that at no point were the funds secured for WINPAC by the Burgers second mortgage, used in any manner to influence any federal election. There were no contributions made to any candidates during the term that the $20,000 was used for WINPAC operating expenses.

(See United States v. Clifford, 490 F.Supp 1070, 1074 (1976) providing that violation of this Sections predecessor Section 18 U.S.C. 610 provides that it is necessary to prove that a

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contribution was intended to influence an election.)

In addition, it is important to note that WINPAC and not Doris or Stan Burger paid the interest on this loan.

In sum the legislative intent behind this statute was to prevent corruption in federal elections. That policy of the statute and the specific requirements of Section 441 (a)(1)(C) regarding the influencing a federal election are not present under these facts. WINPAC had a moral and legal obligation to pay its bills. Mr. and Mrs. Burger aided in seeing that those obligations were met.

In light of these facts Doris Burger asks that the Commission find no probable cause to proceed further in this matter.

Dated this 20th day of August, 1984.

SCHRAUDNER & SULLIVAN

By: Leanne M. Schraudner

Leanne M. Schraudner
502 South 19th, Suite 305
Post Office Box 1715
Bozeman, Montana 59715
Attorney for Respondent

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July 1 through September 30, 1981

Cash on hand beginning reporting period	$ 3,496.41
Total Contributions	18,505.78
TOTAL	$22,002.19
Total Disbursements (No Contributions to political candidates or organizations)	$31,547.87
Balance (Deficit)	($ 9,545.68)
WINPAC Reciept From loan secured by Burgers second mortgage	$15,000.00
BALANCE	$ 5,454.32

October 1 through December 31, 1981

Cash on Hand	$ 5,454.32
Total Contributions	17,963.77
TOTAL	$23,418.09
Total Disbursements (No Contributions to political candidates or organizations)	$23,145.52
BALANCE	$ 272.57
WINPAC Reciept From loan secured by Burgers Second Mortgatge	5,000.00
BALANCE	$ 5,272.57

January 1 through March 31, 1982

Cash on Hand	$ 5,272.57
**Total Contributions	22,959.83
TOTAL	$28,232.40
**TOTAL DISBURSEMENTS (No Contributions to political candidates or organizations)	$24,336.18
BALANCE	$ 3,896.22

* Because the $22,959.83 in contributions were recieved over a three month period and a good part of that cash was not available during January, 1982 the remaining $5000 loan funds were used in January for expenditures totalling $9794.23.

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REPORT OF [illegible]
For a [illegible]ical Committee Other Than an Authorized Committee

(Summary Page)

1781 -

ALIGN AREA | ALIGN AREA

1. Name of Committee (In Full)
WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

Address (Number and Street)
505 WEST ASPEN

City, State and ZIP Code
BOZEMAN MT 59715

☐ Check here if address is different than previously reported.

2. FEC Identification Number
C 000 73213

3. ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate boxes)

(a) ☐ April 15 Quarterly Report ☒ October 15 Quarterly Report
☐ July 15 Quarterly Report ☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-Election Year Only)
☐ Monthly Report for _____
☐ Twelfth day report preceding _____ (Type of Election)
election on _____ in the State of _____
☐ Thirtieth day report following the General Election
on _____ in the State of _____
☐ Termination Report

(b) Is this Report an Amendment?
☒ YES ☐ NO

SUMMARY

5. Covering Period July 1st through Sept. 30th

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. (a) Cash on hand January 1, 19 84		$ 24,762.25
(b) Cash on Hand at Beginning of Reporting Period	$ 3,496.41	
(c) Total Receipts (from Line 18)	$ 33,505.78	$ 62,938.86
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 37,002.19	$ 87,701.11
7. Total Disbursements (from Line 28)	$ 31,547.87	$ 82,246.79
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 5,454.32	$ 5,454.32
9. Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	$	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$ 15,000.00	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

DONALD C. BURGER
Type or Print Name of Treasurer

Donald C. Burger
SIGNATURE OF TREASURER

4-20-84
Date

For further information contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this report to the penalties of 2 U.S.C. § 437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3X (3/80)

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DETAILED SUMMARY PAGE
Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (in Full)
Western Intermountain Network Political Action Committee

Report Covering the Period: From: July 1st To: Sept. 30

	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees	18,505.78	47,938.86	11(a)
(Memo Entry Unitemized $ 18,505.78)			
(b) Political Party Committees			11(b)
(c) Other Political Committees			11(c)
(d) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b) and 11(c))	18,505.78	47,938.86	11(d)
2. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
3. ALL LOANS RECEIVED	15000.00	15000.00	13
4. LOAN REPAYMENTS RECEIVED			14
5. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)			15
3. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
5 OTHER RECEIPTS (Dividends, Interest, etc.)			17
2 TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	33,505.78	62,938.86	18
2 **II. DISBURSEMENTS**			
1 OPERATING EXPENDITURES	31,547.87	82,246.79	19
2 TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES			20
0 CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			21
4 INDEPENDENT EXPENDITURES (use Schedule E)			22
0 COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. § 441 a(d)) (Use Schedule F)			23
6 LOAN REPAYMENTS MADE			24
8 LOANS MADE			25
REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c))			26(d)
OTHER DISBURSEMENTS			27
TOTAL DISBURSEMENTS (add lines 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	31,547.87	82,246.79	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	18,505.78	47,938.86	29
TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	18,505.78	47,938.86	31
TOTAL OPERATING EXPENDITURES from Line 19	31,547.87	82,246.79	32
OFFSETS TO OPERATING EXPENDITURES from Line 15			33
NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	31,547.87	82,246.79	34

SCHEDULE C
(Revised 3/80)

LOANS

Page 1 of 1 for
LINE NUMBER ____
(Use separate schedules for each numbered line)

Name of Committee (in Full)
WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

A. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
STANLEY C. BURGER 720 WEST BIRCH BOZEMAN, MT 59715 Election: ☐ Primary ☐ General ☐ Other (specify):	2,887.86	2,887.86	— 0 —

Terms: Date Incurred 8-7 Date Due 8-28 Interest Rate ____ %(apr) ☐ Secured

List All Endorsers or Guarantors (if any) to Item A

1. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $	
2. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $	
3. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $	

B. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
1ST SECURITY BANK OF BOZEMAN P.O. BOX 910 BOZEMAN Election: ☐ Primary ☐ General ☐ Other (specify):	15,000 00		

Terms: Date Incurred 9-24 Date Due ____ Interest Rate ____ %(apr) ☐ Secured

List All Endorsers or Guarantors (if any) to Item B

1. Full Name, Mailing Address and ZIP Code STANLEY C. BURGER 720 WEST BIRCH BOZEMAN, MT 59715	Name of Employer Winpac Occupation President Amount Guaranteed Outstanding: $	
2. Full Name, Mailing Address and ZIP Code DORIS L. BURGER 720 WEST BIRCH BOZEMAN. MT 59715	Name of Employer — Occupation — Amount Guaranteed Outstanding: $	
3. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $	

SUBTOTALS This Period This Page (optional)	
TOTALS This Period (last page in this line only)	15,000 00

Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

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REPORT OF RECEIPTS AND DISBURSEMENTS
For [redacted]tical Committee Other Than an Authorized [redacted]mittee

(Summary Page)

1981

ALIGN AREA

ALIGN AREA

1. Name of Committee (In Full)
WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

Address (Number and Street)
505 WEST ASPEN

City, State and ZIP Code
BOZEMAN MT 59715

☐ Check here if address is different than previously reported.

2. FEC Identification Number
C [illegible] 73213

3. ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate boxes)

(a) ☐ April 15 Quarterly Report ☐ October 15 Quarterly Report
☐ July 15 Quarterly Report ☒ January 31 Year End Report
☐ July 31 Mid Year Report (Non-Election Year Only)
☐ Monthly Report for _____
☐ Twelfth day report preceding _____ (Type of Election)
election on _____ in the State of _____
☐ Thirtieth day report following the General Election
on _____ in the State of _____
☐ Termination Report

(b) Is this Report an Amendment?
☒ YES ☐ NO

SUMMARY

5. Covering Period Oct 1st through Dec. 31st

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6.(a) Cash on hand January 1, 19 81	[redacted]	$ 24,762.25
(b) Cash on Hand at Beginning of Reporting Period	$ 5,454.32	[redacted]
(c) Total Receipts (from Line 18)	$ 22,963.77	$ 85,902.63
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 28,418.09	$ 110,664.88
7. Total Disbursements (from Line 28)	$ 23,145.52	$ 105,392.31
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 5,272.57	$ 5,272.57
9. Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	$	[redacted]
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$ 20,000.00	[redacted]

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

DONALD C. BURGER
Type or Print Name of Treasurer

Donald C. Burger
SIGNATURE OF TREASURER

4-20-84
Date

For further information contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this report to the penalties of 2 U.S.C. § 437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3X (3/80)

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DETAILED SUMMARY PAGE of Receipts and Disbursements (Page 2, FEC FORM 3X)

Name of Committee (In Full): Voters Sterwonta Network Political Action Comm.

Report Covering the Period: From: Jan 1 at To: Dec 31 at

	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees. (Memo Entry Unitemized $ 17,963.77)	17963.77	65,902.63	11(a)
(b) Political Party Committees			11(b)
(c) Other Political Committees			11(c)
(d) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b) and 11(c))	17,963.77	65,902.63	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
13. ALL LOANS RECEIVED	5000.00	20,000.00	13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)			15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	22,963.77	85,902.63	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	23,145.51	105,392.31	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES			20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			21
22. INDEPENDENT EXPENDITURES (use Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES. (2 U.S.C. § 441 a(d)) (Use Schedule F)			23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c))			26(d)
27. OTHER DISBURSEMENTS			27
28. TOTAL DISBURSEMENTS (add lines 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	23,145.51	105,392.31	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	17,963.77	65,902.63	29
30. TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	17,963.77	65,902.63	31
32. TOTAL OPERATING EXPENDITURES from Line 19	23,145.51	105,392.31	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	23,145.51	105,392.31	34

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SCHEDULE C
(Revised 3/80)

LOANS

Page ___ of ___ for
LINE NUMBER ___
(Use separate schedules for each numbered line)

Name of Committee (In Full) NETWORK
WESTERN INTERMOUNTAIN POLITICAL ACTION COMMITTEE

A. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
1st SECURITY BANK of BOZEMAN P.O. BOX 910 BOZEMAN, MT 59715 Election: ☐ Primary ☐ General ☐ Other (specify):	5,000 00		5000 00

Terms: Date Incurred 12-15-81 Date Due 11-24-84 Interest Rate 14½ % (apr) ☒ Secured

List All Endorsers or Guarantors (if any) to Item A

1. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding: $
STANLEY C. BURGER 720 WEST BIRCH BOZEMAN, MT 59715	WINPAC President
2. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding: $
DORIS L. BURGER 720 WEST BIRCH BOZEMAN, MT 59715	
3. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding: $

B. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
1st Security Bank of Bozeman P.O. Box 910 Bozeman, MT 59715 Election: ☐ Primary ☐ General ☐ Other (specify):	15000 00		15000 00

Terms: Date Incurred 9-24-81 Date Due 11-24-84 Interest Rate 14½ % (apr) ☒ Secured

List All Endorsers or Guarantors (if any) to Item B

1. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding: $
STANLEY C. BURGER 720 WEST BIRCH BOZEMAN MT 59715	WINPAC President
2. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding: $
DORIS L. BURGER 720 WEST BIRCH BOZEMAN, MT 59715	— / —
3. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding: $

SUBTOTALS This Period This Page (optional)	
TOTALS This Period (last page in this line only)	20,000,00

Carry outstanding balances only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

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SCHEDULE A

ITEMIZED RECEIPTS

Page 1 of 3 for
LINE NUMBER ____
(Use separate schedule(s) for each category of the Detailed Summary Page)

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)
WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Aggregate Year-to-Date—$	Date (month, day, year)	Amount of Each Receipt this Period
1st Security Bank of Bozeman P.O Box 916 Bozeman MT 59715 Receipt For: ☐ Primary ☐ General ☐ Other (specify):		12/15/81	5,000 00
B. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer / Occupation / Aggregate Year-to-Date—$	Date (month, day, year)	Amount of Each Receipt This Period
C. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer / Occupation / Aggregate Year-to-Date—$	Date (month, day, year)	Amount of Each Receipt This Period
D. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer / Occupation / Aggregate Year-to-Date—$	Date (month, day, year)	Amount of Each Receipt This Period
E. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer / Occupation / Aggregate Year-to-Date—$	Date (month, day, year)	Amount of Each Receipt This Period
F. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer / Occupation / Aggregate Year-to-Date—$	Date (month, day, year)	Amount of Each Receipt This Period
G. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer / Occupation / Aggregate Year-to-Date—$	Date (month, day, year)	Amount of Each Receipt This Period
SUBTOTAL of Receipts This Page (optional)			
TOTAL This Period (last page this line number only)			5,000.00

8504051 22688

REPORT OF RECEIPTS AND DISBURSEMENTS
For [redacted]litical Committee Other Than an Authorized [redacted]mittee

(Summary Page)

ALIGN AREA | | ALIGN AREA

1. Name of Committee (In Full)
WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

Address (Number and Street)
505 WEST ASPEN

City, State and ZIP Code
BOZEMAN, MT 59715

☐ Check here if address is different than previously reported.

2. FEC Identification Number
C 000 73213

3. ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate boxes)

(a) ☒ April 15 Quarterly Report ☐ October 15 Quarterly Report
☐ July 15 Quarterly Report ☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-Election Year Only)
☐ Monthly Report for _____
☐ Twelfth day report preceding _____ (Type of Election)
election on _____ in the State of _____
☐ Thirtieth day report following the General Election
on _____ in the State of _____
☐ Termination Report

(b) Is this Report an Amendment?
☒ YES ☐ NO

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period Jan 1 through March 31st		
6.(a) Cash on hand January 1, 19 82	[redacted]	$ 5272.57
(b) Cash on Hand at Beginning of Reporting Period	$ 5272.57	[redacted]
(c) Total Receipts (from Line 18)	$ 22,959.83	$ 22,959.83
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 28,232.40	$ 28,232.40
7. Total Disbursements (from Line 28)	$ 24,336.18	$ 24,336.18
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 3,896.22	$ 3,896.22
9. Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	$	[redacted]
10 Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$ 20,000 00	[redacted]

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

DONALD C BURGER
Type or Print Name of Treasurer

Donald C Burger
SIGNATURE OF TREASURER

4-26-84
Date

For further information contact:
Federal Election Commission
Toll Free 800 424 9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this report to the penalties of 2 U.S.C. § 437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3X (3/80)

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DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (In Full): WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

Report Covering the Period: From: Jan 1 To: March 31st

	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees	22,959.83	22,959.83	11(a)
(Memo Entry Unitemized $ 2,159.83)			
(b) Political Party Committees			11(b)
(c) Other Political Committees			11(c)
(d) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b) and 11(c))	22,959.83	22,959.83	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
13. ALL LOANS RECEIVED			13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)			15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	22,959.83	22,959.83	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	24,336.18	24,336.18	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES			20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			21
22. INDEPENDENT EXPENDITURES (use Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. § 441 a(d)) (Use Schedule F)			23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c))			26(d)
27. OTHER DISBURSEMENTS			27
28. TOTAL DISBURSEMENTS (add lines 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	24,336.18	24,336.18	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	22,959.83	22,959.83	29
30. TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	22,959.83	22,959.83	31
32. TOTAL OPERATING EXPENDITURES from Line 19	24,336.18	24,336.18	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	24,336.18	24,336.18	34

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(Rev. 3/80)

LOANS

Page 1 of 1 for LINE NUMBER ____
(Use separate schedules for each numbered line)

Name of Committee (in Full)
WESTERN INTERMOUNTAIN NETWORK A POLITICAL ACTION COMMITTEE

A. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
1st SECURITY BANK of BOZEMAN P.O. BOX 910 BOZEMAN, MT 59715 Election: ☐ Primary ☐ General ☐ Other (specify):	5,000 00		5000 00

Terms: Date Incurred 12-15-81 Date Due 11-24-84 Interest Rate 14½ % (apr) ☒ Secured

List All Endorsers or Guarantors (if any) to Item A

1. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding
STANLEY C. BURGER 720 WEST BIRCH BOZEMAN, MT 59715	WINPAC President $
2. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding
DORIS L. BURGER 720 WEST BIRCH BOZEMAN MT 59715	 $
3. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding
	  $

B. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
1st Security Bank of Bozeman P.O. Box 910 Bozeman MT 59715 Election: ☐ Primary ☐ General ☐ Other (specify):	15000 00		15000 00

Terms: Date Incurred 3-24-81 Date Due 11-24-84 Interest Rate 14½ % (apr) ☒ Secured

List All Endorsers or Guarantors (if any) to Item B

1. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding
STANLEY C. BURGER 720 WEST BIRCH BOZEMAN MT 59715	WINPAC President $
2. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding
DORIS L. BURGER 720 WEST BIRCH BOZEMAN, MT 59715	— — $
3. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding
	  $

SUBTOTALS This Period This Page (optional)	
TOTALS This Period (last page in this line only)	20,555.00

Carry outstanding balance only to LINE 2, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 1706

NAME OF COUNSEL: LEANNE M. SCHRAUDNER OF SCHRAUDNER & SULLIVAN

ADDRESS: 502 south 19th, suite 305
Post Office Box 1715
Bozeman, Montana 59715

TELEPHONE: 406-586-1942

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

8-30-84
Date

Randolph C. Burger for Doris Burger
Signature

RESPONDENT'S NAME: DORIS BURGER

ADDRESS: 720 West Birch
Bozeman, Montana 59715

HOME PHONE: 406-587-3616

BUSINESS PHONE:

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RECEIVED AT THE FEC

BOZEMAN:
302 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59715
(406) 586-1942

SCHRAUDNER & SULLIVAN
ATTORNEYS AT LAW

HARLOWTON:
[illegible]

Leanne M. Schraudner
Johnette Sullivan

August, 20, 1984

Frances B. Hagan
Federal Election Commission
1325 K Street Northwest
Washington, D.C. 20463

Re: MUR 1706
Stanely Burger

CERTIFIED LETTER
RETURN RECEIPT REQUESTED

Dear Ms. Hagan:

Please find enclosed a response to the Federal Election Commissions Cause Number 1706. Let me thank you for your cooperation in allowing an extention in filing this response. Please note that if the Commission finds that they must proceed further on this matter, which we are in hopes that they will not, we may file additional briefs

Sincerely,
SCHRAUDNER & SULLIVAN

Leanne M. Schraudner

LMS/mr
Enclosure
cc: Stan Burger
Lee Ann Elliott

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GENERAL COUNSEL

BOZEMAN:
502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59715
(406) 586-1942

SCHRAUDNER & SULLIVAN

ATTORNEYS AT LAW

HARLOWTON:
210 North Central
Harlowton, MT 59036
(406) 632-5574 or
1-800-421-7239

Leanne M. Schraudner

Johnette Sullivan

DATE: August 20, 1984

BEFORE: THE FEDERAL ELECTION COMMISSION

RE: MUR 1706

RESPONDENT: STANLEY C. BURGER

8 6 0 4 0 5 1 2 2 7 4

STANLEY C. BURGER RESPONSE

In response to the Federal Election Commission's request for additional factual and legal information regarding the alleged violations by Stanley C. Burger of 2 U.S.C. § 441a (a)(1)(C). Stanley C. Burger files the following response and requests the Commission to find that there is no reason to proceed further with this matter.

The Western Intermountain Network Political Action Committee (WINPAC) was the brainchild of Stanley C. Burger, who served as its president from the date that it was organized in 1977 until the present time. WINPAC was organized for the purpose of contributing to candidates, etc. who had fiscally conservative philosophies. In the early years of the Committee's life the Committee was able to financially contribute to candidates. However, in 1981 as a result of a nation wide economic slump and some poor management decisions by WINPAC, the Committee had great difficulty raising monies to contribute to candidates. In fact in the entire calendar year of 1981 through the present (with the exception of two small contributions in the fall of 1982) the Committee made no political contributions to any candidate or any organization. The organization itself had a very difficult time meeting its monthly expenditures, including salaries and supplies, etc.

The reports of receipts and dispursements filed by the Committee outline the serious financial problems of WINPAC. In the reporting period of July through September 30 of 1981, it was apparent that the Committee would not be able to makes its quarterly expenditures, as the contributions fell below the expenditures. During that period the Committee paid only monthly expenditures, i.e. salaries, supplies, etc. Even so the Committee had a deficit of $9545.68. As a result, Mr. Burger

went to the bank to borrow money in the name of WINPAC to fund the Committee for these basic operating exepnses. The bank was reluctant to lend the money in the name of WINPAC as it was a newly established organization, had no assets, and no credit record. The monthly obligations of WINPAC required immediate action. The bank was willing to loan the money for WINPAC if good faith was shown by securing the loan in the Stan Burger's name with a second mortgage on their home. You will note that all the reports of receipts and dispursements of the Committee show that in fact the loan was made and that the Burgers were considered guarantors. Black's Law dictionary defines guarantor as one who makes a guarantee, and guarantee of course is defined as one who undertakes colateral to answer for the payment of anothers debt. (Emphasis added.) Mr. Burger acted to aide and assist in providing colateral to insure that WINPAC met its moral and legal obligations for services rendered, etc. In no way was this designed to make a contribution to the Committee. For all practical purposes it was WINPAC's loan for operating expenses.

In any case, after the payment of expenses for the July 1 through September 30, 1981 period there was a remaining balance of $5454.32 from the original $15,000 loan. Over the course of the next quarter because the expenditures were high and the contributions were low that balance of $5454.32 was used to meet the necessary bills in the reporting period through December 31 of 1981. For the reporting period from September through December 31, 1981 the contributions exceeded the expenditures by $272.57. As a result it was necessary for WINPAC to borrow monies for operating expense again. Mr. Burger then extended an additional $5000 to WINPAC, guaranteed through his second mortgage on his home bringing that financial quarter's balance to $5272.57. You can see that as a result of the expenditures for January 1 through March 31, 1982 the next two reporting periods that the remaining loan was expended by the end of that reporting period on operating expenses. Throughout that period it is important to remember that WINPAC did not contribute to one candidate or political organization. (See Exhibit "A" (consisting of 10 pages) attached--breakdown of finances July, 1981 to March 1982.)

Section 441 (a)(1)(C) U.S.C. provides that no one shall make a contribution exceeding $5000 to a political committee in any calendar year when it is made for the purpose of influencing a federal election. (Emphasis added.)

It is obvious from the above facts that at no point were the funds secured for WINPAC by the Burgers second mortgage, used in any manner to influence any federal election. There were no contributions made to any candidates during the term that the $20,000 was used for WINPAC operating expenses.

(See United States v. Clifford, 490 F.Supp 1070, 1074 (1976) providing that violation of this Sections predecessor Section 18 U.S.C. § 610 provides that it is necessary to prove that a

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contribution was intended to influence an election.)

In addition, it is important to note that WINPAC and not Stan Burger paid the interest on this loan.

In sum the legislative intent behind this statute was to prevent corruption in federal elections. That policy of the statute and the specific requirements of Section 441 (a)(1)(C) regarding the influencing a federal election are not present under these facts. WINPAC had a moral and legal obligation to pay its bills. Mr. Burger aided in seeing that those obligations were met.

In light of these facts Mr. Burger asks that the Commission find no probable cause to proceed further in this matter.

Dated this 20th day of August, 1984.

SCHRAUDNER & SULLIVAN

By: Leanne M. Schraudner

Leanne M. Schraudner
502 South 19th, Suite 305
Post Office Box 1715
Bozeman, Montana 59715
Attorney for Respondent

8604312276

EXHIBIT "A"
MUR 1706

July 1 through September 30, 1981

Cash on hand beginning reporting period	$ 3,496.41
Total Contributions	18,505.78
TOTAL	$22,002.19
Total Disbursements (No Contributions to political candidates or organizations)	$31,547.87
Balance (Deficit)	($ 9,545.68)
WINPAC Reciept From loan secured by Burgers second mortgage	$15,000.00
BALANCE	$ 5,454.32

October 1 through December 31, 1981

Cash on Hand	$ 5,454.32
Total Contributions	17,963.77
TOTAL	$23,418.09
Total Disbursements (No Contributions to political candidates or organizations)	$23,145.52
BALANCE	$ 272.57
WINPAC Reciept From loan secured by Burgers Second Mortgatge	5,000.00
BALANCE	$ 5,272.57

January 1 through March 31, 1982

Cash on Hand	$ 5,272.57
**Total Contributions	22,959.83
TOTAL	$28,232.40
**TOTAL DISBURSEMENTS (No Contributions to political candidates or organizations)	$24,336.18
BALANCE	$ 3,896.22

* Because the $22,959.83 in contributions were recieved over a three month period and a good part of that cash was not available during January, 1982 the remaining $5000 loan funds were used in January for expenditures totalling $9794.23.

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ITEMIZED DISBURSEMENTS

Page 1 of 6 for LINE NUMBER ____
(Use separate schedule(s) for each category of the Detailed Summary Page)

Information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (In Full)

Western Internountain Network Political action Committee

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
DON BURGER 412 N Rouse Apt: F BOZEMAN, MT 59715	Salaries Disbursement for: ☐Primary ☐General ☐Other (specify):	1-2-82	279.15
Ron Burger 314 N 22ND Bozeman, MT 59715	Salaries Disbursement for: ☐Primary ☐General ☐Other (specify):	1-2-82	510.97
Electrographics P.O. Box 100 Bozeman, MT 59715	Printed Materials Disbursement for: ☐Primary ☐General ☐Other (specify):	1-7-82	607.31
U.S.P.O. Bozeman, MT 59715	Postage Disbursement for: ☐Primary ☐General ☐Other (specify):	1-7-82	156.79
RON BURGER 314 N 22ND BOZEMAN, MT 59715	Salaries Disbursement for: ☐Primary ☐General ☐Other (specify):	1-17-82	510.97
DON BURGER 412 N. ROUSE # F BOZEMAN MT 59715	Salaries Disbursement for: ☐Primary ☐General ☐Other (specify):	1-17-82	279.15
Electrographics P.O. Box 100 Bozeman, MT 59715	Printing Disbursement for: ☐Primary ☐General ☐Other (specify):	1-17-82	$1346.00
U.S.P.O. Bozeman, MT 59715	Postage Disbursement for: ☐Primary ☐General ☐Other (specify):	1-21-82	$966.00
Mountain Bell Bozeman, MT 59715	Telephones Disbursement for: ☐Primary ☐General ☐Other (specify):	1-26-82	215.76
SUBTOTAL of Disbursements This Page (optional)			$4876.10
TOTAL This Period (last page this line number only)			

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ITEMIZED DISBURSEMENTS

mation copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for mercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

ame of Committee (in Full)

Western Intermountain Network Political Action Committee

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Stanley C. Berger 720 W. Beall Bozeman Mt 59715	Payroll Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-2-82	$465.50
B. Full Name, Mailing Address and ZIP Code Judy Boulton 1337 Bozeman Trail Bozeman, Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-5-82	$33.03
C. Full Name, Mailing Address and ZIP Code Kathy Neal 905 E. Montana Livingston Mt 59047	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-5-82	$80.40
D. Full Name, Mailing Address and ZIP Code Judy Boulton 1337 Bozeman trail Bozeman Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-5-82	$20.82
E. Full Name, Mailing Address and ZIP Code Carolyn Keth 907 Peter Knob Tower Bozeman Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-7-82	$31.50
F. Full Name, Mailing Address and ZIP Code Marely Vinkemulder 1703 Wildflower Lane Bozeman, Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-7-82	$30.00
G. Full Name, Mailing Address and ZIP Code Diane Carter 408 Peter Knob Tower Bozeman, Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-7-82	$24.00
H. Full Name, Mailing Address and ZIP Code USPO Federal Building Bozeman Mt 59715	Purpose of Disbursement Postage Due Mail out Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-8-82	$13.62
I. Full Name, Mailing Address and ZIP Code Judy Boulton 1337 Bozeman trail Bozeman, Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):		$38.89
SUBTOTAL of Disbursements This Page (optional)			737.76
TOTAL This Period (last page this line number only)			

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Page 3 of 6 for
LINE NUMBER
(Use separate schedule(s) for each category of the Detailed Summary Page)

ITEMIZED DISBURSEMENTS

COPY

...ained from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for ...ercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Committee (In Full)

Western Intermountain Network Political Action Comm.

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
USPO Bozeman, MT 59715	Postage Due Acct Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-29-82	$300.00
Internal Revenue Ogden, Utah	Quarterly Payroll TAXES Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-31-82	$1582.08
Mon. Dept Revenue Capital Station Helena, MT 59601	TAXES Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-31-82	$146.13
Mon. Employment Sec Division Helena MT 59601	Unemployment Ins Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-31-82	$25.52
Don Burger 912 N 22nd Bozeman, MT 5971.5	Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-3-82	$279.15
Don Burger 314 N 22nd Bozeman, MT 5971.5	Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-1-82	$510.97
Don Burger 720 W Lincoln Bozeman, MT 59715	Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-1-82	$465.50
Electrographics PO Box 22 Bozeman, MT 59715	Printing Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-1-82	$2060.39
Don Burger 912 N 22nd Bozeman, MT 59715	Payroll Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-16-82	$281.03
SUBTOTAL of Disbursements This Page (optional)			$5530.75
TOTAL This Period (last page this line number only)			

Add'l adjust 1/53 2nd 1-31-82

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DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (in Full): WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

Report Covering the Period: From: Jan 1 To: Dec 31

	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees	22,959.83	22,959.83	11(a)
(Memo Entry Unitemized $ 2,159.83)			
(b) Political Party Committees			11(b)
(c) Other Political Committees			11(c)
(d) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b) and 11(c))	22,959.83	22,959.83	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
13. ALL LOANS RECEIVED			13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)			15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	22,959.83	22,959.83	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	24,336.18	24,336.18	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES			20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			21
22. INDEPENDENT EXPENDITURES (use Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. § 441 a(d)) (Use Schedule F)			23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c))			26(d)
27. OTHER DISBURSEMENTS			27
28. TOTAL DISBURSEMENTS (add lines 19, 20, 21, 24, 25, 26(d) and 27)	24,336.18	24,336.18	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	22,959.83	22,959.83	29
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31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	22,959.83	22,959.83	31
32. TOTAL OPERATING EXPENDITURES from Line 19	24,336.18	24,336.18	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	24,336.18	24,336.18	34

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REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

(Summary Page)

1981

ALIGN AREA | | ALIGN AREA

1. Name of Committee (In Full)
WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

Address (Number and Street)
505 WEST ASPEN

City, State and ZIP Code
BOZEMAN MT 59715

☐ Check here if address is different than previously reported.

2. FEC Identification Number
C [illegible] 73213

3. ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate boxes)

(a) ☐ April 15 Quarterly Report ☐ October 15 Quarterly Report
☐ July 15 Quarterly Report ☒ January 31 Year End Report
☐ July 31 Mid Year Report (Non-Election Year Only)
☐ Monthly Report for _____
☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____
☐ Thirtieth day report following the General Election on _____ in the State of _____
☐ Termination Report

(b) Is this Report an Amendment?
☒ YES ☐ NO

SUMMARY

5. Covering Period Oct 1st through Dec. 31st

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. (a) Cash on hand January 1, 19 81		$ 24,762.25
(b) Cash on Hand at Beginning of Reporting Period	$ 5,454.32	
(c) Total Receipts (from Line 18)	$ 22,963.77	$ 85,902.63
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 28,418.09	$ 110,664.88
7. Total Disbursements (from Line 28)	$ 23,145.52	$ 105,392.31
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 5,272.57	$ 5,272.57
9. Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	$	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$ 20,000.00	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

DONALD C. BURGER
Type or Print Name of Treasurer

Donald C. Burger
SIGNATURE OF TREASURER

4-20-84
Date

For further information contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this report to the penalties of 2 U.S.C. § 437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3X (3/80)

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DETAILED SUMMARY PAGE of Receipts and Disbursements (Page 2, FEC FORM 3X)

Name of Committee (In Full): Western Mountain Network Political Action Committee

Report Covering the Period: From: Jan 1st To: Dec 31st

	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees. (Memo Entry Unitemized $ 17,963.77)	17,963.77	65,902.63	11(a)
(b) Political Party Committees			11(b)
(c) Other Political Committees			11(c)
(d) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b) and 11(c))	17,963.77	65,902.63	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
13. ALL LOANS RECEIVED	5000.00	20,500.00	13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)			15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	22,963.77	86,402.63	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	23,145.52	105,392.31	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES			20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			21
22. INDEPENDENT EXPENDITURES (use Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES. (2 U.S.C. § 441 a(d)) (Use Schedule F)			23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c))			26(d)
27. OTHER DISBURSEMENTS			27
28. TOTAL DISBURSEMENTS (add lines 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	23,145.52	105,392.31	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	17,963.77	65,902.63	29
30. TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	17,963.77	65,902.63	31
32. TOTAL OPERATING EXPENDITURES from Line 19	23,145.51	105,392.31	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	23,145.51	105,392.31	34

8 6 0 4 0 5 1 2 2 8 3

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

1981 -

(Summary Page)

ALIGN AREA | | | ALIGN AREA

1. Name of Committee (In Full)
WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

Address (Number and Street)
505 WEST ASPEN

City, State and ZIP Code
BOZEMAN MT 59715

☐ Check here if address is different than previously reported.

2. FEC Identification Number
C 000 73213

3. ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate boxes)

(a) ☐ April 15 Quarterly Report ☒ October 15 Quarterly Report
☐ July 15 Quarterly Report ☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-Election Year Only)
☐ Monthly Report for _____
☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____
☐ Thirtieth day report following the General Election on _____ in the State of _____
☐ Termination Report

(b) Is this Report an Amendment?
☒ YES ☐ NO

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period July 1st through Sept. 30th		
6. (a) Cash on hand January 1, 19 81		$ 24 762.25
(b) Cash on Hand at Beginning of Reporting Period	$ 3,496.41	
(c) Total Receipts (from Line 18)	$ 33,505.78	$ 62,938.86
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 37,002.19	$ 87,701.11
7. Total Disbursements (from Line 28)	$ 31,547.87	$ 82,246.79
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 5454.32	$ 5454.32
9. Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	$	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$ 15,000 00	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

DONALD C. BURGER
Type or Print Name of Treasurer

Donald C. Burger
SIGNATURE OF TREASURER

4-20-84
Date

For further information contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this report to the penalties of 2 U.S.C. § 437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3X (3/80)

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of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (In Full): Western Pennsylvania Network Political Action Committee

Report Covering the Period: From July 1st To: Sept. 30

	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees	18,505.78	47,938.86	11(a)
(Memo Entry Unitemized $ 18,505.78)			
(b) Political Party Committees			11(b)
(c) Other Political Committees			11(c)
(d) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b) and 11(c))	18,505.78	47,938.86	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
13. ALL LOANS RECEIVED	15000.00	15000.00	13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)			15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	33,505.78	62,938.86	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	31,547.87	82,246.79	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES			20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			21
22. INDEPENDENT EXPENDITURES (use Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. § 441 a(d)) (Use Schedule F)			23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c))			26(d)
27. OTHER DISBURSEMENTS			27
28. TOTAL DISBURSEMENTS (add lines 19, 20, 21, 22, 23, 24, 25 and 27)	31,547.87	82,246.79	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	18,505.78	47,938.86	29
30. TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	18,505.78	47,938.86	31
32. TOTAL OPERATING EXPENDITURES from Line 19	31,547.87	82,246.79	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	31,547.87	82,246.79	34

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BOZEMAN:
502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59715
(406) 586-1942

SCHRAUDNER & SULLIVAN

ATTORNEYS AT LAW

Leanne M. Schraudner
Johnette Sullivan

RECEIVED AT THE FEC

HARLOWTON:
210 North Central

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GCC #4485

August, 20, 1984

Frances B. Hagen
Federal Election Commission
1325 K Street Northwest
Washington, D.C. 20463

Re: MUR 1706
Western Intermountain Network
Political Action Committee
Donald Burger, Treasuer

CERTIFIED LETTER
RETURN RECEIPT REQUESTED

Dear Ms. Hagen:

Please find enclosed a response to the Federal Election Commissions Cause Number 1706. Let me thank you for your cooperation in allowing an extention in filing this response. Please note that if the Commission finds that they must proceed further on this matter, which we are in hopes that they will not, we may file additional briefs

Sincerely,
SCHRAUDNER & SULLIVAN

Leanne M. Schraudner

LMS/mr
Enclosure
cc: Don Burger
Lee Ann Elliott

84 AUG 31 P 1:37
RECEIVED
GENERAL COUNSEL

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BOZEMAN:
302 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59715
(406) 586-1942

SCHRAUDNER & SULLIVAN
ATTORNEYS AT LAW

HARLOWTON:
210 North Central
Harlowton, MT 59036
(406) 632-5574 or
1-800-421-7239

Leanne M. Schraudner
Johnette Sullivan

DATE: August 20, 1984

BEFORE: THE FEDERAL ELECTION COMMISSION

RE: MUR 1706

RESPONDENT: WESTERN INTERMOUNTAIN POLITICAL ACTION COMMITTEE, DONALD BURGER, TREASURER

WINPAC RESPONSE

In response to the Federal Election Commission's request for additional factual and legal information regarding the alleged violations of the Federal Election Law 2 U.S.C. § 441a (a)(1)(C). WINPAC files the following response and requests the Commission to find that there is no reason to proceed further with this matter.

A. CONTRIBUTION LIMITATION ALLEGED VIOLATION OF SECTION 2 U.S.C. Section 441 a (F).

In response to the Federal Election Commission's request for additional factual and legal information regarding the alleged violations by Stanley C. Burger of 2 U.S.C. § 441a (a)(1)(C). Stanley C. Burger files the following response and requests the Commission to find that there is no reason to proceed further with this matter.

The Western Intermountain Network Political Action Committee (WINPAC) was the brainchild of Stanley C. Burger, who served as its president from the date that it was organized in 1977 until the present time. WINPAC was organized for the purpose of contributing to candidates, etc. who had fiscally conservative philosophies. In the early years of the Committee's life the Committee was able to financially contribute to candidates. However, in 1981 as a result of a nation wide economic slump and some poor management decisions by WINPAC, the Committee had great difficulty raising monies to contribute to candidates. In fact in the entire calendar year of 1981 through the present (with the exception of two small contributions in the fall of 1982) the Committee made no political contributions to any candidate or any

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organization. The organization itself had a very difficult time meeting its monthly expenditures, including salaries and supplies, etc.

The reports of receipts and dispursements filed by the Committee outline the serious financial problems of WINPAC. In the reporting period of July through September 30 of 1981, it was apparent that the Committee would not be able to makes its quarterly expenditures, as the contributions fell below the expenditures. During that period the Committee paid only monthly expenditures, i.e. salaries, supplies, etc. Even so the Committee had a deficit of $9545.68. As a result, Mr. Burger went to the bank to borrow money in the name of WINPAC to fund the Committee for these basic operating exepnses. The bank was reluctant to lend the money in the name of WINPAC as it was a newly established organization, had no assets, and no credit record. The monthly obligations of WINPAC required immediate action. The bank was willing to loan the money for WINPAC if good faith was shown by securing the loan in the Stan Burger's name with a second mortgage on their home. You will note that all the reports of receipts and dispursements of the Committee show that in fact the loan was made and that the Burgers were considered guarantors. Black's Law dictionary defines guarantor as one who makes a guarantee, and guarantee of course is defined as one who undertakes colateral to answer for the payment of anothers debt. (Emphasis added.) Mr. Burger acted to aide and assist in providing colateral to insure that WINPAC met its moral and legal obligations for services rendered, etc. In no way was this designed to make a contribution to the Committee. For all practical purposes it was WINPAC's loan for operating expenses.

In any case, after the payment of expenses for the July 1 through September 30, 1981 period there was a remaining balance of $5454.32 from the original $15,000 loan. Over the course of the next quarter because the expenditures were high and the contributions were low that balance of $5454.32 was used to meet the necessary bills in the reporting period through December 31 of 1981. For the reporting period from September through December 31, 1981 the contributions exceeded the expenditures by $272.57. As a result it was necessary for WINPAC to borrow monies for operating expense again. Mr. Burger then extended an additional $5000 to WINPAC, guaranteed through his second mortgage on his home bringing that financial quarter's balance to $5272.57. You can see that as a result of the expenditures for January 1 through March 31, 1982 the next two reporting periods that the remaining loan was expended by the end of that reprting period on operating expenses. Throughout that period it is important to remember that WINPAC did not contribute to one candidate or political organization. (See Exhibit "A" (consisting of 10 pages) attached--breakdown of finances July, 1981 to March 1982.)

Section 441 (a)(1)(C) U.S.C. provides that no one shall make a contribution exceeding $5000 to a political committee in any

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calendar year when it is made for the purpose of influencing a federal election. (Emphasis added.)

2 U.S.C. Section 441 a (f) states that no candidate or political committee shall knowingly accept contributions in violation of this Section.

2 U.S.C. Section 431 (8)(A)(i) defines the term "contribution" as any gift, subscription, loan, advance or deposit of money or anything of value made by any person for the purpose of influencing federal elections. (Emphasis added.)

The Burgers did not make a contribution as defined by the Statute. It is obvious from the above facts that at no point were the funds secured for WINPAC by the Burgers second mortgage, used in any manner to influence any federal election. There were no contributions made to any candidates during the term that the $20,000 was used for WINPAC operating expenses.

(See United States v. Clifford, 490 F.Supp 1070, 1074 (1976) providing that violation of this Sections predecessor Section 18 U.S.C. § 610 provides that it is necessary to prove that a contribution was intended to influence an election.)

In addition, it is important to note that WINPAC and not Stan Burger paid the interest on this loan.

In sum the legislative intent behind this statute was to prevent corruption in federal elections. That policy of the statute and the specific requirements of Section 441 a (f) require the knowing acceptance of contribution. WINPAC had a moral and legal obligation to pay its bills. Mr. Burger aided in seeing that those obligations were met. Only funds used to influence and elections are contributions. As such it logically follows that WINPAC did not violate Section 441 a (f), as WINPAC did not receive a contribution from the Burgers.

In light of these facts WINPAC asks that the Commission find no probable cause to proceed further in this matter.

B. RECORD KEEPING

While initially WINPAC did keep a record of all contributors in 1981 those records were placed on computer in 1982. Some time in that year they were accidently erased and purged with other contributions records. The Committee has looked extensively for the records, but is unable to find them. The Committee recognizes that Section 432 (d) requires that the Treasurer shall preserve all records. However, the Committee points out that there loss was accidental, and the Committee's financial reports show that the Committee reported all funds recieved from contributions.

It is unfortunate that the records have indeed been lost, however, the penalty provision of this Statute (Section 441 j)

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requires that these violations be knowingly and willfully. WINPAC did not in any manner knowingly and willfully destroy these records. WINPAC reported all contributions and continues to make every effort to attempt to find the contribution list for 1981.

You will note by the response of the Commission's auditor, Charles Hanshaw, filed on March 27, 1984 that the Committee has complied with the Federal Election Commissions auditors request that the Committee obtain the names of the contributors employers as pursuant to the statute. Please note in that letter (attached as Exhibit B) the auditor has acknowledged the Committee's efforts to correct its procedures and thus the auditor recommended no further action on this particular matter.

In sum, while the Committee has failed to keep a record of a contributions as a result of their accidental destruction these acts were not made knowingly or willingly and the Committee's future practices have been amended to eliminate any such future problems. As such there has been no attempt to violate the policy of the Federal Election Campaign statute to prevent corruption in federal elections.

C. FAILURE TO TIMELY FILE DISCLOSURE REPORTS AND FAILURE TO DISCLOSE RECEIPTS.

WINPAC was organized in 1977 for the purpose of contributing to candidates who have fiscally conservative philosophies. At the time the President was Stan Burger. The Treasurer of WINPAC is Don Burger, Stan's youngest son. Don Burger was neither a lawyer nor an accountant. Don Burger is a full time photographer and did the bookkeeping and filed the necessary reports to the Federal Election Commission in his spare time to help his father with the WINPAC organization. Because of Don's fulltime business he sometimes not inadequately failed to meet the filing deadlines. Don was alerted to the fact that the WINPAC had failed to file a report for October of 1981 by the audit staff of the Federal Election Commission. They recommended after their audit on March 27, 1984 (attached hereto as Exhibit "B" page 3) that a report for October of 1981 be filed within 30 days.

Based on the recommendations of the audit committee and acting in good faith WINPAC filed that report in April of 1984. As such the Committee asks the Commission to take note of WINPAC's good faith efforts to comply with the audit requests. Said report has been filed and all efforts have been made to disclose any information to the Commission. As such the Committee asks that the Commission take no further action on this matter.

The General Counsel alleges that in the Committee's reports the Committee failed to adequately itemize the $15,000 and $2,887.86 procured from First Security Bank for WINPAC's expenses. The Burgers second mortgage on their home guaranteed this loan. The Committee reported these funds as a loan to WINPAC because in essence for all practical purposes that was the situation. There

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was no contribution requiring itemization. (Please see Part A of this response for further explanation). These monies were not used in any manner to influence federal elections. This loan was guaranteed by the Burgers so that WINPAC had sufficient funds to meet it's legal and moral obligations for it's expenditures. WINPAC has been soley responsible for the payment of interest on that loan.

Therefore the Committee asks the Commission to find that there was not a violation of 434 (b)(2). In regards to 434 (a) (4)(A)(iv) the committee has now fully complied with the audit division's requests for Committee reports of receipts and disbursements, and full disclosure has been made.

D. IDENTIFICAION OF LOAN CONTRIBUTORS AND REPAYMENTS.

Section 2 U.S.C. 434 (b)(3)(E) provides that the Committee must acknowledge a person who makes a loan to the Committee during the reporting period with identification of any endorser or guarantor of such loan and the date and amount of such loan. While WINPAC's report of receipts and dispursements for this period fully discloses the loan. (See Exhibits--attached) The itemized reciepts recognize that $15,000 were secured through First Security Bank of Bozeman with the Burgers as guarantors. In addition that Schedule C acknowledges that the Burgers made a loan of $2887.86 to the Committee. The record of dispursements shows that that $2887.86 loan was repaid to Stanley Burger on August 28, 1981. While the information may not be in the Commission's described format, all the required information of 2 U.S.C 434 (b)(3)(E) is available in these reports. All information is fully disclosed.

The intent and purpose of the statute was to provide information to the Commission regarding political contributions to prevent abuse of the election process. There is no doubt that the report clearly establishes a short term loan to WINPAC from the Burgers of $2887.86. The report also acknowledges repayment to the Burgers. For brevity's sake the report notes repayment of the loan to Stanely Burger as opposed to joint tenents Stanley and Doris Burger.

While at first blush loans 2 and 3 for $15,000 and $5000 on the itemized receipts may initially appear as coming directly from the Bank, when they are examined in light of Schedule C it is obvious that they were procured for WINPAC's use by the Burgers as guarantors. One further note in regards to the $15,000, $5000 and $2887.86 monies WINPAC received. WINPAC has been charged with both accepting an excessive contribution and failing to provide adequate loan information. This was either a loan and a violation of a loan statutes or a contribution. One can not be guilty of both accepting a contribution, and at the same time failing to follow procedures for noting the receipt of a loan. It must be one way or the other.

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In any case, while the reports may not have been technically correct, there is no question that the report set out that a loan was secured from First Security Bank with Doris and Stanley Burger as the guarantors for the use of WINPAC. That the loan was used soley for the payment of WINPAC's expenses, and was not used as a contribution for influencing a federal election. The fact that it was WINPAC's loan is further substantiated by the fact that WINPAC continued to make the interest payments on it.

CONTINUOUS DISCLOSURE OF DEBTS

The reports of the receipts and dispursements filed by the Committee make it clear that the monies were secured through the use of the Burgers' credit, and used entirely by WINPAC for WINPAC's expenses. There is no knowing or willing attempt to fail to disclose information to the Federal Election Commission. There has been no violation of the intent and purpose of the statute.

WINPAC respectfully requests the Commission to consider all the facts surrounding these allegations, in light of the purpose behind the legislation to prevent corruption in federal elections. WINPAC is guilty of less then adequate accounting procedures. There certainly has been no effort to unduly influence an election. The integrity of WINPAC's personnel is beyond question. WINPAC's cooperation and willingness to open their books to the auditors is confirmed by the Commission's auditor, Mr. Charles Hanshaw, who recognized WINPAC's efforts.

The "ma and pa" operation of WINPAC led to some less then adequate accounting procedures. The Treasurer's lack of knowledge about accounting and the law added to the problem. WINPAC's financial reports evidence a full accounting of the monies contributed to WINPAC and the dispursements thereof. As such WINPAC asks the Federal Election Commission to find that there is no need to proceed further. WINPAC assures the Commission it is making every effort formaintain better records and obtain a better working knowledge of the federal election laws.

DATED this 20th day of August, 1984

SCHRAUDNER & SULLIVAN

By: Leanne M. Schraudner

Leanne M. Schraudner
502 South 19th, Suite 305
Post Office Box 1715
Bozeman, Montana 59715
Attorney for WINPAC

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EXHIBIT "A"
MUR 1706

July 1 through September 30, 1981

Cash on hand beginning reporting period	$ 3,496.41
Total Contributions	18,505.78
TOTAL	$22,002.19
Total Disbursements (No Contributions to political candidates or organizations)	$31,547.87
Balance (Deficit)	($ 9,545.68)
WINPAC Reciept From loan secured by Burgers second mortgage	$15,000.00
BALANCE	$ 5,454.32

October 1 through December 31, 1981

Cash on Hand	$ 5,454.32
Total Contributions	17,963.77
TOTAL	$23,418.09
Total Disbursements (No Contributions to political candidates or organizations)	$23,145.52
BALANCE	$ 272.57
WINPAC Reciept From loan secured by Burgers Second Mortgatge	5,000.00
BALANCE	$ 5,272.57

January 1 through March 31, 1982

Cash on Hand	$ 5,272.57
**Total Contributions	22,959.83
TOTAL	$28,232.40
**TOTAL DISBURSEMENTS (No Contributions to political candidates or organizations)	$24,336.18
BALANCE	$ 3,896.22

* Because the $22,959.83 in contributions were recieved over a three month period and a good part of that cash was not available during January, 1982 the remaining $5000 loan funds were used in January for expenditures totalling $9794.23.

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ITEMIZED DISBURSEMENTS

Information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

COPY

Name of Committee (in Full)

Western Internationalist Network, Political action Committee

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
DON BURGER 412 N Rouse Apt. F BOZEMAN, MT 59715	Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-2-82	279.15
Ron Burger 314 N 22ND Bozeman, MT 59715	Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-2-82	510.97
Electrographics P.O. Box 100 Bozeman, MT 59715	Printed Materials Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-7-82	$607.31
U.S.P.O. Bozeman, MT 59715	Postage Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-7-82	156.79
DON BURGER 314 N 22ND BOZEMAN, MT 59715	Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-17-82	510.97
DON BURGER 412 N. ROUSE # F BOZEMAN MT 59715	Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-17-82	279.15
Electrographics PO Box 100 Bozeman, MT 59715	Printing Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-17-82	$1346.00
U.S.P.O. Bozeman, MT 59715	Postage Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-21-82	$966.00
Mountain Bell Bozeman, MT 59715	Telephones Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-26-82	215.76
SUBTOTAL of Disbursements This Page (optional)			$4876.10
TOTAL This Period (last page this line number only)			

Page 4 of 32 for
LINE NUMBER _____
(Use separate schedule(s) for each category of the Detailed Summary Page)

ITEMIZED DISBURSEMENTS

formation copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for mercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

ame of Committee (in Full)

Western Intermountain Network Political Action Committee

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Stanley C. Berger 720 W. Birch Bozeman, Mt 59715	Payroll Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-2-82	$465.50
B. Full Name, Mailing Address and ZIP Code Judy Boulton 1337 Bozeman Trail Bozeman, Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-5-82	$33.03
C. Full Name, Mailing Address and ZIP Code Kathy Read 905 E. Montana Lexington, Mt 59041	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-5-82	$80.40
D. Full Name, Mailing Address and ZIP Code Judy Boulton 1337 Bozeman trail Bozeman, Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-5-82	$20.82
E. Full Name, Mailing Address and ZIP Code Carolyn Reed 906 Peter Rock Tower Bozeman, Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-7-82	$31.50
F. Full Name, Mailing Address and ZIP Code Marely Vinkemulder 1703 Wildflower Lane Bozeman, Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-7-82	$30.00
G. Full Name, Mailing Address and ZIP Code Diane Carter 406 Peter Rock Tower Bozeman, Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-7-82	$24.00
H. Full Name, Mailing Address and ZIP Code USPO Federal Building Bozeman, Mt 59715	Purpose of Disbursement Postage Due Mail Count Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-8-82	$13.62
I. Full Name, Mailing Address and ZIP Code Judy Boulton 1337 Bozeman trail Bozeman, Mt 59715	Purpose of Disbursement Stuffer Disbursement for: ☐ Primary ☐ General ☐ Other (specify):		$38.89
SUBTOTAL of Disbursements This Page (optional)			737.76
TOTAL This Period (last page this line number only)			

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Page 3 of 6 for
LINE NUMBER
(Use separate schedule(s) for each category of the Detailed Summary Page)

ITEMIZED DISBURSEMENTS

COPY

...ained from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for ... purposes, other than using the name and address of any political committee to solicit contributions from such committee.

...mittee (in Full)

Western Intermountain Network Politicalization Comm.

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
USPO Bozeman, MT 59715	Postage Due Acct Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-29-82	$300.00
Internal Revenue Ogden, UTAH	Quarterly Payroll TAXES – Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-31-82	$1582.08
Mont. Dept Revenue Capital Station Helena, MT 59601	TAXES Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-31-82	$146.13
Mont. Employment Sec Division Helena MT 59601	Unemployment Ins Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	1-31-82	$25.50
Don Burger 912 N 19th Bozeman, MT 5971 5	Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-4-82	$279.15
Ron Burger 314 N 08th D- Bozeman, MT 5971 5	Salaries – Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-1-82	$510.97
Stan Burger 720 N Black Bozeman, MT 59715	Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-1-82	$465.50
Electrographics PO Box xx Bozeman, MT 59715	Printing Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-1-82	$2060.39
DON BURGER 912 N 19th Bozeman, MT 59715	Payroll Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-16-82	$281.03
SUBTOTAL of Disbursements This Page (optional)			$5530.75
TOTAL This Period (last page this line number only)			

Dec. adjust 1/1-31-82

2296 2 9604061

DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (in Full): WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

Report Covering the Period: From: Jan 1 To: March 31

	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees	22,959.83	22,959.83	11(a)
(Memo Entry Unitemized $ 21,159.83)			
(b) Political Party Committees			11(b)
(c) Other Political Committees			11(c)
(d) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b) and 11(c))	22,959.83	22,959.83	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
13. ALL LOANS RECEIVED			13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)			15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	22,959.83	22,959.83	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	24,336.18	24,336.18	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES			20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			21
22. INDEPENDENT EXPENDITURES (use Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. § 441 a(d)) (Use Schedule F)			23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c))			26(d)
27. OTHER DISBURSEMENTS			27
28. TOTAL DISBURSEMENTS (add lines 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	24,336.18	24,336.18	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	22,959.83	22,959.83	29
30. TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	22,959.83	22,959.83	31
32. TOTAL OPERATING EXPENDITURES from Line 19	24,336.18	24,336.18	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	24,336.18	24,336.18	34

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REPORT OF RECEIPTS AND DISBURSEMENTS
Political Committee Other Than an Authorized Committee

(Summary Page)

1981

ALIGN AREA

ALIGN AREA

1. Name of Committee (In Full)
WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

Address (Number and Street)
505 WEST ASPEN

City, State and ZIP Code
BOZEMAN MT 59715

☐ Check here if address is different than previously reported.

2. FEC Identification Number
C 00 73213

3. ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate boxes)

(a) ☐ April 15 Quarterly Report ☐ October 15 Quarterly Report
☐ July 15 Quarterly Report ☒ January 31 Year End Report
☐ July 31 Mid Year Report (Non-Election Year Only)
☐ Monthly Report for _____
☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____
☐ Thirtieth day report following the General Election on _____ in the State of _____
☐ Termination Report

(b) Is this Report an Amendment?
☒ YES ☐ NO

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period Oct 1st through Dec. 31st		
6.(a) Cash on hand January 1, 19 81		$ 24,762.25
(b) Cash on Hand at Beginning of Reporting Period	$ 5,454.32	
(c) Total Receipts (from Line 18)	$ 22,963.77	$ 85,902.63
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 28,418.09	$ 110,664.88
7. Total Disbursements (from Line 28)	$ 23,145.52	$ 105,392.31
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 5,272.57	$ 5,272.57
9. Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	$	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$ 20,000.00	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

DONALD C. BURGER
Type or Print Name of Treasurer

Donald C. Burger
SIGNATURE OF TREASURER

4-20-84
Date

For further information contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this report to the penalties of 2 U.S.C. § 437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3X (3/80)

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DETAILED SUMMARY PAGE of Receipts and Disbursements (Page 2, FEC FORM 3X)

Name of Committee (in full): Western Sierra Mountain Network Political Action Committee

Report Covering the Period: From: Oct 1st To: Dec 31st

	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees	17,963.77	65,902.63	11(a)
(Memo Entry Unitemized $ 17,963.77)			
(b) Political Party Committees			11(b)
(c) Other Political Committees			11(c)
(d) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b) and 11(c))	17,963.77	65,902.63	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
13. ALL LOANS RECEIVED	5000.00	20,000.00	13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)			15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	22,963.77	85,902.63	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	23,145.52	105,392.31	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES			20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			21
22. INDEPENDENT EXPENDITURES (use Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. § 441 a(d)) (Use Schedule F)			23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c))			26(d)
27. OTHER DISBURSEMENTS			27
28. TOTAL DISBURSEMENTS (add lines 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	23,145.52	105,392.31	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	17,963.77	65,902.63	29
30. TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	17,963.77	65,902.63	31
32. TOTAL OPERATING EXPENDITURES from Line 19	23,145.51	105,392.31	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	23,145.51	105,392.31	34

REPORT OF RECEIPTS AND DISBURSEMENTS
Political Committee Other Than an Authorized Committee

1981 -

(Summary Page)

ALIGN AREA | ALIGN AREA

1. Name of Committee (In Full)
WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

Address (Number and Street)
505 WEST ASPEN

City, State and ZIP Code
BOZEMAN MT 59715

☐ Check here if address is different than previously reported.

2. FEC Identification Number
C 000 73213

3. ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate boxes)

(a) ☐ April 15 Quarterly Report ☒ October 15 Quarterly Report
☐ July 15 Quarterly Report ☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-Election Year Only)
☐ Monthly Report for _____
☐ Twelfth day report preceding _____ (Type of Election)
election on _____ in the State of _____
☐ Thirtieth day report following the General Election
on _____ in the State of _____
☐ Termination Report

(b) Is this Report an Amendment?
☒ YES ☐ NO

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SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period July 1st through Sept. 30th		
6. (a) Cash on hand January 1, 19 81		$ 24,762.25
(b) Cash on Hand at Beginning of Reporting Period	$ 3,496.41	
(c) Total Receipts (from Line 18)	$ 33,505.78	$ 62,938.86
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 37,002.19	$ 87,701.11
7. Total Disbursements (from Line 28)	$ 31,547.87	$ 82,246.79
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 5,454.32	$ 5,454.32
9. Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	$	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$ 15,000.00	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

DONALD C. BURGER
Type or Print Name of Treasurer

Donald C. Burger
SIGNATURE OF TREASURER

4-20-84
Date

For further information contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this report to the penalties of 2 U.S.C. § 437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3X (3/80)

of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (In Full): Western Interconnection Network Political Action Committee

Report Covering the Period: From July 1st To: Sept. 30

	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees	18,505.78	47,938.86	11(a)
(Memo Entry Unitemized $ 18,505.78)			
(b) Political Party Committees			11(b)
(c) Other Political Committees			11(c)
(d) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b) and 11(c))	18,505.78	47,938.86	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
13. ALL LOANS RECEIVED	15000.00	15000.00	13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)			15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	33,505.78	62,938.86	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	31,547.87	82,246.79	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES			20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			21
22. INDEPENDENT EXPENDITURES (use Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. § 441 a(d)) (Use Schedule F)			23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c))			26(d)
27. OTHER DISBURSEMENTS			27
28. TOTAL DISBURSEMENTS (add lines 19, 20, 21, 22, 23, 24, 25 and 27)	31,547.87	82,246.79	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	18,505.78	47,938.86	29
30. TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	18,505.78	47,938.86	31
32. TOTAL OPERATING EXPENDITURES from Line 19	31,547.87	82,246.79	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	31,547.87	82,246.79	34

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EXHIBIT B

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A83-83

May 24, 1984

Mr. Donald C. Burger, Treasurer
Western Intermountain Network
Political Action Committee
P.O. Box 100
Bozeman, Montana 59715

Dear Mr. Burger:

Enclosed for your information is a copy of the final audit report of the Western Intermountain Network Political Action Committee which was approved by the Commission on May 21, 1984.

Upon notice by return receipt that your informational copy of the report has been received (within approximately five days), it will be released publicly by the Commission.

Should you have any questions regarding the public release of this report, please contact Mr. Fred S. Eiland of the Commission's Press Office at (202) 523-4065. Any questions you may yet have related to matters covered during the audit or in the audit report should be directed to Mr. Charles Hanshaw or Mr. Kevin McFadden of the Audit Division at (202) 523-4155 or toll free at (800) 424-9530.

Sincerely,

Robert J. Costa
Assistant Staff Director
for the Audit Division

Enclosure as stated

CERTIFIED MAIL:
RETURN RECEIPT REQUESTED

3 5 0 4 0 5 1 2 3 0 2

B. Key Personnel

The Treasurer of the Committee during the period of audit was Mr. Donald C. Burger.

C. Scope

The audit included such tests as verification of total reported receipts, disbursements and individual transactions; review of required supporting documentation; analysis of Committee debts and obligations; and such other audit procedures as deemed necessary under the circumstances. Because the Committee did not maintain adequate contributor records, this audit did not include the standard audit procedure of verification of individual contributions to such records.

II. Audit Findings and Recommendations

A. Itemization of Contributions and Disclosure of Contributor Information

Section 434(b)(3)(A) of Title 2 of the United States Code requires disclosure of the identification of each person who makes a contribution to the reporting committee during the reporting period, whose contribution or contributions have an aggregate amount or value in excess of $200 within the calendar year, together with the date and amount of any such contribution. Section 431(13)(A) of Title 2 of the United States Code states the term "identification" means, in the case of any individual, the name, the mailing address, and the occupation of such individual, as well as the name of his or her employer.

Section 432(i) of Title 2 of the United States Code states, in part, that when the treasurer of a political committee shows that best efforts have been used to obtain, maintain, and submit the information required by this Act for the political committee, any report or any records of such committee shall be considered in compliance with this Act.

The Audit staff's comparison of available contribution records with reports filed revealed that the Committee did not itemize at least 29 contributions from individuals totaling $5,460. This represents 60.42% of the number and 27.08% of the dollar amount of contributions requiring itemization and for which records were available. Further, the Committee did not disclose 27.45% of the occupations and 29.41% of the names of employers for contributors itemized in the reports.

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With respect to the occupations, the Audit staff determined that contributions were received in response to written solicitations. These solicitations requested the occupation but not the name of the employer.

In the interim audit report, the Audit staff recommended that the Committee file comprehensive amendments for 1981 and 1982 itemizing the contributions. Further, the Audit staff recommended that the Committee amend its fundraising procedures so that, in the future, the names of contributors' employers are requested. Finally, the Audit staff noted that the Committee had demonstrated its best efforts to obtain and disclose the contributors' occupations.

On May 3, 1984, the Committee filed amendments to its reports of receipts and disbursements itemizing the contributions as recommended. Further, the Committee provided a list of contributors which they stated were sent letters on April 20, 1984 requesting the contributors' occupation and name of employer. The Committee stated that as of April 30, 1984, no responses were received from these contributors.

Recommendation

No further action is recommended on the matter.

B. Itemization of Expenditures

Section 434(b)(5)(A) of Title 2 of the United States Code requires the itemization of the name and address of each person to whom an expenditure in an aggregate amount or value in excess of $200 within the calendar year is made, together with the date, amount, and purpose of any such expenditure.

The Audit staff's review of the expenditure records revealed that 69 expenditures, in an aggregate amount or value in excess of $200, totaling $14,866.94 had not been itemized. These expenditures represent 25.37% of the total number and 9.23% of the total amount of expenditures requiring itemization.

The Treasurer indicated that he was unfamiliar with the aggregation requirement regarding such itemization.

In the interim audit report, the Audit staff recommended that the Committee file comprehensive amendments for 1981 and 1982 itemizing the expenditures.

On May 3, 1984, the Committee filed amendments to its reports of receipts and disbursements itemizing the expenditures.

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Recommendation

No further action is recommended on the matter.

C. **Matters Referred to Office of General Counsel**

Certain matters noted during the audit were referred to the Commission's Office of General Counsel on March 26, 1984 and May 24, 1984.

8604061230 5

BOZEMAN:
302 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59715
(406) 586-1942

SCHRAUDNER & SULLIVAN

ATTORNEYS AT LAW

RECEIVED AT THE FEC
84 AU[illegible] AM 8:38

HARLOWTON:
[illegible]
1-800-[illegible]-7239

Leanne M. Schraudner
Johnette Sullivan

GCC #4364

August 14, 1984

Frances B. Hagen
Federal Election Commission
1325 K Street Northwest
Washington, D.C. 20463

Re: MUR 1706
Stanley C. Burger

CERTIFIED LETTER
RETURN RECEIPT REQUESTED

Dear Ms. Hagen:

Enclosed you will find a Statement of Designation of Counsel. I have been retained by Mr. Stan Burger in the above reference matter. On August 3, 1984 Lee Ann Elliott wrote Mr. Stan Burger regarding the Federal Election Commission's determination that there was a reason to believe that Mr. Stan Burger violated 2 U.S.C.§ 441a (a) (1) (C), a provision of the Federal Election Campaign Act of 1971.

Mr. Burger has just retained me as counsel, I would ask that we could have an extension for filing this response. I would like to assure you, however, that a response will be mailed from our office no later the the 20th day of August, 1984. I would ask that this matter be put on hold until that time and no further action be taken against my client.

Your cooperation in this matter is greatly appreciated.

Sincerely,
SCHRAUDNER & SULLIVAN

Leanne M. Schraudner

LMS/mr
Enclosure
cc: Stan Burger

AUG 20 AM 10:40

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 1706

NAME OF COUNSEL: LEANNE M. SCHRAUDNER OF SCHRAUDNER & SULLIVAN

ADDRESS: 502 South 19th, Suite 305
Post OfficeBox 1715
Bozeman, Montana 59715

TELEPHONE: 406-586-1942

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

8-15-84
Date

Stanley R Burger
Signature

RESPONDENT'S NAME: STANLEY BURGER

ADDRESS: 720 WestBirch
Bozeman, Montana 59715

HOME PHONE: 406-587-3616

BUSINESS PHONE:

8604061230 7

BOZEMAN:
502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59715
(406) 586-1942

SCHRAUDNER & SULLIVAN

ATTORNEYS AT LAW

HARLOWTON:

RECEIVED AT THE FEC
84 AUG 20 P 2:33

Leanne M. Schraudner
Johnette Sullivan

GCO #4383

August 15, 1984

Frances B. Hagen
Federal Election Commission
1325 K Street Northwest
Washington, D.C. 20463

Re: MUR 1706
Donald Burger

CERTIFIED LETTER
RETURN RECEIPT REQUESTED

Dear Ms. Hagen:

Enclosed you will find a Statement of Designation of Counsel. I have been retained by Mr. Donald Burger in the above reference matter. On August 3, 1984 Lee Ann Elliott wrote Mr. Donald Burger regarding the Federal Election Commission's determination that there was a reason to believe that Mr. Donadl Burger violated the Federal Election Campaign Act of 1971.

Mr. Burger has just retained me as counsel, I would ask that we could have an extension for filing this response. I would like to assure you, however, that a response will be mailed from our office no later thenthe 20th day of August, 1984. I would ask that this matter be put on hold until that time and no further action be taken against my client.

Your cooperation in this matter is greatly appreciated.

Sincerely,
SCHRAUDNER & SULLIVAN

Leanne M. Schraudner

Leanne M. Schraudner

LMS/mr
Enclosure
cc: Donald Burger

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 1706

NAME OF COUNSEL: Leanne m. Schraudner

ADDRESS: SCHRAUDNER & SULLIVAN
Post Office Box 1715
Bozeman, MT 59715

TELEPHONE: 406-586-1942

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

8-15-84
Date

Donald C Burger
Signature

RESPONDENT'S NAME: Donald Burger

ADDRESS: Post Office Box 100
Bozeman, MT 59715

HOME PHONE: 587-0570 (hm) 587-9289(wk)

BUSINESS PHONE:

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 1706

NAME OF COUNSEL: LEANNE M. SCHRAUDNER OF SCHRAUDNER & SULLIVAN

ADDRESS: 502 south 19th, suite 305
Post Office Box 1715
Bozeman, Montana 59715

TELEPHONE: 406-586-1942

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

8-30-84
Date

Signature

RESPONDENT'S NAME: DORIS BURGER

ADDRESS: 720 West Birch
Bozeman, Montana 59715

HOME PHONE: 406-587-3616

BUSINESS PHONE:

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 3, 1984

Mr. Donald Burger, Treasurer
Western Intermountain Network
Political Action Committee
Box 100
Bozeman, Montana 59715

RE: MUR 1706
Western Intermountain Network
Political Action Committee
Donald Burger, Treasurer

Dear Mr. Burger:

On August 2,1984, the Federal Election Commission determined that there is reason to believe WINPAC and you, as treasurer, violated the following provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"):

a) 2 U.S.C. § 441a(f);
b) 2 U.S.C. § 432(c)(1), (2), (3) and (4);
c) 2 U.S.C. § 432(d);
d) 2 U.S.C. § 434(a)(4)(A)(iv);
e) 2 U.S.C. § 434(b)(2);
f) 2 U.S.C. § 434(b)(3)(E) and (5)(D);
g) 2 U.S.C. § 434(b)(8).

In addition, the Commission merged MUR 1654 into MUR 1706, to be called MUR 1706. 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 and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with

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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 desired. See 11 C.F.R. § 111.18(d).

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.

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.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

2504051231 2

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1706

Respondent Western Intermountain
Network Political Action Committee

SUMMARY OF ALLEGATIONS

WINPAC violated the Act as follows:

a) 2 U.S.C. § 441a(f) by receipt of excessive loan/contributions from Stanley and Doris Burger;

b) 2 U.S.C. § 432(c)(1), (2), (3) and (4) by failing to keep an account of contributions;

c) 2 U.S.C. § 432(d) by failing to preserve records for three years;

d) 2 U.S.C. § 434(a)(4)(A)(iv) for failure to timely file its 1981 October Quarterly Report;

e) 2 U.S.C. § 434(b)(2) for failure to adequately disclose receipts;

f) 2 U.S.C. § 434(b)(3)(E) and (5)(D) for failure to adequately identify loan contributors and recipients of loan repayments;

g) 2 U.S.C. § 434(b)(8) for failure to adequately and continuously report loan/contributions.

FACTUAL BASIS AND LEGAL ANALYSIS

Contribution Limitations

2 U.S.C. § 441a(a)(1)(C) states that no person shall make contributions to any unauthorized political committee in any calendar year, which in the aggregate, exceed $5,000.

2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept contributions in violations of this section.

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2 U.S.C. § 431(8)(A)(i) states that the term "contribution" includes any gift, subscription, loan, advance or deposit of money or anything of value made by any person for the purpose of influencing federal elections. [Emphasis added.]

During 1981, WINPAC's president, Stanley C. Burger, and his wife, Doris L. Burger, made excessive contributions in loan form to WINPAC. The Burgers' loan contribution history follows:

Stanley and Doris Burger - 1981-1982 Contributions

	Date	Amount	
Loan 1	8/7/81	$ 2,887.86	
Loan 2	8/25/81	15,000.00	
Loan 1 (Repaid)	8/28/81	Less - 2,887.86	
Loan 3	12/15/81	5,000.00	
Total Loans Outstanding:		$20,000.00	
Limitations (2 X $5,000):		- 10,000.00	
Amount of Excessive:		$10,000.00	= $5,000 S. Burger $5,000 D. Burger
Loan 4	11/20/82	4,000.00	= No excessive for 1982

Loan 1 ($2,887.86) was made from the Burger's joint banking account. It did not, on its own, exceed the contribution limits. However, it was outstanding 21 days and was repaid by WINPAC three days after the excessive Loan 2 ($15,000) was made. As the Burgers' loan history shows, the loans exceeded the limits at different times in different amounts, but at no time did the loans exceed the limits by more than $10,000.

Loan 2 ($15,000) and Loan 3 ($5,000) were made to WINPAC by the Burgers from a $30,000 line of credit they obtained in their names from a commercial bank. The line of credit was secured with the couple's house.

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The Office of General Counsel recommended reason to believe that WINPAC violated 2 U.S.C. § 441a(f) in this matter.

Recordkeeping

2 U.S.C. § 432(c)(1) through (4) states that the treasurer of a political committee shall keep an account of --

(1) all contributions received by or on behalf of such political committee;

(2) the name and address of any person who makes any conribution in excess of $50, together with the date and amount of such contribution by any person;

(3) the identification of any person who makes contributions aggregating more than $200 during a calendar year, together with the date and amount of such contributions;

(4) the identification of any political committee which makes a contribution, together with the date and amount of any such contribution.

2 U.S.C. § 431(13)(A) and (B) defines the term "identification" to include the name, mailing address and occupation of an individual, as well as the name of his or her employer, and in the case of any other person, the full name and mailing address.

2 U.S.C. § 432(d) requires that the treasurer shall preserve all records to be required by this section for 3 years after the report is filed.

Auditors found that WINPAC maintained records to support only $15,565.26 of at least $62,934.19 in contributions for 1981. The amount missing represents approximately 75% of the amount of

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total 1981 contributor activity. The treasurer told the auditors that the 1981 computer records, which contained all detailed contributor information, were purged to make space for 1982 contribution records. The computerized contributor information could not be reconstructed. As a result, WINPAC has violated 2 U.S.C. §§ 434(c)(1)-(4) and 432(d).

Failure to Timely File Disclosure Reports and Failure to Disclose Receipts

2 U.S.C. § 434(a)(4)(A)(iv) states that all political committees other than authorized committees of a candidate which file quarterly reports during election years shall, in any other calendar year, file a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31 and a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.

2 U.S.C. § 434(b)(2)(A) states that reports shall disclose the total amount of all receipts for contributions from persons other than political committees.

Auditors found that WINPAC failed to file its 1981 October Quarterly Report.*/ WINPAC had been notified by The Commission's Reports Analysis Division of failure to file. On May 3, 1984, in response to the Interim Audit Report, WINPAC filed the required

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*/ In a non-election year, WINPAC, which customarily files quarterly, could have filed Mid-Year and Year End Reports. In 1981, it continued to file quarterly. 2 U.S.C. § 434(a)(4)(A)(iv).

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report. However, while the report adequately disclosed disbursements, it failed to adequately itemize receipts as follows:

a) Loan 1 ($2,887.86 from 2 individuals) was reported as an unitemized receipt.

b) Loan 2 ($15,000 from 2 individuals) was itemized as a loan received directly from the bank.

Therefore, WINPAC is in violation of 2 U.S.C. §§ 434(a)(4)(A)(iv) and 434(b)(2).

Identification of Loan Contributors and Repayments

2 U.S.C. § 434(b)(3)(E) states that reports shall disclose the identification of each person who makes a loan to the reporting committee during the reporting period, together with the identification of any endorser or guarantor of such loan and date and amount of value of such loan.

2 U.S.C. § 434(b)(5)(D) requires the disclosure of the identification of each person who receives a loan repayment from the reporting committee during the reporting period, together with the date and amount of such loan repayment.

In response to the Interim Audit Report, auditors found that WINPAC failed to adequately correct its disclosure of loans and loan repayments as follows:

1981

a) Loan 1 ($2,887.86 from Stanley and Doris Burger) was reported as an unitemized contribution;

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b) Loan 1 repayment was itemized as a disbursement to Stanley Burger without reflecting that the loan was repaid to Doris Burger, also a contributor of Loan 1.

c) Loans 2 and 3 ($15,000 and $5,000 from the Burgers) were reported as coming directly from a bank;

1982

d) Loan 4 ($4,000 from the Burgers) was disclosed as an unitemized contribution and was not corrected in amendments filed in response to the Interim Audit Report.

Continuous Disclosure of Debts

2 U.S.C. § 434(b)(8) requires disclosure of the amount and nature of outstanding debts and obligations owed by the committee.

During the audit review, auditors reported the following findings:

1981

a) On debt schedules which are designed to show continuous reporting of debts outstanding, Loan 1 was itemized as received from and repaid to Stanley C. Burger and did not reflect Doris L. Burger as contributor;

b) On debt schedules, Loans 2 and 3 were shown as loans directly from a bank with the Burgers as guarantors, rather than as loans owed to the Burgers. In addition, the terms of the loan were not disclosed.

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1982

c) In amendments filed in response to the Interim Audit Report, WINPAC omitted the required debt schedule for the 1982 Year End Report. Loans 2, 3 and 4 remained outstanding during the period covered by that report (October 1, 1982 to December 31, 1982).

d) In amendments filed for the period January 1 1982 through September 30, 1982, WINPAC did include the required debt schedules for this period. However, the schedules submitted with these amendments incorrectly listed the bank as the source of Loans 2, 3 and 4.

As a result of these disclosure discrepancies, WINPAC is in violation of 2 U.S.C. § 434(b)(8).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 3, 1984

Ms. Doris L. Burger
720 West Birch
Bozeman, Montana 59715

RE: MUR 1706
Doris L. Burger

Dear Ms. Burger:

On August 2, 1984, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(C), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). In addition, the Commission merged MUR 1654 into MUR 1706, to be called MUR 1706. 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. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against you, 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 desired. See 11 C.F.R. § 111.18(d).

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.

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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.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

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GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1706

Respondent Doris L. Burger

SUMMARY OF ALLEGATIONS

Doris L. Burger violated 2 U.S.C. § 441a(a)(1)(C) by making excessive contributions in the form of loans to WINPAC.

FACTUAL BASIS AND LEGAL ANALYSIS

Contribution Limitations

2 U.S.C. § 441a(a)(1)(C) states that no person shall make contributions to any unauthorized political committee in any calendar year, which in the aggregate, exceed $5,000.

2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept contributions in violations of this section.

2 U.S.C. § 431(8)(A)(i) states that the term "contribution" includes any gift, subscription, loan, advance or deposit of money or anything of value made by any person for the purpose of influencing federal elections. [Emphasis added.]

During 1981, WINPAC's president, Stanley C. Burger, and his wife, Doris L. Burger, made excessive contributions in loan form to WINPAC. The Burgers' loan contribution history follows:

Stanley and Doris Burger - 1981-1982 Contributions

	Date	Amount	
Loan 1	8/7/81	$ 2,887.86	
Loan 2	8/25/81	15,000.00	
Loan 1 (Repaid)	8/28/81	Less - 2,887.86	
Loan 3	12/15/81	5,000.00	
Total Loans Outstanding:		$20,000.00	
Limitations (2 X $5,000):		- 10,000.00	
Amount of Excessive:		$10,000.00	= $5,000 S. Burger $5,000 D. Burger
Loan 4	11/20/82	4,000.00	= No excessive for 1982

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Loan 1 ($2,887.86) was made from the Burger's joint banking account. It did not, on its own, exceed the contribution limits. However, it was outstanding 21 days and was repaid by WINPAC three days after the excessive Loan 2 ($15,000) was made. As the Burgers' loan history shows, the loans exceeded the limits at different times in different amounts, but at no time did the loans exceed the limits by more than $10,000.

Loan 2 ($15,000) and Loan 3 ($5,000) were made to WINPAC by the Burgers from a $30,000 line of credit they obtained in their names from a commercial bank. The line of credit was secured with the couple's house.

The Office of General Counsel recommended that the Commission find reason to believe that Stanley C. Burger and Doris L. Burger violated 2 U.S.C. § 441a(a)(1)(C) in this matter.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 3, 1984

Mr. Stanley C. Burger
720 West Birch
Bozeman, Montana 59715

RE: MUR 1706
Stanley C. Burger

Dear Mr. Burger:

On August 2, 1984, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(C), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). In addition, the Commission merged MUR 1654 into MUR 1706, to be called MUR 1706. 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. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against you, 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 desired. See 11 C.F.R. § 111.18(d).

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.

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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.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

3604051232 5

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1706

Respondent Stanley C. Burger

SUMMARY OF ALLEGATIONS

Stanley C. Burger violated 2 U.S.C. § 441a(a)(1)(C) by making excessive contributions in the form of loans to the Western Intermountain Network Political Action Committee (WINPAC).

FACTUAL BASIS AND LEGAL ANALYSIS

Contribution Limitations

2 U.S.C. § 441a(a)(1)(C) states that no person shall make contributions to any unauthorized political committee in any calendar year, which in the aggregate, exceed $5,000.

2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept contributions in violations of this section.

2 U.S.C. § 431(8)(A)(i) states that the term "contribution" includes any gift, subscription, loan, advance or deposit of money or anything of value made by any person for the purpose of influencing federal elections. [Emphasis added.]

During 1981, WINPAC's president, Stanley C. Burger, and his wife, Doris L. Burger, made excessive contributions in loan form to WINPAC. The Burgers' loan contribution history follows:

Stanley and Doris Burger - 1981-1982 Contributions

	Date	Amount
Loan 1	8/7/81	$ 2,887.86
Loan 2	8/25/81	15,000.00

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Stanley and Doris Burger - 1981-1982 Contributions

Loan 1 (Repaid)	8/28/81	Less - 2,887.86	
Loan 3	12/15/81	5,000.00	
Total Loans Outstanding:		$20,000.00	
Limitations (2 X $5,000):		- 10,000.00	
Amount of Excessive:		$10,000.00	= $5,000 S. Burger $5,000 D. Burger
Loan 4	11/20/82	4,000.00	= No excessive for 1982

Loan 1 ($2,887.86) was made from the Burger's joint banking account. It did not, on its own, exceed the contribution limits. However, it was outstanding 21 days and was repaid by WINPAC three days after the excessive Loan 2 ($15,000) was made. As the Burgers' loan history shows, the loans exceeded the limits at different times in different amounts, but at no time did the loans exceed the limits by more than $10,000.

Loan 2 ($15,000) and Loan 3 ($5,000) were made to WINPAC by the Burgers from a $30,000 line of credit they obtained in their names from a commercial bank. The line of credit was secured with the couple's house.

The Office of General Counsel recommended that the Commission find reason to believe that Stanley C. Burger and Doris L. Burger violated 2 U.S.C. § 441a(a)(1)(C) in this matter.

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LAW OFFICES OF
MILLER, CANFIELD, PADDOCK AND STONE
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
1015 FIFTEENTH STREET, N.W.
WASHINGTON, D.C. 20005
TELEPHONE (202) 789-8640

SIDNEY T. MILLER (1864-1940)
GEORGE L. CANFIELD (1866-1928)
LEWIS H. PADDOCK (1866-1935)
FERRIS D. STONE (1862-1945)

BIRMINGHAM, MICHIGAN
BOCA RATON, FLORIDA
GRAND RAPIDS, MICHIGAN
LANSING, MICHIGAN
MONROE, MICHIGAN
TRAVERSE CITY, MICHIGAN
WASHINGTON, D.C.

JAMES F. SCHOENER
(202) 789-8643

August 10, 1984

Frances B. Hagen, Esquire
Office of the General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, DC 20463

Re: MUR 1654
E. C. Yegen

Dear Ms. Hagen:

The contribution made by my client to the Western Intermountain Network Political Action Committee was intended to be a perfectly legal earmarked contribution. 11 C.F.R. 110.6. It was intended that it would represent $1,000 for the primary election of Ron Marlenee, $1,000 for the primary election of Ron Marlenee, $1,000 for the general election of Ron Marlenee, and $500 for the general election from E. C. Yegan's wife, Donna.

My client has never discussed his contribution with any of the people mentioned in the General Counsel's Factual & Legal Analysis; specifically, he did not talk or communicate with Stan Burger or Cliff Christian. He did make the earmarking as outlined above to a close friend who had agreed to transmit the information to the political action committee.

The apparent break down in communication obviously has caused this legal and proper contribution to become suspect as a violation.

If you need any other or further information please contact the undersigned at your convenience.

Very truly yours,

James F. Schoener

James F. Schoener

JFS/cb

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1706
Stanley C. Burger	)	
Doris L. Burger	)	
Western Intermountain Network Political Action Committee	)	
Donald Burger, Treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 2, 1984, the Commission decided by a vote of 4-0 to take the following actions in MUR 1706:

1. Find reason to believe that Stanley C. Burger violated 2 U.S.C. § 441a(a)(1)(C).

2. Find reason to believe that Doris L. Burger violated 2 U.S.C. § 441a(a)(1)(C).

3. Find reason to believe that WINPAC, and Donald Burger as treasurer, violated the following:

   a) 2 U.S.C. § 441a(f)
   b) 2 U.S.C. § 432(c)(1), (2), (3) and (4)
   c) 2 U.S.C. § 432(d)
   d) 2 U.S.C. § 434(a)(4)(A)(iv)
   e) 2 U.S.C. § 434(b)(2)
   f) 2 U.S.C. § 434(b)(3)(E) and (5)(D)
   g) 2 U.S.C. § 434(b)(8)

4. Merge MUR 1654 into MUR 1706, to be called MUR 1706.

(Continued)

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5. Approve the letters attached to the First General Counsel's Report dated July 30, 1984.

Commissioners Aikens, Elliott, Harris and McGarry voted affirmatively in this matter; Commissioners McDonald and Reiche did not cast a vote.

Attest:

8/2/84
Date

Marjorie W. Emmons
Secretary of the Commission

8604061230

Received in Office of Commission Secretary: 7-30-84, 9:28
Circulated on 48 hour tally basis: 7-31-84, 11:00

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL BY OGC TO THE COMMISSION 7/30/84 - 9:30

MUR NO. 1706
STAFF MEMBER
Frances B. Hagan

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

RESPONDENTS' NAMES: Stanley C. Burger
Doris L. Burger
Western Intermountain Network Political Action Committee and as treasurer, Donald Burger

RELEVANT STATUTE:
2 U.S.C. § 441a(a)(1)(C)
2 U.S.C. § 441a(f)
2 U.S.C. § 431(8)(A)(i)
2 U.S.C. § 432(c)(1), (2), (3) and (4)
2 U.S.C. § 431(13)
2 U.S.C. § 432(d)
2 U.S.C. § 434(a)(4)(A)(iv)
2 U.S.C. § 434(b)(2)
2 U.S.C. § 434(b)(3)(E), (5)(D) and (8)

INTERNAL REPORTS CHECKED: Audit Referral and Workpapers
MUR 1654

FEDERAL AGENCIES CHECKED: None

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Generation of Matter

This matter was referred to the Office of General Counsel by the Audit Division as a result of an audit conducted pursuant to 2 U.S.C. § 438(b).

Summary of Allegations

1. Stanley C. Burger violated 2 U.S.C. § 441a(a)(1)(C) by making excessive contributions in the form of loans to the Western Intermountain Network Political Action Committee (WINPAC).

2. Doris L. Burger violated 2 U.S.C. § 441a(a)(1)(C) by making excessive contributions in the form of loans to WINPAC.

3. WINPAC violated the Act as follows:

a) 2 U.S.C. § 441a(f) by receipt of excessive loan/contributions from Stanley and Doris Burger;

b) 2 U.S.C. § 432(c)(1), (2), (3) and (4) by failing to keep an account of contributions;

c) 2 U.S.C. § 432(d) by failing to preserve records for three years;

d) 2 U.S.C. § 434(a)(4)(A)(iv) for failure to timely file its 1981 October Quarterly Report;

e) 2 U.S.C. § 434(b)(2) for failure to adequately disclose receipts;

f) 2 U.S.C. § 434(b)(3)(E) and (5)(D) for failure to adequately identify loan contributors and recipients of loan repayments;

g) 2 U.S.C. § 434(b)(8) for failure to adequately and continuously report loan/contributions.

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Factual and Legal Analysis

Contribution Limitations

2 U.S.C. § 441a(a)(1)(C) states that no person shall make contributions to any unauthorized political committee in any calendar year, which in the aggregate, exceed $5,000.

2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept contributions in violations of this section.

2 U.S.C. § 431(8)(A)(i) states that the term "contribution" includes any gift, subscription, loan, advance or deposit of money or anything of value made by any person for the purpose of influencing federal elections. [Emphasis added.]

During 1981, WINPAC's president, Stanley C. Burger, and his wife, Doris L. Burger, made excessive contributions in loan form to WINPAC. The Burgers' loan contribution history follows:

Stanley and Doris Burger - 1981-1982 Contributions

	Date	Amount	
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Loan 2	8/25/81	15,000.00	
Loan 1 (Repaid)	8/28/81	Less - 2,887.86	
Loan 3	12/15/81	5,000.00	
Total Loans Outstanding:		$20,000.00	
Limitations (2 X $5,000):		- 10,000.00	
Amount of Excessive:		$10,000.00	= $5,000 S. Burger $5,000 D. Burger
Loan 4	11/20/82	4,000.00	= No excessive for 1982

Loan 1 ($2,887.86) was made from the Burger's joint banking account. It did not, on its own, exceed the contribution limits. However, it was outstanding 21 days and was repaid by WINPAC three days after the excessive Loan 2 ($15,000) was made. As the Burgers' loan history shows, the loans exceeded the limits at different times in different amounts, but at no time did the loans exceed the limits by more than $10,000.

Loan 2 ($15,000) and Loan 3 ($5,000) were made to WINPAC by the Burgers from a $30,000 line of credit they obtained in their names from a commercial bank. The line of credit was secured with the couple's house.

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Recordkeeping

2 U.S.C. § 432(c)(1) through (4) states that the treasurer of a political committee shall keep an account of --

(1) all contributions received by or on behalf of such political committee;

(2) the name and address of any person who makes any conribution in excess of $50, together with the date and amount of such contribution by any person;

(3) the identification of any person who makes contributions aggregating more than $200 during a calendar year, together with the date and amount of such contributions;

(4) the identification of any political committee which makes a contribution, together with the date and amount of any such contribution.

2 U.S.C. § 431(13)(A) and (B) defines the term "identification" to include the name, mailing address and occupation of an individual, as well as the name of his or her employer, and in the case of any other person, the full name and mailing address.

2 U.S.C. § 432(d) requires that the treasurer shall preserve all records to be required by this section for 3 years after the report is filed.

Auditors found that WINPAC maintained records to support only $15,565.26 of at least $62,934.19 in contributions for 1981. The amount missing represents approximately 75% of the amount of total 1981 contributor activity. The treasurer told the auditors

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that the 1981 computer records, which contained all detailed contributor information, were purged to make space for 1982 contribution records. The computerized contributor information could not be reconstructed. As a result, WINPAC has violated 2 U.S.C. §§ 434(c)(1)-(4) and 432(d).

Failure to Timely File Disclosure Reports and Failure to Disclose Receipts

2 U.S.C. § 434(a)(4)(A)(iv) states that all political committees other than authorized committees of a candidate which file quarterly reports during election years shall, in any other calendar year, file a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31 and a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.

2 U.S.C. § 434(b)(2)(A) states that reports shall disclose the total amount of all receipts for contributions from persons other than political committees.

Auditors found that WINPAC failed to file its 1981 October Quarterly Report.*/ WINPAC had been notified by The Commission's Reports Analysis Division of failure to file. On May 3, 1984, in response to the Interim Audit Report, WINPAC filed the required report. However, while the report adequately disclosed

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*/ In a non-election year, WINPAC, which customarily files quarterly, could have filed Mid-Year and Year End Reports. In 1981, it continued to file quarterly. 2 U.S.C. § 434(a)(4)(A)(iv).

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disbursements, it failed to adequately itemize receipts as follows:

a) Loan 1 ($2,887.86 from 2 individuals) was reported as an unitemized receipt.

b) Loan 2 ($15,000 from 2 individuals) was itemized as a loan received directly from the bank.

Therefore, it appears that WINPAC is in violation of 2 U.S.C. §§ 434(a)(4)(A)(iv) and 434(b)(2).

Identification of Loan Contributors and Repayments

2 U.S.C. § 434(b)(3)(E) states that reports shall disclose the identification of each person who makes a loan to the reporting committee during the reporting period, together with the identification of any endorser or guarantor of such loan and date and amount of value of such loan.

2 U.S.C. § 434(b)(5)(D) requires the disclosure of the identification of each person who receives a loan repayment from the reporting committee during the reporting period, together with the date and amount of such loan repayment.

In response to the Interim Audit Report, auditors found that WINPAC failed to adequately correct its disclosure of loans and loan repayments as follows:

1981

a) Loan 1 ($2,887.86 from Stanley and Doris Burger) was reported as an unitemized contribution;

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b) Loan 1 repayment was itemized as a disbursement to Stanley Burger without reflecting that the loan was repaid to Doris Burger, also a contributor of Loan 1.

c) Loans 2 and 3 ($15,000 and $5,000 from the Burgers) were reported as coming directly from a bank;

1982

d) Loan 4 ($4,000 from the Burgers) was disclosed as an unitemized contribution and was not corrected in amendments filed in response to the Interim Audit Report.

Continuous Disclosure of Debts

2 U.S.C. § 434(b)(8) requires disclosure of the amount and nature of outstanding debts and obligations owed by the committee.

During the audit review, auditors reported the following findings:

1981

a) On debt schedules which are designed to show continuous reporting of debts outstanding, Loan 1 was itemized as received from and repaid to Stanley C. Burger and did not reflect Doris L. Burger as contributor;

b) On debt schedules, Loans 2 and 3 were shown as loans directly from a bank with the Burgers as guarantors, rather than as loans owed to the Burgers. In addition, the terms of the loan were not disclosed.

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1982

c) In amendments filed in response to the Interim Audit Report, WINPAC omitted the required debt schedule for the 1982 Year End Report. Loans 2, 3 and 4 remained outstanding during the period covered by that report (October 1, 1982 to December 31, 1982).

d) In amendments filed for the period January 1, 1982 through September 30, 1982, WINPAC did include the required debt schedules for this period. However, the schedules submitted with these amendments incorrectly listed the bank as the source of Loans 2, 3 and 4.

As a result of these disclosure discrepancies, it appears that WINPAC is in violation of 2 U.S.C. § 434(b)(8).

Recommendation to Merge Matters

WINPAC is a respondent in MUR 1654 which resulted from an earlier referral from the same audit review. Because the issues herein relate to that audit and since WINPAC is a principal respondent in both Matters Under Review, we recommend that these MURs be merged, to be referred to as MUR 1706.

Recommendations

1. Find reason to believe that Stanley C. Burger violated 2 U.S.C. § 441a(a)(1)(C).

2. Find reason to believe that Doris L. Burger violated 2 U.S.C. § 441a(a)(1)(C).

3. Find reason to believe that WINPAC, and Donald Burger as treasurer, violated the following:

   a) 2 U.S.C. § 441a(f);

   b) 2 U.S.C. § 432(c)(1), (2), (3) and (4);

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c) 2 U.S.C. § 432(d);

d) 2 U.S.C. § 434(a)(4)(A)(iv);

e) 2 U.S.C. § 434(b)(2);

f) 2 U.S.C. § 434(b)(3)(E) and (5)(D);

g) 2 U.S.C. § 434(b)(8).

4. Merge MUR 1654 into MUR 1706, to be called MUR 1706.

5. Approve attached letters.

Charles N. Steele
General Counsel

Date July 27, 1984

BY: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

Attachments
Letters (3)
General Counsel's Factual and Legal Analyses

8504051239

OCC # 4325
RECEIVED AT THE FEC

BOZEMAN:
502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59715
(406) 586-1942

SCHRAUDNER & SULLIVAN

ATTORNEYS AT LAW

HARLOWTON:
210 [illegible]
[illegible]
(406) [illegible] or
1-800-421-7239

84 AUG 13 P2:28

Leanne M. Schraudner

Johnette Sullivan

AUG 13 P 2:40

August 2, 1984

Frances B. Hagan
Federal Election Commission
1325 K Street Northwest
Washington, D.C. 20463

Re: MUR 1654
Western Intermountain Network
Political Action Committee
Donald Burger, Treasurer

Dear Ms. Hagan:

Please find enclosed a response to the Federal Election Commissions Cause Number MUR 1654. Let me thank you for your cooperation in allowing an extention in filing this response. Please note that if the Commission finds that they must proceed further on this matter, which we are in great hopes that they will not, we may file additional briefs.

Sincerely,
SCHRAUDNER & SULLIVAN

Leanne M. Schraudner

LMS/mr
Enclosure
cc: Don Burger

3604061234O

BOZEMAN:
502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59715
(406) 586-1942

SCHRAUDNER & SULLIVAN
ATTORNEYS AT LAW

HARLOWTON:
210 North Central
Harlowton, MT 59036
(406) 632-5574 or
1-800-421-7239

Leanne M. Schraudner
Johnette Sullivan

DATE: August 3, 1984

BEFORE: THE FEDERAL ELECTION COMMISSION

RE: MUR 1654

RESPONDENT: WESTERN INTERMOUNTAIN NETWORK
POLITICAL ACTION COMMITTEE
Donald Burger, Treasurer

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WINPAC RESPONSE

In response to the Federal Election Commission's request for additional factual and legal information regarding the alleged violations by WINPAC of 2 U.S.C. Section 441F WINPAC files the following response and requests the Committee to find that there is no reason to proceed further with this matter.

WINPAC was organized in 1977 for the purpose of contributing to candidates, etc. who had fiscally conservative philosophies. It was founded by the President Stan Burger who had been involved in politics on a local level for several years. The organization itself has annual contributions ranging from $100,000 to $200,000 per year. The Committee was the brainchild of Stan Burger, who was the most visible and active officer of WINPAC. In an effort to make the venture successful his sons assisted him with the bookkeeping etc. Mr. Stan Burger was not responsible for the bookkeeping or reporting requirements, nor was he aware of the federal regulations associated with contributions.

The Treasurer of WINPAC is Donald Burger, Stan's youngest son. Donald Burger is neither a lawyer or an accountant. Don Burger is a full time photographer, and did the bookkeeping and filed the necessary reports to Federal Election Commission in his spare time to help his father with the WINPAC organization. Because of Don's full time business and minimal role in WINPAC Stan and Don were not always aware of each others dealings.

Over the several years that WINPAC has been in operation they have contributed to a large number of candidates without problems. The two instances that are under investigation by the Federal Election Commission involve a committee contribution of $2500 to Ron Marlenee Campaign and $2000 to Bill Kennedy. In both cases those candidates share the conservative views of the committee, and the committee had

not made a previous contribution to either candidate. Stan was under the impression that the contributions were within the Federal Election Laws. See 2 USCA § 441 a(2)(A) which allows a multicandidate committee to contribute up to $5000 to a candidate.

In 1982 when those contributions were made Don was well into his photography business and meeting infrequently with Stan on WINPAC matters. Stan Burger made the contributions to these candidates without consulting the Treasurer, Don. In any case both Stan and Don, in particular Stan were unfamiliar with the election laws. Stan had assumed WINPAC's actions were well within the federal election campaign statutes in light of WINPAC's lack of prior contributions to Marlenee and Kennedy in that year. WINPAC's belief that they did not violate election laws is substantiated by their more than willing cooperation with Mr. Charles Hanshaw, who performed the audit.

In sum the legislative intent behind this statute was to prevent corruption in federal elections. While WINPAC may have less than adequate accounting procedures, the integrity of WINPAC and its personnel is beyond question.

In light of these facts it should be clear that WINPAC attempted to make these donations were within the Federal Election Commission's laws, and if the Commission finds that there is something that is less then standard about the way that the contributions were made, WINPAC is open to any suggestions for maintaining better records in the future, and attaining a better working knowledge of the intricate of federal election laws, to prevent future problems.

DATED this 3 day of August, 1984.

SCHRAUDNER & SULLIVAN

BY: _____
LEANNE M. SCHRAUDNER
Attorney for Respondent

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cc Steve
Joe
Hagan
Blessington

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Addendum #2 to the Final Audit Report)
on the National Unity Campaign for)
John Anderson)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on July 27, 1984, the Commission approved by a vote of 5-0 the Staff Director's recommendation to discuss the above-captioned matter in Executive Session.

Commissioners Aikens, Elliott, Harris, McDonald and McGarry voted affirmatively in this matter; Commissioner Reiche did not cast a vote.

Attest:

7-27-84
Date

Marjorie W Emmons
Marjorie W. Emmons
Secretary of the Commission

8604061234 3

LAW OFFICES OF
MILLER, CANFIELD, PADDOCK AND STONE
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
1015 FIFTEENTH STREET, N.W.
WASHINGTON, D.C. 20005
TELEPHONE (202) 789-8640

SIDNEY T. MILLER (1864-1940)
GEORGE L. CANFIELD (1866-1928)
LEWIS H. PADDOCK (1866-1938)
FERRIS D. STONE (1882-1945)

BIRMINGHAM, MICHIGAN
BOCA RATON, FLORIDA
GRAND RAPIDS, MICHIGAN
LANSING, MICHIGAN
MONROE, MICHIGAN
TRAVERSE CITY, MICHIGAN
WASHINGTON, D.C.

JAMES F. SCHOENER
(202) 789-8643

July 24, 1984

GCC # 4132

HAND DELIVERED

Office of the General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, DC 20463

ATTN: Ms. Frances B. Hagan

Re: MUR 1654
E. C. Yegen/Donna Yegen

Dear Ms. Hagan:

This letter will serve as counsel's written request for a ten (10) day extension of time in MUR 1654. I ask for the ten day extension to permit counsel adequate response time due to the following statement of fact:

On July 10, 1984, upon returning from vacation, our clients, E. C. Yegen and Donna Yegen, received notice of alleged violations of 2 U.S.C. §§ 441f and 441a(a)(1)(A), in a letter from the Commission dated June 27, 1984. The Yegen's, by and through their son, E. C. (Wayo) Yegen, Jr., requested my services as counsel to them in this matter on July 23. (I am presently on a business trip and will return to the city on Thursday, July 26, 1984.)

Enclosed are the Statements and Designation of Counsel for both E. C. and Donna Yegen. In an effort to save time, I suggested that Wayo sign on behalf of his parents since they live out of town.

As my secretary, Chris Bell, explained in a telephone conversation held with Ms. Hagan today, the name of E. C. Peter Yegen (which is typed in the letter of June 27) is incorrect. Mr. Yegen's correct name is E. C. Yegen and Peter Yegen is his 88 year old father; the elder Yegen had nothing whatsoever to do with the contribution in question and should not in any way be involved. Please make the necessary corrections to your records.

Thank you for your consideration of this request. Please send all notifications and other communications from the Commission regarding this MUR to my office.

Very truly yours, (cb)

James F. Schoener

James F. Schoener

JFS/cb
Enclosures

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 1654

NAME OF COUNSEL: James F. Schoener, Esquire

ADDRESS: 1015 Fifteenth Street, N.W.
Suite 1200
Washington, DC 20005

TELEPHONE: 202/789-8640

JUL 25 A 9:31

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

7/23/84
Date

E. C. B. for D. J. Yegen
Signature
Rep Rob

RESPONDENT'S NAME: D. J. YEGEN

ADDRESS: Box 1774
Casper WY 82601

HOME PHONE: 307-265-6484

BUSINESS PHONE: [redacted]

R 6 0 4 0 5 1 2 3 4 5

STATEMENT OF DESIGNATION OF COUNSEL

MUR 1654

NAME OF COUNSEL: James F. Schoener

ADDRESS: 1015 Fifteenth Street, N.W.
Suite 1200
Washington, DC 20005

TELEPHONE: 202/789-8640

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

July 23, 1984
Date

Signature

RESPONDENT'S NAME: E.C. YEGEN

ADDRESS: BOX 1774
CASPER WY 82601

HOME PHONE: 307-265-6484

BUSINESS PHONE: 307-235-3171

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 13, 1984

Charles C. Lovell, Esquire
Church, Harris, Johnson and
Williams
P.O. Box 1645
Great Falls, Montana 59403

RE: MUR 1654
Montanans for Marlenee
Douglas N. Wilson, Treasurer

Dear Mr. Lovell:

This is in reference to your letter dated July 10, 1984, requesting an extension of fifteen (15) days to respond to the Commission's notice of reason to believe findings. 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 July 30, 1984.

If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202)523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

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HAND DELIVERED

LAW OFFICES OF
CHURCH, HARRIS, JOHNSON & WILLIAMS

J. W. CHURCH (1894-1978)
C. S. HARRIS (1895-1978)
SJARNE JOHNSON
CARTER WILLIAMS
WM. A. REID
DALE FORBES
CRESAP S. McCRACKEN
CHARLES C. LOVELL
DOUGLAS G. ALLEN
MILTON G. WORDAL

RICHARD F. GALLAGHER
DON A. LABAR
ROBERT P. GOFF
R. KEITH STRONG
W. SJARNE JOHNSON
GREGORY R. SCHWANDT
MICHEAL F. LAMB
KENNETH R. DYRUD
JEANNIE YOUNG

P.O. BOX 1645 • GREAT FALLS, MONTANA 59403 • THIRD FLOOR NORWEST BANK BUILDING • PHONE (406) 761-3000

July 10, 1984

JUL 11 AM 11:37

STRICTLY CONFIDENTIAL

VIA FEDERAL EXPRESS

Federal Election Commission
1325 K Street Northwest
Washington, D. C. 20463

ATTENTION: Frances B. Hagan

RE: MUR 1654
Montanans for Marlenee
Douglas N. Wilson, Treasurer

Dear Ms. Hagan:

Confirming our telephone conversation of this afternoon, following are the reasons why I need an extension of time of at least fifteen days after July 13, within which to respond to the interrogatories submitted with your letter of June 27, 1984, directed to Douglas N. Wilson, Treasurer of Montanans for Marlenee:

1. Douglas N. Wilson has requested that I represent him and Montanans for Marlenee in this matter, and has transmitted to you an executed copy of your form of designation of counsel, which I hope you have received.

2. Upon agreeing to act as counsel in this matter, I started at square one with a reading of the statutes, the Code of Federal Regulations, and since have done other research into the applicable law.

3. In order to properly investigate the factual allegations, it is necessary to contact and interview several different witnesses in widely separated geographical locations, which cannot possibly be accomplished within the limited period of ten days set forth in your letter.

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4. I have been out of the office and out of the city for three of the past four days, and have long standing commitments to be in Chicago tomorrow through next Sunday. It is impossible for me to complete this investigation and respond appropriately without the extension which we have requested.

I appreciate your courtesy in discussing this matter with me, and I am very glad to be able to have this extension. I will have a messenger contact you tomorrow to pick up the letter granting our extension of time.

We in the Marlenee campaign have tried very, very hard to scrupulously follow both the letter and intent of the election laws. The matters mentioned in your communication to Mr. Wilson come as a complete surprise to him, to me, and to Congressman Marlenee. We want to conduct a complete investigation to find out what actually happened, what actually was done, and who was involved. We will then make an appropriate report to you. In the interim, confidentiality is of the utmost importance. I would request that our right to have these proceedings remain confidential be strictly observed and further that there be no waiver of this right of confidentiality in the absence of an express written communication from me.

Thank you for your continued cooperation.

Sincerely,

CHURCH, HARRIS, JOHNSON & WILLIAMS

BY: Charles C. Lovell

CCL:lb

cc: Douglas N. Wilson

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 1654

NAME OF COUNSEL: Charles C. Lovell

ADDRESS: P. O. Box 1645
Great Falls, MT 59403

TELEPHONE: (406) 761-3000

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

July 3, 1984
Date

Douglas N. Wilson
Signature

RESPONDENT'S NAME: Douglas N. Wilson

ADDRESS: Montanans for Marlenee
P. O. Box 1776
Great Falls MT 59403

HOME PHONE: (406) 453-9483

BUSINESS PHONE: (406) 761-4645

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 27, 1984

Mr. Douglas N. Wilson, Treasurer
Montanans for Marlenee
P.O. Box 1776
Great Falls, Montana 59403

RE: MUR 1654
Montanans for Marlenee
Douglas N. Wilson, Treasurer

Dear Mr. Wilson:

On June 26 , 1984, the Federal Election Commission determined that there is reason to believe that Montanans for Marlenee and you, as treasurer, violated the following provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"):

a) 2 U.S.C. § 441f
b) 2 U.S.C. § 441a(f).

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 and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials, along with your answers to the enclosed questions, within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 desired. See 11 C.F.R. § 111.18(d).

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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.

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.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

cc: The Honorable Ron Marlenee

8604061235 2

INTERROGATORIES

1. Please explain the circumstances of your Committee's August 1982 receipt of $2,500 from E.C. Peter Yegan and Donna Yegan which was reported as a contribution from WINPAC.

2. Identify Committee employee Cliff Christian's position in the 1982 campaign.

3. Explain Cliff Christian's involvement in securing contributions from individuals through WINPAC for your committee and for Friends of Bill Kennedy (CA) during the 1982 election.

4. Identify the persons who knew of the contributions noted in Questions 1 and 3 above.

5. Identify the person or persons authorizing the acceptance of contributions from individuals through WINPAC in 1982.

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GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1654

RESPONDENT Montanans for Marlenee

SUMMARY OF ALLEGATIONS

1. The Montanans for Marlenee Committee violated 2 U.S.C. § 441f by accepting contributions made by a person in the name of another.

2. The Montanans for Marlenee Committee violated 2 U.S.C. § 44la(f) by accepting contributions in excess of limitations at 2 U.S.C. § 44la(a)(l)(A).

FACTUAL BASIS AND LEGAL ANALYSIS

2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

2 U.S.C. § 44la(a)(l)(A) states that no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $1,000.

2 U.S.C. § 44la(f) states that no candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of this section.

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During the FEC audit of the Western Intermountain Network Political Action Committee, the auditors found evidence that WINPAC served as a conduit for contributions (one in excess of $1,000) from two individuals to the Marlenee Committee during the 1982 election cycle. However, neither WINPAC nor the recipient candidate committee revealed the source of the contributions on disclosure reports. 2 U.S.C. § 441f prohibits the making or receipt of contributions in the name of another person. 2 U.S.C. §§ 441a(a)(1)(A) and 441a(f) prohibit the making or receipt of excessive contributions.

Contribution of $2,500 to Montanans for Marlenee

On May 3, 1984, the Audit Division received a letter from Stan Burger, "president" of WINPAC, in response to questions asked at the audit exit conference. The letter explains that in August 1982, Mr. Burger received a telephone request from Cliff Christian, then an employee of the Montanans for Marlenee Committee (principal campaign committee of Ron Marlenee, a House candidate), asking if WINPAC would pass a check of $2,500 from two individuals to the Marlenee campaign. Mr. Burger stated that Mr. Christian said that the contributors, E.C. Peter Yegan, Jr. and Donna Yegan, of Billings, Montana, did not want the "people in Billings to know he had donated that amount to the Marlenee campaign." A notation on WINPAC's deposit ticket indicated $2,000 from E.C. Yegan and $500 from Donna Yegan. However, because only the contributors can assign the donative intent, it cannot be assumed that the contribution was so attributed.

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According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegans and wrote a corresponding check for $2,500 to "Ron Marlenee." On August 20, 1982, the Marlenee Committee gave WINPAC a receipt for $2,500 from WINPAC for the "1982 Marlenee General Campaign." WINPAC also received a letter dated October 6, 1982, from Ron Marlenee thanking WINPAC for the contribution. WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" designated for the primary election. The Marlenee Committee reported receipt of $2,500 from WINPAC designated for the general election.

As a result of these transactions, it appears that the Marlenee Committee violated 2 U.S.C. § 441f by accepting contributions made by a person in the name of another. In addition, the Marlenee Committee violated 2 U.S.C. § 441a(f) for the receipt of a contribution in excess of limitations. The Office of General Counsel recommended that the Commission find reason to believe against the Marlenee Committee for these violations.

8604061236

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 27, 1984

Mr. Donald Burger, Treasurer
Western Intermountain Network
Political Action Committee
Box 100
Bozeman, Montana 59715

RE: MUR 1654
Western Intermountain Network
Political Action Committee
Donald Burger, Treasurer

Dear Mr. Burger:

On June 26, 1984, the Federal Election Commission determined that there is reason to believe that the Western Intermountain Network Political Action Committee ("WINPAC") and you, as treasurer, violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). 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 and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 desired. See 11 C.F.R. § 111.18(d).

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,

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and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

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GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1654

RESPONDENT Western Intermountain Network
Political Action Committee
and as treasurer, Donald Burger

SUMMARY OF ALLEGATIONS

WINPAC violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971.

FACTUAL BASIS AND LEGAL ANALYSIS

2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

2 U.S.C. § 441a(a)(1)(A) states that no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $1,000.

2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of this section.

During the FEC audit of the Western Intermountain Network Political Action Committee, the auditors found evidence that WINPAC served as a conduit for contributions (two in excess of $1,000) from three individuals to the authorized committees of

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two congressional candidates during the 1982 election cycle. However, neither WINPAC nor the recipient candidate committees revealed the source of the contributions on disclosure reports. 2 U.S.C. § 441f prohibits the making or receipt of contributions in the name of another person. 2 U.S.C. §§ 441a(a)(1)(A) and 441a(f) prohibit the making or receipt of excessive contributions.

Contribution of $2,500 to Montanans for Marlenee

On May 3, 1984, the Audit Division received a letter from Stan Burger, "president" of WINPAC, in response to questions asked at the audit exit conference. The letter explains that in August 1982, Mr. Burger received a telephone request from Cliff Christian, then an employee of the Montanans for Marlenee Committee (principal campaign committee of Ron Marlenee, a House candidate), asking if WINPAC would pass a check of $2,500 from two individuals to the Marlenee campaign. Mr. Burger stated that Mr. Christian said that the contributors, E.C. Peter Yegan, Jr. and Donna Yegan, of Billings, Montana, did not want the "people in Billings to know he had donated that amount to the Marlenee campaign." A notation on WINPAC's deposit ticket indicated $2,000 from E.C. Yegan and $500 from Donna Yegan. However, because only the contributors can assign the donative intent, it cannot be assumed that the contribution was so attributed.

According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegans and wrote a corresponding check for $2,500 to "Ron Marlenee." On August 20, 1982, the Marlenee Committee gave WINPAC a receipt for $2,500

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from WINPAC for the "1982 Marlenee General Campaign." WINPAC also received a letter dated October 6, 1982, from Ron Marlenee thanking WINPAC for the contribution. WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" designated for the primary election. The Marlenee Committee reported receipt of $2,500 from WINPAC designated for the general election.

As a result of these transactions, it appears that WINPAC violated 2 U.S.C. § 441f by allowing the use of its name to make a contribution by another person.

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Contribution of $2,000 to Friends of Bill Kennedy

The May 4, 1984, WINPAC letter signed by Stan Burger reported a second telephone call from Cliff Christian of the Marlenee Committee in October 1982, requesting that WINPAC pass along a check of $2,000 from another individual, Joe Poli of Hayward, California, to Bill Kennedy, a California congressional candidate. The letter stated that Mr. Poli is a regular contributor to WINPAC. Mr. Burger adds, "[I] received the check and hurriedly took it to Western Union because Mr. Kennedy was in dire need of the money."

The president and treasurer of WINPAC had told auditors during the audit exit conference that Mr. Burger had contacted the Friends of Bill Kennedy Committee to inform it of Mr. Poli's contribution.

According to audit workpapers and copies of WINPAC bank records, on October 26, 1982, Mr. Burger wrote a check of $2,000 to "Cash", drawn on a WINPAC account, then wired this amount to

the Friends of Bill Kennedy Committee. WINPAC mistakenly reported this transaction as a disbursement to Stan Burger for "reimbursement for payment to Ron Marlenee campaign." The Kennedy Committee showed the receipt as a WINPAC contribution designated to its general election campaign.

As a result of these transactions (as in the Marlenee matter), WINPAC violated 2 U.S.C. § 441f. The Office of General Counsel recommended that the Commission find reason to believe that WINPAC violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 27, 1984

Mr. Joe Poli
17100 East 14th Street
Hayward, California 94541

RE: MUR 1654
Joe Poli

Dear Mr. Poli:

On June 26, 1984, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. §§ 441f and 441a(a)(1)(A), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). 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. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against you, 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 desired. See 11 C.F.R. § 111.18(d).

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.

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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For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

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GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1654

RESPONDENT Joe Poli

SUMMARY OF ALLEGATIONS

Joe Poli violated the following provisions of the Federal Election Campaign Act, as amended:

a) 2 U.S.C. § 441f by making a contribution in connection with a federal election in the name of another;

b) 2 U.S.C. § 441a(a)(1)(A) by making a contribution in excess of limitations.

FACTUAL BASIS AND LEGAL ANALYSIS

2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

2 U.S.C. § 441a(a)(1)(A) states that no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $1,000.

During the FEC audit of the Western Intermountain Network Political Action Committee, the FEC auditors found evidence that WINPAC served as a conduit for a contribution in excess of $1,000 from an individual to the authorized committee of a congressional candidate during the 1982 election cycle. However, neither

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WINPAC nor the recipient candidate committee revealed the source of the contribution on disclosure reports. 2 U.S.C. § 441f prohibits the making or receipt of contributions in the name of another person. 2 U.S.C. §§ 441a(a)(1)(A) and 441a(f) prohibit the making or receipt of excessive contributions.

Contribution of $2,000 to Friends of Bill Kennedy

The May 4, 1984, WINPAC letter signed by Stan Burger reported a telephone call from Cliff Christian of the Marlenee Committee in October 1982, requesting that WINPAC pass along a check of $2,000 from an individual, Joe Poli of Hayward, California, to Bill Kennedy, a California congressional candidate. The letter stated that Mr. Poli is a regular contributor to WINPAC. Mr. Burger adds, "[I] received the check and hurriedly took it to Western Union because Mr. Kennedy was in dire need of the money."

The president and treasurer of WINPAC had told auditors during the audit exit conference that Mr. Burger had contacted the Friends of Bill Kennedy Committee to inform it of Mr. Poli's contribution.

According to audit workpapers and copies of WINPAC bank records, on October 26, 1982, Mr. Burger wrote a check of $2,000 to "Cash", drawn on a WINPAC account, then wired this amount to the Friends of Bill Kennedy Committee. WINPAC mistakenly reported this transaction as a disbursement to Stan Burger for "reimbursement for payment to Ron Marlenee campaign." The

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Kennedy Committee showed the receipt as a WINPAC contribution designated to its general election campaign.

As a result of these transactions Joe Poli violated 2 U.S.C. SS 441f and 441a(a)(1)(A).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 27, 1984

Mr. E.C. Peter Yegan
306 N. 30
Billings, Montana 59102

RE: MUR 1654
E.C. Peter Yegan

Dear Mr. Yegan:

On June 26, 1984, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. §§ 441f and 441a(a)(1)(A), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). 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. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against you, 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 desired. See 11 C.F.R. § 111.18(d).

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.

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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For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

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GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1654

RESPONDENT E.C. Peter Yegan

SUMMARY OF ALLEGATIONS

E.C. Peter Yegan violated the following provisions of the Federal Election Campaign Act:

a) 2 U.S.C. § 441f by making a contribution in the name of another;

b) 2 U.S.C. § 441a(a)(1)(A) by making a contribution in excess of limitations.

FACTUAL BASIS AND LEGAL ANALYSIS

2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

2 U.S.C. § 441a(a)(1)(A) states that no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $1,000.

During the FEC audit of the Western Intermountain Network Political Action Committee, the FEC auditors found evidence that WINPAC served as a conduit for a contribution in excess of $1,000 from an individual to the authorized committee of a congressional candidate during the 1982 election cycle. However, neither

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WINPAC nor the recipient candidate committee revealed the source of the contribution on disclosure reports. 2 U.S.C. § 441f prohibits the making or receipt of contributions in the name of another person. 2 U.S.C. §§ 441a(a)(1)(A) and 441a(f) prohibit the making or receipt of excessive contributions.

Contribution of $2,500 to Montanans for Marlenee

On May 3, 1984, the Audit Division received a letter from Stan Burger, "president" of WINPAC, in response to questions asked at the audit exit conference. The letter explains that in August 1982, Mr. Burger received a telephone request from Cliff Christian, then an employee of the Montanans for Marlenee Committee (principal campaign committee of Ron Marlenee, a House candidate), asking if WINPAC would pass a check of $2,500 from two individuals to the Marlenee campaign. Mr. Burger stated that Mr. Christian said that the contributors, E.C. Peter Yegan, Jr. and Donna Yegan, of Billings, Montana, did not want the "people in Billings to know he had donated that amount to the Marlenee campaign." A notation on WINPAC's deposit ticket indicated $2,000 from E.C. Yegan and $500 from Donna Yegan. However, because only the contributors can assign the donative intent, it cannot be assumed that the contribution was so attributed.

According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegans and wrote a corresponding check for $2,500 to "Ron Marlenee." On August 20, 1982, the Marlenee Committee gave WINPAC a receipt for $2,500 from WINPAC for the "1982 Marlenee General Campaign." WINPAC also received a letter dated October 6, 1982, from Ron Marlenee

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thanking WINPAC for the contribution. WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" designated for the primary election. The Marlenee Committee reported receipt of $2,500 from WINPAC designated for the general election.

As a result of these transactions, it appears that E.C. Peter Yegan violated 2 U.S.C. § 441f by making a contribution in the name of another. In addition, E.C. Yegan violated 2 U.S.C. § 441a(a)(1)(A). The Office of General Counsel recommended that the Commission find reason to believe that these violations occurred.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 27, 1984

Ms. Donna Yegan
306 N. 30
Billings, Montana 59102

RE: MUR 1654
Donna Yegan

Dear Ms. Yegan:

On June 26 , 1984, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. §§ 441f and 441a(a)(1)(A), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). 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. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against you, 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 desired. See 11 C.F.R. § 111.18(d).

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.

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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For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

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GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1654

RESPONDENT Donna Yegan

SUMMARY OF ALLEGATIONS

Donna Yegan violated the following provisions of the Federal Election Campaign Act:

a) 2 U.S.C. § 441f by making a contribution in the name of another;

b) 2 U.S.C. § 441a(a)(1)(A) by making a contribution in excess of limitations.

FACTUAL BASIS AND LEGAL ANALYSIS

2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

During the FEC audit of the Western Intermountain Network Political Action Committee, the FEC auditors found evidence that WINPAC served as a conduit for a contribution from an individual to the authorized committee of a congressional candidate during the 1982 election cycle. However, neither WINPAC nor the recipient candidate committee revealed the source of the contribution on disclosure reports. 2 U.S.C. § 441f prohibits the making or receipt of contributions in the name of another person.

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Contribution of $2,500 to Montanans for Marlenee

On May 3, 1984, the Audit Division received a letter from Stan Burger, "president" of WINPAC, in response to questions asked at the audit exit conference. The letter explains that in August 1982, Mr. Burger received a telephone request from Cliff Christian, then an employee of the Montanans for Marlenee Committee (principal campaign committee of Ron Marlenee, a House candidate), asking if WINPAC would pass a check of $2,500 from two individuals to the Marlenee campaign. Mr. Burger stated that Mr. Christian said that the contributors, E.C. Peter Yegan, Jr. and Donna Yegan, of Billings, Montana, did not want the "people in Billings to know he had donated that amount to the Marlenee campaign." A notation on WINPAC's deposit ticket indicated $2,000 from E.C. Yegan and $500 from Donna Yegan. However, because only the contributors can assign the donative intent, it cannot be assumed that the contribution was so attributed.

According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegans and wrote a corresponding check for $2,500 to "Ron Marlenee." On August 20, 1982, the Marlenee Committee gave WINPAC a receipt for $2,500 from WINPAC for the "1982 Marlenee General Campaign." WINPAC also received a letter dated October 6, 1982, from Ron Marlenee thanking WINPAC for the contribution. WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" designated for the primary election. The Marlenee Committee reported receipt of $2,500 from WINPAC designated for the general election.

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As a result of these transactions, it appears that Donna Yegan violated 2 U.S.C. § 441f by making a contribution in the name of another. In addition, Donna Yegan violated 2 U.S.C. § 441a(a)(1)(A). The Office of General Counsel recommended that the Commission find reason to believe that these violations occurred.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 27, 1984

Mr. John G. Stevens, Treasurer
Friends of Bill Kennedy
2217 Camino Brazos
Pleasanton, California 94566

RE: MUR 1654
Friends of Bill Kennedy
John G. Stevens, Treasurer

Dear Mr. Stevens:

On June 26, 1984, the Federal Election Commission determined that there is reason to believe that the Friends of Bill Kennedy and you, as treasurer, violated the following provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"):

a) 2 U.S.C. § 441f
b) 2 U.S.C. § 441a(f).

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 and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials, along with your answers to the enclosed questions, within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 desired. See 11 C.F.R. § 111.18(d).

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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.

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.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

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INTERROGATORIES

1. Please explain the circumstances of your Committee's October 1982 receipt of $2,000 from Joe Poli which was reported as a contribution from WINPAC.

2. How was receipt of such contribution authorized?

3. Identify the individuals who knew of and/or approved acceptance of the contribution noted in Question 1.

4. Explain your Committee's connection with Cliff Christian of the Montanans for Marlenee Committee.

5. What was Cliff Christian's role in arranging the above-named contribution from Joe Poli?

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GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1654

RESPONDENT Friends of Bill Kennedy

SUMMARY OF ALLEGATIONS

1. The Friends of Bill Kennedy violated the following provisions of the Act:

a) 2 U.S.C. § 441f by accepting a contribution made by a person in the name of another.

b) 2 U.S.C. § 441a(f) by accepting a contribution in excess of limitatins at 2 U.S.C. § 441a(a)(1)(A).

FACTUAL BASIS AND LEGAL ANALYSIS

2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

2 U.S.C. § 441a(a)(1)(A) states that no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $1,000.

2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of this section.

During the FEC audit of the Western Intermountain Network Political Action Committee, the auditors found evidence that

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WINPAC served as a conduit for a contribution in excess of $1,000 from an individual to the authorized committee of congressional candidate Bill Kennedy (CA) during the 1982 election cycle. However, neither WINPAC nor the recipient candidate committee revealed the source of the contributions on disclosure reports. 2 U.S.C. § 441f prohibits the making or receipt of contributions in the name of another person. 2 U.S.C. § 441a(f) prohibits the receipt of contributions violative of 2 U.S.C. § 441a(a)(1)(A).

Contribution of $2,000 to Friends of Bill Kennedy

The May 4, 1984, WINPAC letter signed by Stan Burger reported a telephone call from Cliff Christian of the Marlenee Committee in October 1982, requesting that WINPAC pass along a check of $2,000 from an individual, Joe Poli of Hayward, California, to Bill Kennedy, a California congressional candidate. The letter stated that Mr. Poli is a regular contributor to WINPAC. Mr. Burger adds, "[I] received the check and hurriedly took it to Western Union because Mr. Kennedy was in dire need of the money."

The president and treasurer of WINPAC had told auditors during the audit exit conference that Mr. Burger had contacted the Friends of Bill Kennedy Committee to inform it of Mr. Poli's contribution.

According to audit workpapers and copies of WINPAC bank records, on October 26, 1982, Mr. Burger wrote a check of $2,000 to "Cash", drawn on a WINPAC account, then wired this amount to the Friends of Bill Kennedy Committee. WINPAC mistakenly

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reported this transaction as a disbursement to Stan Burger for "reimbursement for payment to Ron Marlenee campaign." The Kennedy Committee showed the receipt as a WINPAC contribution designated to its general election campaign.

As a result of these transactions the Kennedy Committee violated 2 U.S.C. §§ 441f and 441a(f). The Office of General Counsel recommended that the Commission find reason to believe against the Kennedy Committee for these violations.

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ROBERT P. GOFF
R. KEITH STRONG
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July 27, 1984

STRICTLY CONFIDENTIAL

VIA FEDERAL EXPRESS

Federal Election Commission
1325 K Street Northwest
Washington, D. C. 20463

ATTENTION: Francis B. Hagan

RE: MUR 1645
Montanans for Marlenee
Douglas N. Wilson, Treasurer

Dear Ms. Hagan:

Confirming our telephone conversation of this morning, you will find enclosed herewith Answers To Interrogatories Of Douglas N. Wilson, Treasurer Of Montanans For Marlenee. I think that you will find that these Answers adequately answer the Commission's Interrogatories.

I understand that I need no specific administrative approval or designation to practice before the Federal Election Commission. I am licensed to practice law, and have practiced law before all state courts in Montana, the United States District Court of Montana, the Ninth Circuit Court of Appeals, and the Supreme Court of the United States.

There are a few points which I would like to emphasize in presenting our case to you. I will do so in this letter, and if your procedures require that these be set forth in formal motions or pleadings, I would request a further opportunity to do so.

1. I do not see any real evidence of a violation of the election laws by Montanans for Marlenee.

A. If I understand the law correctly, the amounts involved are not significant because Yegens could have, had they wished to do so, contributed up to $4,000 to Montanans for Marlenee and substantially more than that to

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WINPAC. It is my understanding that the $2,500 contribution to WINPAC by the Yegens was allocated by them to be applied $1,000 to the primary and $1,000 to the general by Mr. Yegen; and $250 to the primary and $250 to the general by Mrs. Yegen. The mere fact that WINPAC did not properly allocate these amounts certainly ought not be claimed as a campaign violation of the Marlenee Committee. We therefore deny any violation of 2 U.S.C. §441a(f) by accepting contributions in excess of limitations. Further, we move the Commission to dismiss this charge against us, or in the alternative if more appropriate, for a final determination of no probable cause on this count.

B. 2 U.S.C. §441f. Again, if I understand the law correctly, it is possible for an individual to make a contribution to a Pac such as WINPAC, and to earmark those funds for contribution to a particular candidate or campaign committee for a candidate. (If I misunderstand the law in this regard - or if we disagree on the law - please advise me forthwith). As I understand the facts here, Mr. Yegen did not want to contribute to Montanans for Marlenee. He did want to contribute to a Pac which would support Congressman Marlenee's Committee, Montanans for Marlenee. In effect, what Cliff Christian did was to contact WINPAC to determine whether WINPAC was interested in the Yegens giving WINPAC an ear-marked campaign contribution.

I don't know what the reporting requirements are for WINPAC, or whether they were met. It may be that WINPAC should have reported this as an ear-marked contribution. WINPAC made a $2,500 contribution to Montanans for Marlenee. When it was received, we reported it as a contribution from WINPAC. Of course, at the time, our treasurer was completely unaware of the discussions between Cliff Christian and the Yegens.

We stress to you the fact that this is not a case where Yegens had already made maximum contributions to Montanans for Marlenee and were attempting to make an additional contribution.

R 6 0 4 0 6 1 2 3 8 5

Under the circumstances, we contend that Montanans for Marlenee did not violate 2 U.S.C. §441f. Further, we move the Commission to dismiss this allegation. It seems clear from the facts that Mr. Yegen was unwilling to contribute to Montanans for Marlenee but was willing to contribute to a Pac if he could have a voice in how the money was contributed, i.e. to Montanans for Marlenee. The legal effect of Cliff Christian's involvement would seem to be putting Mr. Yegen in contact with WINPAC. We contend that this ought not be considered a violation of the Federal Election Law and ask for your understanding consideration on this point.

2. If there has been any violation of the election laws - which we deny - it has been completely innocent and inadvertent. Moreover, the intent of the election laws clearly has not been violated, and certainly no one could argue for more than a technical inadvertent violation. Additionally, the officers of Montanans for Marlenee were completely unaware of Mr. Christian's discussions with Mr. Yegen. Cliff Christian was under strict instructions not to violate any election law. If it is determined that his actions did somehow result in a minor technical violation of the law, his actions were outside the scope and course of his employment, and such violation ought not be attributed to Montanans for Marlenee.

3. We certainly hope to be able to persuade the Commission that no violation of the election laws is attributable to Montanans for Marlenee. If I am unable to do this, we want to return the contribution to WINPAC and the Yegens, and we are investigating just how we would go about this in the event you do not grant our requests for dismissals.

4. It certainly isn't going to help anyone involved in this case to go into extensive litigation. Neither the American taxpayer nor Montanans for Marlenee can afford to litigate a matter like this at any great length. Therefore, in the event of a determination by the Commission that a finding of no probable cause cannot

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be made, I would be interested in exploring conciliation with the Commission.

5. Additionally, if the Commission refuses dismissal of these allegations, or refuses a summary disposition of this matter, I would be interested in pursuing pre-probable cause conciliation. Unless you can demonstrate the contrary to me, this matter seems to me to be, at most de minimis and one which can perhaps be resolved through a reasonable agreement.

6. Finally, I must point out to you what I think is the extreme fundamental unfairness and injustice in this case, i.e. an investigation which begins in October of 1983 of WINPAC, concluding in November of 1983, and now resulting in an allegation of 1982 election violation immediately ahead of the 1984 election. I am not criticizing FEC procedures or people. I am simply stating that imposing this situation upon Congressman Marlenee immediately in advance of the 1984 election is extremely unfair. It simply isn't right! Certainly if the Commission has any discretion whatever in applying the election law fairly, this ancient charge burdened with laches ought to either be dismissed outright or held over for a full airing during a non-election year.

We submit each of the forgoing as separate and independent and alternative but cumulative defenses and affirmative motions and requests for relief, pointing out that we are not familiar with your procedures and hoping that you will receive these in the spirt in which they are submitted.

I very much appreciate your courtesy and cooperation in assisting us in responding fully in this matter.

Sincerely,

CHURCH, HARRIS, JOHNSON & WILLIAMS

BY: Charles C. Lovell
CHARLES C. LOVELL

CCL:ja

8604061238 7

Congressman Marlenee if that could be done. Cliff Christian states that he contacted Stanley Burger of WINPAC and asked whether such a contribution could be made to WINPAC. The response was affirmative, and Mr. Christian then contacted Mr. Yegen and advised him that he could make the political contribution to WINPAC. Mr. Yegen and his wife apparently made the contribution to WINPAC. Subsequently WINPAC made a similar contribution to Montanans for Marlenee.

INTERROGATORY NO. 4. Identify the persons who knew of the contributions noted in Questions 1 and 3 above.

ANSWER: A number of people knew of the WINPAC contribution to Montanans for Marlenee but were unaware of the connection with Yegens. Among our Committee, only Cliff Christian, and one or two campaign workers were aware of the Yegens interest in Montanans for Marlenee. Only Cliff Christian participated in the decision and implementation of the contacts with WINPAC and the Yegens.

Obviously the Yegens, and the Burgers, and perhaps others at WINPAC had some knowledge of the contribution.

INTERROGATORY NO. 5. Identify the person or persons authorizing the acceptance of contributions from individuals through WINPAC in 1982.

ANSWER: This question cannot be answered accurately in its present form. Within our Committee, only Cliff Christian contacted WINPAC and Yegens and knew that Yegens were going to go to WINPAC with an ear-marked contribution. When WINPAC's contribution came in, it was accepted as a routine PAC contribution by people who knew nothing of the Christian-Yegen-WINPAC contacts.

Dated July 26, 1984

MONTANANS FOR MARLENEE

BY: Douglas N. Wilson

Douglas N. Wilson
Treasurer

8604051238 8

ANSWERS TO INTERROGATORIES

RE: MUR 1654
Montanans for Marlenee
Douglas N. Wilson, Treasurer

INTERROGATORY NO. 1. Please explain the circumstances of your Committee's August 1982 receipt of $2,500 from E. C. Peter Yegen and Donna Yegen which was reported as a contribution from WINPAC.

ANSWER: Montanans for Marlenee received the $2,500 contribution, deposited the same, and treated it in all respects as a contribution from WINPAC, reporting it as such. At the time the contribution was received, banked, reported, and at all times since then, those at Montanans for Marlenee - except as explained below - were under the impression that this was a bona fide contribution from WINPAC. Therefore, that is the way it was treated by the Committee. Neither Congressman Marlenee nor Douglas N. Wilson, Treasurer of Montanans for Marlenee, were aware of the other underlying facts concerning this contribution until receipt of letter from the Federal Election Commission dated June 27, 1984. Montanans for Marlenee is now in the process of investigating arrangements to return this contribution to WINPAC and the Yegens, and if appropriate, to amend the 1982 report.

INTERROGATORY NO. 2. Identify Committee employee Cliff Christian's position in the 1982 campaign.

ANSWER: Cliff Christian was a salaried employee of Montanans for Marlenee from December 1, 1981 through November 30, 1982. The title of the position held by him was "Campaign Manager", and the job included general administration over the 1982 campaign for Montanans for Marlenee.

INTERROGATORY NO. 3. Explain Cliff Christian's involvement in securing contributions from individuals through WINPAC for your Committee and for Friends of Bill Kennedy (CA) during the 1982 election.

ANSWER: None of us had ever heard of Bill Kennedy or Friends of Bill Kennedy prior to receipt of Federal Election Commission letter dated June 27, 1984. Mr. Christian states that he neither knew nor knows anything of the Friends of Bill Kennedy and had nothing to do with any contribution to Bill Kennedy, or his Friends, either directly or indirectly. We request that you furnish us with further particulars, including name, address, and telephone number so that we can further investigate the Friends of Bill Kennedy. We also would request further specific information or allegations stating how we supposedly had any contact with this unknown group.

As to the Yegen contribution, Cliff Christian states that during the course of the 1982 campaign, he was contacted by a young campaign worker and told that one Mr. Yegen would like to make a political contribution to the Montanans for Marlenee campaign except that he did not want his father to become aware of his making such a political contribution. Apparently Mr. Yegen was prepared to make a contribution to a political action committee which supported

BILL KENNEDY
For U.S. CONGRESS
2251 Alvarado Street, San Leandro, California 94577

RECEIVED AT THE FEC
84 JUL 16 A9:49

July 9, 1984

GCC #4066

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

Attention: Frances B. Hagan

Re: MUR 1654
Friends of Bill Kennedy

Dear Ms. Hagan:

I am writing in response to your letter of June 27, 1984, regarding a possibility of Federal Election Campaign Act violations in the 1982 Congressional Campaign. In order to properly outline our position and understanding of the transaction in question, I have answered below the Interrogatories included in your letter:

1. Please explain the circumstances of your Committee's October 1982 receipt of $2,000.00 from Joe Poli which was reported as a contribution from WINPAC.

   This contribution was received in the name of WINPAC and was deposited to the Campaign's bank account on October 27, 1982. It was and is my understanding that this was a contribution made at the sole discretion of the Directors of WINPAC for a candidate who's position they supported. At the time of the receipt of the WINPAC check it was determined to be a proper and legal contribution in conformaty with the Federal Election Campaign Act.

2. How was receipt of such contribution authorized?

   I was not aware of the alleged involvement of Mr. Poli in this transaction, and accordingly, gave authorization for the deposit, believing it to be legally and properly given.

JUL 17 A9:39

Paid for and authorized by "Friends of Bill Kennedy"

8604512390

BILL KENNEDY
(415) 483-8685
For U.S. CONGRESS
2251 Alvarado Street, San Leandro, California 94577

3. Identify the individuals who knew and/or approved acceptance of the contribution noted in Question 1.

   It was the policy at the time to communicate to the Candidate and to the Campaign Manager receipt of substantial amounts such as the $2,000.00 in question. Although I do not specifically recall notifying them of this deposit, I am sure that this must have been the case in the course of our daily conversations. I would however, characterize this as an advisory conversation and not one where approval or acceptance was asked or given, there being no unusual circumstances evident to me.

4. Explain your Committee's connection with Cliff Christian of the Montanans for Marlenne Committee.

   I am not personally aware of any connection through the Committee with Mr. Cliff Christian. I do not know him personally, am quite sure that I have never met him and have never heard his name mentioned in connection with the Campaign or our Candidate.

5. What was Cliff Christian's role in arranging the above-named contribution from Joe Poli?

   I am not aware of any prearranged contribution directed through any intermediary or specifically any arrangement between Mr. Poli and any other person to funnel funds into the Campaign.

8604061239 1

BILL KENNEDY

(415) 483-8685

For U.S. CONGRESS

2251 Alvarado Street, San Leandro, California 94577

I must reiterate, as Treasurer of the Committee, that I was completely unaware of any arrangements such as those alleged in your legal analysis.

Yours truly,

John G. Stevens
Treasurer
Friends of Bill Kennedy

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FIRE • AUTOMOBILE • COMPENSATION • LIABILITY • INLAND MARINE • BURGLARY • CASUALTY

RECEIVED AT THE FEC

84 JUL 18 A8:47

FCC

#4084

SWISS INSURANCE AGENCY

972 - 53RD STREET
OAKLAND, CALIFORNIA 94608
PHONE 652-0406

17100 EAST 14TH STREET
HAYWARD, CALIFORNIA 94541
PHONE 351-3831

July 16 1984

MUR 1654
Joseph A Poli

Frances B Hagen

Federal Elections Commission
Washington D C

Dear Frances;

This is a follow up of ours of July 1 1984 wherein I indicated to your office I would reply a bit more in detail to yours of June 27 1984. I have reread your summary and please be advised as follows;

I have checked my records and find that in fact I have contributed over $2000 to Win Pac. If Winpac passed the $2000 on to Mr, Kennedy I am pleased. Regrettably they apparently didnt pass along enough as Mr. Kennedy lost the election.

In any event I never directed and/or requested and/or had (have) any control over what Winpacdoes with the funds I send to their offices

I dont know and/or knowingly ever met and/or seen and/or talked to aCliff Christianof the Marlene Committee(whoever they might be) and /or Mr. Burger.

What your apparently telling me is everything which has apparently transpired in Montana. This is something I am totally unaware until I received your letter, And I cannot understand how I am accountable for their actions.
I have not knowingly and/or intentionally violated any law.

I did take your letter to our company attorney but he will be out of town for a few more weeks. But , on reflection, why the need of an attorney when my conscience is clear? Frances, if you see it otherwise contact me and I shall make it a point to see the attorney when he returns to his office.

JUL 19 AM 10:02

8604051239 3

SWISS INSURANCE AGENCY

972 - 53RD STREET
OAKLAND, CALIFORNIA 94608
PHONE 652-0406

17100 EAST 14TH STREET
HAYWARD, CALIFORNIA 94541
PHONE 351-3831

Somewhere it seems I can remember reading /being told there as a limit to contributions amounting to either $5000 and/or $10000, If $2000 is the limit then, regrettably and without any intention aforethought I have committed a technical offense. But half of the money contributed belongs to my wife. Does this make any difference?

Since you are in a position to know about these matters can you please advise me as follows;

1 What is the maximum amount and individual can contribute to an organization such as Winpac?.....over what period of time? (I learned thru accountant this was not tax deductible).

2. What is maximum amount one can contribute directly to a person running for ;
   a. U S Senate
   b. U S Congress
   c. state assembleman
   d. state senate

Your information will help me in the future.

I am sixty four years of age and my wife and I have talked about retiring and going to live in Canada. During the twenty five-thirty years we have run the above agency we have maintained a record of dealing beyond reproach. We have not been envolved in any litigations , civil or otherwise. The State Insurance commissioner has never once cited our agency. We have a clean and clear record and thats the way we wht to leaveiit if and when we do retire to Canada.

Respectfully,

Joseph A Poli

JP/hf

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Call 4017
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84 JUL 12 A 9:08

SCHRAUDNER & SULLIVAN

ATTORNEYS AT LAW

LEANNE M. SCHRAUDNER

JOHNETTE SULLIVAN

BOZEMAN:
502 SOUTH 19TH, SUITE 305
P.O. BOX 1715
BOZEMAN, MT 59715
(406) 586-1942

HARLOWTON:
20 SOUTH CENTRAL
HARLOWTON, MT 59036
(406) 632-5574 OR
1-800-421-7239

July 6, 1984

Frances B. Hagen
Federal Election Committee
1325 K Street Northwest
Washington, D.C. 20463

Re: MUR 1654
Western Intermountain Network
Political Action Committee
Doanld Burger, Treasurer

Dear Ms. Hagen:

Please find enclosed the Statement of Designation of Counsel regarding the above mentioned client, it was not enclosed with Ms. Schraudner's letter of July 5, 1984.

I apologize for not including the Statement and thank you in advance for your attention to this matter.

Sincerely,
SCHRAUDNER & SULLIVAN

Moria Robinson

Moria Robinson,
Secretary

/MR
Enclosure

JUL 12 A10:07

8604061239 5

STATEMENT OF DESIGNATION OF COUNSEL

MUR 1654

NAME OF COUNSEL: LEANNE M. SCHRAUDNER OF SCHRAUDNER & SULLIVAN

ADDRESS: 502 South 19th, Suite 305
Post Office Box 1715
Bozeman, MT 59715

TELEPHONE: (406) 586-1942

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

7-5-84
Date

Donald Burger
Signature

RESPONDENT'S NAME: DONALD BURGER

ADDRESS: Post Office Box 100
Bozeman, MT 59715

HOME PHONE: (406) 587-0570

BUSINESS PHONE: (406) 587-9289

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84 JUL 11 P12:49

SCHRAUDNER & SULLIVAN

ATTORNEYS AT LAW

LEANNE M. SCHRAUDNER

JOHNETTE SULLIVAN

BOZEMAN:
502 SOUTH 19TH, SUITE 305
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(406)586-1942

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20 SOUTH CENTRAL
HARLOWTON, MT 59036
(406) 632-5574 OR
1-800-421-7239

July 5, 1984

Frances B. Hagen
Federal Election Commission
1325 K Street Northwest
Washington, D.C. 20463

Re: MUR 1654
Western Intermountain Network
Political Action Committee
Donald Burger, Treasurer

CERTIFIED LETTER
RETURN RECEIPT REQUESTED

JUL 11 2:31

8604012397

Dear Ms. Hagan:

Enclosed you will find a Statement of Designation of Counsel. I have been retained by Mr. Burger in the above reference matter. On June 27, 1984 Lee Ann Elliot wrote Mr. Burger regarding the Federal Election Commission's determination that there was a reason to believe that Western Intermountain Network Political Action Committee may have violated a provision of the Federal Election Campaign Act of 1971.

Mr. Burger has just retained me as counsel, and I have not yet had the opportunity to review the materials so that we can properly decide what future action is appropriate.

I would ask that this matter be put on hold until I am able to properly assess the case and that no further action be taken pending my clients decision on how to proceed, including the potential proceeding through conciliation prior to a finding of probable cause.

Your cooperation in this matter is greatly appreciated. I will be in contact shortly.

Sincerely,
SCHRAUDNER & SULLIVAN

Leanne M. Schraudner

LMS/mr
Enclosure
cc: Lee Ann Elliot
Don Burger

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SWISS INSUR ICE AGENCY
17100 East 14th Street
HAYWARD, CALIFORNIA 94541

(415) 351-3831 (415) 276-9266

DATE 7-1-84

SUBJECT

TO (3)

I have been in the insurance business thirty years & have NEVER had the insurance commissioner ever question, investigate, admonish or censure our office.

Your "allegations" seem to allegedly specify what others have said, written, telephoned. Nowhere does it specify my participation other than what I sent the $2000 (½ me ½ my wife). Am I overlooking something? At any rate on my return I shall bring your letter to our local attorney

Regards J Ali

SIGNED

Reorder Item # F277 © Wheeler Group Inc. 1982 (Rev.)

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SWISS INSUR ICE AGENCY
17100 East 14th Street
HAYWARD, CALIFORNIA 94541

(415) 351-3831 (415) 276-9266

DATE 7-1-84

SUBJECT

(2)

TO

5- We have not made a contribution in the name of another. I cannot vouch, however, what or how someone uses my name.

6- I am glad to learn of the $1000 limitation. I was not aware of this & have somewhere along the line felt o/a told it was $5000. However, of the $2000 one half is my wifes contribution.

7- The person to whom you have written is one of the most honest persons who has walked the path of life. Thats me.

SIGNED

Reorder Item # F277 © Wheeler Group Inc. 1982 (Rev.)

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Genl 3989

SWISS INSUF ICE AGENCY
17100 East 14th Street
HAYWARD, CALIFORNIA 94541
(415) 351-3831 (415) 276-9266

OFFICE OF THE COMMISSION SECRETARY

DATE 7-1-84

84 JUL 9 P12:56 SUBJECT MUR 1654
Joe Polr
(Yoors 6/27/84
(Received 7-1-84

Lee Ann Elliott
40
Federal Election Commission

Hagar

Dear Lee Ann.

This hurried note is to comply with your request for a reply within 10 days. I am today leaving town & will not return 'til 7/10/84.

1.- Bill Kennedy is a friend of mine who ran for congress — & lost.

2. My wife & I have in the past years contributed to Win PAC

3- I dont remember the $2000 check my wife & I sent, however, if you can give me the approximate month I can look up the cancelled check.

4- I never heard of the Marlenee Committe.

SIGNED

Reorder Item # P277 © Wheeler Group Inc. 1982 (Rev.)

FOLD AT (—) TO FIT GRAVARC SAVIEW ENVELOPE WINDOW

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Western Intermountain Network Political Action Committee, et al.	)	MUR 1654
	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of June 26, 1984, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 1654:

1. Find reason to believe that WINPAC and as treasurer, Donald Berger, violated 2 U.S.C. § 441f.

2. Find reason to believe that the Montanans for Marlenee Committee and as treasurer, Douglas N. Wilson, violated 2 U.S.C. §§ 441f and 441a(f).

3. Find reason to believe that the Friends of Bill Kennedy Committee and as treasurer, John Stevens, violated 2 U.S.C. §§ 441f and 441a(f).

4. Find reason to believe that E.C. Peter Yegan violated 2 U.S.C. §§ 441f and 441a(a)(1)(A).

5. Find reason to believe that Donna Yegan violated 2 U.S.C. §§ 441f and 441a(a)(1)(A).

(Continued)

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6. Find reason to believe that Joe Poli violated 2 U.S.C. §§ 441f and 441a(a)(1)(A).

7. Approve the letters with questions as recommended in the General Counsel's report dated June 20, 1984.

Commissioners Aikens, Harris, McDonald, McGarry, and Reiche voted affirmatively for the decision; Commissioner Elliott dissented.

Attest:

6-26-84
Date

Marjorie W. Emmons
Secretary of the Commission

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SENSITIVE

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

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

84 JUN 20 A 9: 17

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL BY OGC TO THE COMMISSION 6/20/84 - 9:15

MUR NO. 1654
STAFF MEMBER
Frances B. Hagan

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

RESPONDENTS' NAMES: Western Intermountain Network Political Action Committee and as treasurer, Donald Burger
Montanans for Marlenee Committee and as treasurer, Douglas N. Wilson
Friends of Bill Kennedy and as treasurer, John Stevens
E.C. ~~Peter~~ Yegen
Donna Yegen
Joe Poli

RELEVANT STATUTE: 2 U.S.C. § 441f
2 U.S.C. § 441a(a)(1)(A)
2 U.S.C. § 441a(f)
11 C.F.R. § 104.8(d)

INTERNAL REPORTS CHECKED: Marlenee, Kennedy, WINPAC Reports
Audit Workpapers

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

This matter was referred to the Office of General Counsel from the Audit Division as a result of an audit conducted pursuant to 2 U.S.C. § 438(b).

SUMMARY OF ALLEGATIONS

1. It is alleged that the following political committees and individuals violated 2 U.S.C. § 441f by making contributions in the name of another person, by allowing the use of one's name

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for such contribution or by accepting a contribution made by a person in the name of another:

a) Western Intermountain Network Political Action Committee ("WINPAC")
b) Montanans for Marlenee ("the Marlenee Committee")
c) Friends of Bill Kennedy Committee ("the Kennedy Committee")
d) E.C. Peter Yegan
e) Donna Yegan
f) Joe Poli

2. It is alleged that the following individuals violated 2 U.S.C. § 441a(a)(1)(A):

a) E.C. Peter Yegan, by making an excessive contribution to the Marlenee Committee;
b) Donna Yegan, by making an excessive contribution to the Marlenee Committee;
c) Joe Poli, by making an excessive contribution to the Kennedy Committee.

3. It is alleged that the following candidate committees violated 2 U.S.C. § 441a(f) by accepting contributions in excess of limitations at 2 U.S.C. § 441a(a)(1)(A):

a) Montanans for Marlenee
b) Friends of Bill Kennedy

FACTUAL AND LEGAL ANALYSIS

2 U.S.C. § 441f states that no person shall make a contribution in the name of another or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 431(11) defines the term "person" to include individuals and committees.

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2 U.S.C. § 441a(a)(1)(A) states that no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $1,000.

2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of this section.

During the FEC audit of the Western Intermountain Network Political Action Committee, the auditors found evidence that WINPAC served as a conduit for contributions (two in excess of $1,000) from three individuals to the authorized committees of two congressional candidates during the 1982 election cycle. However, neither WINPAC nor the recipient candidate committees revealed the source of the contributions on disclosure reports. 2 U.S.C. § 441f prohibits the making or receipt of contributions in the name of another person. 2 U.S.C. §§ 441a(a)(1)(A) and 441a(f) prohibit the making or receipt of excessive contributions.

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Contribution of $2,500 to Montanans for Marlenee

On May 3, 1984, the Audit Division received a letter from Stan Burger, "president" of WINPAC, in response to questions asked at the audit exit conference. The letter explains that in August 1982, Mr. Burger received a telephone request from Cliff Christian, then an employee of the Montanans for Marlenee Committee (principal campaign committee of Ron Marlenee, a House candidate), asking if WINPAC would pass a check of $2,500 from

two individuals to the Marlenee campaign. Mr. Burger stated that Mr. Christian said that the contributors, E.C. Peter Yegan, Jr. and Donna Yegan, of Billings, Montana, did not want the "people in Billings to know he had donated that amount to the Marlenee campaign." A notation on WINPAC's deposit ticket indicated $2,000 from E.C. Yegan and $500 from Donna Yegan. However, because only the contributors can assign the donative intent, it cannot be assumed that the contribution was so attributed.

According to audit workpapers, on August 19, 1982, WINPAC deposited $2,500 into its account from the Yegans and wrote a corresponding check for $2,500 to "Ron Marlenee." On August 20, 1982, the Marlenee Committee gave WINPAC a receipt for $2,500 from WINPAC for the "1982 Marlenee General Campaign." WINPAC also received a letter dated October 6, 1982, from Ron Marlenee thanking WINPAC for the contribution. WINPAC reported the transaction as a contribution to "Ron Marlenee for Congress" designated for the primary election which was held in Montana on June 8, 1982. The Marlenee Committee reported receipt of $2,500 from WINPAC designated for the general election.

As a result of these transactions, it appears that WINPAC violated 2 U.S.C. § 441f by allowing the use of its name to make a contribution by another person, that E.C. Peter Yegan and Donna Yegan violated 2 U.S.C. § 441f by making contributions in the name of another and that the Marlenee Committee violated 2 U.S.C. § 441f by accepting such contributions. In addition, E.C. Yegan and Donna Yegan violated 2 U.S.C. § 441a(a)(1)(A) and the

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Marlenee Committee violated 2 U.S.C. § 441a(f) for the making or receipt of a contribution in excess of limitations.

Contribution of $2,000 to Friends of Bill Kennedy

The May 4, 1984, WINPAC letter signed by Stan Burger reported a second telephone call from Cliff Christian of the Marlenee Committee in October 1982, requesting that WINPAC pass along a check of $2,000 from another individual, Joe Poli of Hayward, California, to Bill Kennedy, a California congressional candidate. The letter stated that Mr. Poli is a regular contributor to WINPAC. Mr. Burger adds, "[I] received the check and hurriedly took it to Western Union because Mr. Kennedy was in dire need of the money."

The president and treasurer of WINPAC had told the auditors during the audit exit conference that Mr. Burger had contacted the Friends of Bill Kennedy Committee to inform it of Mr. Poli's contribution.

According to audit workpapers and copies of WINPAC bank records, on October 26, 1982, Mr. Burger wrote a check of $2,000 to "Cash", drawn on a WINPAC account, then wired this amount to the Friends of Bill Kennedy Committee. WINPAC mistakenly reported this transaction as a disbursement to Stan Burger for "reimbursement for payment to Ron Marlenee campaign." The Kennedy Committee showed the receipt as a WINPAC contribution designated to its general election campaign. (The California primary was held June 8, 1982).

As a result of these transactions (as in the Marlenee matter), WINPAC, Joe Poli and the Kennedy Committee violated

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2 U.S.C. § 441f. In addition, Joe Poli violated 2 U.S.C. § 441a(a)(1)(A), and the Kennedy Committee violated 2 U.S.C. § 441a(f).

RECOMMENDATIONS

1. Find reason to believe that WINPAC and as treasurer, Donald Burger, violated 2 U.S.C. § 441f.

2. Find reason to believe that the Montanans for Marlenee Committee and as treasurer, Douglas N. Wilson, violated the following:

   a) 2 U.S.C. § 441f;
   b) 2 U.S.C. § 441a(f).

3. Find reason to believe that the Friends of Bill Kennedy Committee and as treasurer, John Stevens, violated the following:

   a) 2 U.S.C. § 441f;
   b) 2 U.S.C. § 441a(f).

4. Find reason to believe that E.C. Peter Yegan violated the following:

   a) 2 U.S.C. § 441f;
   b) 2 U.S.C. § 441a(a)(1)(A).

5. Find reason to believe that Donna Yegan violated the following:

   a) 2 U.S.C. § 441f;
   b) 2 U.S.C. § 441a(a)(1)(A).

6. Find reason to believe that Joe Poli violated the following:

   a) 2 U.S.C. § 441f;
   b) 2 U.S.C. § 441a(a)(1)(A).

7. Approve attached letters with questions.

Charles N. Steele
General Counsel

June 20, 1984
Date

BY: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

Attachments
Letters

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	A83-83
Final Audit Report -	)	
The Western Intermountain	)	
Network Political Action	)	
Committee	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on May 21, 1984, the Commission approved by a vote of 6-0 the Final Audit Report of the Western Intermountain Network Political Action Committee, as submitted with the Audit Division's May 16, 1984 Memorandum to the Commissioners, and the referral of Exhibits A through D to the General Counsel's Office.

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

Attest:

5/21/84
Date

Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary: 5-16-84, 3:10
Circulated on 48 hour tally basis: 5-17-84, 11:00

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1706

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A83-83

May 24, 1984

MEMORANDUM

TO: CHARLES N. STEELE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: BOB COSTA

SUBJECT: WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE (WINPAC) - MATTERS REFERRED TO OGC

On May 21, 1984, the Commission approved the final audit report of the Audit Division on WINPAC. Attached as Exhibits A through D are matters noted in the final audit report which the Commission also voted to refer to your office for review and consideration.

All workpapers in support of these matters are available for review in the Audit Division.

Should you have any questions, please contact Charles Hanshaw, Kevin McFadden or Joe Stoltz at 523-4155.

Attachment as stated

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A83-83

REPORT OF THE AUDIT DIVISION ON THE WESTERN INTERMOUNTAIN NETWORK POLITICAL ACTION COMMITTEE

I. Background

A. Overview

This report is based on an audit of the Western Intermountain Network Political Action Committee ("the Committee") undertaken by the Audit Division of the Federal Election Commission in accordance with the Commission's audit policy to determine whether there has been compliance with the provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The audit was conducted pursuant to Section 438(b) of Title 2 of the United States Code which states, in part, that the Commission may conduct audits and field investigations of any political committee required to file a report under section 434 of this title. Prior to conducting any audit under this subsection, the Commission shall perform an internal review of reports filed by selected committees to determine if the reports filed by a particular committee meet the threshold requirements for substantial compliance with the Act.

The Committee registered with the Federal Election Commission on November 22, 1976, and maintains its headquarters in Bozeman, Montana.

The audit covered the period January 1, 1981 through December 31, 1982. The Committee reported an opening cash balance on January 1, 1981 of $24,762.25; total receipts for the period of $142,048.54; total disbursements for the period of $165,741.77, and a closing cash balance on December 31, 1982 of $4,049.10. 1/

This audit report is based on documents and working papers supporting each of its factual statements. They form part of the record upon which the Commission based its decisions on the matters in this report and were available to the Commissioners and appropriate staff for review.

1/ Certain report totals were misstated.

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B. Key Personnel

The Treasurer of the Committee during the period of audit was Mr. Donald C. Burger.

C. Scope

The audit included such tests as verification of total reported receipts, disbursements and individual transactions; review of required supporting documentation; analysis of Committee debts and obligations; and such other audit procedures as deemed necessary under the circumstances. Because the Committee did not maintain adequate contributor records, this audit did not include the standard audit procedure of verification of individual contributions to such records.

II. Audit Findings and Recommendations

A. Itemization of Contributions and Disclosure of Contributor Information

Section 434(b)(3)(A) of Title 2 of the United States Code requires disclosure of the identification of each person who makes a contribution to the reporting committee during the reporting period, whose contribution or contributions have an aggregate amount or value in excess of $200 within the calendar year, together with the date and amount of any such contribution. Section 431(13)(A) of Title 2 of the United States Code states the term "identification" means, in the case of any individual, the name, the mailing address, and the occupation of such individual, as well as the name of his or her employer.

Section 432(i) of Title 2 of the United States Code states, in part, that when the treasurer of a political committee shows that best efforts have been used to obtain, maintain, and submit the information required by this Act for the political committee, any report or any records of such committee shall be considered in compliance with this Act.

The Audit staff's comparison of available contribution records with reports filed revealed that the Committee did not itemize at least 29 contributions from individuals totaling $5,460. This represents 60.42% of the number and 27.08% of the dollar amount of contributions requiring itemization and for which records were available. Further, the Committee did not disclose 27.45% of the occupations and 29.41% of the names of employers for contributors itemized in the reports.

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With respect to the occupations, the Audit staff determined that contributions were received in response to written solicitations. These solicitations requested the occupation but not the name of the employer.

In the interim audit report, the Audit staff recommended that the Committee file comprehensive amendments for 1981 and 1982 itemizing the contributions. Further, the Audit staff recommended that the Committee amend its fundraising procedures so that, in the future, the names of contributors' employers are requested. Finally, the Audit staff noted that the Committee had demonstrated its best efforts to obtain and disclose the contributors' occupations.

On May 3, 1984, the Committee filed amendments to its reports of receipts and disbursements itemizing the contributions as recommended. Further, the Committee provided a list of contributors which they stated were sent letters on April 20, 1984 requesting the contributors' occupation and name of employer. The Committee stated that as of April 30, 1984, no responses were received from these contributors.

Recommendation

No further action is recommended on the matter.

B. Itemization of Expenditures

Section 434(b)(5)(A) of Title 2 of the United States Code requires the itemization of the name and address of each person to whom an expenditure in an aggregate amount or value in excess of $200 within the calendar year is made, together with the date, amount, and purpose of any such expenditure.

The Audit staff's review of the expenditure records revealed that 69 expenditures, in an aggregate amount or value in excess of $200, totaling $14,866.94 had not been itemized. These expenditures represent 25.37% of the total number and 9.23% of the total amount of expenditures requiring itemization.

The Treasurer indicated that he was unfamiliar with the aggregation requirement regarding such itemization.

In the interim audit report, the Audit staff recommended that the Committee file comprehensive amendments for 1981 and 1982 itemizing the expenditures.

On May 3, 1984, the Committee filed amendments to its reports of receipts and disbursements itemizing the expenditures.

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Recommendation

No further action is recommended on the matter.

C. **Matters Referred to Office of General Counsel**

Certain matters noted during the audit were referred to the Commission's Office of General Counsel on March 26, 1984 and May 24, 1984.

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Exhibit A

Limitation on Contributions

Section 44la(a)(1)(C) of Title 2 of the United States Code limits the maximum contributions by persons to any multicandidate political committee in any calendar year to $5,000. Section 431(8)(A)(i) of Title 2 of the United States Code states, in part, that the term "contribution" includes any gift, loan, advance or deposit of money by any person for the purpose of influencing any election for Federal office.

The Audit staff's review of Committee records revealed that an individual identified as the President of the Committee, and his wife made loans to the Committee during 1981 totaling $22,887.86 (See Attachment 1). One of these loans (totaling $2,887.86) was repaid by the Committee within 21 days of receipt thereof. The remaining $20,000 in loans were outstanding at the time of the fieldwork. Therefore, the Committee was in receipt of contributions in excess of the limitation totaling $10,000 ($20,000-($5,000 x 2)).

Through discussions with Committee officials the Audit staff learned that the Committee was in need of funds for its operations but that a local bank would not make a loan directly to the Committee. Therefore, the Committee President and his wife loaned the Committee $2,887.86 from their personal account, and subsequently obtained $20,000 in loans from the bank and advanced the proceeds to the Committee. At the time of the fieldwork, the Committee was unable to locate the documentation in support of these bank loans. The Committee officials stated they did not realize that these transactions were considered contributions.

In the interim report, the Audit staff recommended that the Committee:

1. present the bank documentation (e.g., a copy of the loan agreement, note and collateral/security agreement) in support of the $20,000 in loans to the Audit Division for review; and

2. demonstrate that the loans are not contributions in excess of the limitation, or repay the excessive portion of the loans ($10,000) to the Committee President and his wife. Further, the Audit staff recommended that the Committee submit evidence of the repayment, i.e., a copy of the front and back of the check used to make the refund, which shows endorsement by the payee(s).

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On May 3, 1984, the Committee presented a copy of a note in support of a $30,000 line of credit which appears to be dated August 21, 1981 (See Attachment 2). The note was in the name of, and signed by, Stanley C. Burger and Doris L. Burger. The terms of the loan were 2 1/2% per annum in excess of the prime rate of interest, and secured by real estate at 720 West Birch, Bozeman, Montana (the residence of Stanley and Doris Burger). There was no explanation of the use of the additional $10,000. However, it was noted that on November 20, 1982, the Committee reported a $4,000 loan received from Mr. and Mrs. Burger as an unitemized contribution.

The Committee stated in the response that, "since the origination of the loans, the First Security Bank has changed their recordkeeping system to computer leaving no record of the original loan agreement."

The Committee further responded by indicating that they did not consider the loans as contributions. According to the response the Committee "did not have any credit background sufficient for local banks to make any loans of the magnitude of $20,000. Therefore, it became necessary for individuals to borrow the money for WINPAC's use. Interest has been paid on these loans from WINPAC directly to the bank. No amount of interest or repayment was ever made to Stan or Doris Burger, Guarantors of those loans."

The Audit staff feels that the Committee has failed to demonstrate that these loans are not contributions in excess of the limitation.

Recommendation

Since the Committee has not adequately responded to the recommendation contained in the interim report, the Audit staff recommends that this matter be referred to the Office of General Counsel for further review.

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Exhibit B

Failure to Retain Contribution Records

Section 432(c)(1) through (4) of Title 2 of the United States Code states that the treasurer of a political committee shall keep an account of all contributions received by or on behalf of such political committee; the name and address of any person who makes any contribution in excess of $50, together with the date and amount of such contribution by any person; the identification of any person who makes a contribution or contributions aggregating more than $200 during a calendar year, together with the date and amount of any such contribution; the identification of any political committee which makes a contribution, together with the date and amount of any such contribution.

Section 432(d) of Title 2 of the United States Code states that the treasurer shall preserve all records required to be kept by this section and copies of all reports required to be filed by this subchapter for 3 years after the report is filed.

The Committee provided the Audit staff with a computer printout supporting contributions for 1981 and 1982. The Audit staff's review of the printout revealed that records for 1981 were maintained in support of only 604 contributions totaling $15,565.26. However, analysis of other available Committee records revealed that during 1981 the Committee received contributions totaling at least $62,934.19.

The Treasurer stated that, after the 1981 Year-End Report of Receipts and Disbursements was filed, a shortage of computer storage capacity developed. As a result, some of the 1981 contribution records were removed from the computer and replaced with records supporting contributions received in 1982.

In the interim report, the Audit staff recommended that the Committee obtain the missing contribution records and submit copies to the Audit Division for review.

On May 3, 1984, the Committee responded that they were not able to locate contribution records for the year 1981 other than have already been submitted to the Audit staff during the field audit.

Recommendation

The Audit staff recommends that this matter be referred to the Office of General Counsel for further review.

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Exhibit C

Failure to File A Disclosure Report

Section 434(a)(4)(A)(iv) and (B) of Title 2 of the United States Code requires, in part, that all political committees other than authorized committees of a candidate shall, in any calendar year in which no regularly scheduled general election is held, file either a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31 and a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following year; or monthly reports in all calendar years which shall be filed no later than the 20th day after the last day of the month and shall be complete as of the last day of the month.

Section 434(b)(2) and (4) of Title 2 of the United States Code states, in part, that each report shall disclose the total amount of all receipts and disbursements for the reporting period and the calendar year.

The Audit staff noted that it was the Committee's practice to file reports for 1981 on a quarterly basis. During the review of the pre-audit materials, the Audit staff further noted that the Reports Analysis Division had formally notified the Committee of its failure to file an October Quarterly Report to disclose the activity from July 1, 1981 through September 30, 1981. The Audit staff determined that during this period the Committee had receipts totaling approximately $33,505.78 and disbursements totaling approximately $31,547.87.

The Treasurer thought that a report had been filed disclosing this activity.

In the interim report, the Audit staff recommended that the Committee file a report disclosing the above noted receipts and disbursements pursuant to the requirements outlined in Section 434(b).

On May 3, 1984, the Committee filed the report adequately disclosing the disbursements. However, the Committee failed to properly disclose (itemize) the receipts as follows:

1. a $2,887.86 loan receipt was reported as an unitemized contribution; and

2. a $15,000 bank loan obtained by an individual, identified as the President of the Committee, and his wife (see Exhibit A) and loaned by them to the Committee was itemized as a loan received directly from the bank.

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Recommendation

Since the Committee has not fully responded to the recommendation contained in the interim report, the Audit staff recommends that this matter be referred to the Office of General Counsel for further review.

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Exhibit D

Disclosure of Receipts and Disbursements and Continuous Reporting of Debts

Section 434(b)(3)(E), (5)(D) and (8) of Title 2 of the United States Code requires the disclosure of the identification of each person who makes a loan to the reporting committee during the reporting period, together with the identification of any endorser or guarantor of such loan, and date and amount of value of such loan; the name and address of each person who receives a loan repayment from the reporting committee during the reporting period, together with the date and amount of such loan repayment; and the amount and nature of outstanding debts and obligations owed by such political committee.

In the interim report the Audit staff stated that two of the loans noted in Exhibit A totaling $17,887.86 were received during the period in which the Committee failed to file a report (See Exhibit C), and the remaining loan noted in Exhibit A totaling $5,000 was disclosed as an unitemized contribution. Further, the $20,000 balance of these loans has not been reported as an obligation owed by the Committee.

An additional loan totaling $4,000 was received from the Committee President and his wife during 1982. The receipt of the loan was disclosed as an unitemized contribution, and the loan was not disclosed as an obligation owed by the Committee. According to the Reports of Receipts and Disbursements and comments of Committee officials, the proceeds of this loan were disbursed to the bank in payment of interest on the loans totaling $20,000 noted in Exhibit A.

In the interim report, the Audit staff recommended that the Committee file comprehensive amendments for 1981 and 1982 itemizing these loan receipts and obligations.

On May 3, 1984, the Committee filed amended reports for each calendar quarter in 1981 and 1982. The Audit staff's review of these reports revealed the following:

Loan Receipts in 1981

The Audit staff noted in Exhibit C that the report filed in response to the interim audit report did not contain the proper disclosure of loan receipts. A $2,887.86 loan receipt was reported as an unitemized contribution, and a $15,000 loan

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receipt was itemized as though it had been received directly from the bank by the Committee rather than from the President of the Committee and his wife. An additional loan of $5,000 received from these same individuals was addressed in the interim audit report because it had been disclosed as an unitemized contribution. In an amended report filed in response to the interim audit report, the Committee itemized this loan as though it had been received directly from the bank.

Loan Receipts in 1982

A $4,000 loan received from the President of the Committee and his wife in 1982 was addressed in the interim audit report because it had been disclosed as an unitemized contribution. The Committee failed to itemize this loan receipt in the amendments filed in response to the interim report.

With respect to the itemization of loans as obligations owed by the Committee, the amended reports filed in the response contained the following:

Loan Amounts Owed in 1981

The Loan schedule, Schedule C of FEC Form 3X (Revised 3/80) contained the itemization of $2,887.86 received from and repaid to Stanley C. Burger, and $20,000 received from the First Security Bank of Bozeman with Stanley C. Burger and Doris L. Burger as guarantors. The $20,000 in loans should have been disclosed as owed to the Burgers rather than to the bank for the reasons outlined above and in Exhibit A. Further, the terms of the loans, including the date due, interest rate and an indication that the loan was secured were not disclosed.

Loan Amounts Owed in 1982

The Committee filed Loan schedules with amended reports covering the period January 1, 1982 through September 30, 1982, but failed to file a Loan schedule with the amended report for October 1, 1982 through December 31, 1982. The Audit staff's review during the fieldwork revealed that loans totaling $24,000 were outstanding at December 31, 1982.

The Committee disclosed the terms of the loans in the loan schedules noted in the preceding paragraph, but inaccurately disclosed the source of the loans as the First Security Bank of Bozeman, listing Stanley C. Burger and Doris L. Burger as guarantors. According to the bank note, the loans were made to the Burgers who, in turn, loaned the money to the Committee.

Recommendation

For the reasons outlined above, the Audit staff recommends that this matter be referred to the Office of General Counsel for further review.

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Attachment 1

Analysis of Loans Received and Repaid by Committee

1981	Date	Amount
Loan from Committee President and his wife	8/7/81	$ 2,887.86
Loan from Committee President and his wife	8/25/81	15,000.00
Loan from Committee President and his wife	12/15/81	5,000.00
Subtotal		$22,887.86
Less repayment of loan received 8/7/81	8/28/81	(2,887.86)
Total		$20,000.00
Limitation on Contributions and Loans by Committee President and his wife (5,000 x 2)		10,000.00
Amount received in excess of Limitation		$10,000.00
1982		
Loan From Committee President and his wife	11/20/82	$ 4,000.00

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Stan & Doris
Enclosed is our copy
of the note you took out in
1981 with your house as
collateral
Jayne

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NO. _____

AMT. 30,000

USER CODE _____

Name(s) Stella C. Dietz Burger

Bozeman, Montana August 21, 19 81

NOTE FOR FUNDS TO BE ADVANCED IN FUTURE (Fixed or variable rate - commercial and agriculture)

_____ AFTER DATE FOR VALUE RECEIVED,

THE UNDERSIGNED JOINTLY AND SEVERALLY PROMISE TO PAY TO THE ORDER OF

FIRST SECURITY BANK OF BOZEMAN
Bozeman, Montana

Thirty Thousand and no/100 dollars,

or such amount as shall from time to time be outstanding along with interest thereon from the date of each advance at the rate until paid as indicated below.

(1) _____ % per annum

(2) 2½ % per annum in excess of First Security Bank of Bozeman prime rate of interest as the same may change from time to time. Such prime rate as of the date of this note is _____ %. At no time shall the rate go below _____ % per annum nor exceed _____ % per annum or the highest rate allowed by law.

Interest payable _____. Any changes in the rate of interest described in No. 2 above become effective the date of announcement by the bank.

The principal balance outstanding may be repaid in whole or in part any time before due date. Amounts may, at the sole discretion of the payee, be readvanced hereunder provided that the principal balance outstanding shall not exceed the amount first above written.

The holder of this note may at its option without notice declare this note immediately due and payable for the entire unpaid principal hereof plus accrued interest hereon upon or at any time after the occurrence of any of the following events: any default in the payment of this note; any default under the terms or conditions of any security agreement or other note, obligation instrument, undertaking or agreement concurrently herewith or heretofore or hereafter given to or acquired and held by the holder hereof to which any maker, co-maker, endorser, surety or guarantor hereof is a party; if the holder hereof deems itself insecure; or if there is such a change in the condition or affairs, financial or otherwise, of any maker, co-maker, endorser, surety or guarantor hereof as in the opinion of the holder hereof increases the risk. The Bank shall have no obligation to make further advances under the loan commitment regardless of the amount loaned, or at any time Bank considers the loan insecure for any reason has declared the outstanding indebtedness due and payable.

Each maker, co-maker, endorser, surety and guarantor hereof jointly and severally agrees to pay this note and guarantees payment hereof and waives demand, presentment, protest and notice of dishonor, and consents to any extensions and renewals hereof without notice, and consents to the release be the holder hereof with or without consideration of any of them, and exonerates the holder hereof from all duty and obligation to make demand on anyone for payment of any collateral now or hereafter securing this note or to give notice to anyone of nonpayment thereof or to collect or sell the same and consents to the extension, renewal, exchange, surrender or release by the holder hereof with or without consideration of any such collateral, and agrees that when or at any time after this note becomes due the holder hereof may without notice offset or charge this note against any bank account or other account then maintained by any of them with the holder hereof or then existing between any of them and the holder hereof and to pay any deficiency, and agrees in case of any default to pay all costs of collection, including reasonable attorneys' fees, and the maximum interest or late charges permitted by law.

SECURITY. This note is ☐ Unsecured ☒ Secured by a security agreement or other security interest covering the following property (the "collateral") Real Estate

Address 930 W Dixon Signature Stella C. Dietz Burger

Address _____ Signature Steven R. Burger

BANK COPY

3 5 0 4 1 2 4

GUARANTY AND INDORSEMENT

FOR VALUE RECEIVED, the undersigned (if more than one, jointly and severally) hereby unconditionally guarantee (s) the prompt payment of the within note (all extensions, advances, and renewals thereof) and of all sums stated therein to be payable, when due, at maturity, by acceleration or otherwise and hereby consent (s) that from time to time, without notice to the undersigned, said note may be extended or renewed in whole or in part for any period (whether or not longer than the original period of the note), and any related right or security otherwise dealth with and any of the actions mentioned in said note may be done, all without affecting the liability of the undersigned. The release of any party liable upon or in respect of said note shall not release any other such party. Each signature hereto is intended also as an indorsement of the within note, and each of the undersigned hereby waives presentment, demand of payment and notice of non-payment and of protest and any and all other notices and demands whatsoever.

Verified

LN Off

- ☐ 1. Real Estate Loans (Secured primarily by R.E.)
  - ☐ Construction & Land Development
  - ☐ Secured by farmland
  - ☐ Secured by 1 - 4 family residential
  - ☐ Secured by multi-family (5 or more)
  - ☐ Secured by Nonfarm - Nonresidential
- ☐ 2. Loans to Financial Institutions
- ☐ 3. Loans for purchasing or carrying securities
- ☐ 4. Loans to finance Ag Production or other loans to farmers
- ☐ 5. Commercial & Industrial loans
- ☐ 6. Loans to Individuals for household, family, & other personal expenditures.
  - ☐ To purchase private passenger auto on installment basis
  - ☐ Credit cards & Related plans
  - ☐ To purchase mobile homes (exclude travel trailers)
  - ☐ All other IL for household, family, & personal expenditures
  - ☐ Single Payment Loans for household, family, & other personal expenditures

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FEDERAL ELECTION COMMISSION

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

THIS IS THE BEGINNING OF MUR # 1706

Date Filmed 9/5/86 Camera No. --- 2

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THE FOLLOWING MATERIAL IS BEING ADDED TO THE PUBLIC FILE OF CLOSED MUR 1706 .

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COMM 1521
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BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of	)	
Western Intermountain Network Political Action Committee	)	MUR 1706
Doris Burger, as treasurer	)	

86 SEP 15 P3:
RECEIVED
OFFICE OF THE
GENERAL COUNSEL

AMENDMENT OF DISCLOSURE REPORTS

COMES NOW Doris Burger as treasurer of Western Intermountain Network Political Action Committee pursuant to conciliation agreement of the Western Intermountain Network Political Action Committee filed with the Federal Election Commission, and hereby amends the disclosure reports to read as follows:

(1) That on August 19, 1982, the respondent transferred a $2,500 contribution to the Marlenee committee in the name of WINPAC, where in fact the contribution was a direct contribution from contributor, E. C. Yegen, and the records should be amended to reflect such transaction.

(2) (a) The respondents, WINPAC, records should be amended to reflect that in fact on August 7, 1986 WINPAC received a loan from Stanley and Doris Burger in the amount of $2,887.86.

(b) The records should be amended to reflect that WINPAC received a loan on August 25, 1981 in the amount of $15,000.00 from Stanley and Doris Burger.

(c) The records should be amended to reflect that WINPAC received a loan in the amount of $5,000.00 from Stanley and Doris Burger on December 15, 1981.

Said loans were in excess of the limitations provided under 2 U.S.C. Section 441A (a) (1) (c).

(3) The respondent, WINPAC, failed to maintain records to support 75 percent of its contributions totaling $62,934.19 for the year 1981. The records should be reflected to indicate that WINPAC failed to maintain adequate records, and while attempts have been made to disclose parties contributing monies these inadequate records are in violation of 2 U.S.C. Section 434 (c) (1) through 4 and 432 (d).

(4) The record should be amended to reflect that the respondent failed to timely file their 1981 year end report covering July 1 to December 31, 1981. The report did not include the period of July 1 through September 30, 1981. Said information was submitted May 3, 1984. Such report is now on file with the Federal Election Commission.

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(5) (a) The records should be amended to reflect that on July 1, 1981, through September 30, 1981, the respondent, WINPAC, received a loan or contribution of $2,887.86 from Stanley and Doris Burger. The record should be amended to reflect this as a loan contribution as opposed to the initial designation on the report of such fund as a non-itemized receipt.

(b) The records should be amended to reflect that WINPAC received a loan contribution of $15,000 from Stanley and Doris Burger on their July 1, 1981 to September 30, 1981, report, such money being a loan contribution from Stanley and Doris Burger as opposed to being a loan received directly from the bank as originally indicated on the WINPAC report of September 30, 1981.

(c) The records should be amended to reflect that $2,887.86 if the loan contribution to WINPAC from Stanley and Doris Burger was repayed to Doris and Stanley Burger, and was not an itemized disbursement to Stanley Burger, as previously reported by WINPAC.

(d) The records should be amended to reflect that the loan of $15,000.00 and $5,000.00 from Stanley and Doris Burger to WINPAC was a direct loan from the Burger's, and not a loan from a bank.

(e) The records should be amended to reflect that a loan of $4,000 was made from Stanley and Doris Burger to WINPAC, and was not an unitemized contribution, as initially reflected in the WINPAC reports of 1982.

(6) The WINPAC disclosure report of 1981-1982 should be amended to reflect that (a) loan 1 in the amount of $2,887.86 should be designated as repaid to Stanley and Doris Burger as contributors (b) loan 2 and loan 3 for $15,000 and $5,000 respectually should be amended to reflect that said loans were obtained from the Burgers as loan contributions of the Burgers to WINPAC as opposed to direct loans from the bank.

(7) The October 1, 1982 to December 31, 1982, WINPAC report should be amended to reflect that debts for 1982 included:

(a) Debts of $15,000 to Stanley and Doris Burger, debt of $5,000 owed to Stanley and Doris Burger and a debt of $4,000 owed to Stanley and Doris Burger. Those debts were outstanding during that period of October 1, 1982 to December 31, 1982.

(b) The record should be amended to reflect that WINPAC's report for the period of January 1, 1982, through September 30, 1982, designate on the debt schedule those debts of $15,000, $5,000 and $4,000 owed to Stanley and Doris Burger are given

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directly by Stanley and Doris Burger to WINPAC and as such were not procured directly from a lending institution or bank.

Dated this 9th day of September 1986.

Doris Burger
DORIS BURGER

SUBSCRIBED AND SWORN to before me on this 9th day of September, 1986.

NOTARY SEAL

Susan S. Boyd
NOTARY PUBLIC FOR THE STATE OF ~~MONTANA~~ ARIZONA
Residing at 2077 S. Priest, Tempe, Az
My commission expires My Commission Expires Nov. 27, 1987

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THE FOLLOWING MATERIAL IS BEING ADDED TO THE PUBLIC FILE OF CLOSED MUR 1706

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BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)

Western Intermountain Network) MUR 1706
Political Action Committee)
Doris Burger, as treasurer)

86 SEP 15 P3:50
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GENERAL COUNSEL

AMENDMENT OF DISCLOSURE REPORTS

COMES NOW Doris Burger as treasurer of Western Intermountain Network Political Action Committee pursuant to conciliation agreement of the Western Intermountain Network Political Action Committee filed with the Federal Election Commission, and hereby amends the disclosure reports to read as follows:

(1) That on August 19, 1982, the respondent transferred a $2,500 contribution to the Marlenee committee in the name of WINPAC, where in fact the contribution was a direct contribution from contributor, E. C. Yegen, and the records should be amended to reflect such transaction.

(2) (a) The respondents, WINPAC, records should be amended to reflect that in fact on August 7, 1986 WINPAC received a loan from Stanley and Doris Burger in the amount of $2,887.86.

(b) The records should be amended to reflect that WINPAC received a loan on August 25, 1981 in the amount of $15,000.00 from Stanley and Doris Burger.

(c) The records should be amended to reflect that WINPAC received a loan in the amount of $5,000.00 from Stanley and Doris Burger on December 15, 1981.

Said loans were in excess of the limitations provided under 2 U.S.C. Section 441A (a) (1) (c).

(3) The respondent, WINPAC, failed to maintain records to support 75 percent of its contributions totaling $62,934.19 for the year 1981. The records should be reflected to indicate that WINPAC failed to maintain adequate records, and while attempts have been made to disclose parties contributing monies these inadequate records are in violation of 2 U.S.C. Section 434 (c) (1) through 4 and 432 (d).

(4) The record should be amended to reflect that the respondent failed to timely file their 1981 year end report covering July 1 to December 31, 1981. The report did not include the period of July 1 through September 30, 1981. Said information was submitted May 3, 1984. Such report is now on file with the Federal Election Commission.

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(5) (a) The records should be amended to reflect that on July 1, 1981, through September 30, 1981, the respondent, WINPAC, received a loan or contribution of $2,887.86 from Stanley and Doris Burger. The record should be amended to reflect this as a loan contribution as opposed to the initial designation on the report of such fund as a non-itemized receipt.

(b) The records should be amended to reflect that WINPAC received a loan contribution of $15,000 from Stanley and Doris Burger on their July 1, 1981 to September 30, 1981, report, such money being a loan contribution from Stanley and Doris Burger as opposed to being a loan received directly from the bank as originally indicated on the WINPAC report of September 30, 1981.

(c) The records should be amended to reflect that $2,887.86 if the loan contribution to WINPAC from Stanley and Doris Burger was repayed to Doris and Stanley Burger, and was not an itemized disbursement to Stanley Burger, as previously reported by WINPAC.

(d) The records should be amended to reflect that the loan of $15,000.00 and $5,000.00 from Stanley and Doris Burger to WINPAC was a direct loan from the Burger's, and not a loan from a bank.

(e) The records should be amended to reflect that a loan of $4,000 was made from Stanley and Doris Burger to WINPAC, and was not an unitemized contribution, as initially reflected in the WINPAC reports of 1982.

(6) The WINPAC disclosure report of 1981-1982 should be amended to reflect that (a) loan 1 in the amount of $2,887.86 should be designated as repaid to Stanley and Doris Burger as contributors (b) loan 2 and loan 3 for $15,000 and $5,000 respectually should be amended to reflect that said loans were obtained from the Burgers as loan contributions of the Burgers to WINPAC as opposed to direct loans from the bank.

(7) The October 1, 1982 to December 31, 1982, WINPAC report should be amended to reflect that debts for 1982 included:

(a) Debts of $15,000 to Stanley and Doris Burger, debt of $5,000 owed to Stanley and Doris Burger and a debt of $4,000 owed to Stanley and Doris Burger. Those debts were outstanding during that period of October 1, 1982 to December 31, 1982.

(b) The record should be amended to reflect that WINPAC's report for the period of January 1, 1982, through September 30, 1982, designate on the debt schedule those debts of $15,000, $5,000 and $4,000 owed to Stanley and Doris Burger are given

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directly by Stanley and Doris Burger to WINPAC and as such were not procured directly from a lending institution or bank.

Dated this 9th day of September 1986.

Doris Burger
DORIS BURGER

SUBSCRIBED AND SWORN to before me on this 9th day of September, 1986.

Susan S. Boyd
NOTARY PUBLIC FOR THE STATE OF ~~MONTANA~~ ARIZONA
Residing at 2077 S. Priest, Tempe, Az
My commission expires My Commission Expires Nov. 27, 1987

NOTARY SEAL

8604061475 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 16, 1986

Leanne M. Schraudner, Esquire
502 South 19th
Bozeman, MT 59716

RE: MUR 1706
Western Intermountain
Network Political Action
Committee
Doris L. Burger, as
treasurer

Dear Ms. Schraudner:

You were previously notified that on June 3, 1986, the Federal Election Commission accepted the conciliation agreement you signed on behalf of your clients and closed the file in this matter. The agreement included a civil penalty and the requirement that WINPAC amend its disclosure reports to correct the public record. On July 29, 1986, we received a check for the civil penalty. However, despite telephone discussions with you and with the WINPAC treasurer, we have not received the required amendments.

If we do not receive the amendments within five days of receipt of this letter, the Office of the General Counsel will seek authorization from the Commission to institute civil action for relief in U.S. District Court for failure to comply with the conciliation agreement in violation of 2 U.S.C. § 437g(a)(5)(D).

Should you have any questions, contact Frances B. Hagan at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THE FOLLOWING MATERIAL IS BEING ADDED TO THE PUBLIC FILE OF CLOSED MUR 1706 .

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SCULLY, LILLY, ANDRIOLO & SCHRAUDNER

ATTORNEYS AT LAW

MICHAEL J. LILLY, P.C.
RICHARD J. ANDRIOLO
LEANNE M. SCHRAUDNER

OF COUNSEL
JOHN P. SCULLY

THE BALTIMORE, SUITE 201
222 EAST MAIN STREET
BOZEMAN, MONTANA 59715
TELEPHONE (406) 586-7966

September 29, 1986

86 OCT 7 P4:28
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL

Frances B. Hagen and
Lawrence M. Noble
Federal Election Commission
1325 K Street NW
Washington, D.C. 20463

RE: MUR 1706 Western Intermountain
Network Political Action Committee,

Dear Ms. Hagen and Mr. Noble:

I have drafted amendments to the disclosure reports on WINPAC in August and forwarded them to my clients to be signed and sent to you to conform to the conciliation agreement. After receiving your letter, I contacted my clients and they indicated they mailed them to your office on September 9, 1986. This matter should be resolved and such amendments should be made with the filing of that document.

If there are further problems, please contact me immediately.

Sincerely,

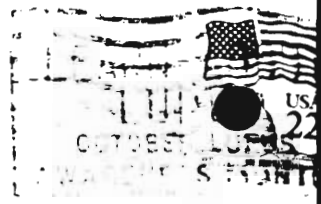
Leanne M. Schraudner

Leanne M. Schraudner

LMS:scb

R6040520461

ULLY, LILLY, ANDRIOLO & SCHRAUDNER
ATTORNEYS AT LAW
222 EAST MAIN STREET, SUITE 301
BOZEMAN, MONTANA 59715



Frances B. Hagen and Lawrence M. Noble
Federal Electrion Commission
1325 K Street NW
Washington, D. C. 20463

88 OCT 7 AM 8:53

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

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LAW OFFICES OF
CHURCH, HARRIS, JOHNSON & WILLIAMS

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P.O. BOX 1645 • GREAT FALLS, MONTANA 59403 • THIRD FLOOR NORWEST BANK BUILDING • PHONE (406) 761-3000

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August 11, 1986

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FEDERAL EXPRESS

Lawrence M. Noble
Deputy General Counsel
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

RE: MUR 1706
Notification of Compliance with Conciliation Agreement

Dear Mr. Noble:

In compliance with the Conciliation Agreement forwarded to me under cover letter dated July 11, 1986, enclosed please find a check payable to the Treasurer of the United States in the amount of $1,250.00 in payment of the civil penalty provided under the Conciliation Agreement.

As counsel for the Respondent, this letter should also serve as notification that the Committee, in further compliance with the Conciliation Agreement, has refunded $2,500.00 to E. C. Yegen by mailing a check by certified mail to his last known address.

Sincerely,

CHURCH, HARRIS, JOHNSON & WILLIAMS

BY: Gregory R. Schwandt
GREGORY R. SCHWANDT

GRS:gf
Enclosure