FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3099

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U.S. Department of Justice

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DGC 4863

Re: MUR 225

Washington, D.C. 20530

DEC 07 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 DEC 13 PM 1:53

Mr. Lawrence M. Noble
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

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Dear Mr. Noble:

Re: United States v. Gulf Power Company, Inc.

The purpose of this letter is to notify the Federal Election Commission (FEC) concerning recent developments in the captioned case, pursuant to paragraph 4 of the Memorandum of Understanding between the FEC and the Criminal Division.

The Department of Justice and the Internal Revenue Service (IRS) are presently conducting a criminal investigation into political contribution practices made by the Southern Corporation, a public utility holding company based in Atlanta, Georgia. This investigation is presently focusing in part on the contribution of large sums of corporate resources belonging to several subsidiaries of Southern, most notably the Gulf Power Corporation which provides electrical power to Northern Florida, and Georgia Power and Light which services the State of Georgia. The recipients of most, but not all, of these contributions are candidates for local and state offices in Florida and Georgia. The statutory predicate for this investigation is 15 U.S.C. § 15L(h), a provision in the Public Utility Holding Company Act of 1935 which forbids public utilities and their parent holding companies from making contributions or expenditures for the purpose of influencing any election of any candidate at any level of government. Violations of this provision are felonies, punishable by fines levied under 18 U.S.C. § 3571 and/or by imprisonment for up to five years.

On October 31, 1989, the Gulf Power Corporation waived its right to indictment and entered a plea of guilty to a criminal

information filed by United States Attorney Robert L. Barr, Jr. of the Northern District of Georgia charging it with two counts of conspiracy (18 U.S.C. § 371). One of these conspiracies focused on Gulf Power's violation of 15 U.S.C. § 79L(h). The other conspiracy focused on Gulf Power's efforts to subvert and impede the Internal Revenue Service in the performance of its revenue collection responsibilities. These pleas were entered pursuant to a plea agreement between United States Attorney Barr and Gulf Power, under which Gulf Power agreed to pay a fine of half a million dollars.

Copies of the criminal information in this case, and of the Government's Statement of Facts supporting the charges involved here, are enclosed for your information.

As noted above, a small portion of the activity underlying these charges entailed contributions to candidates seeking federal office. While we would ordinarily undertake to make available to the FEC factual investigative materials bearing on this limited aspect of this completed case, we cannot do so here. This is because this particular matter was investigated by the IRS, and our ability to disclose the product of such IRS investigations to government agencies having no criminal law enforcement authority over the federal revenue laws has been severely limited by the provisions of 26 U.S.C. §§ 6103 and 7431. For that reason, we cannot release to the FEC factual data developed by the IRS during its investigation of this case aside from that which became part of the public record as a result of the filing of the aforementioned criminal information and the acceptance of the defendant's guilty plea to it.

For your general information, the methodology employed to by Gulf Power to liberate corporate resources so that contributions could be given without detection to political candidates focused primarily on fraudulent vouchering and invoicing by vendors doing business with Gulf Power. Such vendors were generally required to pad their invoices with inflated changes, and to contribute a portion of the monies thus generated to political candidates specified by Gulf Power's management.

The criminal investigation of violations of federal tax laws and of 15 U.S.C. § 79L(h) by subsidiaries of the Southern Corporation is continuing.

We trust that this information will be helpful to the FEC in the discharge of its enforcement responsibilities under 2 U.S.C. § 437g(a). We shall continue to keep the Commission advised of

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future developments in these matters as they come into the public record.

Sincerely,

Craig C. Donsanto
Director, Election Crimes Branch
Public Integrity Section
Criminal Division

Enclosure

cc: Robert Barr, Jr.
United States Attorney
Northern District of Georgia



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IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF GEORGIA

ATLANTA DIVISION

UNITED STATES OF AMERICA	:	
	:	CRIMINAL INFORMATION
v.	:	
	:	NO. CR89-412-A
THE GULF POWER COMPANY	:	18 U.S.C. § 371

THE UNITED STATES ATTORNEY CHARGES THAT:

COUNT ONE

1. From on or about September 7, 1982, the exact date being unknown to this grand jury, and continuing thereafter up to and including the 31st of December, 1988, the Northern District of Florida, and elsewhere, GULF POWER COMPANY, defendant herein, did unlawfully, willfully and knowingly conspire, combine, confederate, and agree together and with other parties both known and unknown to the United States Attorney to make, by use of the mails and other means and instrumentalities of interstate commerce, and otherwise, directly and indirectly, contributions in connection with the candidacy, nomination, election and/or appointment of persons for and to offices and position in the government of the United States, and various states, and agencies, authorities and instrumentalities of one or more of the foregoing, all in violation of 15 U.S.C. § 791.

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PARTIES, PERSONS AND ENTITIES

At all relevant times:

2. The Southern Company was a registerd public utility holding company headquartered in Atlanta, Georgia.

3. GULF POWER COMPANY was a subsidiary company, or operating company, of the Southern Company.

4. GULF POWER COMPANY was headquartered in Pensacola, Florida.

5. In the regular course of business, GULF POWER COMPANY required the services of various outside vendors to provide numerous functions such as landscaping, advertising and the providing of raw materials.

6. West Florida Landscaping was a company retained by GULF POWER COMPANY to provide landscaping services at its corporate headquarters.

7. The Dick Leonard Group II, Inc. was a company retained by GULF POWER COMPANY to provide advertising services.

8. The Appleyard Agency was a company retained by GULF POWER COMPANY to provide advertising services.

9. The Hemmer & Yates Corporation was a company retained by GULF POWER COMPANY to provide advertising services.

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MANNER AND MEANS BY WHICH THE THE CONSPIRACY WAS CARRIED OUT

The manner and means by which the conspiracy was sought to be accomplished included, among others, the following:

10. In order to make political contributions to various political candidates on the state and local levels, GULF POWER

COMPANY established various procedures for the collection and disbursement of campaign contributions.

11. The vast majority of the fund raising activity took place by GULF POWER COMPANY employees during the regular working hours and included the solicitation of political contributions from its outside vendors.

12. Those outside vendors were asked to make contributions to various campaigns and candidates deemed to be "good for GULF POWER and good for business."

13. On some occasions, the vendors were asked to submit their contributions to GULF POWER COMPANY for disbursal to the candidate, while on other occasions, the vendors were asked to transmit their contributions directly to the candidate.

14. These requests were made largely by and through a former GULF POWER senior vice-president, a GULF POWER manager and certain other employees with no personal position with the respective campaigns.

15. Whether or not the contributions were transmitted directly to the candidate, many of the vendors involved submitted, at the behest and encouragement of these GULF POWER employees, false or inflated invoices in order to recoup the amount of the political contributions made at the direction of GULF POWER.

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OVERT ACTS

In furtherance of the conspiracy, and to effect the objects thereof, the following overt acts were committed in the Northern

District of Florida and elsewhere:

16. GULF POWER COMPANY provided a television studio and television equipment for the use of several campaigns including that of Jim Smith for Governor.

17. GULF POWER COMPANY channeled money to the 1988 State Senate campaign of W. D. Childers through its payments to Design Associates, Inc.

18. GULF POWER COMPANY instructed another of its advertising agencies, The Dick Leonard Group II, Inc. to make campaign contributions to specified candidates in 1984, 1986, 1987, and 1988 and to submit inflated invoices to GULF POWER in order to be recompensed for those contributions.

19. GULF POWER COMPANY instructed one of its landscaping vendors, West Florida Landscaping, to make political contributions to a specified candidate and to submit an inflated invoice to GULF POWER in order to be recompensed for those contributions.

20. GULF POWER COMPANY instructed the John Appleyard Agency to make political contributions to specified candidates during 1982, 1983, and 1984. These contributions were funded by GULF POWER COMPANY through its monthly payments of $1,000 - $2,000.00 to a "special production fee" maintained at the Appleyard Agency.

21. GULF POWER COMPANY instructed the Hemmer & Yates Advertising agency to make political contributions to specified candidates. These contributions were funded, at least in part, through a monthly retainer of $2,000.00 (Two Thousand Dollars) paid to the Hemmer & Yates agency during the years 1985, 1986 and 1987.

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22. On or about August 9, 1982, the Appleyard Agency wrote Check No. 19388 to Graham Mixson Campaign Fund for $100. On or about August 16, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY for a special production fee which included the check to the Graham Mixson Campaign Fund.

23. On or about September 9, 1983, the Appleyard Agency performed services on the Hollice Williams campaign at the request of a senior executive of GULF POWER COMPANY at a cost of $1,000. On or about September 16, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the payment as a special production fee. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about September 23, 1983, GULF POWER COMPANY wrote Check No. 153941 in payment of the invoice.

24. On or about September 29, 1983, the Appleyard Agency wrote Check No. 1283 to Hollice Williams for $600. On or about October 10, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the payment to Williams as a special production fee.

25. On or about November 28, 1983, Cooper Yates wrote Check No. 664 to the John Glenn Pres. Comm. for $500. Hemmer and Yates reimbursed Yates for this payment, and billed it back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

26. On or about February 14, 1984, the Appleyard Agency wrote Check No. 1903 to Virginia Bass Appreciation Dinner for $150. On or about March 5, 1984, the Appleyard Agency submitted

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an invoice to GULF POWER COMPANY disguising the payment as a special production fee.

27. On or about March 1, 1984, the Appleyard Agency wrote Check No. 1997 to Representative James Harold Thompson's Speaking Fund for $1,000. On or about March 5, 1984, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the payment as a special production fee.

28. On or about March 5, 1984, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 3009 to Representative James Harold Thompson's Speaking Fund for $1,000. On or about June 21, 1984, the Dick Leonard Group submitted an invoice to GULF POWER COMPANY which disguised the payment as employee communication production. On or about June 28, 1984, GULF POWER COMPANY wrote Check No. 171194 to the Dick Leonard Group in payment of the invoice.

29. On or about July 3, 1984, Cooper Yates wrote Check No. 750 to John R. Jones Campaign for $250. Hemmer and Yates wrote a check to Yates to reimburse him for this expense and billed it back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

30. On or about August 1, 1984, Cooper Yates wrote Check No. 973 to Tom Santurri for $250. Hemmer and Yates reimbursed Yates for this payment and billed it back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

31. On or about July 15, 1985, Cooper Yates wrote Check No. 400 to Hart Re-election Campaign for $500. Hemmer and Yates reimbursed Yates for this payment and billed it back to GULF POWER

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COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

32. On or about July 16, 1985, Hemmer and Yates wrote Check No. 8255 for $2,000 to Citizen For A New Democracy, which was a fund-raising group for Gary Hart. This was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

33. On or about July 18, 1985, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 326 to Citizens For A New Democracy for $1,000. This payment was billed back to GULF POWER COMPANY as an expense associated with a project done for GULF POWER COMPANY.

34. On or about July 24, 1985, Cooper Yates wrote Check No. 983 to Friends Of Bob Graham Committee for $1,000. Hemmer and Yates reimbursed Yates for this payment and billed it back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

35. On or about September 20, 1985, Creative Workshop, another business operated by Cooper Yates, wrote Check No. 1769 to Senator Ken Jenne President's Fund for $500. Hemmer and Yates reimbursed Yates for this payment and billed it back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

36. On or about September 23, 1985, Hemmer and Yates wrote Check No. 8688 to Senator Ken Jenne, President's Fund for $1,000. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

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37. On or about September 24, 1985, Cooper Yates wrote Check No. 1020 to Senator Ken Jenne, President's Fund for $500. Hemmer and Yates reimbursed Yates for this payment and billed it back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

38. On or about November 26, 1985, Hemmer and Yates wrote Check No. 8908 to John Mills, Speakers Fund for $2,000. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

39. On or about November 26, 1985, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 753 to Representative Jon Mills Speakers Fund for $1,000. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with a project done for GULF POWER COMPANY.

40. On or about March 25, 1986, Hemmer and Yates wrote Check No. 9065 to Campaign to Elect Gerald Lewis for $500. This payment was billed back to GULF POWER COMPANY as part of a retainer fee.

41. On or about April 1, 1986, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 1257 to Tom Gallagher Campaign for $750. The Dick Leonard Group submitted an invoice to GULF POWER COMPANY disguising the payment as time expended by Dick Leonard on a project for GULF POWER COMPANY.

42. On or about June 11, 1986, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 1507 to Doyle Connor Campaign for $250. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with a project done for GULF POWER COMPANY.

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43. On or about June 11, 1986, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 1508 to Ed Dunn Campaign for $250. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with a project done for GULF POWER COMPANY.

44. On or about June 16, 1986, Cooper Yates wrote Check No. 1282 to Bill Gunter Campaign for $500. Hemmer and Yates reimbursed Yates for this payment and billed it back to GULF POWER COMPANY as part of a retainer fee.

45. On or about June 18, 1986, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 1526 to Bill Gunter Campaign for $1,000. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with a project done for GULF POWER COMPANY.

46. On or about July 18, 1986, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 1646 to Virginia Bass Campaign for $500. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with a project done for GULF POWER COMPANY.

47. On or about September 12, 1986, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 1814 to Jim Smith Campaign for $1,000. This was billed to GULF POWER COMPANY as miscellaneous expenses associated with a project done for GULF POWER COMPANY.

48. On or about September 21, 1987, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 3666 to Albert Gore for $250. This was billed back to GULF POWER

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COMPANY as miscellaneous expenses associated with a project done for GULF POWER COMPANY.

49. On or about November 3, 1987, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 3906 to the Florida Democratic Party for $1,000. This was billed back to GULF POWER COMPANY as miscellaneous expenses associated with a project done for GULF POWER COMPANY.

50. On or about November 4, 1987, Cooper Yates wrote Check No. 1473 to Florida Democratic Party for $1,000. Hemmer and Yates reimbursed Yates for this payment and billed it back to GULF POWER COMPANY as part of a retainer fee.

51. On or about November 19, 1987, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 4041 to Democratic Leaders Conference Speakers Fund for $1,000. On or about December 14, 1987, the Dick Leonard Group submitted an invoice to GULF POWER COMPANY disguising the payment as time expended by Dick Leonard Group on a project for GULF POWER COMPANY.

52. On or about March 25, 1988, at the direction of a GULF POWER employee, Dick Leonard wrote Check No. 811 to Reuben Askew Campaign for $250. On or about March 25, 1988, the Dick Leonard Group wrote Check No. 4621 to Dick Leonard to reimburse him for the contribution. The Dick Leonard Group billed this payment back to GULF POWER COMPANY as expenses associated with a project done for GULF POWER COMPANY.

53. On or about March 25, 1988, at the direction of a GULF POWER employee, Whitney Babcock of the Dick Leonard Group wrote Check No. 130 to Reuben Askew Campaign for $250. On or about

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March 25, 1988, the Dick Leonard Group wrote Check No. 4623 to Whitney Babcock to reimburse him for the contribution. The Dick Leonard Group billed this payment back to GULF POWER COMPANY as expenses associated with a project done for GULF POWER COMPANY.

54. On or about March 25, 1988, at the direction of a GULF POWER employee, William Bush of the Dick Leonard Group wrote a check to Reuben Askew Campaign. On or about March 25, 1988, the Dick Leonard Group wrote Check No. 4622 to William Bush to reimburse him for the contribution. The Dick Leonard Group billed this payment back to GULF POWER COMPANY as expenses associated with a project done for GULF POWER COMPANY.

55. During 1982, the exact date unknown, GULF POWER COMPANY instructed Dave Cook of Florida Landscaping to make political contributions to Ralph Haben and to submit inflated invoices to GULF POWER COMPANY in order to be reimbursed for the contribution.

In violation of Title 18, United States Code, Section 371.

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COUNT TWO

1. From on or about June 4, 1981, the exact date being unknown, and continuing thereafter up to and including April 10, 1989, in the Northern District of Florida, the Northern District of Georgia, the Middle District of Florida, and elsewhere, the defendant, GULF POWER COMPANY, did unlawfully, willfully, and knowingly conspire, combine, confederate, and agree together and with other individuals both known and unknown to defraud the United States by impeding, impairing, obstructing, and defeating the lawful

Government functions of the Internal Revenue Service of the Treasury Department in the ascertainment, computation, assessment, and collection of the revenue: to wit, income taxes.

PARTIES, PERSONS AND ENTITIES

At all relevant times:

2. GULF POWER COMPANY was a public electric utility headquartered in Pensacola, Florida which provided electricity to the western panhandle region of Florida.

3. The Dick Leonard Group II, Inc. was an advertising agency located in Tampa, Florida which provided advertising services to GULF POWER COMPANY.

4. Hemmer & Yates Associates, Inc. was an advertising agency located in Pensacola, Florida which provided advertising services to GULF POWER COMPANY.

5. The John Appleyard Agency, Inc. was an advertising agency located in Pensacola, Florida which provided advertising services to GULF POWER COMPANY.

6. The Pensacola Sports Association was based in Pensacola, Florida and sponsored the annual PGA golf tournament held there.

7. The Irish Politicians Club was a private club operated by, and largely in, a local Pensacola saloon.

MANNER AND MEANS BY WHICH THE CONSPIRACY WAS CARRIED OUT

8. In order to impair, impede and obstruct the Internal Revenue Service in its audit function and in the ascertainment and collection of income taxes, GULF POWER COMPANY largely by and through

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former senior vice-president, a manager and certain other employees, systematically, repeatedly and willfully instructed its outside vendors, such as its advertising agencies, to submit false or inflated invoices to GULF POWER COMPANY for payment by GULF POWER COMPANY in order to reimburse those vendors for payments they had made to political candidates and others at the direction of GULF POWER COMPANY.

9. These vendors were used by GULF POWER, by said employees, to make the payments and submit false invoices because they provide a service, as opposed to a physical product, to GULF POWER. Accordingly, their invoices could be falsified both easily and with little chance of detection.

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OVERT ACTS

In furtherance of the conspiracy, and to effect the objects thereof, the following overt acts were committed in the Northern District of Florida and elsewhere:

10. On or about June 4, 1981, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $1,000. This fee was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about June 15, 1981, GULF POWER COMPANY wrote Check No. 105739 to the Appleyard Agency in payment of the invoice.

11. On or about July 17, 1981, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $1,000. This fee was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about July 24, 1981, GULF POWER COMPANY wrote Check No. 108063 to the Appleyard Agency in payment of the invoice.

12. On or about August 14, 1981, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special promotion fee of $1,000. This fee was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about September 10, 1981, GULF POWER COMPANY wrote Check No. 110627 to the Appleyard Agency in payment of the invoice.

13. On or about September 16, 1981, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $1,000. This fee was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about September 29, 1981, GULF POWER COMPANY wrote Check No. 111763 to the Appleyard Agency in payment of the invoice.

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14. On or about October 15, 1981, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $1,000. This fee was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about October 29, 1981, GULF POWER COMPANY wrote Check No. 113665 to the Appleyard Agency in payment of the invoice.

15. On or about November 12, 1981, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $1,000. This fee was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about November 25, 1981, GULF POWER COMPANY wrote Check No. 115327 to the Appleyard Agency in payment of the invoice.

16. On or about December 17, 1981, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $1,000. This fee was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about December 31, 19B1, GULF POWER COMPANY wrote Check No. 117303 to the Appleyard Agency in payment of the invoice.

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17. On or about January 13, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $2,000. This fee included $1,000 that was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about January 28, 1982, GULF POWER COMPANY wrote Check No. 118930 to the Appleyard Agency in payment of the invoice.

18. On or about January 28, 1982, the Appleyard Agency wrote Check No. 18619 to Cash for $500, converted the check to currency, and gave the currency to a GULF POWER manager. On or about February 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash given to the manager as a special production fee.

19. On or about February 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $2,000. This fee included $1,000 that was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about March 5, 1982, GULF POWER COMPANY wrote Check No. 121056 to the Appleyard Agency in payment of the invoice.

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20. On or about March 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee $2,000. This fee included $1,000 that was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about March 22, 1982, GULF POWER COMPANY wrote Check No. 122012 to the Appleyard Agency in payment of the invoice.

21. On or about March 5, 1982, the Appleyard Agency wrote Check No. 18752 to International Country Singers for $500. On or about March 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY for a special production fee which included the check to the International Country Singers.

22. On or about March 15, 1982, the Appleyard Agency wrote Check No. 18778 to Cash for $400, converted the check to currency, and gave the currency to a GULF POWER manager. On or about March 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash given to the manager as a special production fee.

23. On or about April 14, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $2,000. This fee included $1,000 that was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was

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sent to the attention of a GULF POWER manager, who approved the invoice. On or about April 29, 1982, GULF POWER COMPANY wrote Check No. 124356 to the Appleyard Agency in payment of the invoice.

24. On or about May 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee $2,000. This fee included $1,000 that was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about May 28, 1982, GULF POWER COMPANY wrote Check No. 126094 to the Appleyard Agency in payment of the invoice.

25. On or about June 14, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $2,000. This fee included $1,000 that was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about June 23, 1982, GULF POWER COMPANY wrote Check No. 127569 to the Appleyard Agency in payment of the invoice.

26. On or about July 8, 1982, the Appleyard Agency wrote Check No. 19261 to Cash for $600, converted the check to currency, and gave the currency to a GULF POWER manager. On or about July 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER

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COMPANY which disguised the cash given the manager as a special production fee.

27. On or about July 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $2,000. This fee included $1,000 that was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about July 30, 1982, GULF POWER wrote Check No. 129784 to the Appleyard Agency in payment of the invoice.

28. On or about July 30, 1982, the Appleyard Agency wrote Check No. 19372 to Cash for $650, converted the check to currency, and gave the currency to a GULF POWER manager. On or about August 16, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash given to the manager as a special production fee.

29. On or about August 16, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $2,000. This fee included $1,000 that was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about August 30, 1982, GULF POWER COMPANY wrote Check No. 131511 to the Appleyard Agency in payment of the invoice.

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30. On or about September 13, 1982, the Appleyard Agency wrote a check to Cash for $400, converted the check to currency, and gave the currency to a GULF POWER manager. On or about September 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash given to the manager as a special production fee.

31. On or about September 15, 1982, the Appleyard Agency wrote a check to Alfred Brown, International Country Singers, for $750. On or about October 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY for a special production fee which included the payment to Alfred Brown. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about October 26, 1982, GULF POWER COMPANY wrote Check No. 134862 to the Appleyard Agency in payment of the invoice.

32. On or about September 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which included a special production fee of $2,000. This fee included $1,000 that was actually for payment to John Appleyard for time expended on writing a book for a senior vice-president of GULF POWER COMPANY. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about September 27, 1982, GULF POWER COMPANY wrote Check No. 133113 to the Appleyard Agency in payment of the invoice.

33. On or about September 30, 1982, the Appleyard Agency wrote Check No. 19621 to Cash for $200, converted the check to currency,

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and gave the currency to a GULF POWER manager. On or about October 15, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash given to the manager as a special production fee.

34. On or about October 19, 1982, the Appleyard Agency wrote Check No. 19672 to Cash for $750, converted the check to currency, and gave the currency to a GULF POWER manager. On or about November 16, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash given to the manager as a special production fee. The invoice was approved by the manager. On or about November 29, 1982, GULF POWER COMPANY wrote Check No. 136577 to the Appleyard Agency in payment of the invoice.

35. On or about October 29, 1982, the Appleyard Agency wrote Check No. 19759 to Cash for $240, converted the check to currency, and gave the currency to a GULF POWER manager. On or about November 16, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash given to the manager as a special production fee.

36. On or about November 15, 1982, the Appleyard Agency wrote Check No. 19795 to Cash for $240, converted the check to currency, and gave the currency to a GULF POWER manager. On or about November 16, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash given to the manager as a special production fee.

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37. On or about December 14, 1982, the Appleyard Agency wrote Check No. 19904 to Cash for $1,400, converted the check to currency, and gave the currency to a GULF POWER manager. On or about December 17, 1982, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash as a special production fee. On or about January 14, 1983, GULF POWER COMPANY wrote Check No. 139352 to the Appleyard Agency in payment of the invoice.

38. On or about February 2, 1983, the Appleyard Agency wrote Check No. 198 to Cash for $1,700, converted the check to currency, and gave the currency to a GULF POWER manager. On or about February 11, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash given to the manager as a special production fee. The invoice was sent to the attention of the GULF POWER manager, who approved the invoice. On or about February 23, 1983, GULF POWER COMPANY wrote Check No. 141511 to the Appleyard Agency in payment of the invoice.

39. On or about February 8, 1983, the Appleyard Agency wrote Check No. 218 to International Country Singers for $750. On or about February 11, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY for a special production fee which included the payment to the International Country Singers.

40. On or about March 1, 1983, Hemmer and Yates wrote Check No. 3241 to Al Brown for $250. This expense was billed back to GULF

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POWER COMPANY as miscellanous expenses associated with advertising, public relations, and marketing.

41. On or about April 29, 1983, the Appleyard Agency wrote Check No. 581 to Cash for $1,500, converted the check to currency, and gave the currency to a GULF POWER manager. On or about May 19, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash as a special production fee. The invoice was sent to the attention of the GULF POWER manager, who approved the invoice. On or about May 27, 1983, GULF POWER COMPANY wrote Check No. 147050 to the Appleyard Agency in payment of the invoice.

42. On or about May 4, 1983, the Appleyard Agency wrote Check No. 600 to Cash for $1,000, converted the check to currency, and gave the currency to a GULF POWER manager. On or about May 19, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash as a special production fee.

43. On or about May 12, 1983, the Appleyard Agency wrote Check No. 607 to Cash for $200, converted the check to currency, and gave the currency to a GULF POWER manager. On or about May 19, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash as a special production fee.

44. On or about May 27, 1983, Hemmer and Yates wrote Check No. 3551 to Al Brown for $1,250. This expense was billed back to GULF

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POWER COMPANY as miscellaneous expenses associated with advertising, public relations, and marketing.

45. On or about June 6, 1983, Hemmer and Yates wrote Check No. 3563 to Al Brown for $1,500. This expense was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, public relations, and marketing.

46. On or about June 10, 1983, Hemmer and Yates wrote Check No. 3615 to Al Brown for $750. This expense was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, public relations, and marketing.

47. On or about June 15, 1983, the Appleyard Agency wrote Check No. 762 to Al Brown for $500. On or about July 19, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY for a special production fee which included the payment to Brown. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about July 27, 1983, GULF POWER COMPANY wrote Check No. 150632 to the Appleyard Agency in payment of the invoice.

48. On or about June 20, 1983, the Appleyard Agency wrote Check No. 779 to Cash for $500, converted the check to currency, and gave the currency to a GULF POWER manager. On or about July 19, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash given to the GULF POWER manager as a special production fee.

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49. On or about June 24, 1983, the Appleyard Agency wrote Check No. 809 to Cash for $91.73, converted the check to currency, and gave the currency to a GULF POWER manager. On or about July 19, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash as a special production fee.

50. On or about June 27, 1983, Hemmer and Yates wrote Check No. 3648 to Al Brown for $1,500. This expense was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, public relations, and marketing.

51. On or about June 29, 1983, the Appleyard Agency wrote Check No. 867 to Cash for $275, converted the check to currency, and gave the currency to a GULF POWER manager. On or about July 19, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash given to the GULF POWER manager as a special production fee.

52. On or about July 12, 1983, the Appleyard Agency wrote Check No. 912 to Cash for $200, converted the check to currency, and gave the currency to a GULF POWER manager. On or about July 19, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash as a special production fee.

53. On or about July 13, 1983, Hemmer and Yates wrote Check No. 3732 to Al Brown for $1,250. This expense was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

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54. On or about July 27, 1983, Hemmer and Yates wrote Check No. 3759 to McGuire's Irish Politicians Club for $288 for dues for two GULF POWER COMPANY employees. This expense was billed back to GULF POWER as miscellaneous expenses associated with advertising, marketing, and public relations.

55. On or about August 10, 1983, Hemmer and Yates wrote Check No. 3822 to "Florida House," a non-profit group, for $1,000. This expense was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

56. On or about August 12, 1983, the Appleyard Agency wrote Check No. 1067 to Cash for $1,200, converted the check to currency, and gave the currency to a GULF POWER manager. On or about August 17, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the cash as a special production fee. The invoice was sent to the attention of the GULF POWER manager, who approved the invoice. On or about August 29, 1983, GULF POWER COMPANY wrote Check No. 152497 in payment of the invoice.

57. On or about September 7, 1983, the Appleyard Agency wrote Check No. 1164 to Alfred Brown for $500. On or about September 16, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the payment as a special production fee.

58. On or about September 8, 1983, Cooper Yates wrote Check No. 517 to Reuben Askew Campaign for $1,000. This payment was billed

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back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

59. On or about September 15, 1983, Hemmer and Yates wrote Check No. 3941 to Pensacola Sports Association for $1,300 for a golf tournament sponsorship. This expense was billed back to GULF POWER COMPANY with its knowledge as miscellaneous expenses associated with advertising, public relations, and marketing.

60. On or about September 16, 1983, the Appleyard Agency wrote Check No. 1220 to Cash for $1,500, converted the check to currency, and gave the currency to a GULF POWER manager. On or about September 16, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY disguising the currency as a special production fee.

61. On or about September 20, 1983, Hemmer and Yates wrote Check No. 3947 to Pensacola Sports Association for $1,300 for a golf tournament sponsorship. This expense was billed back to GULF POWER COMPANY with its knowledge as miscellaneous expenses associated with advertising, public relations, and marketing.

62. On or about September 29, 1983, the Appleyard Agency wrote Check No. 1284 to Cash for $600, converted the check to currency, and gave the currency to a GULF POWER manager. On or about October 10, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the currency given to the GULF POWER manager as a special production fee. The invoice was sent

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to the attention of the GULF POWER manager, who approved the invoice. On or about October 26, 1983, GULF POWER COMPANY wrote Check No. 155882 in payment of the invoice.

63. In approximately October 1983, the exact date unknown, the Appleyard Agency wrote a check to Cash for $500, converted the check to currency, and gave the currency to a GULF POWER manager. On or about November 9, 1983, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the currency as a special production fee. On or about November 23, 1983, GULF POWER COMPANY wrote Check No. 157703 in payment of the invoice.

64. On or about October 20, 1983, Hemmer and Yates wrote Check No. 4057 to Cooper Yates for $550. This was to pay Yates for the rental of his condominium to a senior vice-president of GULF POWER COMPANY. This payment was billed to GULF POWER COMPANY as an expense associated with advertising, public relations, and marketing.

65. On or about October 21, 1983, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 2496 to the Pensacola Junior College (PJC) FUND for $1,000. On or about November 21, 1983, the Dick Leonard Group submitted an invoice to GULF POWER COMPANY which disguised the payment as costs associated with the production of television spots relating to a project done for GULF POWER COMPANY. On or about November 10, 1983, GULF POWER COMPANY wrote Check No. 156868 in payment of the invoice.

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66. On or about November 22, 1983, Hemmer and Yates wrote Check No. 4424 to PJC Foundation for $1,000. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

67. On or about December 14, 1983, Hemmer and Yates wrote Check No. 4515 to Al Brown for $500. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

68. On or about December 14, 1983, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 2682 to PJC Foundation for $1,000. On or about December 13, 1983, the Dick Leonard Group submitted an invoice to GULF POWER COMPANY which disguised the payment as expenses associated with photography for a project done for GULF POWER COMPANY.

69. On or about December 16, 1983, the Appleyard Agency wrote Check No. 1607 to Cash for $500, converted the check to currency, and gave the currency to a GULF POWER manager. On or about January 17, 1984, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the currency as a special production fee. The invoice was sent to the attention of the GULF POWER manager, who approved the invoice. On or about January 30, 1984, GULF POWER COMPANY wrote Check No. 161424 in payment of the invoice.

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70. On or about December 22, 1983, the Appleyard Agency wrote Check No. 1656 to Cash for $750, converted the check to currency, and gave the currency to a GULF POWER manager. On or about January 17, 1984, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the currency as a special production fee.

71. On or about January 6, 1984, Hemmer and Yates wrote Check No. 4728 to Al Brown for $500. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, public relations, and marketing.

72. On or about February 2, 1984, the Appleyard Agency wrote Check No. 1828 to First State Bank for $850.03 and converted the check to a cashier's check to Gulf Life Insurance. This payment was for insurance for a GULF POWER COMPANY employee who was being accused of theft and was being terminated. On or about March 5, 1984, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the payment as a special production fee. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about April 4, 1984, GULF POWER COMPANY wrote Check No. 165517 in payment of the invoice.

73. On or about February 22, 1984, Hemmer and Yates wrote Check No. 5103 to Emil's - Garman/Kendig event at New World Landing for $3,280.50. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, public relations, and marketing.

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74. On or about February 22, 1984, Hemmer and Yates wrote Check No. 5101 to Al Brown for $750. This payment was billed to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

75. On or about March 8, 1984, the Appleyard Agency wrote Check No. 2019 to First State Bank for $300, converted the check to currency, and gave the currency to a GULF POWER manager. On or about April 16, 1984, the Appleyard Agency submitted an invoice to GULF POWER COMPANY disguising the cash as a special production fee. The invoice was sent to the attention of the GULF POWER manager, who approved the invoice. On or about April 27, 1984, GULF POWER COMPANY wrote Check No. 167249 in payment of the invoice.

76. On or about March 13, 1984, the Appleyard Agency wrote Check No. 2037 to First State Bank for $751 and converted the check to a cashier's check payable to a GULF POWER COMPANY employee who was being accused of theft and being terminated. This check was given to the employee by a senior vice-president of GULF POWER COMPANY and was to be used for his attorneys' fees. On or about April 16, 1984, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the payment as a special production fee.

77. On or about March 30, 1984, the Appleyard Agency wrote Check No. 2147 to First State Bank for $31.33, converted the check to currency, and gave the currency to a GULF POWER manager. On or about April 16, 1984, the Appleyard Agency submitted an invoice to

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GULF POWER COMPANY which disguised the currency as a special production fee.

78. In approximately April, 1984, the exact date unknown, the Appleyard Agency wrote a check to Cash for $75, converted the check to currency, gave the currency to a GULF POWER manager, and submitted an invoice to GULF POWER COMPANY disguising the currency as a special production fee. The invoice was sent to the attention of the GULF POWER manager, who approved the invoice. On or about May 25, 1984, GULF POWER COMPANY wrote Check No. 168956 to the Appleyard Agency in payment of the invoice.

79. On or about May 7, 1984, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 3323 to Pensacola Sports Association for $1,500 for a golf tournament sponsorship. This payment was billed back to GULF POWER COMPANY as expenses associated with a project done for GULF POWER COMPANY.

80. On or about May 24, 1984, the Appleyard Agency wrote Check No. 2420 to Alfred Brown for $900. On or about June 14, 1984, the Appleyard Agency submitted an invoice to GULF POWER COMPANY disguising the payment as a special production fee. The invoice was sent to the attention a GULF POWER manager, who approved the invoice. On or about June 28, 1984, GULF POWER COMPANY wrote Check No. 171168 in payment of the invoice.

81. On or about May 24, 1984, the Appleyard Agency wrote Check No. 2422 to Cash for $250, converted the check to currency, and

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gave the currency to a GULF POWER manager. On or about June 14, 1984, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the currency as a special production fee.

82. On or about June 27, 1984, the Appleyard Agency wrote Check No. 2595 to Al Brown for $750. On or about August 7, 1984, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the payment as a special production fee. The invoice was sent to the attention of a GULF POWER manager, who approved the invoice. On or about August 24, 1984, GULF POWER COMPANY wrote Check No. 174652 in payment of the invoice.

83. On or about June 27, 1984, the Appleyard Agency wrote Check No. 2596 to First State Bank for $100, converted the check to currency, and gave the currency to a GULF POWER manager. On or about August 7, 1984, the Appleyard Agency submitted an invoice to GULF POWER COMPANY which disguised the currency as a special production fee.

84. On or about August 2, 1984, Hemmer and Yates wrote Check No. 6090 to San Deluna #9 (GULF POWER RENTALS) for $1,713. This was to reimburse Yates for the rental of his condominium to individuals associated with GULF POWER COMPANY. This was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

85. On or about October 4, 1984, Hemmer and Yates wrote Check No. 6550 to Pensacola Sports Association for $1,500 for a golf

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tournament sponsorship. This was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

86. On or about November 15, 1984, the Appleyard Agency paid a GULF POWER manager $200 in currency and submitted an invoice to GULF POWER COMPANY disguising the currency as an expense related to Appliance Sales.

87. On or about July 10, 1985, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 253 to Pensacola Sports Authority for $1,500 for a golf tournament sponsorship. This payment was billed back to GULF POWER COMPANY as expenses associated with a project done for GULF POWER COMPANY.

88. On or about September 4, 1985, Hemmer and Yates wrote Check NO. 8509 to Pensacola Sports Association for $1,500 for a golf tournament sponsorship. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with advertising, marketing, and public relations.

89. On or about February 10, 1986, Hemmer and Yates wrote Check No. 8996 to Al Brown for $300. This payment was billed back to GULF POWER COMPANY as part of a retainer fee that was negotiated for Yates to recoup these additional expenditures he was required to make on GULF POWER COMPANY's behalf.

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90. On or about August 5, 1986, Hemmer and Yates wrote Check No. 9311 to the Pensacola Open for $1,500 for a golf tournament sponsorship. This payment was billed back to GULF POWER COMPANY as part of a retainer fee.

91. On or about September 9, 1986, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 1789 to the Pensacola Sports Authority for $1,500 for a golf tournament sponsorship. This payment was billed back to GULF POWER COMPANY as miscellaneous expenses associated with a project done for GULF POWER COMPANY.

92. On or about August 14, 1987, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 3420 to Pensacola Sports Authority for $1,500 for a golf tournament sponsorship. This was billed back to GULF POWER COMPANY as miscellaneous expenses associated with a project done for GULF POWER COMPANY.

93. On or about July 11, 1988, at the direction of a GULF POWER employee, the Dick Leonard Group wrote Check No. 5115 to Pensacola Sports Association for $2,000 for a golf tournament sponsorship.

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This payment was billed back to GULF POWER COMPANY as expenses associated with a project done for GULF POWER COMPANY.

In violation of Title 18, United States Code, Section 371.

ROBERT L. BARR, JR.
UNITED STATES ATTORNEY

JAMES E. EAGAN, JR.
ASSISTANT UNITED STATES ATTORNEY

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IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF GEORGIA

ATLANTA DIVISION

UNITED STATES OF AMERICA	:	
	:	CRIMINAL INFORMATION
v.	:	
	:	NO. CR-87-412-A
THE GULF POWER COMPANY	:	18 U.S.C. § 371

GOVERNMENT'S STATEMENT OF FACTS
REGARDING GULF POWER COMPANY PLEA

The United States represents that at trial, the evidence would show that GULF POWER COMPANY, through Jake Horton and several other corporate employees, conspired with various vendors to impede and impair the lawful function of the Internal Revenue Service in violation of Title 18, United States Code, Section 371 by disguising the true nature of expenditures made on GULF POWER's behalf.

GULF POWER COMPANY, largely through senior vice-president Jake Horton, instructed certain GULF POWER vendors, principally three advertising agencies, the Appleyard Agency, the Dick Leonard Group and Hemmer & Yates, to make payments to, or on behalf of, various political candidates. Also, these vendors made payments on behalf of certain GULF POWER COMPANY executives and employees, namely Jake Horton and Ray Yarborough. These vendors were directed by Jake Horton and other GULF POWER COMPANY employees to submit fraudulent invoices to GULF POWER COMPANY for the purpose of reimbursing these vendors for these expenditures. The invoices were falsified at the direction of vice-president Horton, manager Ray Yarborough and employee Doug Knowles. The vendors were

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instructed to bill GULF POWER COMPANY for services which were never rendered. This disguised the true purpose of the payment to the vendors on GULF POWER COMPANY's books and records as well as on the books and records of the vendors. The resulting classification of the false invoices as advertising expenses on GULF POWER COMPANY's books and records prevented the Internal Revenue Service from determining that the true purpose of these expenditures was for political contributions and payment of expenses for certain GULF POWER COMPANY executives and employees.

By having its vendors make political contributions at its direction and then submitting false invoices for reimbursement, GULF POWER COMPANY also conspired to violate Title 15, United States Code, Section 79(1). This statute prohibits public utility holding companies and their subsidiaries from making political contributions either directly or indirectly. By causing vendors to make the political contributions, GULF POWER COMPANY concealed the true identity of the contributors on campaign records filed by the candidates with state election officials. This prevented the public and government investigators from determining that the actual source of the contributions was GULF POWER COMPANY, thereby concealing the violation of Title 15, United States Code, Section 79(1).

By preventing the voters from knowing the true source of a candidate's financing, GULF POWER COMPANY subverted the electoral process. An informed voter needs to know to whom a candidate owes his allegiance. The purpose behind the campaign contribution reporting requirements is to allow the voters to make an informed decision with the knowledge as to who is supporting the candidate

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financially. In addition, these campaign restrictions seek to prevent individuals or groups from obtaining undue influence with politicians by providing so much financial support that the politicians are indebted to them.

Many of the political contributions vendors were directed to make were to funds supporting candidates for the presidency of the Florida Senate and for the Speaker of the Florida House of Representatives. The Senate President and the Speaker of the House in Florida each nominate three members of the nine member committee that appoints nominees to the Florida Public Service Commission. In addition, these offices wield substantial power over other legislation effecting GULF POWER Company.

In 1982, GULF POWER COMPANY established a procedure for the collection and disbursement of campaign contributions which became known as PAC II. GULF POWER COMPANY employees already had in place a registered political action committee or "PAC". This new collection process became known as PAC II in part to distinguish it from the existing PAC. Testimony and evidence would show that PAC II was begun by GULF POWER COMPANY in response to complaints by GULF POWER COMPANY vendors and employees that they had been pressured into making political contributions on behalf of GULF POWER COMPANY. PAC II was designed to raise money to supplement the GULF POWER employees PAC contributions and, at least initially, to make future contributions which had been made by GULF POWER COMPANY vendors in the past. PAC II was structured so that each GULF POWER COMPANY employee at the level of supervisor and above was assigned a certain pledged contribution amount which he was expected to make within a two year campaign period. This amount

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increased with rank. Each employee's account was kept current by a GULF POWER employee who was assigned the duties of compiling all PAC II contributions. Those accounts, with the tabulation of payments and candidates to whom payments were made, were routinely provided to the employee member's supervisor. Thus, the political contributions made, or not made, by each member were known by his supervisor. Records of the contributions were kept in the offices of GULF POWER by GULF POWER employees.

An executive committee for PAC II was formed, comprised of GULF POWER COMPANY executives, including Jake Horton and vice-president Ben Kickliter, who decided which political candidates were "good for GULF POWER". If the candidate was deemed, by them, to be "good for GULF POWER", then word would be sent to the various managers and supervisors to solicit contributions from their employees, who would then write personal checks made payable to the candidate. Some checks were submitted directly to the candidate, while others were submitted to a supervisor, who bundled them and submitted them to the candidate.

While the representatives of GULF POWER COMPANY deny that PAC II is a violation of the law, the government submits that these activities also support a factual basis for the conspiracy to violate Title 15, United States Code, Section 79(i), by being another way whereby GULF POWER COMPANY circumvented the restriction against directly or indirectly making political contributions. This system was a mechanism used to send political contributions to candidates which GULF POWER, as corporate entity, chose to support.

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After the implementation of PAC II, GULF POWER COMPANY continued to solicit campaign contributions from vendors and reimburse them, as late as the 1988 elections.

Further, the government represents that it has both testimonial and documentary evidence to prove each and every overt act listed in the criminal information. The overt acts in the information detail specific payments made at the direction of GULF POWER and/or its employees which were fraudulently billed back to GULF POWER at the direction of these same employees, Horton, Yarborough, and Knowles.

Ray Yarborough, director of appliance sales and services, instructed the Appleyard Agency to make certain expenditures and instructed them to bill them back to GULF POWER by disguising them as a "special production fee" related to advertising for appliance sales and services. These expenditures include payments for political contributions, payments to Alfred Brown, doing business as International Country Singers, payments to an employee who was being accused of theft and terminated, and payments of cash that were given to Yarborough. Alfred Brown was a friend of Jake Horton. Horton asked Brown to perform at various political and social events and then paid Brown for his services with a check from either the Appleyard Agency or Hemmer & Yates.

The special production fee was originally set up by Ray Yarborough as a way to bill GULF POWER for John Appleyard's time spent in writing a book for the former senior vice-president of GULF POWER COMPANY, Jacob F. Horton. Horton, who was also a GULF POWER Board member, filed individual income tax returns reflecting this book on a Schedule C as a sole proprietorship, yet

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approximately $16,000 (one thousand dollars per month for sixteen months), which represents payments associated with writing the book, was fraudulently billed back to GULF POWER as advertising for appliances.

GULF POWER COMPANY, instructed Cooper Yates of Hemmer & Yates to make certain expenditures, including payments for political contributions, payments to Pensacola Junior College Foundation, payments to Pensacola Sports Association, and payments to Alfred Brown. It should be noted that Jake Horton was president of the Pensacola Junior College Foundation at one time and also used the foundation to publish and distribute a book which he authored through a "ghostwriter," John Appleyard. The payments to Pensacola Sports Association were for sponsorships of a local golf tournament and the payments to Alfred Brown were for musical performances at various political and social events. While Yates was not instructed specifically how to bill these expenditures back to GULF POWER COMPANY, it was made clear to him by Horton and certain other GULF POWER employees that he should bill these expenditures back. In 1985, Yates was issued a blanket retainer of $2,000 per month by Charles Lambert, director of public relations, to cover the political contributions and other expenditures he was having to make on behalf of GULF POWER COMPANY. Pior to 1985, Yates billed the expenditures back to GULF POWER COMPANY by disguising them as miscellaneous expenses associated with advertising marketing and public relations. Yates would testify that he felt pressure and threat of economic loss if he did not cooperate with Horton and GULF POWER COMPANY in making these political contributions and various expenditures.

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Yates would testify that on April 6, 1988, he met with Jake Horton and two other GULF POWER COMPANY employees regarding an advertising contract with GULF POWER. The contract was worth approximately $400,000 to the Hemmer & Yates Agency. After Yates had presented his proposal for the contract and it was agreed that the proposals would be accepted, Jake Horton told Yates that the contract could not be approved as long as Yates continued to work for the candidacy of Jim Cronley. Cronley was a candidate for the Florida Senate, running in opposition to incumbent Florida Senator W.D. Childers. Horton told Yates that Childer's help was important to GULF POWER COMPANY and to Horton, and that it was valued more than the advertising contract that Yates was proposing. Childers' value to GULF POWER COMPANY was explained in terms of his influence on legislation affecting GULF POWER COMPANY. Horton then told Yates that unless he dropped his support for the Cronley campaign and worked to support the candidacy of W.D. Childers, that Hemmer & Yates would not receive the contract for the advertising campaign. Yates refused to resign from the Cronley campaign and subsequently lost the GULF POWER advertising contract which he had held in previous years.

Yates would testify that Jake Horton and Charles Lambert frequently took advertising work away from the Hemmer & Yates Agency when Yates would not cooperate with their request to make expenditures on their behalf. They often told Yates that he was not a "team player". These occurrences caused Yates to feel pressured to cooperate.

The government would also introduce evidence that GULF POWER COMPANY, through its former senior vice-president, Jake Horton,

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and Doug Knowles of the GULF POWER COMPANY public relations department, instructed the Dick Leonard Group, an advertising agency, to make certain payments for political contributions, payments to the Pensacola Junior College Foundation and payments to the Pensacola Sports Association. The payments to the Pensacola Sports Association were for sponsoring a local golf tournament. The Dick Leonard Group was told by Doug Knowles to bill these expenditures back to GULF POWER COMPANY by disguising them as expenses associated with various projects that they were doing for GULF POWER COMPANY. Dick Leonard and his employees will testify that Knowles economically coerced the Dick Leonard Group into making these political contributions and other expenditures by threatening them with the loss of the GULF POWER business.

The government would also present the testimony of Fred "Sport" Suttles, Jr., who operates an outdoor advertising company in Pensacola, Florida by the name of Outdoor Media. Suttles had numerous contacts with Jake Horton and other GULF POWER COMPANY employees during 1987, 1988 and 1989. Suttles would testify that in 1988 and 1989, while the Internal Revenue Service/grand jury investigation was being conducted, Horton told Suttles that GULF POWER COMPANY needed money for political campaigns. Horton told Suttles that the IRS was watching too closely, so Horton would have to cover up the contributions better than he had in the past. Horton then solicited over $30,000 in political contributions from Suttles with the understanding that Suttles would obtain reimbursement from GULF POWER COMPANY at a later date. Suttles then provided over $30,000 in several installments of currency to Jake Horton as Horton had requested. Suttles was told that after the

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heat was off, that he could submit inflated invoices to GULF POWER COMPANY for outdoor advertising to cover the money given to Horton for the political contributions. Horton also agreed that Suttles could inflate the invoices to cover any additional income taxes that Outdoor Media would have to pay. Suttles would testify that it is common knowledge among GULF POWER COMPANY vendors that the vendors must comply with the extra requests by GULF POWER COMPANY or the vendors would not obtain the contracts with GULF POWER COMPANY.

Horton told Suttles that he was not able to submit false invoices on the work that he was doing for GULF POWER COMPANY at that time because the GULF POWER employee who approved the Outdoor Media contracts did not know "how to dance" but Horton stated that he was going to teach him "how to dance."

Horton stated to Suttles that when the IRS was doing its investigation that there were so many different departments of GULF POWER COMPANY that items could be charged to that the IRS would never find everything.

Ray Howell was a vendor of GULF POWER COMPANY who did business with GULF as a graphics artist. The government would submit evidence that GULF POWER COMPANY, largely through Horton, used Howell to channel contributions to political candidates. Howell was subpoened to testify before the federal grand jury in Atlanta in December 1988, but fled Atlanta before testifying before the grand jury. There is currently an outstanding warrant for the arrest of Howell for failure to appear before the grand jury. An examination of invoices submitted by Howell's company, Design Associates, to GULF POWER COMPANY during 1987 and 1988 revealed

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that Howell billed GULF POWER COMPANY over $200,000 in 1987 and and approximately $379,000 in 1988. GULF POWER COMPANY, through an audit it conducted, determined that a substantial number of these invoices were approved by GULF POWER COMPANY employees even though they could not substantiate that a product or service was provided by Howell. These employees would testify that they felt it was their job to approve these invoices without knowing if the work had been done because they knew that these invoices were "Jake Horton projects". GULF POWER COMPANY has subsequently filed a civil suit against Howell alleging that at least a portion of the invoices were fraudulent. Jake Horton told Fred Suttles, Jr. that he thought Howell had other side deals going with GULF POWER employees in addition to the work that Horton was directing Howell to do for him.

The government also submits to this court that GULF POWER COMPANY through its representatives, board of directors, and the majority of its employees, has cooperated in this investigation. The president of GULF POWER COMPANY and the board of directors have taken positive steps to put a stop to the illegal activities occurring within the company.

In May 1983, Douglas McCrary became aware of a recent inventory by company officials which disclosed certain outages in the general warehouse. As further information developed and Mr. McCrary received anonymous reports of theft and fraud in the warehouse operations, he retained an independent investigative team comprised of James Larry Childers, manager of security at Mississippi Power Company and Tom Baker, a Mississippi Power Company resident investigator, to look into these allegations

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concerning the warehouse. The investigations conducted throughout December 1983 and January 1984 resulted in the termination of the warehouse manager and the removal of other employees from warehouse operations.

The investigation also uncovered certain activities involving some employees and outside vendors which caused McCrary to implement an amnesty program to allow employees an alloted time in which to make restitution to the company. In an attempt to prevent a reoccurrence of illegal activity such as that disclosed by the investigation in December 1983, the company published and implemented a company code of ethics.

In 1986 the IRS began an investigation which included looking into certain of the terminated employees activities. The investigation ultimately resulted in convictions in federal court in Pensacola of two former employees involved with the warehouse management and one vendor who committed perjury.

In October 1988 the audit committee of the board of directors of GULF POWER COMPANY began its own internal investigation of political contributions based on the information which had developed over the preceding months. Numerous interviews were conducted within the company and the auditing department under the direction of director of auditing and security, George Fell. An in depth review was conducted of bills submitted to the company by certain outside vendors, particularly advertising agencies.

Ultimately, it became evident to the members of the audit committee that the senior executive vice-president, Mr. Horton, personally and directly instructed and coerced advertising agencies and other vendors doing business with GULF POWER to make

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political contributions to specified candidates and to certain charitable organizations and bill those contributions back to GULF POWER concealed in their regular invoices. Neither the government nor the company has any evidence that the political candidate or charitable organizations receiving contributions were aware that these contributions were billed back to GULF POWER COMPANY.

On April 7, 1989, at the regularly scheduled meeting of the audit committee, Mr. Fell reported the results of his department's internal investigation which confirmed the discovery of a number of violations including the billing back to the company of political contributions made by these advertising agencies and other vendors. The audit committee found that the investigation clearly implicated the senior vice-president, Jake Horton. Accordingly, the audit committee of the board of directors requested that the president Doug McCrary inform Mr. Horton of the committee's decision to disassociate him from further active employment with the company.

On April 10, 1989, Mr. McCrary and Dr. Reed Bell, chairman of the audit committee, met with Mr. Horton and informed him of the audit committee's decision with respect to his separation from the company. Later that day, Mr. Horton summoned a Southern Company systems aircraft to take him to Atlanta. Shortly after the aircraft left Pensacola, it burst into flames and crashed, killing all on board.

GULF POWER COMPANY, in entering a plea of guilty to the two-count information in this case, acknowledges and accepts its responsibility for the unauthorized and illegal activities of its senior vice-president and Board members, Jake Horton, and other

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GULF POWER COMPANY employees, including, but not limited to, Doug Knowles and Ray Yarborough.

GULF POWER COMPANY has suffered from the dishonesty of the senior executive vice-president and certain others who acted under his direction without the approval of the board of directors of GULF POWER COMPANY. GULF POWER COMPANY itself, by its own initiative, has substantially contributed to the investigation and the uncovering of the wrongdoing by this now deceased senior vice-president and a handfull of other employees who worked under him.

Throughout this investigation GULF POWER COMPANY's auditing department its security department, its managers, its employees and its counsel have cooperated and have agreed to continue to cooperate with the IRS investigators, the grand jury and the offices of the United States Attorney for the Northern District of Georgia and the Northern District of Florida, and the tax division of the Department of Justice in a concerted effort to root out the unlawful actions which have resulted in this criminal information.

Based on these facts, it is the government's request that the court accept this plea and impose a fine of $500,000 on GULF POWER COMPANY.

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Respectfully submitted,

ROBERT L. BARR, JR.
UNITED STATES ATTORNEY

JAMES E. FAGAN, JR.
ASSISTANT UNITED STATES ATTORNEY

STEPHEN G. HUGGARD
UNITED STATES DEPARTMENT OF JUSTICE
TRIAL ATTORNEY

1800 United States Courthouse
75 Spring Street, S.W.
Atlanta, Georgia 30335
404/331-4729
Georgia Bar No. 254000

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IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF GEORGIA

ATLANTA DIVISION

UNITED STATES OF AMERICA	:	
	:	
v.	:	CRIMINAL INFORMATION
	:	
THE GULF POWER COMPANY	:	NO. _____-A
	:	18 U.S.C. § 371

THE UNITED STATES ATTORNEY CHARGES THAT:

DEFENDANT'S STATEMENT

1. The defendant Gulf Power Company generally accepts the government's statement of facts as it relates to most of the allegations set forth in the above captioned information.

2. It has no independent means of verifying the government's assertions concerning Mr. Horton's alleged statements to Mr. Suttles, nor the truth or accuracy of the alleged statements of either Mr. Suttles or Mr. Horton.

3. With respect to the government's allegations concerning PAC II, the Company acknowledges that such a structure was created to enable employees to contribute to candidates of their own choice. It should be noted that PAC II was not included in the information and the Company did not plead to any allegation involving PAC II. We do not believe PAC II is improper or illegal. It is perfectly proper and legal

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for employees to make such contributions or for the Company to encourage them to do so.

4. It is important to note that the politicians who received contributions from vendors were unaware such contributions were billed back to Gulf Power Company.

5. Gulf Power Company would stress that through its president, Douglas McCrary and the audit committee of its board of directors, it conducted its own internal investigation in attempting to ascertain the facts and has consistently cooperated with agents of the Internal Revenue Service and other law enforcement agencies and the U.S. Attorney's offices for the Northern District of Georgia and the Northern District of Florida and the Tax Division of the Department of Justice in uncovering and rooting out the unauthorized and unlawful acts of a handful of employees.

The Company has responded effectively to this situation and its responsible actions have been exemplary. In light of the foregoing and the Company's desire to put this matter behind it,

9204092195 3

it concurs that the government's recommendation for a fine in the amount of one half million dollars ($500,000) is not only adequate, but ample, and the Company is willing and prepared to pay that fine today.

ROBERT L. CRONGEYER
BEGGS & LANE
Attorneys at Law
Blount Building
3 W. Garden Street
Pensacola, Florida 32501

Counsel For Gulf Power Company

9204092195 4

IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF GEORGIA

ATLANTA DIVISION

UNITED STATES OF AMERICA	:	
	:	CRIMINAL ACTION
v.	:	
	:	NO. CR 89-412 A
GULF POWER COMPANY	:	

PLEA AGREEMENT

The United States of America and Gulf Power Company, both by and through counsel, agree pursuant to Federal Rule of Criminal Procedure 11(e)(1)(B) to the following plea agreement:

1. Gulf Power Company agrees to plead guilty to both counts in the two count information filed this day.

2. Gulf Power Company understands its right to have this matter presented to a grand jury, and after consultation with counsel, waives that right.

3. Gulf Power Company waives any objections it may have as to venue of this information and plea.

4. Gulf Power Company agrees to plead guilty because it is guilty of the charges set forth in the above captioned Information.

5. The United States of America and Gulf Power Company recommend to the Court that the plea and sentence occur on the same day and that the sentence be a fine in the amount of five hundred thousand dollars ($500,000.00) payable at the time the

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plea is entered. Gulf Power Company waives its right a presentence report.

6. The United States agrees that this plea resolves and concludes any criminal liability that Gulf Power Company, the corporate entity, may have in the Northern District of Georgia, the Northern District of Florida or elsewhere, for acts committed up to the date of this plea arising out of, or in any way related to any matters in any way connected with any investigations as of this date.

7. The parties agree that this plea agreement applies solely to Gulf Power Company and will not be used as an admission in any prosecution against the Southern Company, their subsidiaries, or its employees. The underlying evidence may, however, be used in any manner in any proceeding.

8. The Gulf Power Company agrees that any fine imposed as a sentence in this case will not be paid by, or passed through to, its consumers.

9. The Gulf Power Company agrees not to retaliate, in violation of 18 U.S.C. § 1501 et seq., against any person or entity which may have supplied information to the government or grand jury during this investigation because of their cooperation.

10. The Gulf Power Company agrees to cooperate fully with any investigation into the actions of any other persons or entities.

11. The United States of America agrees to make known to the Court the nature and extent of Gulf Power Company's cooperation in the investigation.

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12. This plea agreement is the sole and total agreement between the United States of America and Gulf Power Company and is exclusively between the United States of America and Gulf Power Company.

13. Gulf Power Company agrees to abide by the terms of this agreement and agrees that any violation of this agreement shall be considered a material breech which shall empower the United States to prosecute Gulf Power Company on any and all charges. The United States also agrees to abide by this plea agreement.

ROBERT L. BARR, JR.
UNITED STATES ATTORNEY

G. EDISON HOLLAND

JAMES E. FAGAN, JR.
ASSISTANT UNITED STATES ATTORNEY

ROBERT CRONGEYER

ATTORNEYS FOR GULF POWER COMPANY

STEPHEN G. HUGGARD
TRIAL ATTORNEY
UNITED STATES DEPARTMENT OF JUSTICE

WILLIAM McKINNON
ASSISTANT UNITED STATES ATTORNEY

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United States District Court

NORTHERN District of GEORGIA

UNITED STATES OF AMERICA
V.
THE GULF POWER COMPANY

JUDGMENT INCLUDING SENTENCE
UNDER THE SENTENCING REFORM ACT

Case Number CR89-412A

(Name of Defendant)

Jerry Froelich and Robert L. Crongeyer
Defendant's Attorney

THE DEFENDANT:

☒ pleaded guilty to count(s) One and Two.
☐ was found guilty on count(s) _____ after a plea of not guilty.

Accordingly, the defendant is adjudged guilty of such count(s), which involve the following offenses:

Title & Section	Nature of Offense	Count Number(s)
18: USC, 371		1 & 2

The defendant is sentenced as provided in pages 2 through 2 of this Judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

☐ The defendant has been found not guilty on count(s) _____ and is discharged as to such count(s).
☐ Count(s) _____ (is)(are) dismissed on the motion of the United States.
☒ The mandatory special assessment is included in the portion of this Judgment that imposes a fine.
☐ It is ordered that the defendant shall pay to the United States a special assessment of $ _____, which shall be due immediately.

It is further ordered that the defendant shall notify the United States Attorney for this district within 30 days of any change of residence or mailing address until all fines, restitution, costs, and special assessments imposed by this Judgment are fully paid.

Defendant's Soc. Sec. Number:
N/A

October 31, 1989
Date of Imposition of Sentence

Defendant's mailing address:
500 Bayfront Parkway
Pensacola, FLA 32501

ATTEST A TRUE COPY
CERTIFIED THIS
NOV 1 1989
Luther D. Thomas, Clerk
By: Deputy Clerk

Robert L. Vining, Jr.
Signature of Judicial Officer

ROBERT L. VINING, JR. - US District Judge
Name & Title of Judicial Officer

Defendant's residence address:

October 31, 1989
Date

92 0 4 0 9 2 1 9 5 8

Defendant: THE GULF POWER COMPANY
Case Number: CR89-412-01A

FINE WITH SPECIAL ASSESSMENT

The defendant shall pay to the United States the sum of $ 500,100.00 , consisting of a fine of $ 500,000.00 and a special assessment of $ 100.00 .

☐ These amounts are the totals of the fines and assessments imposed on individual counts, as follows:

This sum shall be paid ☒ immediately.
☐ as follows:

☐ The Court has determined that the defendant does not have the ability to pay interest. It is ordered that:

☐ The interest requirement is waived.
☐ The interest requirement is modified as follows:

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DOC 5249

U. S. Department of Justice

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

90 JAN 29 AM 10:19

Washington, DC 20530

JAN 24 1990

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

90 JAN 29 PM 4:18

Mr. Lawrence M. Noble
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Mr. Noble:

Re: United States v. Gulf Power Company, Inc.

The purpose of this letter is to notify the Federal Election Commission (FEC) concerning recent developments in the captioned case, pursuant to paragraph 4 of the Memorandum of Understanding between the FEC and the Criminal Division.

The Department of Justice and the Internal Revenue Service (IRS) are presently conducting a criminal investigation into political contribution practices made by the Southern Corporation, a public utility holding company based in Atlanta, Georgia. This investigation is presently focusing in part on the contribution of large sums of corporate resources belonging to several subsidiaries of Southern, most notably the Gulf Power Corporation which provides electrical power to Northern Florida, and Georgia Power and Light which services the State of Georgia. The recipients of most, but not all, of these contributions are candidates for local and state offices in Florida and Georgia. The statutory predicate for this investigation is 15 U.S.C. § 79L(h), a provision in the Public Utility Holding Company Act of 1935 which forbids public utilities and their parent holding companies from making contributions or expenditures for the purpose of influencing any election of any candidate at any level of government. Violations of this provision are felonies, punishable by fines levied under 18 U.S.C. § 3571 and/or by imprisonment for up to five years.

On October 31, 1989, the Gulf Power Corporation waived its right to indictment and entered a plea of guilty to a criminal

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information filed by United States Attorney Robert L. Barr, Jr. of the Northern District of Georgia charging it with two counts of conspiracy (18 U.S.C. § 371). One of these conspiracies focused on Gulf Power's violation of 15 U.S.C. § 79L(h). The other conspiracy focused on Gulf Power's efforts to subvert and impede the Internal Revenue Service in the performance of its revenue collection responsibilities. These pleas were entered pursuant to a plea agreement between United States Attorney Barr and Gulf Power, under which Gulf Power agreed to pay a fine of half a million dollars.

Copies of the criminal information in this case, and of the Government's Statement of Facts supporting the charges involved here, are enclosed for your information.

As noted above, a small portion of the activity underlying these charges entailed contributions to candidates seeking federal office. While we would ordinarily undertake to make available to the FEC factual investigative materials bearing on this limited aspect of this completed case, we cannot do so here. This is because this particular matter was investigated by the IRS, and our ability to disclose the product of such IRS investigations to government agencies having no criminal law enforcement authority over the federal revenue laws has been severely limited by the provisions of 26 U.S.C. §§ 6103 and 7431. For that reason, we cannot release to the FEC factual data developed by the IRS during its investigation of this case aside from that which became part of the public record as a result of the filing of the aforementioned criminal information and the acceptance of the defendant's guilty plea to it.

We have, however, asked the IRS to determine whether it can furnish the Commission with the identities of the candidates whose political committees received funds from the campaign financing activity underlying the instant case. IRS has responded favorably to this request by providing the enclosed letter identifying these recipients. We trust that this information will be of assistance to you.

For your general information, according to information presently within the public domain, the methodology employed by Gulf Power to liberate corporate resources so that contributions could be given without detection to political candidates focused primarily on fraudulent vouchering and invoicing by vendors doing business with Gulf Power. Such vendors were generally required to pad their invoices with inflated changes, and to contribute a portion of the monies thus generated to political candidates specified by Gulf Power's management.

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The criminal investigation of violations of federal tax laws and of 15 U.S.C. § 79L(h) by subsidiaries of the Southern Corporation is continuing.

We trust that this information will be helpful to the FEC in the discharge of its enforcement responsibilities under 2 U.S.C. § 437g(a). We shall continue to keep the Commission advised of future developments in these matters as they come into the public record.

Sincerely,

Craig C. Donsanto
Director, Election Crimes Branch
Public Integrity Section
Criminal Division

Enclosures

cc: Robert Barr, Jr.
United States Attorney
Northern District of Georgia

Agent James H. Sterling
Special Agent
Internal Revenue Service
Pensacola, Florida

9204092 19962

cc: Mark Allen

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 5, 1990

Craig C. Donsanto, Director
Election Crimes Branch
Public Integrity Section
Criminal Division
U.S. Department of Justice
Washington, D.C. 20530

RE: Gulf Power Referral

Dear ~~Mr. Donsanto~~ Craig:

This is to confirm our February 2, 1990 phone conversation concerning the referral we received on Gulf Power Company. First, let me reiterate my thanks for sending us the additional information in the form of the IRS letter. The "PAC II" information contained therein is a useful supplement to the original materials you sent over in December.

As I mentioned when we spoke, however, we wondered if DOJ has certain other information that would be helpful in the Commission's review of the Gulf Power matter. For your convenience, I have restated the areas of concern below.

1. With respect to the IRS letter, are you aware of the names of the vendor contributors or Gulf employee contributors to the five federal committees noted, and do you have any specifics on the contributions made?

2. Regarding both "PAC II" and the vendor contribution schemes (the latter of which Gulf Power has plead guilty to) are there other recipient federal committees and, if so, do you know who they are?

3. Were there other Gulf Power employees, vendors or vendor employees, in any way involved in the violations other than those mentioned in the guilty plea and, if so, can you provide their names?

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4. Are you aware of information pertaining to the involvement in illegal contribution schemes of Gulf Power's parent, Southern Corporation, or its subsidiary, Georgia Power and Light?

5. Is Gulf Power, or was it during the time frame of the illegal contributions, a federal contractor?

6. Is there any evidence of candidate or candidate committee knowledge or involvement in the illegal contribution schemes?

Any response you can provide to these inquiries will be appreciated. If you have any questions, please don't hesitate to call me or Jonathan Bernstein. Thank you in advance for your assistance in this matter.

Sincerely,

Lois

Lois G. Lerner
Associate General Counsel

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U.S. Department of Justice

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

90 APR 16 AM 9:53

Washington, D.C. 20530

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RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

90 APR 16 PM 3:24

Mr. Lawrence R. Noble
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Mr. Noble:

Re: Gulf Power Company

You recently enlisted our assistance in obtaining additional factual data developed during the course of a criminal investigation conducted by the Internal Revenue Service (IRS) and the United States Attorney for the Northern District of Georgia into violations of the Public Utility Holding Company Act prohibition against utility contributions to political candidates (15 U.S.C. § 79L(h)).

This matter recently resulted in the conviction of the Gulf Power Company. Thereafter, we furnished your office with considerable factual data pertaining to possible violations of the Federal Election Campaign Act by this public utility, which were uncovered during the course of the criminal investigation.

We forwarded your most recent request to the United States Attorney in Atlanta for consideration. Enclosed is a copy of the reply that we received. For the reasons stated therein, it is not possible for us to furnish you with the additional information you sought because this information is covered by Rule 6(e), F.R.Cr.P.

Sincerely,

Craig C. Donsanto
Director, Election Crimes Branch
Public Integrity Section
Criminal Division

Enclosure

92040921965

U.S. Department of Justice

United States Attorney

Northern District of Georgia

Suite 1800 Richard Russell Building
75 Spring Street, S.W.
Atlanta, Georgia 30335

Telephone: (404) 331-6954

April 3, 1990

Craig C. Donsanto
Director, Election Crimes Branch
Public Integrity Section
Criminal Division
United States Department of Justice
Main Justice Building
Tenth and Constitution Avenues
Washington, D.C. 20530

RECEIVED
APR 0 6 1990
PUBLIC INTEGRITY SECTION

9204092119666

Re: Gulf Power

Dear Mr. Donsanto:

In reply to your letter regarding the Federal Election Commission's (FEC's) request for additional information concerning the Gulf Power prosecution, we reply as follows: we do not feel we can respond to the questions that the FEC wants answered consistent with the grand jury secrecy obligations imposed pursuant to Rule 6(e)(2), Federal Rule of Criminal Procedure, United States v. Sells Eng'g, Inc., 463 U.S. 418, 427, 442-44 (1983), and United States v. Baggot, 463 U.S. 476 (1983).

As an alternative way for the FEC to get the information it seeks, I would suggest the following: Gulf Power has been represented in this matter by Robert Crongeyer and Edison Holland of the Beggs and Lane firm, Pensacola, Florida. Bob is a former United States Magistrate. Both are gentlemen. While they will do what is in the best interest of their client, I would suggest that the FEC consider contacting them. They may be willing to provide the requested information. I know that Gulf Power is very desirous of getting this entire matter behind it as soon as possible. Their address is: Beggs and Lane, P.O. Box 12950, Pensacola, Florida 32576-2950. (904) 432-2451.

Also, the Securities and Exchange Commission's office in Atlanta is conducting an investigation of Gulf Power totally independent of our grand jury investigation. The SEC may be willing to provide information that it has developed. Such information at least would not fall within the grand jury's secrecy strictures. The individual to contact at the SEC is William Woodward, Chief, Branch of Investigations and Enforcement, Atlanta

Regional Office, Suite 788, 1375 Peachtree Street, N.E., Atlanta, Georgia 30367. Telephone number (404) 347-2830. Also, Ms. Louise Videau of the SEC, Atlanta, is familiar with this case.

I would suggest in the first instance that the FEC contact one or more of the foregoing. Absent a court order, the obtaining of which appears problematical, I do not believe that we can provide additional information to the FEC that relates to this grand jury investigation.

If I can be of further assistance, please advise.

Very truly yours,

RIMANTAS A. RUKSTELE
UNITED STATES ATTORNEY

JAMES E. FAGAN, JR.
ASSISTANT UNITED STATES ATTORNEY

JEF/bn

9204092219967

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 27, 1990

Ronald L. Crawford
U.S. Securities and Exchange Commission
Regional Office
1375 Peachtree Street, N.E.
Suite 788
Atlanta, GA 30367

ACCESS REQUEST BY FEDERAL ELECTION COMMISSION

Re: Southern Co. (A-1195)

Dear Mr. Crawford:

We request access to the investigative and other non-public files of the U.S. Securities and Exchange Commission ("the Commission") related to Gulf Power Company in the above captioned matter. This request is made in connection with an ongoing lawful investigation or official proceeding inquiring into a violation of, or failure to comply with, a criminal or civil statute or regulation, rule or order issued pursuant thereto, being conducted by the Federal Election Commission.

We will establish and maintain such safeguards as are necessary and appropriate to protect the confidentiality of files to which access is granted and information derived therefrom. The files and information may, however, be used for the purpose of our investigation and/or proceeding, and any resulting proceedings. They may also be transferred to criminal law enforcement authorities. We shall notify you of any such transfer and use our best efforts to obtain appropriate assurances of confidentiality.

Other than as set forth in the preceding paragraph, we will:

make no public use of these files or information without prior approval of your staff;

notify you of any legally enforceable demand for the files or information prior to complying with the demand, and assert such legal exemptions or privileges on your behalf as you may request; and

not grant any other demand or request for the files or information without prior notice to and lack of objection by your staff.

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We recognize that until this matter has been closed, the Commission continues to have an interest and will take further investigatory or other steps as it considers necessary in the discharge of its duties and responsibilities.

Should you have any questions, please contact Mark Allen, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9204092 1969

OGC 6261

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
ENFORCEMENT

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

90 MAY 17 PM 1:14

May 15, 1990

Pre-MUR 225

Lois G. Lerner, Esq.
Associate General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: In the Matter of The Southern Company (A-1195)

Dear Mr. Lerner:

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 MAY 17 PM 3:30

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Your request, by letter dated April 27, 1990, for access to Commission files has been granted. In granting access, the Commission has relied upon your assurances that, except as set forth in your letter, your agency will:

provide such safeguards as are necessary and appropriate to protect the confidentiality of these files;

make no public use of these files or information derived therefrom without prior approval of our staff;

notify us of any legally enforceable demand for the files or information prior to complying with the demand, and assert such legal exemptions or privileges on our behalf as we may request; and

not grant any other demand or request for the files or information without prior notice or over our objection.

The Commission makes no recommendation with respect to investigation or prosecution by your agency. In addition, until this matter is closed, the Commission continues to have an interest and will take such further investigatory or other steps as it considers necessary in the discharge of its duties and responsibilities.

The files to which access has been granted are being retained by the Atlanta Regional Office of the Commission. Your representative should contact Louise P. Videau at (FTS) 257-3158 to make arrangements to review the files. I would also appreciate it if you would inform us in the event that your agency institutes public proceedings based upon information that you obtain as a result of this grant of access.

Sincerely,

Bruce Hiler
Associate Director

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FEDERAL ELECTION COMMISSION
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FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

PRE-MUR #225
DATE REFERRAL RECEIVED
BY OGC 12-21-89
STAFF MEMBER Mark Allen

COMPLAINANT: Department of Justice referral

RESPONDENTS: Gulf Power Corp.
Ben Kickliter, GPC vice-president
Doug Knowles, GPC public relations employee
Charles Lambert, GPC public relations director
Ray Yarborough, GPC manager/director of appliance sales and service
Hemmer & Yates Corp.
Cooper Yates
Dick Leonard Group II, Inc.
Dick Leonard, chairman, DLG II
Whitney Babcock, president, DLG II
William Bush, executive director, DLG II
John Appleyard Agency
Carolyn Appleyard
Diane Appleyard
Eleanor Appleyard
Richard Appleyard
Fred Suttles, Jr.

RELEVANT STATUTES: 2 U.S.C. § 441b(a)
§ 441c
§ 441f

INTERNAL REPORTS CHECKED: Committee reports

FEDERAL AGENCIES CHECKED: Department of Justice

I. GENERATION OF MATTER

The Office of the General Counsel received a referral from the Department of Justice (DOJ) on December 21, 1989 and a supplemental correspondence on January 29, 1990 (Attachments 1 and 2). The original referral consisted of a criminal information, a plea agreement, a statement of facts, and a defendant's statement

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regarding the guilty plea submitted by Gulf Power Company in the Northern District of Georgia federal court. The supplemental correspondence included a letter written by the Internal Revenue Service (IRS) to DOJ listing several federal candidates that allegedly received contributions in the form of Gulf Power-directed fundraising. This Office has also obtained newspaper and magazine articles regarding this matter.

In its agreement with DOJ, Gulf Power Company agreed to pay a $500,000 penalty, partly for funneling corporate funds to a number of state and federal candidates. According to the information provided, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement. The mastermind behind this illegal contribution scheme, former Gulf Power senior vice-president Jake Horton, is dead, but several other Gulf Power employees were also implicated in the criminal information and statement of facts. Most of the contributions described in the criminal information went to state candidates, but a few went to federal committees.

The referral also noted two committees connected to Gulf Power (only one a registered federal PAC) that may have facilitated and pressured employees into making political contributions. Gulf Power has not pled guilty in connection with these two entities.

In its referral to the Commission, DOJ included a cover

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memorandum stating that the guilty plea resulted from a DOJ and IRS investigation of the Southern Corporation, Gulf Power's parent company. The memo briefly describes the circumstances of the plea and explains that due to statutory restrictions on the ability of the IRS to disclose information obtained in its investigations, DOJ cannot provide the Commission with documents other than those on the public record. The IRS letter provided by DOJ, however, listed federal candidate committees that allegedly received individual contributions through Gulf Power's PAC scheme; this list is not part of the public record.

This Office has had additional contacts with DOJ regarding this matter. This Office wrote to the Department of Justice on February 5, 1990, asking for more information (Attachment 3). This Office received a response on April 16 refusing the request (Attachment 4). The response includes a letter from the United States Attorney in Atlanta to the Department of Justice stating that the former could not comply with the Commission's request due to grand jury secrecy obligations imposed pursuant to Rule 6(e)(2) of the Federal Rules of Criminal Procedure (Attachment 4). The U.S. Attorney did, however, recommend that the Commission contact either the Securities and Exchange Commission (SEC), which is conducting an investigation independent of the grand jury investigation, or counsel for Gulf Power. This Office then wrote to the SEC (Attachment 5). On May 17, 1990 this Office received a response from the SEC granting the Commission access to the SEC files (Attachment 6). This Office has requested copies of the information in the SEC files regarding Gulf Power Company.

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II. FACTUAL AND LEGAL ANALYSIS

Pursuant to 2 U.S.C. § 441b(a), it is unlawful for a corporation to make a contribution in connection with a federal election. This section also forbids corporate officers and directors to consent to a corporation's contribution. Corporations are also forbidden under this section from giving anything of value to federal campaigns, such as by facilitating the making of individual contributions to federal candidates. See AO 1982-2; MUR 1690 (Prudential-Bache Securities et al.).

Pursuant to 2 U.S.C. § 441c, government contractors are prohibited from contributing to federal elections. Section 441f prohibits the making of a contribution in the name of another person, and prohibits a person from knowingly permitting their name to be used to effect such a contribution. In addition, this section applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

Pursuant to 2 U.S.C. § 441f, candidate committees may not knowingly accept contributions made by one person in the name of another person. Under 11 C.F.R. § 103.3(b)(1), the committee must make best efforts to determine the legality of contributions that present genuine questions as to their legality. Finally, under 11 C.F.R. § 103.3(b)(2), if the committee later discovers a contribution to be illegal based on evidence not available at the

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time of the contribution, it must return the contribution within 30 days of the discovery.

A. The parent holding company

The DOJ memo included in the referral materials names the Southern Corporation, a public utility holding company, as the subject of a DOJ and IRS criminal investigation regarding the company's political contribution practices. All of the information in the referral, though, refers to its subsidiary, Gulf Power Company. This Office has no information thus far implicating the parent. Thus, unless the liability of Gulf Power is imputed to the parent corporation, there is no basis for a finding against Southern Corporation. This Office makes no recommendations at this time regarding Southern Corporation.[1]

B. The subsidiary corporations

The DOJ memorandum included in the referral materials states that the DOJ and IRS investigation is presently focusing in part on several subsidiaries of Southern Corporation, most notably Gulf Power Corporation and Georgia Power.[2] All of the documents

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1. An Associated Press article dated November 1, 1989 stated that the Gulf Power guilty plea is not the end of the "lengthy" federal investigation of Southern Corporation; rather, the investigation remains "very active," and concerns illegal contributions by Southern Corp. and "some of its five utility subsidiaries." See Attachment 7, page 3.

2. Southern Corporation has several other subsidiaries: Alabama Power, Mississippi Power, Savannah Electric and Power, Southern Company Services, Southern Electric International, Inc., and the Southern Investment Group of Atlanta. An August 28, 1989 Atlanta Business Chronicle article stated that a federal grand jury was investigating Southern Corporation, Georgia Power, and three other Southern Co. subsidiary utilities for, inter alia, alleged illegal campaign contributions. Similarly, the July 26, 1989 Business Wire noted that Alabama Power and other Southern Co. subsidiaries

provided in this referral are in fact related to Gulf Power Company's guilty plea. This Office makes no recommendations at this time regarding Georgia Power, but does recommend that the Commission issue a subpoena and order to Georgia Power as a non-respondent witness.

1. Gulf Power: Reimbursement of contributions

Gulf Power was the source of all the contributions included in the criminal information, of which eight contributions totaling $4,750 were made to federal candidates or committees. These contributions are set out below.

contributor	amount	date	recipient committee
Whitney Babcock	$250	3-31-88	Askew (S)
William Bush	$250	3-31-88	Askew (S)
Dick Leonard	$250	3-31-88	Askew (S)
Cooper Yates	$1000	9-23-83	Askew (P)
	$500	1-10-84	Glenn (P)
	$500	8-05-85	Hart (S)
	$1000	8-13-85	Graham (S)
	$1000	12-04-87	Dem Exec Comm Fla

Gulf Power employees led by former senior vice-president Jake Horton asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors then contributed funds to the candidates and at the request of Gulf Power submitted inflated or false invoices to Gulf Power for reimbursement. Through the artifice of fraudulent and inflated invoices, Gulf Power deliberately injected

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(Footnote 2 continued from previous page)
were under investigation.

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corporate funds into federal election campaigns in violation of 2 U.S.C. § 441b(a). Since the funds were contributed in the name of others, Gulf Power violated 2 U.S.C. § 441f.

It is also likely that Gulf Power qualifies as a federal contractor and is thus forbidden to contribute to federal candidates under 2 U.S.C. § 441c. The regulations define "federal contractor" as a person who enters into any contract with the United States or any department or agency thereof for, inter alia, "[f]urnishing any material, supplies, or equipment." 11 C.F.R. § 115.1(a)(1)(ii). As revealed in Gulf Power's 1988 Annual Report, Gulf Power provides the total energy needs of Pensacola Naval Air Station, presumably under contract with the United States Department of the Navy. Therefore, this Office recommends that the Commission find reason to believe that Gulf Power Company knowingly and willfully violated 2 U.S.C. §§ 441b(a), 441c, and 441f.

2. Gulf Power: "PAC II"

The referral materials note two entities connected with Gulf Power Company, "PAC" and "PAC II".[3] Commission records list a Gulf Power separate segregated fund, Gulf Power Employees' Committee for Responsible Government, Inc. Presumably, this

3. PAC is a political committee registered with the Commission, while there is no record of PAC II as a registered committee. Thus, it is unclear whether PAC II exists separately from the corporation or is merely corporate activity. This Office's forthcoming investigation will determine PAC II's precise characteristics. If it is separate from the corporation, this Office will investigate possible 2 U.S.C. §§ 433 and 434 findings. This Office makes no such recommendations at this time, and for the purposes of this report, this activity will be referred to as "PAC II."

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Employees' Committee is the "PAC" noted in the referral materials as a registered political action committee. The referral materials contain no direct allegation against PAC and this Office makes no recommendations at this time regarding the Gulf Power Employees' Committee for Responsible Government, Inc. and Richard Fowler, as treasurer.

After the referral materials note the existence of PAC, the statement of facts asserts that Gulf Power created PAC II "in response to complaints by GULF POWER COMPANY vendors and employees that they had been pressured into making political contributions on behalf of GULF POWER COMPANY."[4] This pressuring may refer to the original PAC or to the reimbursement scheme involving company vendors described above, or both. An Associated Press article from July 3, 1989 noted that current and former Gulf Power employees have complained they felt pressured into making contributions through Gulf's official political action committee.[5] In contrast, as described below, it appears that PAC II was not a formal entity but rather a separate scheme for corporate facilitation of contributions.

A United Press International article from October 28, 1989, prior to the entry of Gulf Power's plea, stated that a federal grand jury "has been investigating allegations that about 100

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4. A January, 1990 article in Florida Trend noted senior vice-president Jacob Horton's "strong-arm fundraising tactics for . . . employee political action committees."

5. If evidence develops that contributions to PAC were coerced from employees, this Office will make further recommendations regarding potential violations of 2 U.S.C. § 441b(b)(3).

upper-management employees at Gulf Power donated to political candidates through a now-disbanded, informal political action committee known as PAC 2." Attachment 7, page 2. According to the statement of facts filed with the plea agreement, Gulf Power employees at the level of supervisor and above were assigned a certain pledged contribution amount to candidates that he or she was expected to make within a two year period. Gulf Power kept track of all such contributions, and this information was routinely provided to the employee member's supervisor. In addition, Gulf Power executives formed an executive committee for PAC II that chose candidates who were "good for Gulf Power" and instructed managers and supervisors to solicit contributions from employees.[6] The employees would then write personal checks to the candidates. Some of these checks were submitted directly to the candidates, while others were submitted to a supervisor, who bundled the checks and gave them to the candidate. This scheme does not appear to utilize PAC II as a separate segregated fund, but rather constitutes the Gulf Power Company collecting from its employees contributions directly to candidates.

The referral materials describe one specific Gulf Power fundraising effort involving PAC II. Gulf Power organized a fundraiser in 1987 for Senator Jeremiah Denton of Alabama. The event was held at a condominium owned by a law firm representing Gulf Power, and was attended almost exclusively by Gulf Power

6. The statement of facts included in the referral contains conflicting suggestions regarding whether the solicitations reached below supervisory level employees.

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executives, employees, lawyers, and vendors. Contributions were collected from employees and vendors through PAC II and directed to the Jeremiah Denton for Senate Committee.[7] In a more general fashion, the materials note that Gulf Power directed contributions through PAC II to the Friends of Bob Graham Committee, the Bill Tauzin Committee, the Askew for President Committee, and the Earl Hutto for Congress Campaign. The materials did not, however, provide the names of any contributors to the Denton Committee or any of the other committees.

There is no indication that Gulf Power reimbursed employees for these contributions. Nonetheless, the statement of facts asserts the government's allegation that PAC II was another method by which Gulf Power circumvented the restrictions against direct or indirect corporate contributions. In the defendant's statement included in the referral materials, Gulf Power notes that it did not plead to any allegation involving PAC II, and that it believes PAC II to be legal and proper.

Based on the referral materials, this Office disagrees, and recommends that the Commission find reason to believe that Gulf Power Company violated 2 U.S.C. § 441b(a) by giving something of value to the campaigns when it facilitated the making of political contributions to these campaigns.

C. Gulf Power Company employees

The mastermind behind the illegal contribution scheme was the

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7. Thus, Gulf Power vendors apparently were involved in the PAC II scheme as well as the contribution reimbursement scheme described above.

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late Jake Horton, a Gulf Power senior vice-president who was killed April 10, 1989. The statement of facts accompanying Gulf Power's guilty plea names Horton as instructing certain Gulf Power vendors to make payments to various political committees. Horton and other Gulf Power employees directed the vendors to submit fraudulent invoices for the purpose of reimbursing the vendors for these expenditures. The invoices were falsified at the direction of Horton, Ray Yarborough, described alternately as a Gulf Power manager and as director of appliance sales and service, and Doug Knowles, a public relations department employee. Charles Lambert, director of public relations, issued Cooper Yates of the advertising firm Hemmer & Yates, a Gulf Power vendor, a blanket retainer of $2,000 per month to cover the political contributions and other expenditures Yates made on behalf of Gulf Power. This Office recommends that the Commission find reason to believe that Gulf Power employees Ray Yarborough, Doug Knowles, and Charles Lambert all knowingly and willfully violated 2 U.S.C. § 441f by assisting in the making of contributions in the name of another. It is unclear whether any of these individuals are officers of Gulf Power Company, which would also trigger § 441b(a) liability for consenting to corporate contributions.

Ben Kickliter, a Gulf Power vice president, was a member of an executive committee of PAC II that chose candidates for whom contributions would be solicited from Gulf Power employees. Gulf Power managers and supervisors then instructed the employees to write personal checks made payable to the candidates. Kickliter's liability raises a separate issue from the other implicated

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employees because he has no alleged connection with the reimbursed contributions. Based on his role in PAC II's facilitation of contributions to candidates, however, there is reason to believe that Ben Kickliter may have consented to the corporation's donation of something of value to the campaigns when it used its employees to facilitate the making of political contributions. Therefore, this Office recommends that the Commission find reason to believe that Ben Kickliter violated 2 U.S.C. § 441b(a).

Commission records indicate that several Gulf Power Company officers and directors made contributions to federal candidates, as listed below.

contributor	company position	amount	date	recipient
Edward L Addison	director	$500	5-31-84	Rockefeller
		$1000	8-30-85	Graham
Ben Kickliter	vice president	$250	6-25-88	Gunter (S)
D.L. McCrary	president, CEO, director	$250	3-31-88	Askew (S)
		$500	6-25-88	Gunter (S)
C. Walter Ruckel	director	$1000	10-04-83	McDonald
		$1000	11-08-83	McDonald
		$1000	3-26-84	MacKenzie
		$1000	11-30-87	Robertson
A.E. Scarbrough	vice president	$250	6-25-88	Gunter (S)
Vince Whibbs, Sr.	director	$1000	2-20-85	Hawkins
		$1000	6-05-85	Hawkins
		$1000	9-19-86	Hawkins
		$1000	6-19-87	Bush
		$1000	8-10-88	C. Mack
		$1000	10-19-88	Rep. Party Florida

This Office has no information regarding the nature of these contributions as part of the PAC II scheme, as reimbursed by Gulf

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Power, or as legal individual contributions. Consequently, this Office makes no recommendations at this time regarding these Gulf Power employees, except for Ben Kickliter who is implicated in the PAC II scheme as discussed above.

D. The vendors & vendors' employees

The referral materials list a number of transactions from 1983 to 1988 where employees of Gulf Power company vendors (mostly advertising agencies), contributed funds to federal candidate committees, and were reimbursed by the vendors which in turn were reimbursed by Gulf Power through false invoices. Cooper Yates of the Hemmer & Yates Corp. contributed to the Askew for President Committee in 1983, the John Glenn Presidential Committee in 1984, Hart for Senate Campaign Committee and Friends of Bob Graham Committee in 1985, and to the Democratic Executive Committee of Florida in 1987.[8] Yates was reimbursed for each contribution by Hemmer & Yates, which billed the expense back to Gulf Power as advertising fees.[9]

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8. The criminal information lists this last contribution as for $1000 to the Florida Democratic Party on or about November 4, 1987. The reports of the Democratic Executive Committee of Florida, the State Party's federal account, list a $1000 contribution by Yates on December 4, 1987. This Office considers the criminal information to in fact refer to the Democratic Executive Committee contribution.

9. In addition, the referral materials list two Hemmer & Yates contributions to "Citizens for a New Democracy, which was a fund-raising group for Gary Hart" (Attachment 1, page 10 [p. 7 of Criminal Information]). These contributions were billed back to Gulf Power as advertising fees. Commission records indicate no such federal committee, but Hart does have a non-profit foundation named "Center for a New Democracy" that is not registered with the Commission. This Office makes no recommendations at this time regarding Hemmer & Yates' probable contributions to Center for a New Democracy, not so far a political committee under the Act.

Dick Leonard, Whitney Babcock, and William Bush of the Dick Leonard Group II, Inc. each contributed $250 to the Askew for U.S. Senate campaign on March 31, 1988. Each was reimbursed by the Dick Leonard Group which in turn billed the expense back to Gulf Power as advertising fees.[10]

The referral materials state that the vendors assert that Gulf Power employees exerted economic pressure on the vendors in order to convince them to participate in the contribution scheme. Hemmer & Yates, for example, allegedly lost an advertising contract with Gulf Power when agency president Cooper Yates refused to stop working for the campaign of a candidate for the Florida state Senate running against an incumbent supported by Gulf Power. While such pressure may be a mitigating factor, it cannot prevent a finding of reason to believe. Therefore, this Office recommends that the Commission find reason to believe that Cooper Yates, Hemmer & Yates Corp., Dick Leonard, Whitney Babcock, William Bush, and the Dick Leonard Group II, Inc. all violated 2 U.S.C. § 441f.

In addition, the materials allege that the John Appleyard Agency was reimbursed for contributions it made to specified candidates at the direction of Gulf Power during 1982-84. The materials list specific Appleyard Agency contributions to state

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10. In addition to these three contributions, the referral materials list a $250 Dick Leonard Group contribution to Al Gore in September, 1987 which was billed back to Gulf Power as advertising fees. This Office has been unable to locate a contribution from any known Dick Leonard Group employee to either Senator Gore's presidential committee active in the presidential primary campaign in September, 1987, or his senatorial committee, also in existence at that time.

candidates during the period 1982-84, but no federal contributions. Commission records list several 1988 federal contributions from Appleyard employees, as set out below.

date	contributor	amount	recipient committee
3-31-88	Carolyn Appleyard	$1000	Askew (S)
	Diane Appleyard	$250	Askew (S)
	Eleanor Appleyard	$250	Askew (S)
6-25-88	Carolyn Appleyard	$500	Gunter (S)
	Diane Appleyard	$500	Gunter (S)
	Eleanor Appleyard	$1000	Gunter (S)
	Richard Appleyard	$1000	Gunter (S)

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Carolyn, Diane, and Eleanor Appleyard all contributed to Askew for U.S. Senate on March 31, 1988, the same day the Askew Committee received allegedly illegal contributions from vendor employees Whitney Babcock, William Bush, and Dick Leonard. All four Appleyards contributed to the Gunter for U.S. Senate Committee on June 25, 1988, the same day the Gunter Committee received contributions from Gulf Power officers Jacob Horton, Ben Kickliter, Douglas McCrary, and A.E. Scarbrough. Although the referral does not mention these federal contributions, in light of the specifically alleged reimbursement of the Appleyard Agency's state contributions, this Office recommends that the Commission find reason to believe that the John Appleyard Agency and the four Appleyard Agency employees violated 2 U.S.C. § 441f.

E. Other Individuals

Other vendors and employees are named in the statement of facts as having made political contributions at the direction of Gulf Power and then being reimbursed. No specific transactions

are noted, however, and the contributions are not described as state or federal. Fred Suttles, Jr. of the Outdoor Media Company was allegedly solicited by Gulf Power for over $30,000 in contributions during 1988 and 1989.[11] In fact Suttles is listed in the contributor index for four federal contributions during 1988, two to the Dukakis for President Committee Compliance Fund, and two to Askew for U.S. Senate. In light of the likelihood that some or all of these four contributions were reimbursed by Gulf Power, this Office recommends that the Commission find reason to believe that Fred Suttles, Jr. violated 2 U.S.C. § 441f.

Similarly, the referral states that Gulf Power used Ray Howell, a graphics artist, to channel corporate contributions to political candidates during 1987 and 1988.[12] The statement of facts, however, makes no allegations of specific transactions. This Office has not found federal contributions by Howell during the 1987-88 period, but Howell did contribute $250 to the Hart for Senate Campaign Committee in March 1986. Although it is possible that Howell's federal contribution was reimbursed, the early 1986 date of Howell's contribution does not fit within the alleged time period of Howell's participation in the reimbursement scheme. Thus, this Office makes no recommendations at this time regarding Ray Howell, pending discovery responses from Gulf Power Co.

F. Recipient committees

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11. Suttles also owns two other companies that are Gulf Power vendors, The Sign Co. and Gulf Power Line Electric.

12. Howell has ties to Suttles; Howell's company Design Associates subcontracted state campaign work to Suttles' Outdoor Media and The Sign Co., according to a UPI article.

As stated above, the John Glenn Presidential Committee, Hart for Senate Campaign Committee, Friends of Bob Graham Committee, Democratic Executive Committee of Florida, Askew for President Committee, and Askew for U.S. Senate each received contributions from individuals that were reimbursed by Gulf Power Company.[13] The Friends of Bob Graham Committee, Askew for President Committee, Bill Tauzin Committee, Earl Hutto for Congress Campaign, and Jeremiah Denton for Senate Committee each received campaign contributions that had been directed by Gulf Power through PAC II. The referral materials contain no suggestion that any of these committees in either group knew of the illegalities, nor are any facts available that shed light on these campaigns' involvement. Therefore, this Office makes no recommendations at this time regarding these recipient committees.

In addition to these federal committees that allegedly received illegal contributions, the Bill Gunter Committee was named in the referral materials as a nonfederal recipient committee in 1986. The committee of a William Gunter, as a candidate for the U.S. Senate in 1988, received contributions from several Gulf Power and vendor employees. Although the connection may imply that the later, federal contributions are suspect, as discussed above this Office possesses no information which would merit recommended findings at this time regarding the Gunter for U.S. Senate Committee.

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13. To date, none of the recipient committees have reported returning the specified allegedly illegal contributions. This Office has no information regarding whether the committees have been informed that the contributions were illegal.

III. INVESTIGATION

Because this matter arose from criminal proceedings initiated by the Department of Justice, this Office recommends issuing subpoenas and orders to Gulf Power, its employees, its vendors and their employees, and also to Georgia Power as a non-respondent witness in order to flesh out the full extent of the reimbursed contributions as well as the corporate facilitation of contributions. We ask the Commission to approve subpoenas for depositions of most of the individuals, although we intend to await the responses to the interrogatories and requests for documents before forwarding such subpoenas for depositions. Finally, consistent with the Commission's action in , this Office requests that the Commission approve letters to three recipient committees that received allegedly illegal contributions so that the committees can carry out their 11 C.F.R. § 103.3(b) duty to purge the campaign accounts of the illegal contributions (Attachment 12).[14]

IV. RECOMMENDATIONS

1. Open a MUR.

2. Find reason to believe that Gulf Power Company knowingly and willfully violated 2 U.S.C. §§ 441b(a), 441c, and 441f.

3. Find reason to believe that Ray Yarborough, Doug Knowles, and Charles Lambert knowingly and willfully violated 2 U.S.C. § 441f.

4. Find reason to believe that Ben Kickliter violated 2 U.S.C. § 441b(a).

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14. Of the six recipient committees that received specifically-alleged corporate contributions (see chart on page 5, supra), three have terminated. We do not suggest sending notices to committees that have terminated.

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5. Find reason to believe that Hemmer & Yates Corp., Dick Leonard Group II, Inc., and John Appleyard Agency violated 2 U.S.C. § 441f.

6. Find reason to believe that Cooper Yates, Dick Leonard, Whitney Babcock, William Bush, Carolyn Appleyard, Diane Appleyard, Eleanor Appleyard, and Richard Appleyard, and Fred Suttles, Jr. violated 2 U.S.C. § 441f.

7. Approve the attached sample Order to Submit Answers and Subpoena for Documents to Gulf Power Company, Georgia Power, Ray Yarborough, Doug Knowles, Charles Lambert, Ben Kickliter, Hemmer & Yates Corp., Dick Leonard Group II, Inc., John Appleyard Agency, Cooper Yates, Dick Leonard, Whitney Babcock, William Bush, Carolyn Appleyard, Diane Appleyard, Eleanor Appleyard, Richard Appleyard, and Fred Suttles, Jr.

8. Approve the attached sample Deposition Subpoena to Ray Yarborough, Doug Knowles, Charles Lambert, Ben Kickliter, Cooper Yates, Dick Leonard, Whitney Babcock, William Bush, Diane Appleyard, Richard Appleyard, and Fred Suttles, Jr.

9. Approve the attached factual and legal analyses and the appropriate letters.

Date 7/14/90

Lawrence M. Noble
General Counsel

Attachments
1. Department of Justice referral
2. Supplement to referral
3. Commission request for further information to Department of Justice
4. Department of Justice response to Commission
5. Commission request for information from the Securities and Exchange Commission
6. Securities and Exchange Commission response
7. Press articles
8. Factual and Legal Analyses (11)
9. Sample Subpoena and Order for Questions and Document Requests (questions at attachment 10)
10. Sample Questions and Document Requests (7)
11. Sample Subpoena for deposition
12. Sample letter to nonrespondent recipient committees

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24TH STORY of Level 1 printed in FULL format

Proprietary to the United Press International 1989

October 28, 1989, Saturday, BC cycle

SECTION: Regional News

DISTRIBUTION: Florida

LENGTH: 562 words

HEADLINE: Gulf Power may enter guilty plea in Atlanta

DATELINE: PENSACOLA, Fla

KEYWORD: Utility

BODY:

Gulf Power Co. may plead guilty next week to criminal charges stemming from a lengthy federal investigation of the utility, sources have told the Pensacola News Journal.

The plea bargain reportedly involves only Gulf Power, which is a subsidiary of Southern Company of Atlanta.

Southern Company -- which is the parent firm for Gulf Power, Georgia Power, Mississippi Power and Alabama Power -- has been the focus of an Atlanta grand jury investigation and a probe by the Internal Revenue Service into possible incidents of tax fraud.

The News Journal reported Saturday that three sources close to the investigation into Gulf Power had confirmed that the officials with the utility and the U.S. Attorney in Atlanta are expected to announce a plea agreement, possibly as early as Tuesday.

Gulf Power executives could not be reached for comment Saturday.

Sources told the Pensacola newspaper that Gulf Power will plead guilty to two charges and pay a $500,000 fine. The felony charges involve alleged violations of the Utility Holding Companies Act, which prohibits utilities from contributing to political campaigns.

Gulf Power spokesman Carter Haynes said Friday he was unaware of an impending plea bargain.

"We've been communicating with federal authorities for a long time about a number of topics," he said. "I have received no confirmation that something's going to happen next week."

Gulf Power attorneys Rob Crongeyer and Ed Holland and Internal Revenue Service Special Agents James Sterling and Tanya Heywood of Pensacola reportedly met at the U.S. Attorney's Office in Atlanta on Thursday.

Haynes said Gulf Power President Doug McCrary also was in Atlanta for a meeting, but added he did not know if McCrary met with U.S. attorneys, defense attorneys or federal agents. McCrary could not be reached Saturday.

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ATTACHMENT 7

PAGE 1 OF 4

Proprietary to the United Press International, October 28, 1989

Sources said Gulf Power executives are entering the plea agreement reluctantly

Top executives conceed that the late Gulf Power Senior Vice President Jacob F ''Jake'' Horton orchestrated a number of schemes to contribute to politicians, and they feel the company is now shouldering the blame, sources told the News Journal

Company officials may agree to the plea bargain simply to put the investigation behind them and to avoid facing numerous charges should an indictment follow the investigation

Horton was reportedly a target of the grand jury investigation when he died in a mysterious corporate airplane crash April 10 Hours before the crash, McCrary told Horton that an internal audit committee had recommended his termination because of accounting irregularities

For unknown reasons, Horton then ordered the airplane to take him from Pensacola to Atlanta Federal investigators said mechanical problems did not cause a fire that broke out in the passenger cabin minutes before the plane crashed They are investigating the possibility that Horton set the blaze

The grand jury has been investigating allegations that about 100 upper-management employees at Gulf Power donated to political candidates throught a now-disbanded, informal political action committee known at PAC 2

The grand jury also has been investigating allegations of several schemes through which vendors made political contributions, then bill the company, and allegations Gulf Power funneled contributions through a Pensacola advertising agency

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ATTACHMENT 7
PAGE 2 OF 4

(10)

10TH STORY of Level 1 printed in FULL format

The Associated Press

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November 1, 1989, Wednesday, PM cycle

SECTION: Business News

LENGTH: 616 words

HEADLINE: Southern Co. Probe Continues After Guilty Plea by Subsidiary

BYLINE: By MARC RICE, AP Business Writer

DATELINE: ATLANTA

KEYWORD: Gulf Power

BODY:

A guilty plea by Gulf Power Co. has ended one phase of a lengthy federal investigation of the Florida utility's corporate parent, The Southern Co., but the overall probe continues.

For more than a year a federal grand jury has investigated allegations of ta fraud, improper accounting and illegal political contributions by Atlanta-based Southern and some of its five utility subsidiaries.

On Tuesday, Pensacola-based Gulf Power pleaded guilty to charges of conspiracy to make illegal political contributions and to impede the Internal Revenue Service. The company paid a $$500,000 fine, which it may not pass along to its customers.

U.S. Attorney Robert L. Barr Jr. said he considered the Gulf Power plea significant but said his office still has much work in the Southern Co. case.

"The investigation is a very active one," Barr said. "We anticipate further activity, but exactly what will happen I can't say."

The investigation of Gulf Power drew attention because of a mysterious plane crash April 10 that killed a key figure in the investigation and the discovery of a dead canary - perceived as a gangland-style warning against "singing" - by a grand jury witness.

Barr said the crash, which killed former Gulf Power senior vice president Jake Horton and two Southern Co. pilots, remains under investigation.

Gulf Power admitted a long-running scheme in which the company contributed t various political campaigns and disguised the payments through padded invoices from companies that did business with the utility, said a government-filed criminal information.

The company blamed most of the illegal activities on Horton.

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ATTACHMENT 7
PAGE 3 OF 4

The Associated Press, November 1, 1989

The government said the contributions were made mainly to Florida legislative candidates but also included some for presidential candidates Contributions went indirectly to then-Democratic presidential hopefuls Albert Gore, Gary Hart and John Glenn, The Atlanta Constitution reported today

"We acknowledge with deep regret that federal statutes were violated, and we must accept full responsibility for the actions of a member of our management team," said a statement from Southern Co President Edward L Addison and Gulf Power President Douglas L McCrary

Horton, 57, died en route to Atlanta after being told he might be dismissed because of alleged accounting improprieties uncovered in a company audit

Among other things, the government said, Horton pressured vendors of the utility - primarily three advertising agencies - to contribute to political candidates

Gulf Power was interested mainly in candidates for president of the Florida Senate and speaker of the Florida House because those positions have influence in appointing members to the state Public Service Commission, the government documents said

A panel of Gulf Power executives, including Horton, "decided which candidates were 'good for Gulf Power,'" according to the criminal information

Horton and others instructed the vendors to make the contributions and then submit fraudulent invoices to the utility so that the vendors could be reimbursed, the information said

Carter Haynes, a Gulf Power spokesman in Pensacola, said two other executives named in the agreement as having involvement with Horton in political contributions left the company in the past week

Ray Yarborough, 62, took early retirement, and Doug Knowles, 42, resigned Haynes wouldn't say if the departures were related to the guilty plea

The utility said Gulf Power's management structure has been reorganized, a comprehensive ethics code for employees has been adopted and vendors have been told they are not expected to make contributions as a condition of doing business with the utility

9204092199 4

ATTACHMENT 7
PAGE 4 OF 4

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/DELORES HARRIS DH
COMMISSION SECRETARY

DATE: JULY 24, 1990

SUBJECT: Pre-MUR 225 - FIRST GENERAL COUNSEL'S REPORT DATED JULY 19, 1990

9204092 1995

The above-captioned document was circulated to the Commission on Thursday, July 19, 1990 at 4:00 p.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	
Commissioner Elliott	XXX
Commissioner Josefiak	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda for Tuesday, July 31, 1990.

Please notify us who will represent your Division before the Commission on this matter.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	Pre-MUR 225 (MUR 3099)
Gulf Power Corp.;	)	
Ben Kickliter, GPC vice-president;	)	
Doug Knowles, GPC public relations employee;	)	
Charles Lambert, GPC public relations director;	)	
Ray Yarborough, GPC manager/director of appliance sales and service;	)	
Hemmer & Yates Corp.;	)	
Cooper Yates;	)	
Dick Leonard Group II, Inc.;	)	
Dick Leonard, chairman, DLG II;	)	
Whitney Babcock, president, DLG II;	)	
William Bush, executive director, DLG II;	)	
John Appleyard Agency;	)	
Carolyn Appleyard;	)	
Diane Appleyard;	)	
Eleanor Appleyard;	)	
Richard Appleyard;	)	
Fred Suttles, Jr.	)	

9204092199 96

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on July 31, 1990, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions with respect to Pre-MUR 225:

1. Open a MUR.

(continued)

2. Find reason to believe that Gulf Power Company knowingly and willfully violated 2 U.S.C. §§ 441b(a), 441c, and 441f.

3. Find reason to believe that Ray Yarborough, Doug Knowles, and Charles Lambert knowingly and willfully violated 2 U.S.C. § 441f.

4. Find reason to believe that Ben Kickliter violated 2 U.S.C. § 441b(a).

5. Find reason to believe that Hemmer & Yates Corp., Dick Leonard Group II, Inc., and John Appleyard Agency violated 2 U.S.C. § 441f.

6. Find reason to believe that Cooper Yates, Dick Leonard, Whitney Babcock, William Bush, Carolyn Appleyard, Diane Appleyard, Eleanor Appleyard, and Richard Appleyard, and Fred Suttles, Jr. violated 2 U.S.C. § 441f.

7. Approve the sample Order to Submit Answers and Subpoena for Documents to Gulf Power Company, Georgia Power, Ray Yarborough, Doug Knowles, Charles Lambert, Ben Kickliter, Hemmer & Yates Corp., Dick Leonard Group II, Inc., John Appleyard Agency, Cooper Yates, Dick Leonard, Whitney Babcock, William Bush, Carolyn Appleyard, Diane Appleyard, Eleanor Appleyard, Richard Appleyard, and Fred Suttles, Jr.

(continued)

9204092199 7

8. Approve the sample Deposition Subpoena to Ray Yarborough, Doug Knowles, Charles Lambert, Ben Kickliter, Cooper Yates, Dick Leonard, Whitney Babcock, William Bush, Diane Appleyard, Richard Appleyard, and Fred Suttles, Jr., as recommended in the General Counsel's report dated July 14, 1990.

9. Approve the factual and legal analyses and the appropriate letters as recommended in the General Counsel's report dated July 14, 1990, subject to amendment as agreed during the meeting discussion.

Commissioners Aikens, Josefiak, McDonald, and McGarry voted affirmatively for the decision;

Commissioners Elliott and Thomas were not present.

Attest:

8-1-90
Date

Marjorie W. Emmons
Secretary of the Commission

9204092199 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

President
Georgia Power Company
333 Piedmont Ave., NE
Atlanta, GA 30308

RE: MUR 3099

Dear Sir/Madam:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached order and subpoena which requires you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information within 15 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

9204092199

If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (800) 424-9530.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Subpoena and Order

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: President
Georgia Power Company
333 Piedmont Ave., NE
Atlanta, GA 30308

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

9204092200 1

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

9204092200 4

QUESTIONS AND DOCUMENT REQUESTS

1. Identify each contribution made by other persons to a federal candidate that was directly or indirectly reimbursed by Georgia Power during the period 1981-1989 by date, amount, name of individual contributor, and recipient candidate committee. Also for each such contribution, identify any Georgia Power contractor involved and describe its role in the contribution.

2. Identify each instance in which you processed an invoice from a vendor the purpose of which was to reimburse the vendor in connection with any payments listed in response to question 1. Provide copies of each such invoice and describe in detail the circumstances and name the Georgia Power employees involved in this reimbursement.

3. Did Georgia Power itself make any direct payments or contributions to any federal candidates, other than through its separate segregated fund? If so, list dates, amounts, and recipient committees for each payment. Provide a copy (both sides) of such checks or other written instrument.

4. a. Other than contributions to Georgia Power Company Federal PAC Inc., identify each federal contribution solicited, facilitated, arranged, or delivered by you during 1981-1989 by date, amount, contributor, and recipient committee. If available, provide a copy (both sides) of each such contribution check or other written instrument.

b. Produce all lists, reports, and other compilations of contributions solicited, arranged, or delivered by this method.

5. For each contribution listed in response to questions 1, 3, and 4 above, identify by name and by role each Georgia Power employee, officer, and director that was in any way involved.

6. Produce all written solicitations the corporation distributed for contributions to federal candidates, or to Georgia Power's separate segregated fund during 1981-1989.

7. Provide copies of any documents Georgia Power has provided to the Grand Jury sitting in the U.S. District Court for the Northern District of Georgia, including all documents provided to the Internal Revenue Service or the U.S. Department of Justice in the course of its criminal investigation.

8. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

9204092205

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Mr. Fred Suttles, Jr.
P.O. Box 18703
Pensacola, FL 32523

RE: MUR 3099

Dear Mr. Suttles:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

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.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R.

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§ 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

LeeAnn Elliott

Lee Ann Elliott
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

9204092207

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Fred Suttles, Jr.
P.O. Box 18703
Pensacola, FL 32523

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

9204092200 8

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August. 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. List your occupation(s) and employers during the period 1981-1989. To the best of your knowledge, describe any and all contract work done by any of your employers for Gulf Power Company during this period.

2. Identify each federal political contribution and expenditure on behalf of federal political committees you made during the period 1981-1989 by date, amount, and recipient committee. For each contribution,

a. State whether the contribution was made by check or other written instrument. If yes, provide a copy (both sides) of such check or other written instrument.

b. State whether the contribution was made as a result of a written solicitation. If yes, state by whom and when the solicitation was made. Produce the solicitation.

c. State whether the contribution was made in connection with a particular fundraising event. If yes, state when and where the event was held, who sponsored the event, on whose behalf the event was held, and whether you attended.

d. State whether you received an advance, bonus, payment, or other compensation for the contribution from an employer listed in response to question 1.

e. In addition to the documents produced in response to questions 2a and 2b, produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

3. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

9204092201 2

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Fred Suttles, Jr. MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Fred Suttles, Jr. may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person, and prohibits a person from knowingly permitting their name to be used to effect such a contribution. 2 U.S.C. § 441f.

Fred Suttles, Jr. operates an advertising company, Outdoor Media. Outdoor Media is a vendor to Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

The plea materials state that Suttles was solicited by Gulf Power for over $30,000 in contributions during 1988 and 1989. In fact Suttles is listed on the public record as making four federal contributions during 1988, two to the Dukakis for President Committee Compliance Fund and two to Askew for U.S. Senate. Suttles may have been reimbursed by Gulf Power for these

9204092201 3

contributions and thus allowed his name to be used to effect a contribution made with Gulf Power funds. Therefore, there is reason to believe that Fred Suttles, Jr. may have violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Mr. Richard L. Appleyard
2250 McCutchen Place
Pensacola, FL 32503

RE: MUR 3099

Dear Mr. Appleyard:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

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.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the

9204092201 5

General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entered after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

9204092201 6

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Richard L. Appleyard
2250 McCutchen Place
Pensacola, FL 32503

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

9204092201 7

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of Aug., 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. List your occupation(s) and employers during the period 1981-1989. To the best of your knowledge, describe any and all contract work done by any of your employers for Gulf Power Company during this period.

2. Identify each federal political contribution and expenditure on behalf of federal political committees you made during the period 1981-1989 by date, amount, and recipient committee. For each contribution,

a. State whether the contribution was made by check or other written instrument. If yes, provide a copy (both sides) of such check or other written instrument. If there is no written instrument, state the method by which the contribution was made, including the source of funds used to make the contribution.

b. State whether the contribution was made as a result of a solicitation. If the solicitation was written, provide a copy of the solicitation. If the solicitation was oral, identify the person who solicited you, and state the date, place, and the content of the solicitation.

c. State whether this contribution was made in connection with a particular fundraising event. If yes, state when and where the event was held, who sponsored the event, on whose behalf the event was held, and whether you attended.

d. State how you delivered this contribution and to whom.

e. State whether you received an advance, bonus, payment, or other compensation for the contribution from an employer listed in response to question 1. Describe in detail the process whereby you received an advance, bonus, payment, or other compensation for the contribution, including whether your employer was in turn reimbursed, and if so, when, by whom, and by what method.

f. Produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

3. State whether you know any other person or entity who made a contribution to any federal candidates or political committees. If yes,

a. Identify each such person or entity and the recipient candidate or committee.

b. State whether the contributor received an advance, bonus, payment, or other compensation for the contribution.

c. Describe in detail how you acquired this information.

d. Describe the nature of your relationship to each person or entity identified in your response to this question.

4. To the best of your knowledge and belief, state whether any officials, employees or agents of the recipient committees listed in response to questions 2 and 3 above were aware that any contribution to such federal candidate or committee had been reimbursed. If yes, identify each such committee official, employee or agent, and state how your knowledge or belief was acquired.

5. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Richard Appleyard MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Richard Appleyard may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person, and prohibits a person from knowingly permitting their name to be used to effect such a contribution. 2 U.S.C. § 441f. In addition, section 441f applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

Richard Appleyard is an employee of the John Appleyard Agency, an advertising firm. The firm is a vendor to Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

The plea materials allege that the John Appleyard Agency was

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reimbursed for contributions it made to specified state candidates at the direction of Gulf Power during 1982-84. Commission records list one 1988 federal contribution from Richard Appleyard, as set out below.

date	contributor	amount	recipient committee
6-25-88	Richard Appleyard	$1000	Gunter for U.S. Senate

Richard Appleyard contributed to the Gunter for U.S. Senate Committee on June 25, 1988, the same day the Gunter Committee received contributions from Gulf Power officers Jacob Horton, Ben Kickliter, Douglas McCrary, and A.E. Scarbrough. Although the plea materials do not mention the Appleyards' federal contributions, in light of the specifically alleged reimbursement of the Appleyard Agency's state contributions, Richard Appleyard may have allowed his name to be used to effect a contribution made with Gulf Power funds.

The Gulf Power plea materials assert that Gulf Power employees exerted economic pressure on vendor firms in order to convince them to participate in payment schemes including the reimbursement of political contribution. While such pressure may be a mitigating factor, it cannot prevent a finding of reason to believe. Thus, there is reason to believe that Richard Appleyard violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Ms. Eleanor K. Appleyard
741 Gerhardt Drive
Pensacola, FL 32503

RE: MUR 3099

Dear Ms. Appleyard:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

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.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission

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either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Eleanor K. Appleyard
741 Gerhardt Drive
Pensacola, FL 32503

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th. day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. List your occupation(s) and employers during the period 1981-1989. To the best of your knowledge, describe any and all contract work done by any of your employers for Gulf Power Company during this period.

2. Identify each federal political contribution and expenditure on behalf of federal political committees you made during the period 1981-1989 by date, amount, and recipient committee. For each contribution,

a. State whether the contribution was made by check or other written instrument. If yes, provide a copy (both sides) of such check or other written instrument. If there is no written instrument, state the method by which the contribution was made, including the source of funds used to make the contribution.

b. State whether the contribution was made as a result of a solicitation. If the solicitation was written, provide a copy of the solicitation. If the solicitation was oral, identify the person who solicited you, and state the date, place, and the content of the solicitation.

c. State whether this contribution was made in connection with a particular fundraising event. If yes, state when and where the event was held, who sponsored the event, on whose behalf the event was held, and whether you attended.

d. State how you delivered this contribution and to whom.

e. State whether you received an advance, bonus, payment, or other compensation for the contribution from an employer listed in response to question 1. Describe in detail the process whereby you received an advance, bonus, payment, or other compensation for the contribution, including whether your employer was in turn reimbursed, and if so, when, by whom, and by what method.

f. Produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

3. State whether you know any other person or entity who made a contribution to any federal candidates or political committees. If yes,

a. Identify each such person or entity and the recipient candidate or committee.

b. State whether the contributor received an advance, bonus, payment, or other compensation for the contribution.

c. Describe in detail how you acquired this information.

d. Describe the nature of your relationship to each person or entity identified in your response to this question.

4. To the best of your knowledge and belief, state whether any officials, employees or agents of the recipient committees listed in response to questions 2 and 3 above were aware that any contribution to such federal candidate or committee had been reimbursed. If yes, identify each such committee official, employee or agent, and state how your knowledge or belief was acquired.

5. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Eleanor Appleyard MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Eleanor Appleyard may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person, and prohibits a person from knowingly permitting their name to be used to effect such a contribution. 2 U.S.C. § 441f. In addition, section 441f applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

Eleanor Appleyard is an employee of the John Appleyard Agency, an advertising firm. The firm is a vendor to Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

The plea materials allege that the John Appleyard Agency was

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reimbursed for contributions it made to specified state candidates at the direction of Gulf Power during 1982-84. Commission records list two 1988 federal contributions from Eleanor Appleyard, as set out below.

date	contributor	amount	recipient committee
3-31-88	Eleanor Appleyard	$250	Askew for U.S. Senate
6-25-88	Eleanor Appleyard	$1000	Gunter for U.S. Senate

Eleanor Appleyard contributed to Askew for U.S. Senate on March 31, 1988, the same day the Askew Committee received contributions from a Gulf Power vendor's employees Whitney Babcock, William Bush, and Dick Leonard that are asserted as illegal in the Gulf Power guilty plea materials. She contributed to the Gunter for U.S. Senate Committee on June 25, 1988, the same day the Gunter Committee received contributions from Gulf Power officers Jacob Horton, Ben Kickliter, Douglas McCrary, and A.E. Scarbrough. Although the plea materials do not mention the Appleyards' federal contributions, in light of the specifically alleged reimbursement of the Appleyard Agency's state contributions, Eleanor Appleyard may have allowed her name to be used to effect a contribution made with Gulf Power funds.

The Gulf Power plea materials assert that Gulf Power employees exerted economic pressure on vendor firms in order to convince them to participate in payment schemes including the reimbursement of political contribution. While such pressure may be a mitigating factor, it cannot prevent a finding of reason to believe. Thus, there is reason to believe that Eleanor Appleyard violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Ms. Diane Appleyard
5270 Plax Road
Pensacola, FL 32504

RE: MUR 3099

Dear Ms. Appleyard:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

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.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission

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either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Diane Appleyard
5270 Plax Road
Pensacola, FL 32504

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. List your occupation(s) and employers during the period 1981-1989. To the best of your knowledge, describe any and all contract work done by any of your employers for Gulf Power Company during this period.

2. Identify each federal political contribution and expenditure on behalf of federal political committees you made during the period 1981-1989 by date, amount, and recipient committee. For each contribution,

a. State whether the contribution was made by check or other written instrument. If yes, provide a copy (both sides) of such check or other written instrument.

b. State whether the contribution was made as a result of a written solicitation. If yes, state by whom and when the solicitation was made. Produce the solicitation.

c. State whether the contribution was made in connection with a particular fundraising event. If yes, state when and where the event was held, who sponsored the event, on whose behalf the event was held, and whether you attended.

d. State whether you received an advance, bonus, payment, or other compensation for the contribution from an employer listed in response to question 1.

e. In addition to the documents produced in response to questions 2a and 2b, produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

3. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Diane Appleyard MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Diane Appleyard may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person, and prohibits a person from knowingly permitting their name to be used to effect such a contribution. 2 U.S.C. § 441f. In addition, section 441f applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

Diane Appleyard is an employee of the John Appleyard Agency, an advertising firm. The firm is a vendor to Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

The plea materials allege that the John Appleyard Agency was reimbursed for contributions it made to specified state candidates

at the direction of Gulf Power during 1982-84. Commission records list two 1988 federal contributions from Diane Appleyard, as set out below.

date	contributor	amount	recipient committee
3-31-88	Diane Appleyard	$250	Askew for U.S. Senate
6-25-88	Diane Appleyard	$500	Gunter for U.S. Senate

Diane Appleyard contributed to Askew for U.S. Senate on March 31, 1988, the same day the Askew Committee received contributions from a Gulf Power vendor's employees Whitney Babcock, William Bush, and Dick Leonard that are asserted as illegal in the Gulf Power guilty plea materials. She contributed to the Gunter for U.S. Senate Committee on June 25, 1988, the same day the Gunter Committee received contributions from Gulf Power officers Jacob Horton, Ben Kickliter, Douglas McCrary, and A.E. Scarbrough. Although the plea materials do not mention the Appleyards' federal contributions, in light of the specifically alleged reimbursement of the Appleyard Agency's state contributions, Diane Appleyard may have allowed her name to be used to effect a contribution made with Gulf Power funds.

The Gulf Power plea materials assert that Gulf Power employees exerted economic pressure on vendor firms in order to convince them to participate in payment schemes including the reimbursement of political contribution. While such pressure may be a mitigating factor, it cannot prevent a finding of reason to believe. Thus, there is reason to believe that Diane Appleyard violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Ms. Carolyn Appleyard
2250 McCutchen Place
Pensacola, FL 32504

RE: MUR 3099

Dear Ms. Appleyard:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

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.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission

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either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
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Factual and Legal Analysis
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Designation of Counsel Form

9204092220045

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Carolyn Appleyard
2250 McCutchen Place
Pensacola, FL 32503

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. List your occupation(s) and employers during the period 1981-1989. To the best of your knowledge, describe any and all contract work done by any of your employers for Gulf Power Company during this period.

2. Identify each federal political contribution and expenditure on behalf of federal political committees you made during the period 1981-1989 by date, amount, and recipient committee. For each contribution,

a. State whether the contribution was made by check or other written instrument. If yes, provide a copy (both sides) of such check or other written instrument. If there is no written instrument, state the method by which the contribution was made, including the source of funds used to make the contribution.

b. State whether the contribution was made as a result of a solicitation. If the solicitation was written, provide a copy of the solicitation. If the solicitation was oral, identify the person who solicited you, and state the date, place, and the content of the solicitation.

c. State whether this contribution was made in connection with a particular fundraising event. If yes, state when and where the event was held, who sponsored the event, on whose behalf the event was held, and whether you attended.

d. State how you delivered this contribution and to whom.

e. State whether you received an advance, bonus, payment, or other compensation for the contribution from an employer listed in response to question 1. Describe in detail the process whereby you received an advance, bonus, payment, or other compensation for the contribution, including whether your employer was in turn reimbursed, and if so, when, by whom, and by what method.

f. Produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

3. State whether you know any other person or entity who made a contribution to any federal candidates or political committees. If yes,

a. Identify each such person or entity and the recipient candidate or committee.

b. State whether the contributor received an advance, bonus, payment, or other compensation for the contribution.

c. Describe in detail how you acquired this information.

d. Describe the nature of your relationship to each person or entity identified in your response to this question.

4. To the best of your knowledge and belief, state whether any officials, employees or agents of the recipient committees listed in response to questions 2 and 3 above were aware that any contribution to such federal candidate or committee had been reimbursed. If yes, identify each such committee official, employee or agent, and state how your knowledge or belief was acquired.

5. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Carolyn Appleyard **MUR 3099**

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Carolyn Appleyard may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person, and prohibits a person from knowingly permitting their name to be used to effect such a contribution. 2 U.S.C. § 441f. In addition, section 441f applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

Carolyn Appleyard is an employee of the John Appleyard Agency, an advertising firm. The firm is a vendor to Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

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The plea materials allege that the John Appleyard Agency was reimbursed for contributions it made to specified state candidates at the direction of Gulf Power during 1982-84. Commission records list two 1988 federal contributions from Carolyn Appleyard, as set out below.

date	contributor	amount	recipient committee
3-31-88	Carolyn Appleyard	$1000	Askew for U.S. Senate
6-25-88	Carolyn Appleyard	$500	Gunter for U.S. Senate

Carolyn Appleyard contributed to Askew for U.S. Senate on March 31, 1988, the same day the Askew Committee received contributions from a Gulf Power vendor's employees Whitney Babcock, William Bush, and Dick Leonard that are asserted as illegal in the Gulf Power guilty plea materials. She contributed to the Gunter for U.S. Senate Committee on June 25, 1988, the same day the Gunter Committee received contributions from Gulf Power officers Jacob Horton, Ben Kickliter, Douglas McCrary, and A.E. Scarbrough. Although the plea materials do not mention the Appleyards' federal contributions, in light of the specifically alleged reimbursement of the Appleyard Agency's state contributions, Carolyn Appleyard may have allowed her name to be used to effect a contribution made with Gulf Power funds.

The Gulf Power plea materials assert that Gulf Power employees exerted economic pressure on vendor firms in order to convince them to participate in payment schemes including the reimbursement of political contribution. While such pressure may

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be a mitigating factor, it cannot prevent a finding of reason to believe. Thus, there is reason to believe that Carolyn Appleyard violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Mr. Whitney W. Babcock
444 18th Avenue
Indian Rocks Beach, FL 34635

RE: MUR 3099

Dear Mr. Babcock:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

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.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or

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recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Order and Subpoena
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Procedures
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Whitney W. Babcock
444 18th Avenue
Indian Rocks Beach, FL 34635

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. List your occupation(s) and employers during the period 1981-1989. To the best of your knowledge, describe any and all contract work done by any of your employers for Gulf Power Company during this period.

2. Identify each federal political contribution and expenditure on behalf of federal political committees you made during the period 1981-1989 by date, amount, and recipient committee. For each contribution,

a. State whether the contribution was made by check or other written instrument. If yes, provide a copy (both sides) of such check or other written instrument. If there is no written instrument, state the method by which the contribution was made, including the source of funds used to make the contribution.

b. State whether the contribution was made as a result of a solicitation. If the solicitation was written, provide a copy of the solicitation. If the solicitation was oral, identify the person who solicited you, and state the date, place, and the content of the solicitation.

c. State whether this contribution was made in connection with a particular fundraising event. If yes, state when and where the event was held, who sponsored the event, on whose behalf the event was held, and whether you attended.

d. State how you delivered this contribution and to whom.

e. State whether you received an advance, bonus, payment, or other compensation for the contribution from an employer listed in response to question 1. Describe in detail the process whereby you received an advance, bonus, payment, or other compensation for the contribution, including whether your employer was in turn reimbursed, and if so, when, by whom, and by what method.

f. Produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

3. State whether you know any other person or entity who made a contribution to any federal candidates or political committees. If yes,

a. Identify each such person or entity and the recipient candidate or committee.

b. State whether the contributor received an advance, bonus, payment, or other compensation for the contribution.

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c. Describe in detail how you acquired this information.

d. Describe the nature of your relationship to each person or entity identified in your response to this question.

4. To the best of your knowledge and belief, state whether any officials, employees or agents of the recipient committees listed in response to questions 2 and 3 above were aware that any contribution to such federal candidate or committee had been reimbursed. If yes, identify each such committee official, employee or agent, and state how your knowledge or belief was acquired.

5. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Whitney Babcock MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Whitney Babcock may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person, and prohibits a person from knowingly permitting their name to be used to effect such a contribution. 2 U.S.C. § 441f.

Whitney Babcock is president of the Dick Leonard Group II, Inc., an advertising firm. Dick Leonard Group II is a vendor to Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

The plea materials list a $250 contribution by Whitney Babcock to the Askew for U.S. Senate campaign on March 31, 1988. Babcock was reimbursed by the Dick Leonard Group II which in turn billed the expense back to Gulf Power as advertising fees.

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Babcock thus allowed his name to be used to effect a contribution made with Gulf Power funds. Thus, there is reason to believe that Whitney Babcock violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

William Bush
12936-74th Avenue North
Seminole, FL 34646

RE: MUR 3099

Dear Mr. Bush:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

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.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the

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General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
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Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: William Bush
P.O. Box 18703
Pensacola, FL 32523

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. List your occupation(s) and employers during the period 1981-1989. To the best of your knowledge, describe any and all contract work done by any of your employers for Gulf Power Company during this period.

2. Identify each federal political contribution and expenditure on behalf of federal political committees you made during the period 1981-1989 by date, amount, and recipient committee. For each contribution,

a. State whether the contribution was made by check or other written instrument. If yes, provide a copy (both sides) of such check or other written instrument. If there is no written instrument, state the method by which the contribution was made, including the source of funds used to make the contribution.

b. State whether the contribution was made as a result of a solicitation. If the solicitation was written, provide a copy of the solicitation. If the solicitation was oral, identify the person who solicited you, and state the date, place, and the content of the solicitation.

c. State whether this contribution was made in connection with a particular fundraising event. If yes, state when and where the event was held, who sponsored the event, on whose behalf the event was held, and whether you attended.

d. State how you delivered this contribution and to whom.

e. State whether you received an advance, bonus, payment, or other compensation for the contribution from an employer listed in response to question 1. Describe in detail the process whereby you received an advance, bonus, payment, or other compensation for the contribution, including whether your employer was in turn reimbursed, and if so, when, by whom, and by what method.

f. Produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

3. State whether you know any other person or entity who made a contribution to any federal candidates or political committees. If yes,

a. Identify each such person or entity and the recipient candidate or committee.

b. State whether the contributor received an advance, bonus, payment, or other compensation for the contribution.

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c. Describe in detail how you acquired this information.

d. Describe the nature of your relationship to each person or entity identified in your response to this question.

4. To the best of your knowledge and belief, state whether any officials, employees or agents of the recipient committees listed in response to questions 2 and 3 above were aware that any contribution to such federal candidate or committee had been reimbursed. If yes, identify each such committee official, employee or agent, and state how your knowledge or belief was acquired.

5. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: William Bush MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that William Bush may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person, and prohibits a person from knowingly permitting their name to be used to effect such a contribution. 2 U.S.C. § 441f.

William Bush is executive director of the Dick Leonard Group II, Inc., an advertising firm. Dick Leonard Group II is a vendor to Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

The plea materials list a $250 contribution by William Bush to the Askew for U.S. Senate campaign on March 31, 1988. Bush was reimbursed by the Dick Leonard Group II which in turn billed the expense back to Gulf Power as advertising fees. Bush thus allowed

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his name to be used to effect a contribution made with Gulf Power funds. Thus, there is reason to believe that William Bush violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

President
The John Appleyard Agency
1301 W. Moreno
Pensacola, FL 32501

RE: MUR 3099

Dear Sir/Madam:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that The John Appleyard Agency violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 The John Appleyard Agency. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

In the absence of any additional information which demonstrates that no further action should be taken against Gulf Power Corporation, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the

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General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott
Chairman

Enclosures
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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: John Appleyard Agency
1301 W. Moreno
Pensacola, FL 32501

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. Describe the work your company did by contract for Gulf Power Company during 1981-1989.

2. Identify each instance during 1981-89 in which you acted upon orders or suggestions from Gulf Power Company employees to have you or your agents or employees make contributions to or on behalf of any federal candidate committee or other federal political committee. For each such contribution,

a. List the date of the order or suggestion and the name of the Gulf Power employee who gave the order or suggestion.

b. List the amount of the contribution and the recipient committee(s).

c. List the contributor's name.

d. Produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

e. State whether you provided an advance, bonus, payment, or other compensation for the contribution to the contributor. If so, produce all documents relating or in any way pertaining to each such compensation, including bank statements, check registers, correspondence, notes, and all other such documents.

3. Identify each instance in which you presented an invoice to Gulf Power in order to be reimbursed in connection with any payments listed in response to question 2. Provide copies of each such invoice and describe in detail the circumstances and name the Gulf Power employees involved in this reimbursement.

4. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: John Appleyard Agency MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that the John Appleyard Agency may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person, and prohibits a person from knowingly permitting their name to be used to effect such a contribution. 2 U.S.C. § 441f. In addition, section 441f applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

The John Appleyard Agency is an advertising firm. The firm is a vendor to Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

The plea materials allege that the John Appleyard Agency was reimbursed for contributions it made to specified state candidates

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at the direction of Gulf Power during 1982-84. Commission records list several 1988 federal contributions from Appleyard employees, as set out below.

date	contributor	amount	recipient committee
3-31-88	Carolyn Appleyard	$1000	Askew for U.S. Senate
	Diane Appleyard	$250	Askew for U.S. Senate
	Eleanor Appleyard	$250	Askew for U.S. Senate
6-25-88	Carolyn Appleyard	$500	Gunter for U.S. Senate
	Diane Appleyard	$500	Gunter for U.S. Senate
	Eleanor Appleyard	$1000	Gunter for U.S. Senate
	Richard Appleyard	$1000	Gunter for U.S. Senate

Carolyn, Diane, and Eleanor Appleyard all contributed to Askew for U.S. Senate on March 31, 1988, the same day the Askew Committee received contributions from a Gulf Power vendor's employees Whitney Babcock, William Bush, and Dick Leonard that are asserted as illegal in the Gulf Power guilty plea materials. All four Appleyards contributed to the Gunter for U.S. Senate Committee on June 25, 1988, the same day the Gunter Committee received contributions from Gulf Power officers Jacob Horton, Ben Kickliter, Douglas McCrary, and A.E. Scarbrough. Although the plea materials do not mention the Appleyards' federal contributions, in light of the specifically alleged reimbursement of the Appleyard Agency's state contributions, the John Appleyard Agency may have assisted in the making of a contribution in the name of another.

The Gulf Power plea materials assert that Gulf Power employees exerted economic pressure on vendor firms in order to convince them to participate in payment schemes including the reimbursement of political contribution. While such pressure may

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be a mitigating factor, it cannot prevent a finding of reason to believe. Thus, there is reason to believe that the John Appleyard Agency violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Mr. Raymond Yarborough
c/o Gulf Power Corporation
P. O. Box 1151
Pensacola, FL 32520

RE: MUR 3099

Dear Mr. Yarborough:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you knowingly and willfully violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

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.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission

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either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Raymond Yarborough
c/o Gulf Power Corporation
P. O. Box 1151
Pensacola, FL 32520

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

QUESTIONS AND DOCUMENT REQUESTS

1. Identify each contribution to a federal political committee which you solicited, collected, obtained, or directed the making of, or in any other way were involved in during 1981-1989 by date, amount, and recipient committee. For each contribution,

a. Identify any persons who gave you instructions or suggestions regarding the contribution and the date that you received such instructions or suggestions.

b. Identify the contributor. State whether this person or their employer had vendor contracts with Gulf Power Company.

c. List the date(s) on which you obtained the contribution, if applicable, and the date(s) on which you delivered the contributions to other persons. Identify these persons.

d. If available, provide a copy (both sides) of each such contribution check or other written instrument.

2. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Ray Yarborough MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Ray Yarborough may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person. 2 U.S.C. § 441f. In addition, section 441f applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

Ray Yarborough is director of appliance sales and service at Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

The statement of facts accompanying Gulf Power's guilty plea names the late Gulf Power senior vice-president Jake Horton as instructing certain Gulf Power vendors to make payments to various political committees. Horton and other Gulf Power employees

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directed the vendors to submit fraudulent invoices for the purpose of reimbursing the vendors for these expenditures. The invoices were falsified at the direction of Gulf Power employees including Ray Yarborough. Thus, there is reason to believe that Ray Yarborough knowingly and wilfully violated 2 U.S.C. § 441f by assisting in the making of contributions in the name of another.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Mr. Ben Kickliter
387 Citation Dr.
Cantonment, FL 32533

RE: MUR 3099

Dear Kickliter:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

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.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the

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General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

LeeAnn Elliott

Lee Ann Elliott
Chairman

Enclosures
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Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Ben Kickliter
387 Citation Dr.
Cantonment, FL 32533

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. Identify each federal contribution solicited, facilitated, arranged, or delivered by PAC II during 1981-89 by date, amount, contributor, and recipient committee. If available, provide a copy (both sides) of each such contribution check or other written instrument. If no written instrument was used, state the source of funds used to make the contribution.

2. Provide your personal check registers and bank statements for the period June 1, 1988 to July 31, 1988.

3. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Ben Kickliter MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Ben Kickliter may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act provides that it is unlawful for a corporation to make a contribution in connection with a federal election. 2 U.S.C. § 441b(a). "Contribution" is defined in this section as giving anything of value to federal campaigns, such as facilitating the making of individual contributions to federal candidates. This section also forbids corporate officers and directors to consent to a corporation's contribution.

Mr. Kickliter is vice-president of Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

The plea materials also note two entities connected with Gulf Power that may have facilitated and pressured employees into

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making political contributions ("PAC" and "PAC II").[1] Gulf Power has not pled guilty in connection with these two entities.

The statement of facts filed with the plea agreement asserts that Gulf Power created PAC II "in response to complaints by GULF POWER COMPANY vendors and employees that they had been pressured into making political contributions on behalf of GULF POWER COMPANY."[2] This pressuring may refer to the original PAC or to the reimbursement scheme involving company vendors described above, or both. An Associated Press article from July 3, 1989 noted that current and former Gulf Power employees have complained they felt pressured into making contributions through Gulf's official political action committee. In contrast, as described below, it appears that PAC II was not a formal entity but rather a separate scheme for corporate facilitation of contributions.

A United Press International article from October 28, 1989, prior to the entry of Gulf Power's plea, stated that a federal grand jury "has been investigating allegations that about 100 upper-management employees at Gulf Power donated to political candidates through a now-disbanded, informal political action committee known as PAC 2." According to the statement of facts, Gulf Power employees at the level of supervisor and above were

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1. PAC is a political action committee registered with the Commission, while there is no record of PAC II as a registered committee. Thus, it is unclear whether PAC II exists separately from the corporation or is merely corporate activity. For the purposes of this Factual and Legal Analysis, this activity will be referred to as "PAC II."

2. A January, 1990 article in Florida Trend noted senior vice-president Jacob Horton's "strong-arm fundraising tactics for . . . employee political action committees."

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assigned a certain pledged contribution amount to candidates that he or she was expected to make within a two year period. Gulf Power kept track of all such contributions, and this information was routinely provided to the employee member's supervisor. In addition, Gulf Power executives, including Ben Kickliter, formed an executive committee for PAC II that chose candidates who were "good for Gulf Power"; if a candidate was deemed so, the word would be sent to the various managers and supervisors to solicit contributions from employees.[3] The employees would then write personal checks to the candidates. Some of these checks were submitted directly to the candidates, while others were submitted to a supervisor, who bundled the checks and gave them to the candidate. This scheme does not appear to utilize PAC II as a separate segregated fund, but rather constitutes the Gulf Power Company collecting from its employees contributions directly to candidates.

The Commission has discovered one specific Gulf Power fundraising effort involving PAC II. Gulf Power organized a fundraiser in 1987 for Senator Jeremiah Denton of Alabama. The event was held at a condominium owned by a law firm representing Gulf Power, and was attended almost exclusively by Gulf Power executives, employees, lawyers, and vendors. Contributions were collected from employees and vendors through PAC II and directed to the Jeremiah Denton for Senate Committee. In a more general

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3. The statement of facts contains conflicting suggestions regarding whether the solicitations reached below supervisory level employees.

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fashion, the materials note that Gulf Power directed contributions through PAC II to the Friends of Bob Graham Committee, the Bill Tauzin Committee, the Askew for President Committee, and the Earl Hutto for Congress Campaign.

There is no indication that Gulf Power reimbursed employees for these contributions. In the defendant's statement included in the referral materials, Gulf Power notes that it did not plead to any allegation involving PAC II, and that it believes PAC II to be legal and proper. Nonetheless, the statement of facts asserts the government's allegation that PAC II was another method by which Gulf Power circumvented the restrictions against direct or indirect corporate contributions.

Based on his role in PAC II's facilitation of contributions to candidates, there is reason to believe that Ben Kickliter violated 2 U.S.C. § 441b(a) by consenting to Gulf Power Company's donation of something of value to the campaigns when it used its employees to facilitate the making of political contributions.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Mr. Charles Lambert
c/o Gulf Power Corporation
P.O. Box 1151
Pensacola, FL 32520

RE: MUR 3099

Dear Mr. Lambert:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you knowingly and willfully violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

In the absence of any additional information which demonstrates that no further action should be taken against Gulf Power Corporation, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the

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General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
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) MUR: 3099
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SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Charles Lambert
c/o Gulf Power Corporation
P. O. Box 1151
Pensacola, FL 32520

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. Identify each contribution to a federal political committee which you solicited, collected, obtained, or directed the making of, or in any other way were involved in during 1981-1989 by date, amount, and recipient committee. For each contribution,

a. Identify any persons who gave you instructions or suggestions regarding the contribution and the date that you received such instructions or suggestions.

b. Identify the contributor. State whether this person or their employer had vendor contracts with Gulf Power Company.

c. List the date(s) on which you obtained the contribution, if applicable, and the date(s) on which you delivered the contributions to other persons. Identify these persons.

d. If available, provide a copy (both sides) of each such contribution check or other written instrument.

2. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Charles Lambert MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Charles Lambert may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person. 2 U.S.C. § 441f. In addition, section 441f applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

Charles Lambert is public relations director at Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

The statement of facts accompanying Gulf Power's guilty plea names the late Gulf Power senior vice-president Jake Horton as instructing certain Gulf Power vendors to make payments to various political committees. Horton and other Gulf Power employees

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directed the vendors to submit fraudulent invoices for the purpose of reimbursing the vendors for these expenditures. The invoices were falsified at the direction of Horton and other Gulf Power employees. Charles Lambert issued Cooper Yates of the advertising firm Hemmer & Yates, a Gulf Power vendor, a blanket retainer of $2,000 per month to cover the political contributions Yates made on behalf of Gulf Power. Thus, there is reason to believe that Charles Lambert knowingly and wilfully violated 2 U.S.C. § 441f by assisting in the making of contributions in the name of another.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Mr. Doug Knowles
2000 E. Gadsden
Pensacola, FL 32501

RE: MUR 3099

Dear Mr. Knowles:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you knowingly and willfully violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

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.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission

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either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Doug Knowles
2000 E. Gadsden
Pensacola, FL 32501

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th day of August, 1990.

LeeAnn Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. Identify each contribution to a federal political committee which you solicited, collected, obtained, or directed the making of, or in any other way were involved in during 1981-1989 by date, amount, and recipient committee. For each contribution,

a. Identify any persons who gave you instructions or suggestions regarding the contribution and the date that you received such instructions or suggestions.

b. Identify the contributor. State whether this person or their employer had vendor contracts with Gulf Power Company.

c. List the date(s) on which you obtained the contribution, if applicable, and the date(s) on which you delivered the contributions to other persons. Identify these persons.

d. If available, provide a copy (both sides) of each such contribution check or other written instrument.

2. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Doug Knowles MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Doug Knowles may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person. 2 U.S.C. § 441f. In addition, section 441f applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

Doug Knowles is a public relations employee at Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

The statement of facts accompanying Gulf Power's guilty plea names the late Gulf Power senior vice-president Jake Horton as instructing certain Gulf Power vendors to make payments to various political committees. Horton and other Gulf Power employees

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directed the vendors to submit fraudulent invoices for the purpose of reimbursing the vendors for these expenditures. The invoices were falsified at the direction of Gulf Power employees including Doug Knowles. Thus, there is reason to believe that Doug Knowles knowingly and wilfully violated 2 U.S.C. § 441f by assisting in the making of contributions in the name of another.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

President
Gulf Power Corporation
P.O. Box 1151
Pensacola, FL 32520

RE: MUR 3099

Dear Sir/Madam:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that the Gulf Power Corporation knowingly and willfully violated 2 U.S.C. §§ 441b(a), 441c and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 Gulf Power Corporation. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

In the absence of any additional information which demonstrates that no further action should be taken against Gulf Power Corporation, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R.

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§ 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

9204092214

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: President
Gulf Power Corporation
P.O. Box 1151
Pensacola, FL 32520

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

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"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

"PAC II" shall mean the entity connected with Gulf Power Company that is referred to on pages 3 and 4 of the Government's Statement of Facts and pages 1 and 2 of Defendant's Statement included with Gulf Power Company's guilty plea entered October 31, 1989 in the United States District Court for the Northern District of Georgia.

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QUESTIONS AND DOCUMENT REQUESTS

1. Identify each contribution made by other persons to a federal candidate that was directly or indirectly reimbursed by Gulf Power Company during the period 1981-1989 by date, amount, name of individual contributor, and recipient candidate committee. Also for each such contribution, identify any Gulf Power contractor involved and describe its role in the contribution.

2. Identify each instance in which you processed an invoice from a vendor the purpose of which was to reimburse the vendor in connection with any payments listed in response to question 1. Provide copies of each such invoice and describe in detail the circumstances and name the Gulf Power employees involved in this reimbursement.

3. State whether Gulf Power itself made any direct payments or contributions to any federal candidates, other than through its separate segregated fund. If so, list dates, amounts, and recipient committees for each payment. Provide a copy (both sides) of such checks or other written instrument.

4. Identify each federal contribution solicited, facilitated, arranged, or delivered by PAC II during 1981-1989 by date, amount, contributor, and recipient committee. If available, provide a copy (both sides) of each such contribution check or other written instrument.

5. Produce all lists, reports, and other compilations of contributions solicited, arranged, or delivered by PAC II.

6. For each contribution listed in response to questions 1, 3, and 4 above, identify by name and by role each Gulf Power employee, officer, and director that was in any way involved.

7. Produce all written solicitations the corporation distributed for contributions to federal candidates, PAC II, or Gulf Power Company's separate segregated fund during 1981-1989.

8. Provide copies of any documents Gulf Power has provided to the Grand Jury sitting in the U.S. District Court for the Northern District of Georgia, including all documents provided to the Internal Revenue Service or the U.S. Department of Justice in the course of its criminal investigation. Excluded from this request are copies of those documents relating only to count 2 of Gulf Power's guilty plea in the United States District Court, Northern District of Georgia, on October 31, 1989.

9. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Gulf Power Company MUR 3099

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Gulf Power Company may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act provides that it is unlawful for a corporation to make a contribution in connection with a federal election. 2 U.S.C. § 441b(a). Corporations are also forbidden under this section from giving anything of value to federal campaigns, such as facilitating the making of individual contributions to federal candidates.

Pursuant to 2 U.S.C. § 441c, government contractors are prohibited from contributing to federal elections. The regulations define "federal contractor" as a person who enters into any contract with the United States or any department or agency thereof for, inter alia, "[f]urnishing any material, supplies, or equipment." 11 C.F.R. § 115.1(a)(1)(ii). Section 441f prohibits the making of a contribution in the name of another person. In addition, section 441f applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

Gulf Power Company pled guilty on October 31, 1989 for

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funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement. Most of the contributions described in the criminal information went to state candidates, but a few went to federal committees.

Gulf Power was the source of all the contributions included in the criminal information filed with the plea agreement, of which nine contributions totaling $5,000 were made to federal candidates or committees. These contributions are set out below.

contributor	amount	date	recipient committee
Whitney Babcock	$250	3-31-88	Askew for U.S. Senate
William Bush	$250	3-31-88	Askew for U.S. Senate
Dick Leonard	$250	3-31-88	Askew for U.S. Senate
Cooper Yates	$1000	9-23-83	Askew for President
	$500	1-10-84	John Glenn Presidential Committee
	$500	8-05-85	Hart for Senate Campaign Committee
	$1000	8-13-85	Friends of Bob Graham
	$1000	12-04-87	Democratic Executive Committee of Florida

Gulf Power employees led by former senior vice-president Jake Horton asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors then contributed funds to the candidates and at the request of Gulf Power submitted inflated or false

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invoices to Gulf Power for reimbursement. Through the artifice of fraudulent and inflated invoices, Gulf Power deliberately injected corporate funds into federal election campaigns. Thus there is reason to believe that Gulf Power knowingly and wilfully violated 2 U.S.C. § 441b(a). Since the funds were contributed in the name of others, there is reason to believe that Gulf Power knowingly and wilfully violated 2 U.S.C. § 441f.

It is also likely that Gulf Power qualifies as a federal contractor and is thus forbidden to contribute to federal candidates under 2 U.S.C. § 441c. As revealed in Gulf Power's 1988 Annual Report, Gulf Power provides the total energy needs of Pensacola Naval Air Station, presumably under contract with the United States Department of the Navy. Therefore, Gulf Power is a federal contractor and there is reason to believe that Gulf Power knowingly and wilfully violated 2 U.S.C. § 441c.

The plea materials also note two entities connected with Gulf Power Company, "PAC" and "PAC II".[1] Commission records list a Gulf Power separate segregated fund, Gulf Power Employees' Committee for Responsible Government, Inc. Presumably, this Employees' Committee is the "PAC" noted in the plea materials as a registered political action committee.

The statement of facts filed with the plea agreement asserts that Gulf Power created PAC II "in response to complaints by GULF

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1. PAC is a political committee registered with the Commission, while there is no record of PAC II as a registered committee. Thus, it is unclear whether PAC II exists separately from the corporation or is merely corporate activity. For the purposes of this Factual and Legal Analysis, this activity will be referred to as "PAC II."

POWER COMPANY vendors and employees that they had been pressured into making political contributions on behalf of GULF POWER COMPANY."[2] This pressuring may refer to the original PAC or to the reimbursement scheme involving company vendors described above, or both. An Associated Press article from July 3, 1989 noted that current and former Gulf Power employees have complained they felt pressured into making contributions through Gulf's official political action committee. In contrast, as described below, it appears that PAC II was not a formal entity but rather a separate scheme for corporate facilitation of contributions.

A United Press International article from October 28, 1989, prior to the entry of Gulf Power's plea, stated that a federal grand jury "has been investigating allegations that about 100 upper-management employees at Gulf Power donated to political candidates through a now-disbanded, informal political action committee known as PAC 2." According to the statement of facts, Gulf Power employees at the level of supervisor and above were assigned a certain pledged contribution amount to candidates that he or she was expected to make within a two year period. Gulf Power kept track of all such contributions, and this information was routinely provided to the employee member's supervisor. In addition, Gulf Power executives formed an executive committee for PAC II that chose candidates who were "good for Gulf Power" and instructed managers and supervisors to solicit contributions from

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2. A January, 1990 article in Florida Trend noted senior vice-president Jacob Horton's "strong-arm fundraising tactics for . . . employee political action committees."

employees.[3] The employees would then write personal checks to the candidates. Some of these checks were submitted directly to the candidates, while others were submitted to a supervisor, who bundled the checks and gave them to the candidate. This scheme does not appear to utilize PAC II as a separate segregated fund, but rather constitutes the Gulf Power Company collecting from its employees contributions directly to candidates.

The Commission has discovered one specific Gulf Power fundraising effort involving PAC II. Gulf Power organized a fundraiser in 1987 for Senator Jeremiah Denton of Alabama. The event was held at a condominium owned by a law firm representing Gulf Power, and was attended almost exclusively by Gulf Power executives, employees, lawyers, and vendors. Contributions were collected from employees and vendors through PAC II and directed to the Jeremiah Denton for Senate Committee. In a more general fashion, the materials note that Gulf Power directed contributions through PAC II to the Friends of Bob Graham Committee, the Bill Tauzin Committee, the Askew for President Committee, and the Earl Hutto for Congress Campaign.

There is no indication that Gulf Power reimbursed employees for these contributions. In the defendant's statement included in the plea materials, Gulf Power notes that it did not plead to any allegation involving PAC II, and that it believes PAC II to be legal and proper. Nonetheless, the statement of facts asserts the

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3. The statement of facts contains conflicting suggestions regarding whether the solicitations reached below supervisory level employees.

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government's allegation that PAC II was another method by which Gulf Power circumvented the restrictions against direct or indirect corporate contributions. Based on the plea materials, there is reason to believe that Gulf Power Company violated 2 U.S.C. § 441b(a) by giving something of value to the campaigns when it facilitated the making of political contributions to these campaigns.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Mr. Cooper Yates
Hemmer & Yates Corporation
422 N. Baylen St.
Pensacola, FL 32501

RE: MUR 3099

Dear Mr. Yates:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you and the Hemmer & Yates Corporation each violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 the Hemmer & Yates Corporation and you. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

In the absence of any additional information which demonstrates that no further action should be taken against Gulf Power Corporation, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the

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General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

LeeAnn Elliott

Lee Ann Elliott
Chairman

Enclosures
Order and Subpoena
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Procedures
Designation of Counsel Form

9204092138

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3099

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Hemmer & Yates Corporation
422 N. Baylen St.
Pensacola, FL 32501

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

9204092139

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th. day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND DOCUMENT REQUESTS

1. Describe the work your company did by contract for Gulf Power Company during 1981-1989.

2. Identify each instance during 1981-89 in which you acted upon orders or suggestions from Gulf Power Company employees to have you or your agents or employees make contributions to or on behalf of any federal candidate committee or other federal political committee. For each such contribution,

a. List the date of the order or suggestion and the name of the Gulf Power employee who gave the order or suggestion.

b. List the amount of the contribution and the recipient committee(s).

c. List the contributor's name.

d. Produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

e. State whether you provided an advance, bonus, payment, or other compensation for the contribution to the contributor. If so, produce all documents relating or in any way pertaining to each such compensation, including bank statements, check registers, correspondence, notes, and all other such documents.

3. Identify each instance in which you presented an invoice to Gulf Power in order to be reimbursed in connection with any payments listed in response to question 2. Provide copies of each such invoice and describe in detail the circumstances and name the Gulf Power employees involved in this reimbursement.

4. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Cooper Yates MUR 3099
Hemmer & Yates Corp.

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Cooper Yates and the Hemmer & Yates Corp. may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person, and prohibits a person from knowingly permitting their name to be used to effect such a contribution. 2 U.S.C. § 441f. In addition, section 441f applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

Cooper Yates is president of the Hemmer & Yates Corp., an advertising firm. Hemmer & Yates is a vendor to Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

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The plea materials list the following contributions by Cooper Yates for which he was reimbursed by Hemmer & Yates:

amount	date	recipient committee
$1000	9-23-83	Askew for President Committee
$500	1-10-84	John Glenn Presidential Committee
$500	8-05-85	Hart for Senate Campaign
$1000	8-13-85	Friends of Bob Graham Committee
$1000	12-04-87	Democratic Executive Committee of Florida[1]

Hemmer & Yates, in turn, billed the expense back to Gulf Power as advertising fees. Hemmer & Yates thus assisted in the making of a contribution in the name of another, and Cooper Yates thus allowed his name to be used to effect a contribution made with Gulf Power funds.

Hemmer & Yates asserts that Gulf Power employees exerted economic pressure on the firm in order to convince them to participate in the contribution scheme. Hemmer & Yates allegedly lost an advertising contract with Gulf Power when agency president Cooper Yates refused to stop working for the campaign of a candidate for the Florida state Senate running against an incumbent supported by Gulf Power. While such pressure may be a mitigating factor, it cannot prevent a finding of reason to believe. Thus, there is reason to believe that Cooper Yates and Hemmer & Yates Corp. violated 2 U.S.C. § 441f.

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1. The criminal information filed with Gulf Power's guilty plea lists this last contribution as for $1000 to the Florida Democratic Party on or about November 4, 1987. There is no such federal committee, but the reports of the Democratic Executive Committee of Florida list a $1000 contribution by Yates on December 4, 1987. The Commission considers the criminal information to in fact refer to the Democratic Executive Committee contribution.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Michael J. Petro, Treasurer
John Glenn Presidential Committee
2715 M St., N.W. Suite 300
Washington, DC 20007

Re: MUR 3099

Dear Mr. Petro:

In the ordinary course of exercising its supervisory responsibilities, the Commission has examined publicly available criminal informations and plea agreements which state that a contribution you received was reimbursed by a corporation. Specifically, you received a $500 contribution from Cooper Yates on January 10, 1984. This contribution allegedly was reimbursed by Gulf Power Corporation. The Commission is providing you with this notice for your information, and does not consider you a respondent in this matter.

If you have not already done so, please refund this contribution to the contributor (Gulf Power Corp.) within 30 days of receipt of this notice. 11 C.F.R. § 103.3(b)(2). Because this notice is being provided as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (800) 424-9530.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9204092146

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Robin Gibson, Treasurer
Friends of Bob Graham Committee
215 South Monroe St., Suite 400
Barnett Bank Building
Tallahassee, FL 32301

Re: MUR 3099

Dear Ms. Gibson:

In the ordinary course of exercising its supervisory responsibilities, the Commission has examined publicly available criminal informations and plea agreements which state that a contribution you received was reimbursed by a corporation. Specifically, you received a $1,000 contribution from Cooper Yates on August 13, 1985. This contribution allegedly was reimbursed by Gulf Power Corporation. The Commission is providing you with this notice for your information, and does not consider you a respondent in this matter.

If you have not already done so, please refund this contribution to the contributor (Gulf Power Corp.) within 30 days of receipt of this notice. 11 C.F.R. § 103.3(b)(2). Because this notice is being provided as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (800) 424-9530.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Monnie J. Yungkans, Treasurer
Democratic Executive Committee of Florida
517 N. Calhoun St., Box 1758
Tallahassee, FL 32302

Re: MUR 3099

Dear Mr. Yungkans:

In the ordinary course of exercising its supervisory responsibilities, the Commission has examined publicly available criminal informations and plea agreements which state that a contribution you received was reimbursed by a corporation. Specifically, you received a $1,000 contribution from Cooper Yates on December 4, 1987. This contribution allegedly was reimbursed by Gulf Power Corporation. The Commission is providing you with this notice for your information, and does not consider you a respondent in this matter.

If you have not already done so, please refund this contribution to the contributor (Gulf Power Corp.) within 30 days of receipt of this notice. 11 C.F.R. § 103.3(b)(2). Because this notice is being provided as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (800) 424-9530.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9204092148

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 16, 1990

Mr. Richard Leonard
Dick Leonard Group II, Inc.
2506 Jetton Street
Tampa, FL 33629

RE: MUR 3099

Dear Mr. Leonard:

On July 31, 1990, the Federal Election Commission found that there is reason to believe that you and the Dick Leonard Group II, Inc. each violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 the Dick Leonard Group II, Inc. and you. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted within 15 days of your receipt of this order and subpoena. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

In the absence of any additional information which demonstrates that no further action should be taken against the Dick Leonard Group II, Inc. and you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R.

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§ 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entered after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the 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 Mark Allen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

9204092150

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Dick Leonard Group II, Inc.
2506 Jetton St.
Tampa, FL 33629

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

9204092151

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 14th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

9204092154

QUESTIONS AND DOCUMENT REQUESTS

1. Describe the work your company did by contract for Gulf Power Company during 1981-1989.

2. Identify each instance during 1981-89 in which you acted upon orders or suggestions from Gulf Power Company employees to have you or your agents or employees make contributions to or on behalf of any federal candidate committee or other federal political committee. For each such contribution,

a. List the date of the order or suggestion and the name of the Gulf Power employee who gave the order or suggestion.

b. List the amount of the contribution and the recipient committee(s).

c. List the contributor's name.

d. Produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

e. State whether you provided an advance, bonus, payment, or other compensation for the contribution to the contributor. If so, produce all documents relating or in any way pertaining to each such compensation, including bank statements, check registers, correspondence, notes, and all other such documents.

3. Identify each instance in which you presented an invoice to Gulf Power in order to be reimbursed in connection with any payments listed in response to question 2. Provide copies of each such invoice and describe in detail the circumstances and name the Gulf Power employees involved in this reimbursement.

4. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

9204092155

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Richard V. Leonard
2506 Jetton St.
Tampa, FL 33629

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

9204092156

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 16th, day of August, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1981 to December 31, 1989.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

9204092159

QUESTIONS AND DOCUMENT REQUESTS

1. List your occupation(s) and employers during the period 1981-1989. To the best of your knowledge, describe any and all contract work done by any of your employers for Gulf Power Company during this period.

2. Identify each federal political contribution and expenditure on behalf of federal political committees you made during the period 1981-1989 by date, amount, and recipient committee. For each contribution,

a. State whether the contribution was made by check or other written instrument. If yes, provide a copy (both sides) of such check or other written instrument.

b. State whether the contribution was made as a result of a written solicitation. If yes, state by whom and when the solicitation was made. Produce the solicitation.

c. State whether the contribution was made in connection with a particular fundraising event. If yes, state when and where the event was held, who sponsored the event, on whose behalf the event was held, and whether you attended.

d. State whether you received an advance, bonus, payment, or other compensation for the contribution from an employer listed in response to question 1.

e. In addition to the documents produced in response to questions 2a and 2b, produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

3. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Dick Leonard MUR 3099
Dick Leonard Group II, Inc.

In the ordinary course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") has discovered that Dick Leonard and the Dick Leonard Group II, Inc. may have violated the Federal Election Campaign Act of 1971, as amended ("the Act").

The Act prohibits the making of a contribution in the name of another person, and prohibits a person from knowingly permitting their name to be used to effect such a contribution. 2 U.S.C. § 441f. In addition, section 441f applies not only to persons who make contributions in the name of another, but also to those who assist in the making of such contributions. See FEC v. Rodriguez, No. 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987)(order denying summary judgment motion); 11 C.F.R. § 110.4(b)(1)(iii).

Dick Leonard is chairman of the Dick Leonard Group II, Inc., an advertising firm. Dick Leonard Group II is a vendor to Gulf Power Company, which pled guilty on October 31, 1989 for funneling corporate funds to a number of state and federal candidates. According to the publicly-available plea materials, Gulf Power Company employees asked outside vendors to make contributions to various candidates deemed to be good for Gulf Power. The vendors or employees of the vendors contributed funds to the candidates and then submitted inflated or false invoices to Gulf Power for reimbursement.

9204092216 1

The plea materials list three contributions by Dick Leonard Group II employees for which they were reimbursed by Dick Leonard Group II: Dick Leonard, Whitney Babcock, and William Bush each contributed $250 to the Askew for U.S. Senate campaign on March 31, 1988. Each was reimbursed by the Dick Leonard Group II which in turn billed the expense back to Gulf Power as advertising fees. The Dick Leonard Group II thus assisted in the making of a contribution in the name of another, and Dick Leonard thus allowed his name to be used to effect a contribution made with Gulf Power funds.

Dick Leonard Group II asserts that Gulf Power employees exerted economic pressure on the firm in order to convince them to participate in the contribution scheme. While such pressure may be a mitigating factor, it cannot prevent a finding of reason to believe. Thus, there is reason to believe that Dick Leonard and Dick Leonard Group II, Inc. violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Dick Leonard
Dick Leonard Group II, Inc.

MUR 3099

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9204092163

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9204092164

OGC7665

BROWN & RINGELSPAUGH
ATTORNEYS AT LAW
A Partnership of Professional Associations
FLORIDA FEDERAL BUILDING
ONE FOURTH STREET NORTH, SUITE 770
ST. PETERSBURG, FLORIDA 33701
TELEPHONE
(813) 821-4456

KEITH A. RINGELSPAUGH, P.A.
MICHAEL B. BROWN, P.A.

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
90 AUG 30 AM 10:06

August 29, 1990

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 AUG 30 PM 2:48

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

Attention: Mark Allen, Esquire

Re: MUR 3099

Dear Mr. Allen:

Enclosed herewith please find the response of my client, William Bush, to the Commission's Subpoena to Produce Documents/Order to Submit Written Answers, together with Mr. Bush's Statement of Designation of Counsel. This letter will further serve to confirm our telephone conversation of August 28, 1990, wherein we discussed my client's desire to cooperate with the Commission in its investigation.

As we discussed, please consider this to be William Bush's formal request to pursue negotiation for pre-probable cause conciliation. I look forward to discussing conciliation with you further at your convenience. In the meantime, please feel free to contact me at any time that I may be of assistance.

Sincerely,

Michael B. Brown

MBB/k
Enclosures
cc: Mr. William Bush
FEDERAL EXPRESS

92040922165

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

RESPONSE OF WILLIAM BUSH TO SUBPOENA TO PRODUCE DOCUMENTS/ORDER TO SUBMIT WRITTEN ANSWERS

COMES NOW, WILLIAM BUSH, and hereby makes this his Response to Subpoena To Produce Documents/Order to Submit Written Answers propounded by the Federal Election Commission upon him on the 14th day of August, 1990 by U.S. Mail and received by him on August 18, 1990. The answers set forth hereafter are in the order presented by the Commission:

1. 1981: Associate Creative Director (writer) of Zemp/Y&R Advertising, St. Petersburg, Florida.

   1981 - 1984: 50% shareholder, officer, and Creative Director (writer) of Dick Leonard Group, St. Petersburg, Florida.

   1984 - 1985: 25% shareholder, officer and Creative Director (writer) of Wood, Cohen, Leonard & Bush, Inc., Tampa, Florida.

   1985 - 1988: Creative Director (writer) employed by The Dick Leonard Group II, Inc., Clearwater, Florida (not a shareholder or officer).

   1989 - present: Creative Director (writer), Bozell, Inc., Tampa, Florida (not an officer; all worldwide employees of company employed in excess of one year own minimal stock).

In addition to the above positions, I have done freelance advertising writing on a part-time basis as an independent contractor. Also, I have contributed a number of articles on music to national publications.

My first employer listed above (Zemp/Y & R Advertising), handled

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the advertising for The Southern Company which is the parent company of Gulf Power, Georgia Power, Alabama Power and Mississippi Power. While I was at the Zemp/Y & R Advertising Agency (which I joined in 1977), I worked on several Southern Company advertising campaigns, but none directly for Gulf Power.

Sometime in 1981 or 1982 (to my best recollection), The Dick Leonard Group became one of several advertising agencies working for Gulf Power Company. I worked on various Gulf Power advertising campaigns while employed by The Dick Leonard Group, the firm of Wood, Cohen, Leonard & Bush, Inc., and The Dick Leonard Group, II, Inc., from which I resigned in late 1988.

2. The only federal contribution I ever remember making was to the Reuben Askew for Senate Campaign in the sum of $250.00 on March 25, 1988.

a. The contribution was made by personal check, a copy being attached hereto as Exhibit "A".

b. The contribution was orally solicited by Dick Leonard (100% shareholder of The Dick Leonard Group II, Inc.) and Whitney Babcock (who was charged with the management of the agency's internal and external business affairs and who held the title of President). This solicitation was made in Whitney Babcock's office at the agency in Clearwater, Florida on or around March 25, 1988.

Dick Leonard & Whitney Babcock stated to me that the agency had been asked by Gulf Power to contribute $3,000.00 to the Askew For Senate Campaign. Leonard & Babcock stated to me that they had rejected the $3,000.00 request, which they considered to be outrageous, unfair, and a financial burden to the Agency. They indicated, however, that they had agreed to make a $750.00 contribution, which they determined would be equally split between Dick Leonard, Whitney Babcock and myself (Bill Bush) as individual contributions. I was told by Dick Leonard and Whitney Babcock that we would all be reimbursed by The Dick Leonard Group II, Inc. for our individual contributions.

I had no knowledge that this contribution would be billed back to Gulf Power as advertising fees as alleged; and, to this day, I still have no such personal knowledge. I did not suggest nor was I even informed of such an action. Such a possibility was never discussed in my presence.

I had no idea that any law might be broken by myself in accepting reimbursement from The Dick Leonard Group II, Inc., for my contribution. Had I not viewed Reubin Askew as a highly qualified candidate for U.S. Senator, or had I perceived that I was in any way breaking the law, I would not have written a check to the Askew For Senate campaign. I viewed the matter as a directive

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from my employer, which I followed.

You have incorrectly identified me as "executive director of The Dick Leonard Group II, Inc." (Federal Election Commission Factual and Legal Analysis MUR 3099). I was not, nor have I ever been, an officer or shareholder of The Dick Leonard Group, II, Inc. I was strictly a salaried employee of this agency which was founded in 1985 by Dick Leonard and owned exclusively by him. Being a non-owner and non-officer, I had no authority to establish management policy, nor to participate in financial decisions involving the agency. My correct title was that of Creative Director and my responsibilities and authority were limited to the creative output of the agency. It was my job to write, direct and oversee the quality of advertisements produced by The Dick Leonard Group II, Inc., for its clients.

c. To my knowledge, this contribution was not made in connection with any particular fundraising event.

d. I handed my personal check for $250.00 to Dick Leonard or Whitney Babcock or Gay McGowan, the treasurer of the agency (I do not remember which) on March 25, 1988.

e. I received a check from The Dick Leonard Group II, Inc., in the amount of $250.00 as reimbursement for my contribution. When Reubin Askew dropped out of the senate race (several weeks or months later - I do not remember exactly when) I received a refund check form the Askew For Senate Campaign in the amount of $80.00 which represented the unused portion of my contribution. To the best of my recollection, I turned this check over to The Dick Leonard Group II, Inc. I have no knowledge of whether my employer (The Dick Leonard Group II, Inc.) was reimbursed by Gulf Power.

f. I am submitting a copy of my personal check to the Askew For Senate campaign, which is attached hereto as Exhibit "A".

3. I have no knowledge of any person or entity, other than the above circumstance, who made a contribution to any federal candidate or political committees.

4. I have no such knowledge.

5. None.

WILLIAM BUSH

9204092168

STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day before me, the undersigned officer, duly authorized to administer oaths and take acknowledgements in and for the State and County named above, personally appeared WILLIAM BUSH, who after being duly sworn, deposes and says that he is the person answering the foregoing Interrogatories, and that to the best of his knowledge and belief, the foregoing Answers are true and correct.

WITNESS my hand and seal in the State and County named above, this 31st day of August, 1990.

Brenda Kay West
Notary Public

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES OCT. 23, 1992
BONDED THROUGH ASHTON AGENCY, INC.

PARCHMENT BOND
SOUTHWORTH CO. U.S.A.
25% COTTON FIBER

9204092221 69

WILLIAM J. BUSH
CATHY A. BUSH
12936 - 74TH AVE, N
SEMINOLE, FL 34646

1839

March 25 1988

PAY TO THE ORDER OF Reuben Askew Campaign $250.00

TWO HUNDRED FIFTY & 00/100 DOLLARS

Barnett Bank
9130 OAKHURST ROAD
SEMINOLE, FLORIDA 34642

PAID

PREMIER

FOR campaign contribution

W. J. Bush

DIC[illegible]

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AP 88 01

SUN BANK N.A.
ORLANDO, FL.
PAY ANY BANK

C19
C19

ON-04-88 INCLEARING 09 220131812

EXHIBIT A

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3099

NAME OF COUNSEL: Michael B. Brown, Esq.

ADDRESS: One Fourth Street North, Suite 770
St. Petersburg, Florida 33701

TELEPHONE: (813) 821-4456

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.

8/23/90
Date

William Bush
Signature

RESPONDENT'S NAME: William Bush

ADDRESS: 12936 74th Avenue North
Seminole, Florida 34646

HOME PHONE: (813) 392-5952

BUSINESS PHONE: (813) 281-0477

9204092271

OGC 7696

RECEIVED
FEDERAL ELECTION COMMISSION

90 AUG 31 AM 11:20

BEGGS & LANE

ATTORNEYS AND COUNSELLORS AT LAW

SEVENTH FLOOR BLOUNT BUILDING
3 WEST GARDEN STREET
PENSACOLA, FLORIDA 32501

POST OFFICE BOX 12950
PENSACOLA, FLORIDA 32576-2950
TELEPHONE (904) 432-2451
TELECOPIER (904) 438-6139

ROBERT P. GAINES
WILLIAM GUY DAVIS, JR.
W. SPENCER MITCHEM
JAMES M. WEBER
ROBERT L. CRONGEYER
JOHN F. WINDHAM
J. NIXON DANIEL, III
G. EDISON HOLLAND, JR.
RALPH A. PETERSON
RONALD L. NELSON
GARY B. LEUCHTMAN
THOMAS R. JENKINS
JOHN P. DANIEL
JEFFREY A. STONE
JAMES S. CAMPBELL
LARRY A. MATTHEWS
TERESA E. LILES
T. RHETT SMITH
CRYSTAL COLLINS

E. DIXIE BEGGS
Retired
BERT H. LANE
1917-1981

August 27, 1990

MUR 3099

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 AUG 31 PM 3:12

Mark Allen, Esq.
Federal Election Commission
Washington, D.C. 20463

Re: Subpoena of Charles Lambert

Dear Mr. Allen:

As attorney for Gulf Power Company and pursuant to our telephone conversation of several days ago, I am returning the subpoena mailed by your office for service on Charles Lambert. As I discussed with you, Mr. Lambert is no longer employed by Gulf Power. His subpoena should be sent to the following address:

932 Hwy. 196
Cantonment, FL 32533

Very truly yours,

G. EDISON HOLLAND
For the Firm

GEH/ec
Enclosure

9204092217 2

OGC 7704

RECEIVED
FEDERAL ELECTION COMMISSION

90 AUG 31 AM 11:41

CLARK, PARTINGTON, HART, LARRY, BOND, STACKHOUSE & STONE

ATTORNEYS AT LAW
SUITE 800, FIRST FLORIDA BANK BLDG.
125 WEST ROMANA STREET
POST OFFICE BOX 13010
PENSACOLA, FLORIDA
32591-3010

ROBERT D. HART, JR.

TELEPHONE (904) 434-9200
TELECOPIER (904) 432-7340

MUR 3099

August 30, 1990

VIA FEDERAL EXPRESS

Mark Allen, Esquire
Office of the General Counsel
FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 AUG 31 PM 3:13

Re: The John Appleyard Agency, Inc.,
Eleanor K. Appleyard,
Richard L. Appleyard,
Carolyn Appleyard, and
Diane Appleyard

9204092173

Dear Mr. Allen:

We represent The John Appleyard Agency, Inc. and the above-named individuals.

Responding to your letter and subpoena of August 16, 1990, received by our clients on August 20, 1990, we are with this letter requesting an extension of time within which to respond to the subpoena for production of documents and written answers to questions.

Our specific good cause for requesting this extension is that the questions posed require extensive research and documentation in order to respond accurately of both lengthy and very old corporate and individual records, including accounting records, checking accounts and similar items. We have already met once with our clients and are attempting to assist them in pulling together necessary information in order that responses will be accurate and responsive to questions posed.

In addition, we believe that the breadth of some of the questions require further discussion with your office in order that an appropriate response on the issues with which you are concerned can best be presented.

I am trying to reach you by phone at the time of dictation of this letter to let you know that this letter will be delivered to your office by Federal Express Friday morning, August 31, 1990.

Yours truly,

ROBERT D. HART, JR.

RDHJr/to

0007707

BEROSET & KEENE
ATTORNEYS AT LAW
417 EAST ZARAGOZA STREET
PENSACOLA, FLORIDA 32501

BARRY W. BEROSET
LAURA E. KEENE

(904) 438-3111
FAX # (904) 432-1919

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
90 AUG 31 PM 2:09

August 29, 1990

Lee Ann Elliott
Chairman
Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

RE: MUR: 3099/Doug Knowles

Dear Ms. Elliott:

My client is in receipt of your letter of August 16, 1990, and that attached Subpoena to Produce Documents and Order to Submit Written Answers along with the Questions and Document Requests.

I can advise you, as his attorney, that Mr. Knowles invokes his Fifth Amendment right to remain silent. These matters are presently being investigated by the United States Attorney's Office for the Northern District of Florida, Pensacola Division. Accordingly, at this time, Mr. Knowles is unable to respond to the Subpoena and relies on his privilege against self-incrimination.

FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 AUG 30 AM 11:25

In regard to the Request for Documents which appears to be Question 1.d., I do not believe that my client has copies of any of the contribution checks. I believe all of these are in the possession of the United States Attorney's Office either in Pensacola or Atlanta.

Sincerely,

BARRY W. BEROSET

BWB/llk

Enclosures: Statement of Designation of Counsel
Response to Subpoena to Produce Documents
and Order to Submit Written Answers

cc: Mr. Douglas C. Knowles

9204092174

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

MUR: 3099

_____/

RESPONSE TO SUBPOENA TO PRODUCE DOCUMENTS
AND ORDER TO SUBMIT WRITTEN ANSWERS

TO: General Counsel
Federal Elections Commission
999 E Street, N.W.
Washington, D.C. 20463

QUESTIONS AND DOCUMENTS REQUEST

1. a. I hereby invoke my Fifth Amendment privilege to remain silent.

b. I hereby invoke my Fifth Amendment privilege to remain silent.

c. I hereby invoke my Fifth Amendment privilege to remain silent.

d. I hereby invoke my Fifth Amendment privilege to remain silent.

2. I consulted only my counsel, BARRY W. BEROSET, Attorney at Law, 417 East Zaragoza Street, Pensacola, Florida 32501, in responding to this Subpoena.

Douglas C. Knowles

DOUGLAS C. KNOWLES

9204092217 5

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by mail to Lee Ann Elliott, Chairman, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463; and Mark Allen, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, this 30 day of August, 1990.

BARRY W. BEROSET
Florida Bar No. 145143
Beroset & Keene
417 East Zaragoza Street
Pensacola, Florida 32501
Phone: (904) 438-3111
Attorney for Douglas C. Knowles

92040922176

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3099

NAME OF COUNSEL: Barry W. Beroset

ADDRESS: Beroset & Keene
417 East Zaragoza Street
Pensacola, Florida 32501

TELEPHONE: (904) 438-3111

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.

8/18/90
Date

Douglas C. Knowles
Signature

RESPONDENT'S NAME: Douglas C. Knowles

ADDRESS: 2000 East Gadsden Street
Pensacola, Florida 32501

HOME PHONE: (904) 433-1625

BUSINESS PHONE: Same

9204092177

06C7743

CLARK, PARTINGTON, HART, LARRY, BOND, STACKHOUSE & STONE
ATTORNEYS AT LAW
SUITE 800, FIRST FLORIDA BANK BLDG.
125 WEST ROMANA STREET
POST OFFICE BOX 13010
PENSACOLA, FLORIDA
32591-3010

ROBERT D. HART, JR.

TELEPHONE (904) 434-9200
TELECOPIER (904) 432-7340

August 31, 1990

VIA FEDERAL EXPRESS

Mark Allen, Esquire
Office of the General Counsel
FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

MUR 3099

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 SEP -5 AM 10: 12

Re: **The John Appleyard Agency, Inc.,**
Eleanor K. Appleyard,
Richard L. Appleyard,
Carolyn Appleyard, and
Diane Appleyard

Dear Mr. Allen:

Confirming our telephone conference of August 31, 1990, you agreed that we would be granted a 20-day extension from September 5, 1990, meaning that we will respond to the questions posed in your earlier correspondence on or before Thursday, September 20, 1990.

Yours truly,

ROBERT D. HART, JR.

RDHJr/to

9204092178

HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
90 SEP -3 AM 10: 25

OGC 7775

RECEIVED
FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

90 SEP -6 PM 2:42

September 5, 1990

HAND DELIVERED

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

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 SEP -6 PM 3:44

Re: MUR 3099

Dear Sir:

This is in response to the Subpoena to Produce Documents and Order to Submit Written Answers in the above matter. Items 1-3 of the Questions and Document Requests are answered as follows:

1. Not available.

2. Check registers are not available. Bank statements are attached.

3. None.

I do hereby swear and affirm that the above answers are true and correct to the best of my knowledge, information and belief.

Ben Kickliter

Ben Kickliter

STATE OF FLORIDA
COUNTY OF Escambia

Before me, the undersigned authority, personally appeared Ben Kickliter who, first being duly sworn, acknowledged that he executed the foregoing for the purposes therein expressed.

Teresa E Giles

Notary Public, State of
Florida at Large
My Comm. Expires: _____

(SEAL)

Notary Public, State Of Florida At Large
My Commission Expires Sept. 23, 1990
Bonded By SAFECO Insurance Company of America

9204092179

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 6, 1990

Robert D. Hart, Esq.
Clark, Partington, Hart, Larry, Bond, Stackhouse & Stone
Suite 800, First Florida Bank Bldg.
125 West Romana Street
Pensacola, Florida 32591-3010

RE: MUR 3099
The John Appleyard Agency
Carolyn Appleyard
Diane Appleyard
Eleanor Appleyard
Richard Appleyard

Dear Mr. Hart:

This is in response to your letter dated August 30, 1990, which we received on August 31, 1990, requesting an extension of 20 days to respond to the Commission's Notification letter. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on September 20, 1990.

If you have any questions, please contact Mark Allen, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Jonathan Bernstein

BY: Jonathan Bernstein
Assistant General Counsel

9204092180

OGC 7769

TROUTMAN, SANDERS, LOCKERMAN & ASHMORE
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
ATTORNEYS AT LAW
CANDLER BUILDING, SUITE 1400
127 PEACHTREE STREET, N.E.
ATLANTA, GEORGIA 30303-1810
404/658-8000
CABLE: MAESTRO
TELECOPIER: 404-221-0469

ROBERT H. FORRY, P. C.

WRITER'S DIRECT DIAL NUMBER
404-658-8042

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 SEP -6 AM 11:21

September 6, 1990

VIA HAND DELIVERY

Mark Allen, Esquire
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

Re: MUR 3099

Dear Mr. Allen:

On August 24, 1990, the President of Georgia Power Company received the letter from the Commission's General Counsel, dated August 16, 1990, transmitting a Subpoena to Produce Documents and Order to Submit Written Answers (the "Subpoena").

As discussed in your telephone conversation with Ed Holland, Georgia Power will require additional time to respond to the Subpoena as drafted. In that regard, please consider this letter a formal request for an extension of time in which Georgia Power may respond to the Subpoena.

I look forward to discussing this matter with you at our meeting on September 6, 1990.

Yours very truly,

Robert H. Forry

RHF/dwc

cc: Lawrence M. Noble
General Counsel

Lois G. Lerner
Associate General Counsel

9204092181

OGC 7817

MUR 3399

Battaglia, Ross, Hastings and Dicus

A Professional Association

Attorneys at Law

Anthony S. Battaglia
Howard P. Ross*
Michael L. Hastings**
Aubrey O. Dicus, Jr.
Stephen J. Wein
Murray B. Silverstein
Kelli Hanley Crabb
Donald J. Schutz
Joel B. Giles

Brian P. Battaglia
Randall C. Callahan
Louise O. Young
Alan M. Gross
Margie S. Fraley
Bruce G. Howie***
H. Richard Benchimol
Nicholas F. Lang
Alicen McLane
Susan S. Parker****

First Union Building
980 Tyrone Boulevard
St. Petersburg, Florida 33710

Post Office Box 41100
St. Petersburg, Florida 33743

Telephone
(813) 381-2300
Tampa
(813) 228-0616
Telecopier
(813) 343-4059

*Board Certified Civil Trial Lawyer
**Board Certified Marital and Family Lawyer
***Board Certified Criminal Trial Lawyer
****Member Only West Virginia and Pennsylvania Bar

September 5, 1990

Mark Allen, Esquire
Federal Election Commission
999 E. Street, N.W.
Washington, DC 20463

RE: Richard Leonard; The Dick Leonard Group II, Inc.
and Whitney Babcock

Dear Mr. Allen:

This will confirm our telephone conversation of Friday, August 31, 1990. As I indicated, the undersigned law firm has been recently retained to represent Richard Leonard, The Dick Leonard Group II, Inc., and Whitney Babcock. Because these individuals have recently moved, your packages did not reach them until recently and they have forwarded them to me. However, as I explained, Mr. Babcock is out of state and because of the logistics, I have not yet had the authorization of counsel signed by all my clients.

In order to respond as promptly as possible to your inquiry, please consider this a formal request for an extension of time within which to respond to your Request for Production and Interrogatories. As I indicated, I will promptly have the authorization for representation signed by the clients and will forward same to you to confirm our representation. However, as I said, I just wanted to take this opportunity to make sure that you are aware that we are representing the individuals and company involved and to request an extension. Please confirm to me whether the extension will be granted.

Very truly yours,

BATTAGLIA, ROSS, HASTINGS
AND DICUS
A PROFESSIONAL ASSOCIATION

Kelli Hanley Crabb

KELLI HANLEY CRABB

KHC/mmm

90 SEP 10 PM 12:22
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

90 SEP 10 AM 10:23

9204092218 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 11, 1990

Robert H. Forry, Esq.
Troutman, Sanders, Lockerman & Ashmore
Candler Building, Suite 1400
127 Peachtree Street, N.E.
Atlanta, GA 30303-1810

RE: MUR 3099
Georgia Power Company

Dear Mr. Forry:

This is in response to your letter dated September 6, 1990, which we received that day, requesting an extension of three weeks to respond to the Commission's Notification letter. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on September 27, 1990.

If you have any questions, please contact Mark Allen, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9204092221 83

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 11, 1990

G. Edison Holland, Esq.
Beggs & Lane
700 Brent Building
Post Office Box 12950
Pensacola, Florida 32576

RE: MUR 3099
Gulf Power Company

Dear Mr. Holland:

This is in response to your letter dated September 4, 1990, which we received on September 5, 1990, requesting an extension of time to respond to the Commission's Subpoena and Order. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on September 27, 1990.

This letter also confirms the discussion in your meeting with Jonathan Bernstein and Mark Allen of this Office on September 6, 1990 regarding the response to the Commission's Subpoena and Order. Pursuant to that discussion, Gulf Power may limit its response to document request number eight to documents regarding campaign contribution activity.

Regarding document request number two, you stated that Gulf Power does not know in some cases which invoices correspond to which campaign contribution reimbursements. Therefore, you will provide the invoices known to correspond to contribution reimbursements, and for those reimbursements as to which no specific invoices have been identified, you will provide invoices from the dates surrounding the dates of the contribution. This Office will examine the invoices provided and will contact you regarding additional invoices to be provided.

9204092284

I understand that your client's September 27th submission may not include complete responses to the Commission's interrogatories, and agree that upon receipt of that submission, you will consult with my staff regarding your client's efforts at replying fully to these questions.

If you have any questions, please contact Mark Allen, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

92040922185

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 12, 1990

Kelli Hanley Crabb, Esquire
Battaglia, Ross, Hastings and Dicus
First Union Building
980 Tyrone Boulevard
St. Petersburg, Florida 33710

RE: MUR 3099
Richard Leonard; The
Dick Leonard Group II,
Inc. and Whitney Babcock

Dear Ms. Crabb:

This is in response to your letter dated September 5, 1990, which we received on September 10, 1990, requesting an extension of time to respond to the Commission's Subpoenas and Orders addressed to your clients. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on September 24, 1990. In addition, we expect to receive written designations of you as counsel signed by your clients.

If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Jonathan Bernstein

BY: Jonathan A. Bernstein
Assistant General Counsel

9204092221886

SEE
FOLDER
#2

9204092221187

OGC 7857

RECEIVED
FEDERAL ELECTION COMMISSION

COOPER YATES
120 Church Street
Pensacola, Florida 32501

90 SEP 13 PM 1:27

HAND DELIVERED

September 12, 1990

Honorable Mark Allen, Esquire
Office of the General Counsel
Federal Election Commission
999 E Street, NW
Washington. D.C. 20463

Via Federal Express

Re: MUR 3099

90 SEP 13 PM 4:49
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

9204092188

Dear Mr. Allen:

Enclosed herewith please find an original and three copies of each of the following documents:

1) Respondent's Response to the Subpeona to Produce Documents and Order to Submit Written Answers; and,

2) My affidavit given in response to your Factual and Legal Analysis that was enclosed with the subpeona.

Should you require further information, or wish to see the original instruments, please contact me. As noted on Exhibit 1 to my affidavit, the Internal Revenue Service lost the original instrument payable to the Florida Democratic Party. Further, the dates recited in your factual and legal analysis as dates the contributions were made are incorrect. My submissions reflect the actual dates that the referenced contributions were made.

Very truly yours,

Cooper Yates

COOPER YATES

CY/dl

Enclosures

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR:3099
)

State of Florida)
) ss.
County of Escambia)

AFFIDAVIT OF COOPER YATES

COMES the affiant, Cooper Yates, after first being duly sworn on oath to depose and state:

1. Hemmer & Yates Corporation was paid a monthly retainer for marketing, advertising and public relations work by Gulf Power Company, and was a vendor to Gulf Power.

2. I was the president and creative director of Hemmer and Yates, Corporation; an advertising agency located in Pensacola, Florida.

3. I was asked by Gulf Power Company employees, from time to time, to make contributions to political candidates, but I contributed to some and not to others; the final choice being my own.

4. The following contributions were made by me after due consideration: a $1000 contribution on 9/8/83 to Ruebin Askew Campaign, a $500 contribution on 11/28/83 to John Glenn Presidential Committee, a $500 contribution on 7/15/85 to the Hart Re-Election Campaign, a $1000 contribution on

9204092221 89

7/24/85 to the Friends of Bob Graham Committee, and a $1000 contribution on 11/4/87 to the Florida Democratic Party.

5. For each of the contributions noted above, I drew a shareholder's advance from Hemmer & Yates, Corporation, which was properly reported at fiscal year's end to the Internal Revenue Service.

6. Neither Hemmer and Yates, Corporation, nor Cooper Yates ever issued a false invoice, statement or billing to, Gulf Power Company for advertising services, or services of any other kind that was rendered as reimbursement for these contributions.

7. While my consent to make the requested contributions may have enhanced the continuation of my business potential with Gulf Power Company, I certainly did not "act as a funnel" for Gulf Power Company's corporate funds directed towards the campaigns listed above.

8. I have never made political contributions to any federal, state or local candidate unless I am asked by someone I consider a friend to do so. Further, I would never knowingly violate any contributions law to make political contributions to anyone.

9. My vendor relationship with Gulf Power was terminated by them after I refused to stop supporting a candidate for Florida State Senate that I personally believed to be better qualified for the Senate than the then encumbant candidate who Gulf Power Company was supporting and wanted me to support. All of which is in keeping with the averments

9204092219O

of paragraph 3, above.

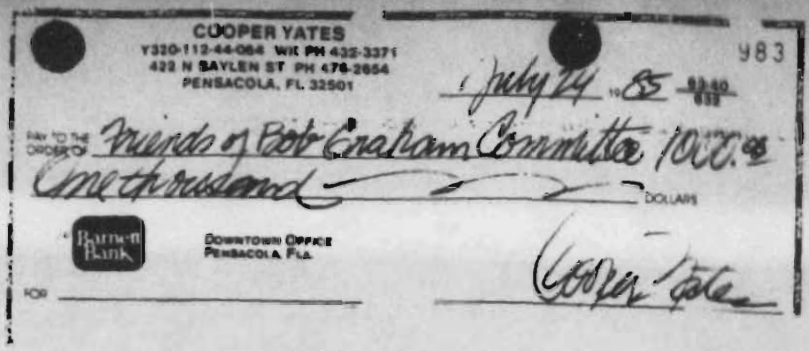
COOPER YATES

Subscribed and sworn to before me this 12 day of September, 1990.

Notary Public

My commission expires on: 1-9-93

9204092219 1



COOPER YATES
Y320-112-44-064 WK PH 432-3371
422 N BAYLEN ST PH 476-2654
PENSACOLA, FL 32501

983

July 24 19 85 63-40/632

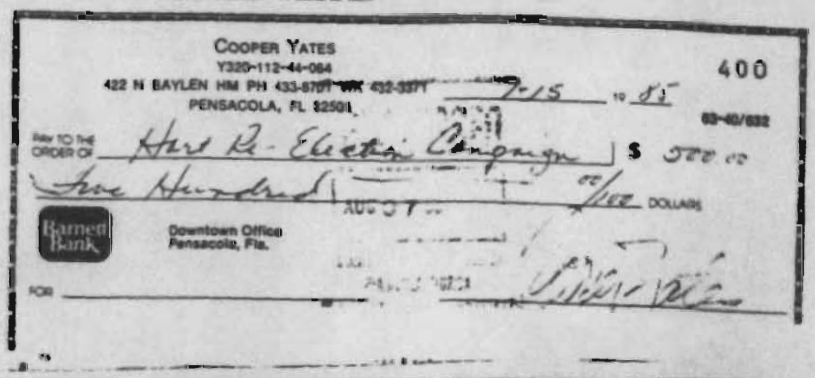
PAY TO THE ORDER OF Friends of Bob Graham Committee $ 1000.00

One thousand DOLLARS

Barnett Bank — Downtown Office Pensacola, Fla.

FOR _____

Cooper Yates



COOPER YATES
Y320-112-44-064
422 N BAYLEN HM PH 433-8701 WK 432-3371
PENSACOLA, FL 32501

400

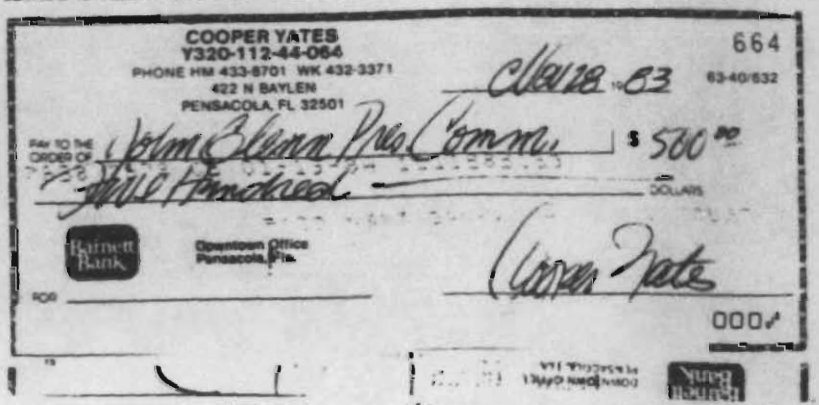
7-15 19 85 63-40/632

PAY TO THE ORDER OF Hart Re-Election Campaign $ 500.00

Five Hundred DOLLARS

Barnett Bank — Downtown Office Pensacola, Fla.

FOR _____



COOPER YATES
Y320-112-44-064
PHONE HM 433-8701 WK 432-3371
422 N BAYLEN
PENSACOLA, FL 32501

664

Oct 28 19 83 63-40/632

PAY TO THE ORDER OF John Eleanor Pres Comm $ 500.00

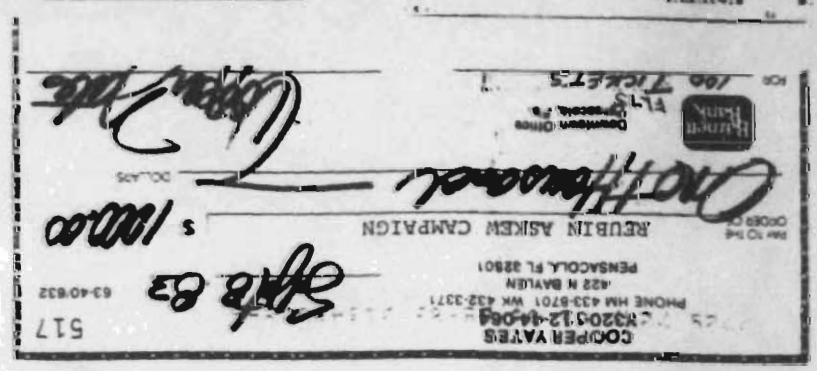
Five Hundred DOLLARS

Barnett Bank — Downtown Office Pensacola, Fla.

FOR _____

Cooper Yates

000



Barnett Bank — Downtown Office Pensacola, Fla.

FOR 100 TICKETS

Cooper Yates

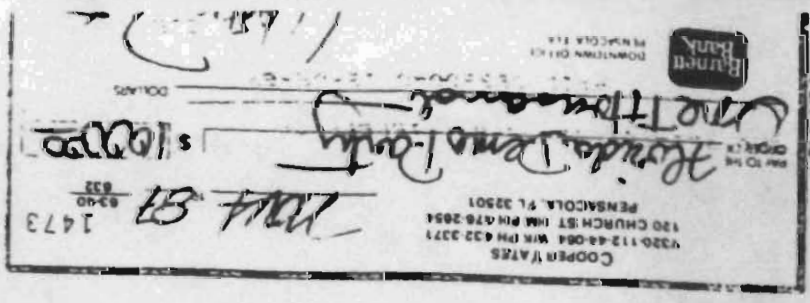
PAY TO THE ORDER OF RUBIN ASKEW CAMPAIGN $ 100.00

One Hundred DOLLARS

COOPER YATES
Y320-112-44-064
PHONE HM 433-8701 WK 432-3371
422 N BAYLEN
PENSACOLA, FL 32501

Sept 83 63-40/632

517



Barnett Bank — Downtown Office Pensacola, Fla.

PAY TO THE ORDER OF Florida Democratic Party $ 1000.00

One Thousand DOLLARS

FOR _____

COOPER YATES
Y320-112-44-064 WK PH 432-3371
130 CHURCH ST HM PH 476-2654
PENSACOLA, FL 32501

June 83 63-40/632

1473

← Cooper Yates
IRS
Form 1040
Tax Return

9220409221992

9204092221993

Friends of Bob Graham
For deposit only

UNITED BANK OF DENVER CO

Deposit Only To Account
United Bank of Denver, N.A.
HART FOR SENATE
738 263

For Deposit Only

PAY ANY BANK
JACKSONVILLE

PAY ANY BANK

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR:3099
)

RESPONDENT'S RESPONSE TO
SUBPEONA TO PRODUCE DOCUMENTS AND
ORDER TO SUBMIT WRITTEN ANSWERS

1. List your occupations and employers during the period 1981-1989. To the best of your knowledge, describe any and all contract work done by any of your employers for Gulf Power Company during this period.

Response: During the period of time referenced in the request, I was the creative director and President of Hemmer and Yates Corporation, an advertising agency in Pensacola, Florida. The agency provided marketing, advertising and public relations to Gulf Power Company, primarily in connection with its Good Cents Home Energy Program, until 1988.

2. Identify each federal political contribution and expenditure on behalf of federal political committees you made during the period 1981-1989 by date, amount, and recipient committee. For each contribution,

a. State whether the contribution was made by check or other written instrument. If yes, provide a copy (both sides) of such check or other written instrument.

b. State whether the contribution was made as a result of a written solicitation. If yes, state by whom and when the solicitation was made. Produce the solicitation.

c. State whether the contribution was made in connection with a particular fundraising event. If yes, state when and where the event was held, who sponsored the event, and whether you attended.

d. State whether you received an advance, bonus, payment or other compensation for the contribution from an employer listed in response to question 1.

e. In addition to the documents produced in response to questions 2a and 2b, produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

9204092219 4

Response:

A. Ruebin Askew Campaign, made 9/8/83 for $1000.

a. Contribution was made by check.
b. No.
c. Apparently since the instrument bears the notation "100 tickets" but I do not know what event and I did not attend.
d. Yes, shareholder's advance in an amount equal to the contribution.
e. Attached as Exhibits (1-2)

B. John Glenn Presidential Committee, made 11/28/83 for $500.

a. Contribution was made by check.
b. No.
c. Not to my knowledge, but if so, I did not attend.
d. Yes, shareholder's advance in an amount equal to the contribution.
e. Attached as Exhibits (1-2)

C. Hart Re-Election Campaign, made 7/15/85 for $500.

a. Contribution was made by check.
b. No.
c. Not to my knowledge, but if so, I did not attend.
d. Yes, shareholder's advance in an amount equal to the contribution.
e. Attached as Exhibits (1-2)

D. Friends of Bob Graham Committee, made 7/24/85 for $1000.

a. Contribution was made by check.
b. No.
c. Not to my knowledge, but if so, I did not attend.
d. Yes, shareholder's advance in an amount equal to the contribution.
e. Attached as Exhibits (1-2)

E. Florida Democratic Party, made 11/4/87 for $1000.

a. Contribution was made by check.
b. No.
c. Not to my knowledge, but if so, I did not attend.
d. Yes, shareholder's advance in an amount equal to the contribution.
e. Attached as Exhibits (1-2)

3. Identify any person other than consul who was consulted

9204092221995

or assisted in the preparation of answers to these questions.

Response: None.

I, Cooper Yates, hereby certify that my responses contained herein are true and correct to the best of my knowledge, information and belief.

Cooper Yates

9204092219 96

OGC 7075
cc

FRED SUTTLES, JR.
9015 HIGHWAY 98 WEST
PENSACOLA, FLORIDA 32506
Phone No. (904)455-2238

90 SEP 17 AM 11:00

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 SEP 17 PM 12:32

September 11, 1990

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

In the Matter of)
)
) MUR: 3099
)

Dear General Cousel:

Pursuant to the Subpoena that I received from your office, I am invoking my rights to remain silent under the Fifth Amendment to the United States Constitution.

You may refer any and all further correspondence to my legal counsel, Ronald Johnson, Attorney at Law, 438 East Government Street, Pensacola, Florida 32501.

In addition, I would like to bring to your attention that you have an incorrect address for me. Please see above for the correct address and telephone number.

Respectfully submitted,

Fred Suttles, Jr.

FS/ir

cc: Ronald Johnson
Attorney at Law

9204092197

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Fred Suttles, Jr.
P.O. Box 18703
Pensacola, FL 32523

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

9204092198

Gulf Power Company
500 Bayfront Parkway
Post Office Box 1151
Pensacola FL 32520-1151
Telephone 904 444-6381

MUR 3099

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

90 SEP 17 PM 2:25

Douglas L. McCrary
President

the southern electric system

September 11, 1990

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

90 SEP 17 PM 4:15

Ms. Lee Ann Elliott
Chairman
Federal Election Commission
Washington, D. C. 20463

Dear Chairman Elliott:

Re: MUR 3099

Gulf Power Company is designating Mr. G. Edison Holland, Jr., of Beggs & Lane as its counsel. If you have any questions, please contact Mr. Holland.

Sincerely,

D. L. McCrary

Enclosure

cc: Mr. G. Edison Holland, Jr.

9204092199

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3099

NAME OF COUNSEL: Mr. G. Edison Holland, Jr.

ADDRESS: Beggs & Lane
P. O. Box 12950
Pensacola FL 32576

TELEPHONE: (904)432-2451

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.

September 11, 1990
Date

D. L. McCrary
Signature

RESPONDENT'S NAME: Douglas L. McCrary

ADDRESS: Gulf Power Company
P. O. Box 1151
Pensacola FL 32520-1151

HOME PHONE: (904)433-7210

BUSINESS PHONE: (904)444-6381

9204092222200

STEVEN W. LUDWICK
ATTORNEY AT LAW
275 LINCOLN PIEDMONT BUILDING
3405 PIEDMONT ROAD, N.E.
ATLANTA, GEORGIA 30305-1741

(404) 237-7977

September 17, 1990

VIA TELECOPIER: (202) 376-5280

Mark Allen, Attorney
Federal Elections Commission
999 E Street, NW
Washington, D.C. 20463

Re: MUR 3099

Dear Mr. Allen:

As counsel for Charles A. Lambert, a subject in the referenced matter, it is requested that Mr. Lambert be given an extension of twenty (20) days to respond to the subpoena which was received by him on September 7.

This extension is necessary to enable Mr. Lambert and myself to confer and I have been unavailable due to my Naval Reserve Annual Training at Naval Submarine Base, King's Bay, Georgia, which commenced on September 10. I will not return to my office until September 21. Additionally, Mr. Lambert resides in Florida while I practice in Georgia, and communications between us takes more time because of the distance involved.

Mr. Lambert is forwarding to you a "Statement of Designation of Counsel" authorizing me to represent him in this matter.

Please advise me of your decision on the request for extension as soon as you can by calling me at the naval base at (912) 673-4732.

Thank you for your courtesy in this matter.

Sincerely,

Steven W. Ludwick
by Susan Leatherman,
Secretary

SWL:sl

9204092201

00C7904

TROUTMAN, SANDERS, LOCKERMAN & ASHMORE
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
ATTORNEYS AT LAW
CANDLER BUILDING, SUITE 1400
127 PEACHTREE STREET, N.E.
ATLANTA, GEORGIA 30303-1810
404/658-8000
CABLE: MAESTRO
TELECOPIER: 404-221-0469

ROBERT H. FORRY, P. C.

WRITER'S DIRECT DIAL NUMBER
404-658-8042

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
90 SEP 18 AM 9:33

September 14, 1990

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 SEP 18 PM 12:34

Mark Allen, Esquire
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

Re: MUR 3099

Dear Mr. Allen:

We appreciated the opportunity to meet with you and Mr. Bernstien last week. This will confirm that you have extended for three weeks the deadline for responding to the subpoena for documents addressed to Georgia Power Company in the captioned matter. You also have postponed until a later date a response to the questions Georgia Power has been ordered to answer.

We understand that you have not withdrawn any portion of the subpoena or order, but have merely granted our request to prioritize and phase our response.

As you requested, I am enclosing a Statement of Designation of Counsel, executed by an appropriate officer of Georgia Power Company.

Yours very truly,

Bob Forry

Robert H. Forry

RHF/dwc

9204092222202

Statement of Designation of Counsel

MUR 3099

Name of Counsel: Robert H. Forry
Troutman, Sanders, Lockerman & Ashmore
1400 Candler Building
Atlanta, Georgia 30303-1810
Telephone: 404/658-8042

The above-named individual is hereby designated as counsel for Georgia Power Company and is authorized to receive any notifications and other communications from the Commission and to act on Georgia Power Company's behalf before the Commission.

9/12/90
Date

Dwight H. Evans
Executive Vice President

Witness's Name: Georgia Power Company
Address: 333 Piedmont Avenue, N.E.
Atlanta, Georgia 30308
Business Phone: 404/526-6526

9204092220 3

OGC 7920

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

90 SEP 20 PM 12:06

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3099

NAME OF COUNSEL: Steven W. Ludwick

ADDRESS: 275 Lincoln Piedmont Building
1405 Piedmont Rd., NW
Atlanta, Ga. 30305-1741

TELEPHONE: (404) 237-7977

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 SEP 20 PM 3:54

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.

Sept. 13, 1990
Date

Charles A. Lambert
Signature

RESPONDENT'S NAME: CHARLES A. LAMBERT

ADDRESS: 932 Hwy 196
Cantonment, FL 32533

HOME PHONE: (904) 587-5300

BUSINESS PHONE: SAME AS ABOVE

9204092222204

CLARK, PARTINGTON, HART, LARRY, BOND, STACKHOUSE & STONE
ATTORNEYS AT LAW
SUITE 800, FIRST FLORIDA BANK BLDG.
125 WEST ROMANA STREET
POST OFFICE BOX 13010
PENSACOLA, FLORIDA
32591-3010

ROBERT D. HART, JR.

TELEPHONE (904) 434-9200
TELECOPIER (904) 432-7340

MUR 3099

September 20, 1990

VIA FEDERAL EXPRESS

Mark Allen, Esquire
Office of the General Counsel
FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
90 SEP 21 AM 10:35

Re: **The John Appleyard Agency, Inc.,**
Eleanor Appleyard,
Richard L. Appleyard,
Carolyn Appleyard, and
Diane Appleyard

Dear Mr. Allen:

Enclosed are responses to questions posed in your recent correspondence to the above-named corporation and individuals.

Completed forms signed by our clients indicating our representation and directing you to forward all future correspondence to our office in connection with this matter will be forwarded to you under separate cover.

Yours truly,

ROBERT D. HART, JR.

RDHJr/to
Encl.

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 SEP 21 AM 11:54

9204092205

STATE OF FLORIDA

COUNTY OF ESCAMBIA

WRITTEN ANSWERS TO QUESTIONS FROM THE FEDERAL ELECTION COMMISSION

The undersigned, THE JOHN APPLEYARD AGENCY, INC., by its Chairman and Chief Executive Officer, responds to questions posed by the Federal Election Commission in the order in which the questions were set forth in documents submitted by the Federal Election Commission:

1. During the period 1981 through 1989, The John Appleyard Agency, Inc. (the "Agency") acted as an advertising agency and public relations consultant to Gulf Power Company. The Agency had assisted in the development of a nationally recognized energy conservation program for Gulf Power, and continued in its advertising and public relations role in targeted marketing for Gulf Power in contacts with architects, builders, general contractors, energy specialty contractors and others. The Agency played a significant role in developing, planning and executing all of these programs, producing many forms of printed materials and manuals. The Agency and its representatives also conducted many training/information meetings for both Gulf Power staff and its customers. The underlying purpose of the advertising and public relations services were to promote energy conservation and develop a better understanding of electricity as an energy resource.

2. At no time during the period 1981 through 1989, did the Agency or any of its employees act upon orders from Gulf Power Company employees to have the Agency or its employees contribute to or on behalf of any federal

9204092206

candidate committee or other federal political committee. In two federal campaigns, Gulf Power employees suggested, as one of several people throughout the Pensacola community making such suggestion, that contributions be made to federal political candidates. The candidates to whom such campaign contributions were made were Reubin Askew and Bill Gunter.

In March of 1988, employees of the Agency attended a fund raiser for Governor Askew, who was then engaged in a campaign for the United States Sentate. Employees of Gulf Power participated in the fund raiser. While an employee of Gulf Power may have made a suggestion for a contribution, any such suggestion would have been unnecessary. Employees of the Agency have been lifelong friends of Governor Askew, attended the same church with him for the last 25 years, and have been regular and substantial supporters of Governor Askew in all of his political campaigns, beginning with his campaign for the Senate of the State of Florida in the early 1960's. Employees of the Agency contemplated a contribution, and would have contributed to the campaign of Governor Askew for United States Senate regardless of any suggestion by any Gulf Power employee or any other person involved with Governor Askew's Senate campaign. Contributions were made to the Askew for U.S. Senate Campaign by the following employees in the following amounts: Carolyn Appleyard $1,000 (an infrequent part-time employee of the Agency and the wife of Richard Appleyard, President of the Agency); Diane Appleyard - $250; and Eleanor Appleyard $250.

In June of 1988, Richard Appleyard, President of the Agency, participated in a fund raiser for Bill Gunter. Gulf Power employees also participated

9204092207

in this fund raiser. No order was given by any employee of Gulf Power for any Agency employee to make a contribution. A "suggestion" may have been made, but such contribution was made by employees of the Agency freely and voluntarily in amounts determined by employees of the Agency. Employees of the Agency contributing to the campaign and the amounts contributed are as follows: Carolyn Appleyard - $500; Diane Appleyard - $500; Eleanor Appleyard - $1,000; and Richard Appleyard - $1,000. The Agency did not provide payment for the contribution. The contributions were made from the personal funds of the employees. The Agency did pay bonuses to Richard Appleyard and Diane Appleyard. The bonuses were not compensation for the contribution, but compensation to which the employees were entitled.

3. No invoice was ever presented to Gulf Power to be reimbursed for any contribution described in response to Question 2.

4. No person, other than counsel to the Agency, has been consulted or assisted in preparation of answers to these questions.

THE JOHN APPLEYARD AGENCY, INC.

By: _____
JOHN APPLEYARD,
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

BEFORE ME, a notary public, in and for said State and County, personally appeared JOHN APPLEYARD, known to me and known to me to be the Chairman and Chief Executive Officer of THE JOHN APPLEYARD AGENCY, INC., who, after being duly sworn, says on oath that the foregoing answers to questions posed by the Federal Election Commission are true and correct.

9204092208

DATED this 19th day of September, 1990.

NOTARY PUBLIC, STATE OF FLORIDA

My Commission Expires: 12-15-93

[NOTARIAL SEAL]



9220409222209

STATE OF FLORIDA

COUNTY OF ESCAMBIA

WRITTEN ANSWERS TO QUESTIONS FROM THE FEDERAL ELECTION COMMISSION

The undersigned, RICHARD L. APPLEYARD, responds to questions posed by the Federal Election Commission in the order in which the questions were set forth in documents submitted by the Federal Election Commission. I served as President of The John Appleyard Agency, Inc. (the "Agency") for the period 1981-1989:

1. A description of the work done by the Agency is contained in the answer to Question 1 of the response of the Agency filed with this response.

2. To the best of my knowledge, federal political contributions made by me during the period 1981 through 1989 were as follows:

> June 18, 1988 - $1,000, Bill Gunter for Senate (copy of check attached). The contribution was made in connection with a fund raiser in which I participated. One of the people soliciting the contribution was Paul Bowers, an employee of Gulf Power Company. I delivered the contribution to Paul Bowers at the fund raiser.

No special payment was received from the Agency for the contribution. The contribution was made with my personal funds and the Agency was not involved. Later, I was paid a bonus from the Agency, to which I was fully entitled without regard to the contribution, to cover my personal expenditure. The bonus was not compensation for my contribution, but compensation earned by me and to which I was entitled.

9204092210

3. I am advised by counsel that it is not necessary for me to respond to Question 3 at this time.

4. In light of my responses to Question 2, I do not believe Question 4 is applicable.

5. No one other than counsel has consulted with me or assisted me in preparation of answers to these questions.

RICHARD L. APPLEYARD

BEFORE ME, a notary public, in and for said State and County, personally appeared RICHARD L. APPLEYARD, who, after being duly sworn, says on oath that the foregoing answers to questions posed by the Federal Election Commission are true and correct.

DATED this 20th day of September, 1990.

TERRY E. O'ROURKE NOTARY PUBLIC STATE OF FLORIDA

[NOTARIAL SEAL]

NOTARY PUBLIC, STATE OF FLORIDA

My Commission Expires: 1-31-94

9204092211

9204092222112

RICHARD L. APPLEYARD
OR CAROLYN P. APPLEYARD
PH 904 438-8848
2250 MCCUTCHEN PLACE
PENSACOLA, FL 32503

6-18 19 88 318

PAY TO THE ORDER OF Bill Gunter for Senate $ 1000.00

One Thousand Dollars and no cents DOLLARS

Barnett Bank
100 WEST GARDEN STREET
PENSACOLA, FLORIDA 32501

PAID 06320040 06-29-88

MEMO

Richard L Appleyard

JUN 88 28
FIRST FLORIDA BANK, N.A.
TAMPA, FLORIDA

PAY ANY BANK FEG FRB JAX
FRB JACKSONVILLE 063000019

Pay To The Order Of
FIRST FLORIDA BANK, N.A.
For Deposit Only
GUNTER FOR U.S. SENATE
6110202

06-29-88 INCLEARING 02 021131034

103382700

STATE OF FLORIDA

COUNTY OF ESCAMBIA

WRITTEN ANSWERS TO QUESTIONS FROM THE FEDERAL ELECTION COMMISSION

The undersigned, DIANE APPLEYARD, responds to questions posed by the Federal Election Commission in the order in which the questions were set forth in documents submitted by the Federal Election Commission. I was employed as Operations Vice President for Hess Broadcasting from 1981-1984, and as Program Director for Capital Cities for 1984 and 1985. From 1985 to date, I have served as Vice President of The John Appleyard Agency, Inc.(the "Agency"):

1. A description of the work done by the Agency is contained in the answer to Question 1 of the response of the Agency filed with this response.

2. To the best of my knowledge, federal political contributions made by me during the period 1981 through 1989 were as follows:

(a) March 22, 1988 - $250, Askew for Senate (copy of check attached). A solicitation was made by invitation to a fund raiser. The contribution was based on a long-standing relationship of the Appleyard family with Reuben Askew.

(b) June 17, 1988 - $500, Bill Gunter for Senate (copy of check attached). This was in response from a solicitation from my brother, Richard Appleyard, President of the Agency, made at the time of a fund raiser in which he participated.

9204092213

No special payment was received from the Agency for any contributions. The contributions were made with my personal funds and the Agency was not involved. Later, I was paid a bonus from the Agency, to which I was fully entitled without regard to the contributions, to cover my personal expenditures. The bonus was not compensation for my contributions, but compensation earned by me and to which I was entitled.

3. No one other than counsel has consulted with me or assisted me in preparation of answers to these questions.

DIANE APPLEYARD

BEFORE ME, a notary public, in and for said State and County, personally appeared DIANE APPLEYARD, who, after being duly sworn, says on oath that the foregoing answers to questions posed by the Federal Election Commission are true and correct.

DATED this 20th day of September, 1990.

NOTARY PUBLIC, STATE OF FLORIDA

[NOTARIAL SEAL]

My Commission Expires: 12-15-93

9204092221 4

0904

DIANE APPLEYARD
5270 FLAX RD 477-4842
PENSACOLA, FL 32504

3/22 19 88 63-1012 632

Pay to the Order of Gaines for Senate $ 20 00/100

Two hundred fifty and 00/100 Dollars

first STATE BANK OF PENSACOLA
PENSACOLA, FLORIDA 32501

For _____ Diane Appleyard

⑆ ⑆

9220409222215

0992

DIANE APPLEYARD
5270 FLAX RD., 477-4842
PENSACOLA, FL 32504

6/17 19 88 001 63-1012 632

PAY TO THE ORDER OF Bill Gunter for Senate $ 500/00

Five hundred and 00/100 DOLLARS

FIRST UNION First Union National Bank of Florida Pensacola, Florida 32501

FOR _____ Diane Appleyard

⑆ ⑆

9220409222216

Pay To The Order Of
FIRST FLORIDA BANK, N.A.
For Deposit Only
GUNTER FOR U.S. SENATE
611020264

06310066

JUN 88

0000 000 MN 063210125

Apr 88 10

1654542

STATE OF FLORIDA

COUNTY OF ESCAMBIA

WRITTEN ANSWERS TO QUESTIONS FROM THE FEDERAL ELECTION COMMISSION

The undersigned, ELEANOR APPLEYARD, responds to questions posed by the Federal Election Commission in the order in which the questions were set forth in documents submitted by the Federal Election Commission:

1. A description of the work done by The John Appleyard Agency, Inc. (the "Agency") is contained in the answer to Question 1 of the response of the Agency filed with this response.

2. To the best of my knowledge, federal political contributions made by me during the period 1981 through 1989 were as follows:

(a) August 12, 1982 - $25.00, Earl Hutto Campaign for Congress (copy of check attached). I do not recall the form of solicitation.

(b) May 1, 1984 - $25.00, Earl Hutto Campaign for Congress (copy of check attached). I do not recall the form of solicitation.

(c) April 1, 1986 - $200.00, Earl Hutto Campaign for Congress (copy of check attached). I do not recall the form of solicitation, but believe it was in connection with a breakfast fund raiser held at Pensacola Beach.

(d) March 23, 1988 - $250.00, Askew for Senate (copy of check attached). A solicitation was made by invitation to a fund raiser. The contribution was based on long-standing relationship of the Appleyard family with Reubin Askew.

9204092217

(e) June 17, 1988 - $1,000.00, Bill Gunter for U.S. Senate (copy of check attached). A verbal solicitation was made by my son, Dick Appleyard, for a fund-raising event in which he participated.

I did not receive any special payment from the Agency for any of the contributions described above.

3. I am advised by counsel that it is not necessary for me to respond to Question 3 at this time.

4. In light of my responses to Question 2, I do not believe Question 4 is applicable.

5. No one other than counsel has consulted with me or assisted me in preparation of answers to these questions.

Eleanor C. Appleyard
ELEANOR APPLEYARD

BEFORE ME, a notary public, in and for said State and County, personally appeared ELEANOR APPLEYARD, who, after being duly sworn, says on oath that the foregoing answers to questions posed by the Federal Election Commission are true and correct.

DATED this 19th day of September, 1990.

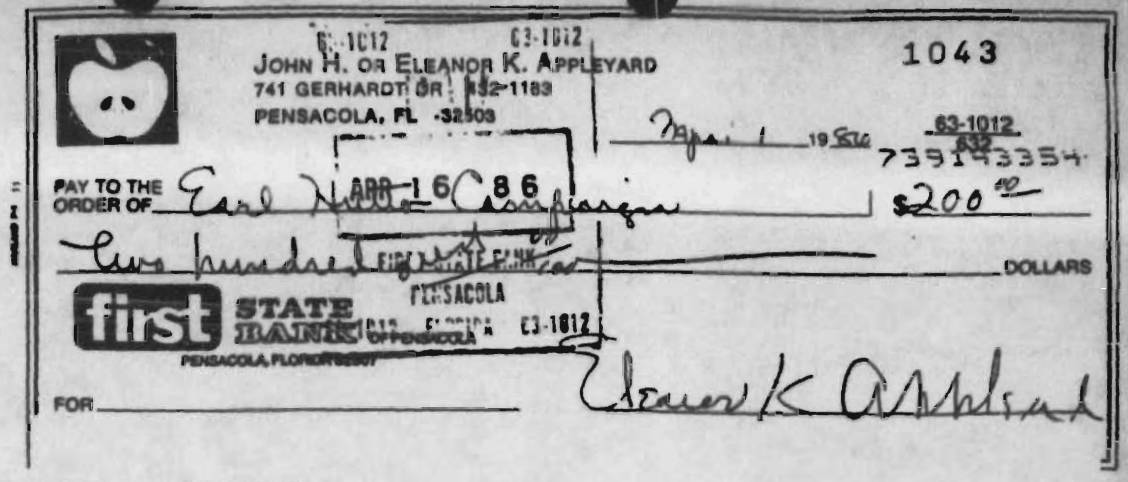
Robert B. Hart Jr.
NOTARY PUBLIC, STATE OF FLORIDA

[NOTARIAL SEAL]

ROBERT B. HART JR. NOTARY PUBLIC FLORIDA STATE AT LARGE

My Commission Expires: 12-15-93

9204092218



JOHN H. OR ELEANOR K. APPLEYARD
741 GERHARDT DR 432-1163
PENSACOLA, FL 32503

1043

Apr. 1 19 84 63-1012 / 832

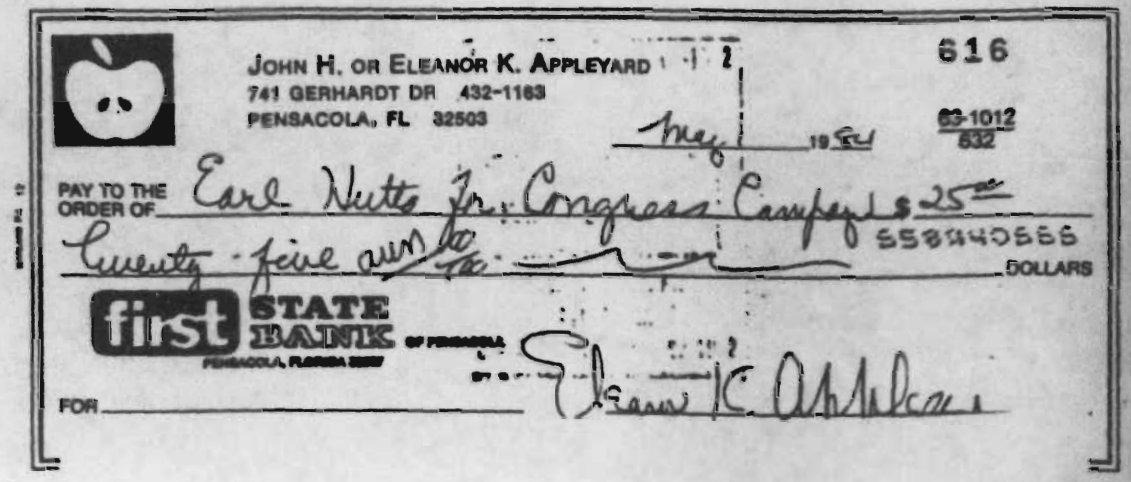
PAY TO THE ORDER OF Earl Nutt Congress $200.00

Two hundred and no/100 DOLLARS

first STATE BANK OF PENSACOLA
PENSACOLA, FLORIDA

FOR

Eleanor K. Appleyard



JOHN H. OR ELEANOR K. APPLEYARD
741 GERHARDT DR 432-1163
PENSACOLA, FL 32503

616

May 1 19 84 63-1012 / 832

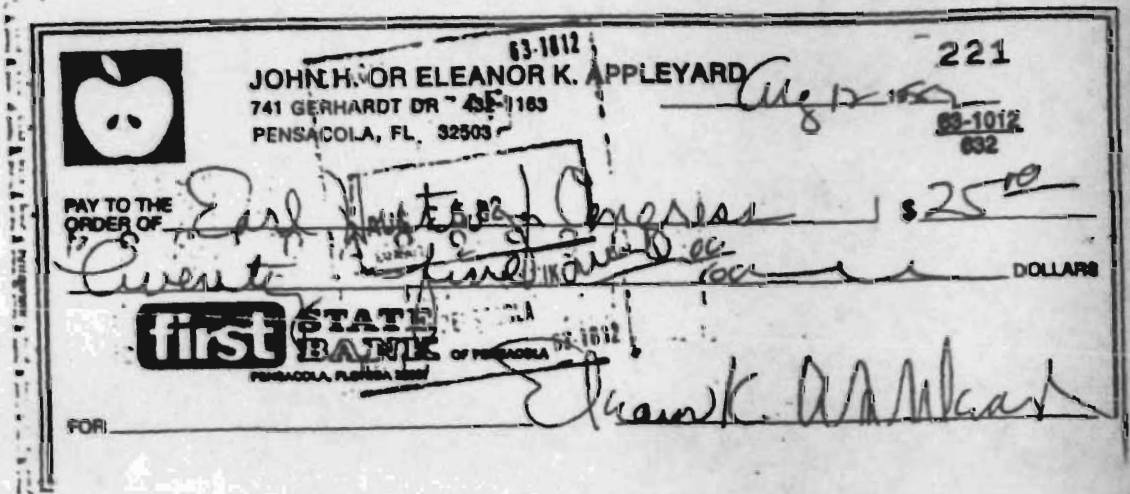
PAY TO THE ORDER OF Earl Nutt Jr. Congress Campgn $25.00

Twenty-five and no/100 DOLLARS

first STATE BANK OF PENSACOLA
PENSACOLA, FLORIDA

FOR

Eleanor K. Appleyard



JOHN H. OR ELEANOR K. APPLEYARD
741 GERHARDT DR 432-1163
PENSACOLA, FL 32503

221

Aug 12 19 84 63-1012 / 832

PAY TO THE ORDER OF Earl Nutt Jr. Congress $25.00

Twenty-five and no/100 DOLLARS

first STATE BANK OF PENSACOLA
PENSACOLA, FLORIDA

FOR

Eleanor K. Appleyard

9204092222119

PAY TO THE ORDER OF
FLORIDA FIRST NATIONAL BANK
PENSACOLA, FLORIDA
FOR DEPOSIT ONLY
CAMPAIGN ACCOUNT
OF EARL HUTTO

PAY TO THE ORDER OF
FLORIDA FIRST NATIONAL BANK
PENSACOLA, FLORIDA
FOR DEPOSIT ONLY
CAMPAIGN ACCOUNT
OF EARL HUTTO

PAY TO THE ORDER OF
FLORIDA FIRST NATIONAL BANK
PENSACOLA, FLORIDA
FOR DEPOSIT ONLY
CAMPAIGN ACCOUNT
OF EARL HUTTO

PAY ANY BANK, P.E.G. -PENSACOLA-
FLA. NAT. BANK OF PENS. 63-36
05-15-84 000071372 15 6334 0 8 6 6

PAY ANY BANK, P.E.G. -PENSACOLA-
FLA. NAT. BANK OF PENS. 63-36
05-15-84 000071372 15 6334 0 8 6 6

04 63-36 04
PAY ANY BANK, P.E.G.
Florida 1st Natl. Bank
Pensacola, Florida
04 63-36

9204092220

JOHN H. OR ELEANOR K. APPLEYARD
741 GERHARDT DR 432-1163
PENSACOLA, FL 32503

1706

June 17 1988

53-1012
632

Pay to the Order of Bill Gunter for US Senate $ 1000.00

One thousand and 00/100 Dollars

first STATE BANK OF PENSACOLA
PENSACOLA, FLORIDA 32507

For Eleanor Appleyard

JOHN H. OR ELEANOR K. APPLEYARD
741 GERHARDT DR 432-1163
PENSACOLA, FL 32503

1634

May 23 1988

53-1012
632

Pay to the Order of Askew for Senate $ 250.00

Two hundred fifty and 00/100 Dollars

first STATE BANK OF PENSACOLA
PENSACOLA, FLORIDA 32507

For Eleanor Appleyard

9220409222221

9204092222222

Pay To The Order Of
FIRST FLORIDA BANK, N.A.
For Deposit Only
GUNTER FOR U.S. SENATE
6110202888

28 JUN 88

PAY ANY BANK PEG FRB JAX
FRB JACKSONVILLE 063000121

063100661

SUN BANK N.A.
ORLANDO, FL
PAY ANY BANK

01 APR 88

0400889

STATE OF FLORIDA

COUNTY OF ESCAMBIA

WRITTEN ANSWERS TO QUESTIONS FROM THE FEDERAL ELECTION COMMISSION

The undersigned, CAROLYN APPLEYARD, responds to questions posed by the Federal Election Commission in the order in which the questions were set forth in documents submitted by the Federal Election Commission. I was employed on an infrequent part-time basis from 1981-1989 by The John Appleyard Agency, Inc. (the "Agency"). From 1989 to date, I have been employed on a part-time basis by Stein Mart Store:

1. A description of the work done by the Agency is contained in the answer to Question 1 of the response of the Agency filed with this response.

2. To the best of my knowledge, federal political contributions made by me during the period 1981 through 1989 were as follows:

(a) March 21, 1988 - $1,000, Askew for Senate (copy of check attached). A solicitation was made by invitation to a fund raiser. I did not attend the fund raiser. I gave the check to my husband.

(b) June 18, 1988 - $500, Bill Gunter for Senate (copy of check attached). This was in response from a solicitation from my husband, Richard Appleyard, President of the Agency, made at the time of a fund raiser in which he participated.

I did not receive payment from the Agency for any contributions.

9204092223

3. I am advised by counsel that it is not necessary for me to respond to Question 3 at this time.

4. In light of my responses to Question 2, I do not believe Question 4 is applicable.

5. No one other than counsel has consulted with me or assisted me in preparation of answers to these questions.

Carolyn Appleyard
CAROLYN APPLEYARD

BEFORE ME, a notary public, in and for said State and County, personally appeared CAROLYN APPLEYARD, who, after being duly sworn, says on oath that the foregoing answers to questions posed by the Federal Election Commission are true and correct.

DATED this 20th day of September, 1990.

TERRY E. O'ROURKE NOTARY PUBLIC STATE OF FLORIDA [NOTARIAL SEAL]

Terry E. O'Rourke
NOTARY PUBLIC, STATE OF FLORIDA

My Commission Expires: 1-31-94

9204092222224

9204092222225

RICHARD L. APPLEYARD
OR CAROLYN P. APPLEYARD
PH 904 438-8848
2250 MCCUTCHEN PLACE
PENSACOLA FL 32503

6-18 19 88 317

PAY TO THE ORDER OF Bill Gunter for Senate $ 500.00

Five hundred dollars DOLLARS

Barnett Bank
100 WEST GARDEN STREET
PENSACOLA, FLORIDA 32501

PAID 06320040 06-29-88

MEMO

Carolyn P. Appleyard

RICHARD L. APPLEYARD
OR CAROLYN P. APPLEYARD
PH 904 438-8848
2250 MC CUTCHEN PLACE
PENSACOLA FL 32503

3-21 19 89 128

04-04-88 133799758

PAY TO THE ORDER OF Askew for Senate $ 1000.00

One thousand dollars DOLLARS

Barnett Bank
100 WEST GARDEN STREET
PENSACOLA, FLORIDA 32501

PAID 06320040 04-04-88

MEMO

Carolyn P. Appleyard

9204092222226

JE '88 28

Pay To The Order Of
FIRST FLORIDA BANK, N.A.
For Deposit Only
GUNTER FOR U.S. SENATE
611020459

28 JUN 88

PAY ANY BANK FEG FRB JAX
FRB JACKSONVILLE 063000199
7927 PAAL AP 06-29-88

20 6

C16

06-29-88 INCLEARING 02 020431035

E03382101

AP '88 01

SUN BANK N.A.
ORLANDO, FL.
PAY AN. BANK

PAY TO THE ORDER OF

PAY ANY BANK FEG FRB JAX 63-19
FRB JACKSONVILLE 063000199
7927 7927 C2 04-04-88 133796768

01 APR 88

C16
C15

04-04-88 INCLEARING 02 020200355

E1K1W00W5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 24, 1990

Steven Ludwick, Esq.
275 Lincoln Piedmont Building
3405 Piedmont Road, N.E.
Atlanta, GA 30305-1741

RE: MUR 3099
Charles Lambert

Dear Mr. Ludwick:

This is in response to your letter dated September 17, 1990, which we received that day, requesting an extension of 20 days to respond to the Commission's Notification letter. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on October 11, 1990.

If you have any questions, please contact Mark Allen, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Jonathan Bernstein
Assistant General Counsel

9204092222227

Battaglia, Ross, Hastings and Dicus

A Professional Association

Attorneys at Law

MUR 3099

OGC 8021

Anthony S. Battaglia
Howard P. Ross*
Michael L. Hastings**
Aubrey O. Dicus, Jr.
Stephen J. Weis
Murray B. Silverstein
Kelli Hanley Crabb
Donald J. Schutz
Joel B. Giles

Brian P. Battaglia
Randall C. Callahan
Louise O. Young
Allan M. Gross
Margie S. Fraley
Bruce G. Howie***
H. Richard Benchimol
Nicholas F. Lang
Alicen McLane
Susan S. Parker****

First Union Building
980 Tyrone Boulevard
St. Petersburg, Florida 33710

Post Office Box 41100
St. Petersburg, Florida 33743

Telephone
(813) 381-2300
Tampa
(813) 228-0616
Telecopier
(813) 343-4059

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 SEP 28 PM 3:34

September 27, 1990

*Board Certified Civil Trial Lawyer
**Board Certified Marital and Family Lawyer
***Board Certified Criminal Trial Lawyer
****Member Only West Virginia and Pennsylvania Bar

VIA FEDERAL EXPRESS

HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
90 SEP 28 AM 11:13

Mark Allen, Esquire
Federal Election Commission
999 E. Street, N.W.
Washington, DC 20463

RE: Richard Leonard; The Dick Leonard Group II, Inc. and Whitney Babcock

Dear Mr. Allen:

Enclosed please find the original Statements of Designation of Counsel, two letters to Lee Ann Elliott, and answers to the questions propounded by the Federal Election Commission, regarding the above-referenced matter.

Of course, should you have any questions with respect to this matter, please do not hesitate to contact me.

Very truly yours,

BATTAGLIA, ROSS, HASTINGS
AND DICUS
A PROFESSIONAL ASSOCIATION

Kelli Hanley Crabb/mmm

KELLI HANLEY CRABB

KHC/mmm
Enclosures

9204092228

Battaglia, Ross, Hastings and Dicus

A Professional Association

Attorneys at Law

Anthony S. Battaglia
Howard P. Ross*
Michael L. Hastings**
Aubrey O. Dicus, Jr.
Stephen J. Wein
Murray B. Silverstein
Kelli Hanley Crabb
Donald J. Schutz
Joel B. Giles

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Bruce G. Howie***
H. Richard Benchimol
Nicholas F. Lang
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Susan S. Parker****

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(813) 228-0616
Telecopier
(813) 343-4059

*Board Certified Civil Trial Lawyer
**Board Certified Marital and Family Lawyer
***Board Certified Criminal Trial Lawyer
****Member Only West Virginia and Pennsylvania Bar

September 27, 1990

92040922229

Lee Ann Elliott,Chairman
Federal Election Commission
999 E. Street N.W.
Washington, DC 20463

RE: Whitney Babcock

Dear Ms. Elliott:

On behalf of my client, Whitney Babcock I am hereby requesting that the Federal Election Commission pursue pre-probable cause conciliation in accordance with 11 C.F.R. 111.18(d). Please advise me of what additional information you need in order to pursue such conciliation.

Very truly yours,

BATTAGLIA, ROSS, HASTINGS AND DICUS, A PROFESSIONAL ASSOCIATION

Kelli Hanley Crabb

KELLI HANLEY CRABB, ESQ.

9000#10/R2

Battaglia, Ross, Hastings and Dicus

A Professional Association

Attorneys at Law

Anthony S. Battaglia
Howard P. Ross*
Michael L. Hastings**
Aubrey O. Dicus, Jr.
Stephen J. Wein
Murray B. Silverstein
Kelli Hanley Crabb
Donald J. Schultz
Joel B. Giles

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Alan M. Dess
Margie I. Fraley
Bruce G. Howie***
H. Richard Bendelstool
Nicholas F. Lang
Aileen McLaren
Susan S. Parker****

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St. Petersburg, Florida 33710

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St. Petersburg, Florida 33743

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(813) 228-0616
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(813) 343-4059

*Board Certified Civil Trial Lawyer
**Board Certified Marital and Family Lawyer
***Board Certified Criminal Trial Lawyer
****Member Only West Virginia and Pennsylvania Bar

September 27, 1990

Lee Ann Elliott,Chairman
Federal Election Commission
999 E. Street N.W.
Washington, DC 20463

RE: Mr. Richard Leonard
Dick Leonard Group II, Inc.
MUR 3099

Dear Ms. Elliott:

On behalf of my clients, Mr. Richard Leonard and Dick Leonard Group, II, Inc. I am hereby requesting that the Federal Election Commission pursue pre-probable cause conciliation in accordance with 11 C.F.R. 111.18(d). Please advise me of what additional information you need in order to pursue such conciliation.

Very truly yours,

BATTAGLIA, ROSS, HASTINGS AND DICUS, A PROFESSIONAL ASSOCIATION

Kelli Hanley Crabb

KELLI HANLEY CRABB, ESQ.

9000#10/R1

9204092230

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3099

NAME OF COUNSEL: Kelli Hanley Crabb, Esquire

ADDRESS: Battaglia, Ross, Hastings & Dicus
980 Tyrone Blvd., N.
St. Petersburg, FL 33710

TELEPHONE: (813)381-2300

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.

9-23-90
Date

Signature

RESPONDENT'S NAME: Richard V Leonard JR

ADDRESS: 3003 Lawn ave
Tampa Fla
33611

HOME PHONE: (813) 837-3657

BUSINESS PHONE: (813) 287-0028

92040922231

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3099

NAME OF COUNSEL: Kelli Hanley Crabb, Esquire

ADDRESS: Battaglia, Ross, Hastings & Dicus
980 Tyrone Blvd., N.
St. Petersburg, FL 33710

TELEPHONE: (813)381-2300

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.

8/29/90
Date

Whitney W. Babcock
Signature

RESPONDENT'S NAME: Whitney W. Babcock

ADDRESS: 4910 Chenoweth Run Rd
Louisville, Ky 40299

HOME PHONE: (502) 266-6598

BUSINESS PHONE: (502) 589-3370

9204092232

BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF:

MUR: 3099

RICHARD V. LEONARD, and the DICK LEONARD GROUP, II, INC., by and through their undersigned attorneys, answer the questions and document their requests propounded by the Federal Election Commission and states as follows:

1. Describe the work your company did by contract for Gulf Power Company during 1981 through 1989.

The Dick Leonard Group II, Inc. provided advertising and marketing services for Gulf Power Company during portions of the years in question.

2. Identify each instance during 1981 through 1989 in which you acted upon orders or suggestions from Gulf Power Company employees to have you or your agents or employees make contributions to or on behalf of any Federal candidate, committee or other federal political committee. For each such contribution,

A. List the date of the order or suggestion and the name of the Gulf Power employee who gave the order or suggestion.

1. Date - September, 1987
   Gulf Power employee - Doug Knowles

2. Date - March 1, 1988
   Gulf Power employee - Doug Knowles

9204092233

B. List the amount of the contribution and the recipient committee.

1. $250.00 - Albert Gore Campaign;

2. $250.00 - Reubin Askew Campaign

C. List the contributor's name.

1. The Dick Leonard Group

2. Richard Leonard

D. Produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes and all such documents.

See attached.

E. State whether you provided an advance, bonus, payment or other compensation for the contribution to the contributor. If so, produce all documents relating or in any way pertaining to each such compensation, including bank statements, check registers, correspondence, notes, and all other such documents.

The company was reimbursed for the contribution by Gulf Power Company.

3. Identify each instance in which you presented an invoice to Gulf Power in order to be reimbursed in connection with any payments listed in response to question 2. Provide copies of each such invoice and describe in detail the circumstances and name the Gulf Power employees involved in this reimbursement.

The only instance in which an invoice was presented to Gulf Power in connection with payments listed in response to question 2 above involved the invoice attached hereto. Gulf Power employee involved in this reimbursement was Doug Knowles.

4. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

No individual other than counsel assisted in the

9204092234

preparation of these answers.

by Kelli Hanley Crabb
RICHARD LEONARD

THE DICK LEONARD GROUP II, INC.

By: by Kelli Hanley Crabb
RICHARD LEONARD

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by ~~U.S. Mail~~ federal express to MARK ALLEN, Office of the General Counsel, Federal Election Commission, 999 E. Street N.W., Washington, DC 20463, on this 27 day of September, 1990.

BATTAGLIA, ROSS, HASTINGS
AND DICUS,
A Professional Association

Kelli Hanley Crabb
KELLI HANLEY CRABB, ESQUIRE
980 Tyrone Boulevard
Post Office Box 41100
St. Petersburg, Florida 33743
(813) 381-2300
SPN#00350868
Florida Bar #401587

Attorneys for Richard Leonard
and The Dick Leonard Group II, Inc.

9204092235

9000#10/RR

0IX27.KHC.jab(2)

THE DICK LEONARD GROUP
TWO CORPORATE DRIVE SUITE 230
CLEARWATER, FLORIDA 34622

DATE	INVOICE	AMOUNT	

63-469
631

4621

March 25 1988

PAY TWO HUNDRED AND FIFTY AND NO/100 DOLLARS $250.00

TO THE ORDER OF DICK LEONARD

PAID 063104697 03/30/88

THE DICK LEONARD GROUP
OPERATING ACCOUNT

BARNETT BANK OF TAMPA, N.A.
4600 WEST CYPRESS STREET TAMPA, FLORIDA 33607

⑈004621⑈ ⑆063104697⑆ 1404113362⑈ ⑈00000 25000⑈

9200409222336

RICHARD V. LEONARD
DONNA W. LEONARD
2506 JETTON ST.
TAMPA, FL 33629

811

3-25 19 88

63-656/531

PAY TO THE ORDER OF Tampa Athletic Program $ 250.00

Two Hundred Fifty and 00/100 DOLLARS

Sun Bank
Sun Bank of Tampa Bay
Palma Ceia Office 007
2002 South MacDill Avenue
Tampa, Florida 33609

MEMO

Richard V. Leonard

3702D

920409222237

DATE	INVOICE	AMOUNT

63-469
631

4622

March 25 1988

THE DICK LEONARD GROUP
TWO CORPORATE DRIVE SUITE 230
CLEARWATER, FLORIDA 34622

PAY TWO HUNDRED FIFTY AND NO/100 DOLLARS $250.00

TO THE ORDER OF WILLIAM BUSH

PAID 06310469 03-28-88

THE DICK LEONARD GROUP
OPERATING ACCOUNT

BARNETT BANK OF TAMPA, N.A.
4600 WEST CYPRESS STREET TAMPA, FLORIDA 33607

⑈004622⑈ ⑆063104697⑆ 140111362⑈ ⑈00000250000⑈

9204092238

DATE	INVOICE	AMOUNT	

63-469
631

4623

THE DICK LEONARD GROUP
TWO CORPORATE DRIVE SUITE 230
CLEARWATER, FLORIDA 34622

March 25 1988

PAY TWO HUNDRED FIFTY AND NO/100 DOLLARS $ 250.00

WHITNEY BABCOCK

TO THE ORDER OF

PAID 063104697 03-29-88

THE DICK LEONARD GROUP
OPERATING ACCOUNT

BARNETT BANK OF TAMPA, N.A.
4600 WEST CYPRESS STREET TAMPA, FLORIDA 33607

⑈004623⑈ ⑆063104697⑆ 14041133621⑈ ⑈0000025000⑈

9204092239

130

WHITNEY W. BABCOCK 02-69
446 - 187th AVE. PH 595-4876
INDIAN ROCKS BEACH, FL 34635

:27 7932 03 04-04-88 1332 3/25 19 88

PAY TO THE ORDER OF Reuben Askew Campaign $ 250.

Two hundred fifty and no/100 DOLLARS

Republic Bank 6001 ULMERTON ROAD CLEARWATER, FLORIDA 34620

FOR Contribution

Cox Cox B

9220409222240

DATE	INVOICE	AMOUNT
9/21	Campaign	Contrib.

63-469
631

3666

Sept. 21, 19 87

THE DICK LEONARD GROUP
TWO CORPORATE DRIVE SUITE 230
CLEARWATER, FLORIDA 34622

#18

PAY Two Hundred Fifty and no/100 DOLLARS $ 250.00

Albert Gore Campaign 10-22-87 161063095

TO THE ORDER OF

PAID:05310469 10-22-87 NB

THE DICK LEONARD GROUP
OPERATING ACCOUNT

BARNETT BANK OF TAMPA, N.A.
4600 WEST CYPRESS STREET TAMPA, FLORIDA 33607

⑈003666⑈ ⑆063104697⑆ ⑈04166336 2⑈ ⑈0000025000⑈

92040922241

BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF:

MUR: 3099

WHITNEY BABCOCK, by and through his undersigned attorneys, answer the questions and document their requests propounded by the Federal Election Commission and states as follows:

1. List your occupation(s) and employers during the period 1981-1989. To the best of your knowledge, describe any and all contract work done by any of your employers for Gulf Power Company during this period.

1981-1983 - Doe-Anderson Advertising, Louisville, KY

1983-1985 - Deputy Commissioner of Economic Development Commonwealth of Kentucky

1985-1987 - Division of J. K. Financial Group

1987-1989 - President, The Dick Leonard Group II, Inc.

1989 - Executive Vice President, Arian, Lowe & Travis Advertising, Inc., Louisville, Kentucky

2. Identify each federal political contribution and expenditure on behalf of federal political committees you made during the period 1981-1989 by date, amount, and recipient committee. For each contribution,

a. State whether the contribution was made by check or other written instrument. If yes, provide a copy (both sides) of such check or other written instrument. If there is no written instrument, state the method by which the contribution was made, including the source of funds used to make the contribution.

Contribution was made by check - see attached.

b. State whether the contribution was made as a result of a solicitation. If the solicitation was written, provide a copy of the solicitation. If the solicitation was oral, identify the person who solicited you, and state the date, place, and the

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content of the solicitation.

The contribution was a result of an oral solicitation by Doug Knowles.

c. State whether this contribution was made in connection with a particular fund-raising event. If yes, state when and where the event was held, who sponsored the event, on whose behalf the event was held, and whether you attended.

No.

d. State how you delivered this contribution and to whom.

Contribution delivered to Doug Knowles.

e. State whether you received an advance, bonus, payment, or other compensation for the contribution from an employer listed in response to question 1. Describe in detail the process whereby you received an advance, bonus, payment, or other compensation for the contribution, including whether your employer was in turn reimbursed, and if so, when, by whom, and by what method.

Pursuant to Knowles' instructions, Gulf Power was invoiced for the contribution. The company then reimbursed the undersigned.

f. Produce all documents relating or in any way pertaining to each such contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

See attached.

3. State whether you know any other person or entity who made a contribution to any federal candidates or political committees. If yes,

a. Identify each such person or entity and the recipient candidate or committee.

1. Bill Bush; Richard Leonard - Askew Campaign

2. The Dick Leonard Group II, Inc. - Albert Gore Campaign

b. State whether the contributor received an advance, bonus, payment, or other compensation for the contribution.

Yes.

9204092243

c. Describe in detail how you acquired this information.
In my capacity as President of The Dick Leonard Group II, Inc.

d. Describe the nature of your relationship to each person or entity identified in your response to this question.

Other employees of The Dick Leonard Group II, Inc.

4. To the best of your knowledge and belief, state whether any officials, employees or agents of the recipient committees listed in response to questions 2 and 3 above were aware that any contribution to such federal candidate or committee had been reimbursed. If yes, identify each such committee official, employee or agent, and state how your knowledge or belief was acquired.

None, to the best of my knowledge.

5. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

None.

by: Khi Hanley Cobbs
WHITNEY BABCOCK

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by ~~U.S. Mail~~ Federal Express to MARK ALLEN, Office of the General

9000#10/TT

0IX27:KHC:jab

9204092224

Counsel, Federal Election Commission, 999 E. Street N.W., Washington, DC 20463, on this 27 day of September, 1990.

BATTAGLIA, ROSS, HASTINGS
AND DICUS,
A Professional Association

Kelli Hanley Crabb

KELLI HANLEY CRABB, ESQUIRE
980 Tyrone Boulevard
Post Office Box 41100
St. Petersburg, Florida 33743
(813) 381-2300
SPN#00350868
Florida Bar #401587

Attorneys for Whitney Babcock

9204092245

9000#10/TT

0IX27:KHC:jab

THE DICK LEONARD GROUP
TWO CORPORATE DRIVE SUITE 230
CLEARWATER, FLORIDA 34622

DATE	INVOICE	AMOUNT	

63-469
631

4621

March 25 1988

PAY TWO HUNDRED AND FIFTY AND NO/100 DOLLARS $250.00

TO THE ORDER OF
DICK LEONARD

THE DICK LEONARD GROUP
OPERATING ACCOUNT

PAID 063104697 03/30/88

BARNETT BANK OF TAMPA, N.A.
4600 WEST CYPRESS STREET TAMPA, FLORIDA 33607

⑈004621⑈ ⑆063104697⑆ 140466336 2⑈ ⑈00000 25000⑈

9204092 2246

RICHARD V. LEONARD
DONNA W. LEONARD
2108 JETTON ST.
TAMPA, FL 33629

811

3-25 1988

PAY TO THE ORDER OF Nelson Ashley Ayers $ 250.00

Thank Heaven for Little Girls DOLLARS

Sun Bank
Sun Bank of Tampa Bay
Palma Ceia Office 057
2002 South MacDill Avenue
Tampa, Florida 33609

MEMO

9220409222247

DATE	INVOICE	AMOUNT

63-469
631

4622

March 25 1988

THE DICK LEONARD GROUP
TWO CORPORATE DRIVE SUITE 230
CLEARWATER, FLORIDA 34622

PAY TWO HUNDRED FIFTY AND NO/100---------- DOLLARS $250.00

TO THE ORDER OF WILLIAM BUSH

PAID 063104697 03-28-88

THE DICK LEONARD GROUP
OPERATING ACCOUNT

NS

BARNETT BANK OF TAMPA, N.A.
4600 WEST CYPRESS STREET TAMPA, FLORIDA 33607

⑈004622⑈ ⑆063104697⑆ ⑆4046633626⑈ ⑈00000 25000⑈

9204092248

DATE	INVOICE	AMOUNT

63-469
631

4623

March 25 1988

THE DICK LEONARD GROUP
TWO CORPORATE DRIVE SUITE 230
CLEARWATER, FLORIDA 34622

PAY TWO HUNDRED FIFTY AND NO/100 DOLLARS $250.00

YO THE ORDER OF
WHITNEY BABCOCK

PAID 063104697 03-29-88

THE DICK LEONARD GROUP
OPERATING ACCOUNT

BARNETT BANK OF TAMPA, N.A.
4600 WEST CYPRESS STREET TAMPA, FLORIDA 33607

⑈004623⑈ ⑆063104697⑆ 14041133621⑈ ⑈00000 25000⑈

9204092232249

130

WHITNEY W. BABCOCK 02-69
444 - 18TH AVE. PH 595-2575
INDIAN ROCKS BEACH, FL 34635
.27 7922 03 04-04-88 13-2 3/25 19 88 62-588/817

PAY TO THE ORDER OF Reuben Askew Campaign $ 250.

two hundred fifty and no/100 DOLLARS

Republic Bank — ICOT OFFICE, 5801 ULMERTON ROAD, CLEARWATER, FLORIDA 34620

FOR Contribution

Cox Don B Jr

⑈0130⑈

⑆920409222250⑆

MUR 3099

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

90 SEP 27 AM 11:28

TROUTMAN, SANDERS, LOCKERMAN & ASHMORE
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
ATTORNEYS AT LAW
CANDLER BUILDING, SUITE 1400
127 PEACHTREE STREET, N.E.
ATLANTA, GEORGIA 30303-1810
404/658-8000
CABLE: MAESTRO
TELECOPIER: 404-221-0469

ROBERT H. FORRY, P. C.

WRITER'S DIRECT DIAL NUMBER
404-658-8042

September 26, 1990

HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 SEP 28 AM 11:04

VIA FEDERAL EXPRESS

Ms. Lois G. Lerner
Associate General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

Re: MUR 3099; Subpoena to Produce Documents and Order to Submit Written Answers Issued to Georgia Power Company, Dated August 16, 1990

Dear Ms. Lerner:

Thank you for your letter extending the date for the response by my client, Georgia Power Company, to the above-referenced subpoena and order (hereinafter the "Subpoena") until this week.

I appreciated the opportunity to meet with Messrs. Bernstein and Allen of your office on September 6. Following that meeting I again reviewed this matter with my client. For the reasons set forth below, Georgia Power Company respectfully declines to produce the information requested by the Commission.

As a general matter, the Subpoena is invalid because it is not relevant to the topic of the investigatory proceeding in which it was issued. As you know, Federal Election Commission subpoenas, like all federal administrative subpoenas, are only enforceable if the "information sought is reasonably relevant" to "the matter properly under inquiry." See, e.g., Federal Election Commission v. Machinists Non-Partisan Political League, 655 F.2d 380, 385 (D.C. Cir. 1981) (quoting United States v. Morton Salt Co., 338 U.S. 632, 652, 70 S. Ct. 357, 369 (1950)). To meet the relevancy requirement, the information sought by a subpoena "must relate to or touch the matter under investigation or in question." See, e.g., Equal Employment Opportunity Commission v. University of New Mexico, Albuquerque, 504 F.2d 1296, 1302 (10th Cir. 1974). As was indicated in your letter of August 16 which transmitted the Subpoena and as confirmed in the meeting on September 6, the matter under inquiry in the pending proceeding in which the Subpoena was issued is an investigation of the actions of a corporate respondent (hereinafter the "Respondent") other than Georgia Power. The

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Subpoena issued to Georgia Power does not seek information which relates to the actions of the Respondent. Indeed, the Respondent is not mentioned in the Subpoena issued to Georgia Power. All of the information sought relates only to Georgia Power.

In the event the Commission issued the Subpoena because it actually wants to begin an investigation of Georgia Power actions unrelated to the Respondent, the Subpoena also is invalid. A Commission inquiry into Georgia Power actions lacks an adequate legal basis. Of course the Commission may conduct an investigation of Georgia Power on the basis of a complaint filed with the Commission or on the basis of information ascertained by the Commission in the normal course of carrying out its supervisory responsibilities, but "mere 'official curiosity' will not suffice as the basis for FEC investigations...." Machinists Non-Partisan Political League, 655 F.2d at 388. A subpoena issued as part of an inquiry which the agency is not "lawfully authorized to make" will not be enforced. Id. at 385. As far as Georgia Power is aware, neither of the two bases for Commission investigations prescribed by statute and regulations is present. There has been no complaint filed, and the Commission has no evidence of improper activities. In addition, the Commission is not following statutorily-required procedures for an inquiry into Georgia Power matters. An administrative subpoena is not enforceable if the issuing agency has not followed procedures required by statutes governing its activities. See, e.g., United States v. Powell, 379 U.S. 48, 58, 85 S. Ct. 248, 255 (1964); EEOC v. K-Mart Corp., 694 F.2d 1055, 1066 (6th Cir. 1982). 2 U.S.C. § 437g and the Commission regulations implementing it describe in detail the procedures which must be followed by the Commission in an investigation. The Commission has failed to make the findings and give the notice required by the statutory provision if Georgia Power is to be the subject of an investigation.

Even if the Subpoena was, in its general scope, valid, Georgia Power submits that the Subpoena is inappropriate in several of its particulars for additional reasons. The Subpoena includes requests for documents and other information which are overly broad. Moreover, in order for Georgia Power to respond to the request in the Subpoena for "any documents" provided to a federal grand jury, Georgia Power would be required to divulge information about a grand jury proceeding which is secret under Rule 6(e) of the Federal Rules of Criminal Procedure.

Finally, the Subpoena creates additional problems in its request for information which may not be contained in corporate documents but may only be obtained from interviews with individual employees. In order to respond to certain of the interrogatories

9204092252

included in the Subpoena, Georgia Power would be compelled to conduct an investigation aimed at implicating itself, an inappropriate requirement given the fact that it is the Commission, not the subjects of its investigations, which has the duty of conducting investigations and seeking witness testimony under the applicable statutory restrictions. This problem is compounded by the fact that Georgia Power might wish to seek information relating to certain issues pursuant to the attorney-client or attorney work product privileges which it should not be compelled to waive. Furthermore, in order to gather the information necessary to respond to certain of the interrogatories, Georgia Power would have to require employees to "testify" to its agents, in effect giving up their rights under the Fifth Amendment to refuse to testify before a governmental body. It would be inappropriate for Georgia Power to request that an employee provide testimony when that employee may be incriminating himself, and it would be particularly unfair for Georgia Power to seek testimony from an employee who would have to decide whether he might be waiving his rights against self-incrimination before the Commission has divulged any specific allegations of wrongdoing. It is inappropriate for the Commission to use an order to submit written answers issued to a corporation to obtain indirectly the testimony of employees of the corporation which it might not be able to obtain directly because of the Fifth Amendment.

Georgia Power did not reach its conclusion to decline to produce the requested information lightly. Rather, it reflects a thoughtful decision, aided by the advice of counsel. I will be glad to discuss Georgia Power's objections to the Subpoena with you further and to answer any questions you may have about these objections.

Very truly yours,

Robert H. Forry

RHF/dwc

cc: Lawrence M. Noble
Jonathan Bernstein
Mark Allen

9204092253

HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
OGC 8014
90 SEP 28 AM 10:31

BEGGS & LANE

ATTORNEYS AND COUNSELLORS AT LAW

SEVENTH FLOOR BLOUNT BUILDING
3 WEST GARDEN STREET
PENSACOLA, FLORIDA 32501

POST OFFICE BOX 12950
PENSACOLA, FLORIDA 32576-2950
TELEPHONE (904) 432-2451
TELECOPIER (904) 438-6139

ROBERT P. GAINES
WILLIAM GUY DAVIS, JR.
W. SPENCER MITCHEM
JAMES M. WEBER
ROBERT L. CRONGEYER
JOHN F. WINDHAM
J. NIXON DANIEL, III
G. EDISON HOLLAND, JR.
RALPH A. PETERSON
RONALD L. NELSON
GARY B. LEUCHTMAN
THOMAS R. JENKINS
JOHN P. DANIEL
JEFFREY A. STONE
JAMES S. CAMPBELL
LARRY A. MATTHEWS
TERESA E. LILES
T. RHETT SMITH
CRYSTAL COLLINS

E. DIXIE BEGGS
Retired
BERT H. LANE
1917-1981

September 26, 1990

FEDERAL EXPRESS

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 SEP 28 AM 11:04

Mr. Mark Allen
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RE: MUR 3099

Dear Mr. Allen:

Enclosed you will find Gulf Power Company's response to the Subpoena to Produce Documents and Order to Submit Written Answers which was directed to Gulf's president, Douglas L. McCrary, on or about August 14, 1990. After you have reviewed the enclosed documents, I would appreciate the opportunity to discuss this matter with you further.

Thank you for your assistance. Should you have any questions, please do not hesitate to contact me.

Yours very truly,

G. Edison Holland, Jr.
For the Firm

GEHjr/tlg
Enclosure

9204092254

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR:3099
)
)

RESPONSE OF GULF POWER COMPANY TO SUBPOENA TO PRODUCE DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS

Gulf Power Company ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned attorney, responds to the subpoena to produce documents and order to submit written answers dated August 14, 1990, directed to Gulf's President, Douglas L. McCrary, as follows:

Preliminary Statement

The above referenced subpoena and order requests documents and information previously made available to the United States District Court for the Northern District of Georgia in connection with the Company's guilty plea entered October 31, 1989, to two counts of violation of federal law. The plea agreement resulted from an ongoing Grand Jury investigation in District Court and during the course of that Grand Jury investigation and of counsel's representation of Gulf Power and its employees before the Grand Jury, documents were generated in preparation for appearances before the Grand Jury and in anticipation of defending the Company and its representatives and employees against any civil or criminal

9204092255

litigation resulting from that investigation. Gulf interprets the subpoena and order as excluding any documents specifically generated by or on behalf of its attorneys and employees appearing as witnesses before the Grand Jury which documents are exempt from production under the applicable attorney client work product privileges, and declines to produce any such documents in connection with this response. Documents not generated in the course of confidential attorney client communications or in anticipation of litigation are produced herewith.

Response to question and document requests 1 - 9.

1. Other than the specific incidents described in the plea agreement between the United States government and the Company, Gulf is aware of no direct or indirect reimbursements in connection with contributions to federal candidates from 1981 through 1989. Documents provided to the United States District Court for the Northern District of Georgia in connection with the previously referenced Grand Jury investigation have been provided in response to item number 8, below.

2. Gulf is unable to specifically identify the invoices from vendors which contain charges representing reimbursements for political contributions. In some instances, based on discussions with the vendors involved, Gulf has been able to tentatively identify invoices from the Dick Leonard group which are attached hereto, along with pertinent portions

9204092256

of the company's internal audit of the Dick Leonard Group, which apparently include, in part, a charge of reimbursement of a campaign contribution to Al Gore. With respect to the contributions set forth in the Federal Election Commission's factual and legal analysis, Gulf is unable to accurately identify the specific invoices to which these contributions pertained. However, Gulf is providing herewith copies of invoices from the named vendors surrounding the dates of the contributions for the Commission's reference and information, as well as the Paid Vendor Detail Register, (PVDR) listing all payments to the vendors during a particular year by date of payment, date of invoice, and amount of payment, for each particular vendor for the year in question. In some cases, the PVDR revealed no invoices from the vendor which correspond to the dates in questions; in those cases, only the PVDR for the year in question is attached.

3. None.

4. All information and documentation requested under this item, to the extent that it is available to the Company, is reflected in the documentation provided to the Grand Jury. Those documents are submitted herewith under item number 8, below.

5. All information and documentation requested under this item, to the extent that it is available to the Company, is

9204092257

reflected in the documentation provided to the Grand Jury. Those documents are submitted herewith under item number 8, below.

6. All information and documentation requested under this item, to the extent that it is available to the Company, is reflected in the documentation provided to the Grand Jury. Those documents are submitted herewith under item number 8, below.

7. All information and documentation requested under this item, to the extent that it is available to the Company, is reflected in the documentation provided to the Grand Jury. Those documents are submitted herewith under item number 8, below.

8. The requested documents are provided herewith. The documents produced were not obtained from a central Company location or file, but were gathered from various individuals within the Company in response to Grand Jury subpoena. Because the documents, especially those pertaining to PAC II, were not maintained in a central location or central file, many of the documents provided to the Grand Jury and consequently attached hereto are duplicative. No attempt has been made to cull out duplicate copies from the documents produced herein.

9. Robert H. Jackson, Director, Employment Relations

9204092258

and Ray Grove, Internal Auditing.

I hereby swear and affirm that the foregoing answers are true to the best of my knowledge, information, and belief.

Douglas L. McCrary

Douglas L. McCrary

I hereby certify that Douglas L. McCrary personally appeared before me this day and acknowledged the execution of the foregoing instrument.

Witness my hand and official seal, this 25th day of September, 1990.

Teresa E. Sides

Notary Public
My commission expires: Sept. 23, 1994

Respectfully submitted,

G. Edison Holland, Jr.

G. EDISON HOLLAND, JR.
Florida Bar No. 261599
Beggs & Lane
P.O. Box 12950
Pensacola, Florida 32576
(904) 432-2451
Attorney for Gulf Power Co.

9204092222559

06C8148
RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
90 OCT 11 AM 10:45

BEFORE THE FEDERAL ELECTION COMMISSION

HAND DELIVERED

In the Matter of)

) MUR: 3099

)

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 OCT 12 AM 12:43

RESPONDENT CHARLES A. LAMBERT'S RESPONSE TO THE COMMISSION'S SUBPOENA TO PRODUCE DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS

9204092260

Charles A. Lambert responds to the Commission's Subpoena to Produce Documents as follows:

1. Charles A. Lambert respectfully objects to and declines to provide the information requested in numbered paragraph 1 of the Commission's Subpoena to Produce Documents, and Order to Submit Written Answers on the ground, particularly in view of the Commission's letter to Respondent of August 16, 1990 with enclosures, that providing the requested information could arguably tend to incriminate him in violation of the Fifth Amendment to the United States Constitution.

2. Charles A. Lambert responds to numbered paragraph 2 of the Commissions subpoena by stating that no person other than counsel was consulted or assisted in the preparation of answers to the questions propounded.

FURTHER AFFIANT SAYETH NOT.

Respectfully submitted this _____ day of October, 1990.

STEVEN W. LUDWICK
Counsel for Charles A. Lambert

3405 Piedmont Road, NE
Suite 275
Atlanta, Georgia 30305
(404) 237-7977

9204092222261

VERIFICATION

I hereby swear and affirm that the foregoing answers are true to the best of my knowledge, information, and belief.

Charles A. Lambert
CHARLES A. LAMBERT

I hereby certify that Charles A. Lambert personally appeared before me this day and acknowledged the execution of the foregoing instrument.

Witness my hand and official seal, this 9 day of October, 1990.

John T. Reading
Notary Public

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. JAN. 4,1991
BONDED THRU GENERAL INS. UND.

9204092222662

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

90 OCT 12 AM 11:52

STEVEN W. LUDWICK
ATTORNEY AT LAW
275 LINCOLN PIEDMONT BUILDING
3405 PIEDMONT ROAD, N.E.
ATLANTA, GEORGIA 30305-1741

(404) 237-7977

October 9, 1990

Mark Allen, Attorney
Federal Election Commission
Washington, D.C. 20463

Re: MUR 3099
Charles Lambert

Dear Mr. Allen:

May I impose upon you for some guidance?

Your "Description of Preliminary Procedures for Processing Possible Violations Discovered by the Federal Election Commission," at paragraph 3 of page 1, states "...the Office of the General Counsel shall conduct an investigation into the matter. Within 15 days of notification of the Commission's finding(s), a respondent(s) may submit any factual or legal matters relevant to the allegations."

Page 2 of your "Description of Preliminary Procedures" goes on to quote C.F.R. §111.16, which states, in sum, that a Respondent has 15 days following the filing of the General Counsel's brief to file his response.

It seems to me that the procedure is that, following completion of the investigation, the Office of the General Counsel prepares a brief and forwards a copy to the respondent who then has 15 days to respond, following which the Commission will consider the matter before making findings.

Is there an additional inter office procedure that gives a Respondent 15 days from the initial "reasonable cause to believe" determination to submit factual or legal matters relevant to the allegations? If so, where is such a restriction authorized by the Code of Federal Regulations?

9204092263

Additionally, while we have received the Commission's Factual and Legal Analysis, we have not received a copy of the Staff Report as provided in 11 C.F.R. §111.8. If they are one in the same, disregard this. If not, please provide me with a copy of the Staff Report.

Thank you in advance for clarifying these matters for me. I want to be certain that I understand the Commission's procedures.

Very truly yours,

Steven W. Ludwick
Attorney for Charles Lambert

SWL:sl

9204092264

OGC 8176

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

90 OCT 12 AM 11:52

STEVEN W. LUDWICK
ATTORNEY AT LAW
275 LINCOLN PIEDMONT BUILDING
3405 PIEDMONT ROAD, N.E.
ATLANTA, GEORGIA 30305-1741

(404) 237-7977

October 10, 1990

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

90 OCT 12 PM 3:14

Mark Allen, Attorney
Federal Election Commission
Washington, D.C. 20463

Re: MUR 3099
Charles Lambert

Dear Mr. Allen:

The Respondent in the referenced matter is interested in pursuing pre-probable cause conciliation.

As you are probably aware, he resigned from Gulf Power Company on March 7, 1990, and has been unable to obtain employment since then. It seems to me that this may be a good time to attempt to dispose of this case.

At your convenience, please advise me whether the Commission would like to explore such a resolution at this time.

Very truly yours,

Steven W. Ludwick
Attorney for Charles Lambert

SWL:sl
cc: Mr. Charles Lambert

9204092265

MUR 3099

CLARK, PARTINGTON, HART, LARRY, BOND, STACKHOUSE & STONE
ATTORNEYS AT LAW
SUITE 800, FIRST FLORIDA BANK BLDG.
125 WEST ROMANA STREET
POST OFFICE BOX 13010
PENSACOLA, FLORIDA
32591-3010

ROBERT D. HART, JR.

TELEPHONE (904) 434-9200
TELECOPIER (904) 432-7340

RECEIVED
FEDERAL ELECTION COMMISSION
90 OCT 15 AM 11:52

October 9, 1990

Mark Allen, Esq.
Office of the General Counsel
FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 OCT 16 PM 3:38

Re: The John Appleyard Agency, Inc., et al.

Dear Mr. Allen:

Enclosed are properly executed Statements of Designation of Counsel.

Yours truly,

ROBERT D. HART, JR.

RDHJr/to
Encl.

92040922266

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3099

NAME OF COUNSEL: Robert D. Hart, JR.

ADDRESS: Clark, Partington, Hart, et al.
125 W. Romana Street, Suite 800; 32501
P.O. Box 13010; 32591-3010

Pensacola, Florida

TELEPHONE: (904) 434-9200

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.

THE JOHN APPLEYARD AGENCY, INC.

9/26/90
Date

By: [signature]
Signature John Appleyard
Chairman and Chief Executive Officer

RESPONDENT'S NAME: The John Appleyard Agency, Inc.

ADDRESS: 1301 West Moreno Street

Pensacola, Florida 32501

HOME PHONE: N/A

BUSINESS PHONE: (904) 432-8396

9204092222667

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3099

NAME OF COUNSEL: Robert D. Hart, Jr.

ADDRESS: Clark, Partington, Hart, et al.
125 W. Romana Street, Suite 800; 32501
P.O. Box 13010; 32591-3010

Pensacola, Florida

TELEPHONE: (904) 434-9200

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.

9/25/96
Date

Eleanor K. Appleyard
Signature Eleanor K. Appleyard

RESPONDENT'S NAME: Eleanor K. Appleyard

ADDRESS: 741 Gerhardt Drive

Pensacola, Florida 32503

HOME PHONE: (904) 432-1163

BUSINESS PHONE: (904) 432-8396

9204092268

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3099

NAME OF COUNSEL: Robert D. Hart, Jr.

ADDRESS: Clark, Partington, Hart, et al.
125 W. Romana Street, Suite 800; 32501
P.O. Box 13010; 32591-3010

Pensacola, Florida

TELEPHONE: (904) 434-9200

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.

Sept 26, 1990
Date

Richard L. Appleyard
Signature Richard L. Appleyard

RESPONDENT'S NAME: Richard L. Appleyard

ADDRESS: 2250 McCutchen Place

Pensacola, Florida 32503

HOME PHONE: (904) 438-8840

BUSINESS PHONE: (904) 432-8396

9204092222669

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3099

NAME OF COUNSEL: Robert D. Hart, Jr.

ADDRESS: Clark, Partington, Hart, et al.
125 W. Romana Street, Suite 800; 32501
P.O. Box 13010; 32591-3010

Pensacola, FL

TELEPHONE: (904) 434-9200

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.

9/26/90
Date

Carolyn Appleyard
Signature Carolyn Appleyard

RESPONDENT'S NAME: Carolyn Appleyard

ADDRESS: 2250 McCutchen Place

Pensacola, Florida 32503

HOME PHONE: (904) 438-8840

BUSINESS PHONE: (904) 484-2607

9204092270

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3099

NAME OF COUNSEL: Robert D. Hart, Jr.

ADDRESS: Clark, Partington, Hart et al.
125 W. Romana Street, Suite 800; 32501
P.O. Box 13010; 32591-3010

Pensacola, Florida

TELEPHONE: (904) 434-9200

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.

7/26/90
Date

Diane Appleyard
Signature Diane Appleyard

RESPONDENT'S NAME: Diane Appleyard

ADDRESS: 5270 Flax Road

Pensacola, Florida 32504

HOME PHONE: (904) 477-4842

BUSINESS PHONE: (904) 432-8396

9204092271

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 21, 1990

Steven W. Ludwick, Esq.
275 Lincoln Piedmont Building
3405 Piedmont Road, N.E.
Atlanta, GA 30305

RE: MUR 3099
Charles Lambert

Dear Mr. Ludwick:

This is to confirm your telephone call on October 25, 1990 with Mark Allen of this Office. As discussed, neither the Federal Election Campaign Act of 1971, as amended, nor the Commission's regulations provide for a formal response to the Commission's reason to believe finding. Rather, the Commission affords respondents this opportunity to respond as part of its procedures. As to your other inquiry, the "Factual and Legal Analysis" you received is the "Staff Report" noted in 11 C.F.R. § 111.8.

In addition, regarding your client's assertion of his Fifth Amendment privilege in refusing to answer the Commission's Subpoena, your client has the burden of demonstrating the likelihood of incrimination. Accordingly, until this burden is satisfied, the Commission is still entitled to the subpoenaed information. Regarding the documentary request, the Fifth Amendment claim of privilege is personal and does not extend to documents not written by your client. Fisher v. United States, 425 U.S. 391, 409-10 (1976). You should be aware that the Commission may draw adverse inferences from your client's refusal to respond, and that the Commission will base its decisions on the information made available to it. See Pagel, Inc. v. Securities and Exchange Commission, 803 F.2d 942, 946-47 (8th Cir. 1986).

If you have any questions, please contact Mark Allen, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9204092272

MUR 3099

STEVEN W. LUDWICK
ATTORNEY AT LAW
275 LINCOLN PIEDMONT BUILDING
3405 PIEDMONT ROAD, N.E.
ATLANTA, GEORGIA 30305-1741

(404) 237-7977

90 NOV 30 AM 10:07

November 27, 1990

Mark Allen, Attorney
Federal Election Commission
Washington, D.C. 20463

Re: MUR 3099
Charles Lambert

Dear Mr. Allen:

By now you have received my correspondence dated November 26, 1990. What you received was a rough draft, inadvertently mailed in my absence. Please discard it and consider this as my correspondence with you.

In Mr. Lerner's letter to me of November 21, 1990 (a copy of which is enclosed for your ease of reference), he states that Mr. Lambert "has the burden of demonstrating the likelihood of incrimination." He further indicates that "until this burden is satisfied the Commission is still entitled to the subpoenaed information."

Presumably, my client should not have to satisfy the Commission, inasmuch as we reject the notion of making any disclosures to the Commission at this time in this matter.

Would you be so kind as to advise me of the procedure to be followed in meeting this burden?

Thank you in advance for your response to this inquiry.

Sincerely,

Steven W. Ludwick
Attorney for Charles Lambert

SWL:sl
cc: Mr. Charles Lambert
w/Enclosure

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 NOV 30 AM 12:40

9204092273

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 22, 1991

Robert Hart, Esq.
Clark, Partington, Hart, Larry,
Bond, Stackhouse & Stone
125 West Romana Street, Suite 800
P.O. Box 13010
Pensacola, FL 32591-3010

MUR 3099
John Appleyard Agency
Carolyn Appleyard
Diane Appleyard
Eleanor Appleyard
Richard Appleyard

Dear Mr. Hart:

This is to confirm your meeting with Jonathan Bernstein and Mark Allen of this Office on March 8, 1991 at 2:30 at this location. I also write to inform you that the responses you provided on September 20, 1990 are not complete, and that we would appreciate it if you could provide us more information before or at our meeting next month. This Office cannot recommend that the Commission enter into conciliation prior to a finding of probable cause to believe unless we have received complete responses to our interrogatories and document requests, and no other questions remain outstanding.

Please provide the following information:

1. For Carolyn, Eleanor, Richard, and Diane Appleyard,

a. Provide bank statements, check registers, and all other documents relating to their political contributions.

b. Regarding the fundraiser events, state when and where held, and the identity of sponsors; provide copies of invitations.

2. For Carolyn, Eleanor, and Diane Appleyard, provide copies of backs of contribution checks.

3. For Richard Appleyard,

a. Regarding the solicitation for the contribution, state whether it was written or oral; if written, provide a copy; if oral, state the date, place, time, and content of the solicitation.

9204092274

4. Describe in detail Richard Appleyard's role in both the Askew and Gunter fundraisers. State any formal or informal positions he held with the campaigns. Identify the individuals and entities that he solicited on behalf of the campaigns.

5. Regarding the bonuses Richard and Diane Appleyard received after their contributions to the Askew and Gunter campaigns, state the date and amount of these bonuses. Explain in detail the reason for these bonuses, and provide documentation of the John Appleyard Agency's payment, such as invoices, ledger pages, and all correspondence. Also provide documentation of Richard and Diane Appleyard's receipt of the bonuses, such as bank statements.

If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9204092275

MUR 0172

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

91 FEB 25 AM 10:32

BEGGS & LANE

ATTORNEYS AND COUNSELLORS AT LAW

ROBERT P. GAINES
WILLIAM GUY DAVIS, JR.
W. SPENCER MITCHEM
JAMES M. WEBER
ROBERT L. CRONGEYER
JOHN F. WINDHAM
J. NIXON DANIEL, III
G. EDISON HOLLAND, JR.
RALPH A. PETERSON
RONALD L. NELSON
GARY B. LEUCHTMAN
THOMAS R. JENKINS
JOHN P. DANIEL
JEFFREY A. STONE
JAMES S. CAMPBELL
LARRY A. MATTHEWS
TERESA E. LILES
T. RHETT SMITH
CRYSTAL COLLINS

SEVENTH FLOOR BLOUNT BUILDING
3 WEST GARDEN STREET
PENSACOLA, FLORIDA 32501

POST OFFICE BOX 12950
PENSACOLA, FLORIDA 32576-2950
TELEPHONE (904) 432-2451
TELECOPIER (904) 438-6139

E. DIXIE BEGGS
Retired
BERT H. LANE
1917-1981

February 20, 1991

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

91 FEB 25 PM 3:45

Mr. Mark Allen
Federal Election Commission
Washington, D.C. 20463

RE: MUR 3099

Dear Mr. Allen:

Pursuant to your request, we enclose "hard" copies of the material which we previously provided you on the computer disks. We apologize for the delay in getting this material to you. Should you have any questions, please contact me.

Yours very truly,

G. Edison Holland, Jr.
For the Firm

GEHjr/tlg
Enclosure

9204092276

PAC II

Name	LEVEL	PLEDGE	BALLANCE	PLAN UNIT	ASKEW	BANJANIN
A. ABDON	5	75.00	25.00	EMP REL	0.00	0.00
D. ANDERSON	6	75.00	15.00	MKT & LD MGT	0.00	0.00
T. ANTHONY		0.00	-20.00	POW GEN	0.00	0.00
J. BABBITT	4	125.00	115.00	POW GEN	0.00	0.00
--T. BAKER	4	125.00	125.00	SECURITY	0.00	0.00
B. BARHAM	4	125.00	125.00	ELEC OP SERV	0.00	0.00
K. BARRON	6	75.00	10.00	EAST DIV	15.00	0.00
M. BASS		0.00	-100.00	NON-EMPLOYEE	0.00	0.00
E. BATTAGLIA	6	75.00	55.00	EAST DIV	0.00	0.00
C. BLACKWELL	4	125.00	15.00	TRES&INFO	0.00	0.00
M. BLANTON		0.00	-100.00	NON-EMPLOYEE	0.00	0.00
--P. BOWERS	3	175.00	-195.00	MKT & LD MGT	0.00	0.00
BOZEMAN & LEE		0.00	-100.00	NON-EMPLOYEE	0.00	0.00
B. BRANNING	4	125.00	-165.00	WEST DIV	0.00	0.00
M. BROWN		0.00	-25.00	NON-EMPLOYEE	0.00	0.00
T. BRYSON	5	75.00	75.00	CENTL DIV	0.00	0.00
B. BUCKELEW	4	125.00	70.00	EMP REL	0.00	0.00
B. BYERLEY	5	75.00	15.00	WEST DIV	0.00	0.00
W. BYRD	4	125.00	0.00	ACCT/CORP	0.00	0.00
A. CALDWELL		0.00	-25.00	NON-EMPLOYEE	0.00	0.00
R. CALHOUN	5	75.00	65.00	POW GEN	0.00	0.00
K. CHAFFIN	5	75.00	30.00	EMP REL	0.00	0.00
E. CLAY	5	75.00	35.00	WEST DIV	0.00	0.00
COASTAL INSULATION		0.00	-100.00	NON-EMPLOYEE	0.00	0.00
B. CORDES		0.00	-10.00	MKT & LD MGT	0.00	0.00
S. CROOMS	5	75.00	75.00	POW GEN	0.00	0.00
D. CULLY	4	125.00	80.00	EMP REL	0.00	0.00
T. CUSHING	5	75.00	30.00	PUB REL	0.00	30.00
CVC CONSTRUTION		0.00	-100.00	NON-EMPLOYEE	0.00	0.00
R. CZEPLUCH		0.00	-50.00	POW GEN	0.00	0.00
C. DAVIS	4	125.00	55.00	MKT & LD MGT	20.00	0.00
J. DAVIS	5	75.00	25.00	CENTL DIV	0.00	0.00
L. DIXON	4	125.00	125.00	POW GEN	0.00	0.00
J. DOUGHERTY	5	75.00	30.00	EAST DIV	0.00	0.00
--M. DUNN	3	175.00	0.00	EAST DIV	15.00	0.00
D. DUNNING	4	125.00	125.00	PUR & GEN SERV	0.00	0.00
J. ELLIOTT		0.00	-50.00	NON-EMPLOYEE	0.00	0.00
J. ENGEL	4	125.00	0.00	CORP PLAN	0.00	0.00
L. FAIRCHILD	5	75.00	-10.00	MKT & LD MGT	20.00	0.00
--G. FELL	3	175.00	70.00	INT ACCT	0.00	0.00
D. FILLINGAME		0.00	-50.00	NON-EMPLOYEE	0.00	0.00
--D. FISHER	3	175.00	-75.00	CENTL DIV	0.00	0.00
D. FOWLER	5	75.00	-15.00	TRES&INFO	0.00	0.00
--D. GILBERT	3	175.00	-15.00	CORP PLAN	0.00	0.00
L. GILCHRIST	4	125.00	100.00	ELEC OP SERV	0.00	0.00
G. GRAVES		0.00	-50.00	NON-EMPLOYEE	0.00	0.00
E. GRAYSON	6	75.00	25.00	EMP REL	0.00	0.00
GULF COAST LINE		0.00	-100.00	NON-EMPLOYEE	0.00	0.00
J. HANSEN	4	125.00	55.00	WEST DIV	0.00	0.00
D. HANSFORD	5	75.00	45.00	POW GEN	0.00	0.00

PAC II

Name	LEVEL	PLEDGE	BALLANCE	PLAN UNIT	ASKEW	BANJANIN
S. HARRINGTON	5	75.00	75.00	PUB REL	0.00	0.00
J. HARRIS	4	125.00	90.00	POW DEL	0.00	0.00
R. HARRY	4	125.00	50.00	ELEC OP SERV	0.00	0.00
J. HASKINS	3	175.00	30.00	RATES	30.00	0.00
D. HAWKINS		0.00	-10.00	NON-EMPLOYEE	0.00	0.00
D. HAWKINS		0.00	-10.00	MKT & LD MGT	0.00	0.00
--E. HENDERSON	3	175.00	50.00	GOV AFFAIRS	0.00	0.00
--J. HODGES	3	175.00	-640.00	WEST DIV	0.00	0.00
J. HORTON	2	0.00	-9100.00	EXECUTIVE	2000.00	200.00
B. HOWELL	4	125.00	80.00	ELEC OP SERV	0.00	0.00
HOWELL'S 76 SERV		0.00	-100.00	NON-EMPLOYEE	0.00	0.00
A. IRIZARRY		0.00	-50.00	NON-EMPLOYEE	0.00	0.00
--B. JACKSON	3	175.00	-240.00	EMP REL	170.00	0.00
S. JERNIGAN		0.00	-25.00	NON-EMPLOYEE	0.00	0.00
V. JONES	4	125.00	125.00	POW GEN	0.00	0.00
--C. JORDAN	3	175.00	125.00	PUR & GEN SERV	0.00	0.00
J. KELLY	5	75.00	15.00	POW GEN	0.00	0.00
T. KILGORE	4	125.00	25.00	MKT & LD MGT	25.00	0.00
B. KINSLOW	5	75.00	5.00	EMP REL	0.00	0.00
J. KUBIK		0.00	-10.00	NON-EMPLOYEE	0.00	0.00
R. LABRATO	4	125.00	32.50	ACCT/CORP	0.00	0.00
C. LAMBERT	3	175.00	-250.00	PUB REL	0.00	100.00
--G. LAYMAN	3	175.00	55.00	ELEC OP SERV	0.00	0.00
C. LEE	3	175.00	30.00	POW GEN	0.00	0.00
E. LEE	3	175.00	15.50	ACCT/CORP	0.00	0.00
H. LEMORE		0.00	-25.00	NON-EMPLOYEE	0.00	0.00
B. LYFORD	4	125.00	85.00	POW GEN	0.00	0.00
K. MAJORS	5	75.00	0.00	ACCT/CORP	0.00	0.00
O MALLINI	5	75.00	-65.00	INT ACCT	0.00	0.00
M. MALLOY	5	75.00	55.00	POW DEL	0.00	0.00
J. MANNING	5	75.00	15.00	ACCT/CORP	0.00	0.00
J MCDANAL		0.00	-10.00	MKT & LD MGT	0.00	0.00
J. MCDONALD	4	125.00	125.00	POW GEN	0.00	0.00
J MITCHELL	5	75.00	55.00	POW DEL	0.00	0.00
J. MONROE	4	125.00	50.00	PUR & GEN SERV	0.00	0.00
M MULLINS	5	75.00	55.00	POW DEL	0.00	0.00
J. MULLIS	5	75.00	30.00	EAST DIV	0.00	0.00
G. NELSON	4	125.00	100.00	ELEC OP SERV	0.00	0.00
V. NICHOLS	5	75.00	25.00	PUR & GEN SERV	0.00	0.00
--J. OERTING	3	175.00	95.00	POW DEL	0.00	0.00
J. PARKER	4	125.00	125.00	ELEC OP SERV	0.00	0.00
P. PARKER	5	75.00	50.00	POW GEN	0.00	0.00
B. POPE	5	75.00	50.00	ELEC OP SERV	0.00	0.00
D. POTTER	5	75.00	60.00	WEST DIV	0.00	0.00
B. PUGH	4	125.00	0.00	ACCT/CORP	0.00	0.00
D. RANNEY	5	75.00	15.00	RATES	20.00	0.00
D. RECTOR	5	75.00	5.00	EMP REL	0.00	0.00
T. REEVES	4	125.00	80.00	EMP REL	0.00	0.00
S. RICHBOURG	4	125.00	25.00	WEST DIV	0.00	0.00
R. ROTHBAUER	5	75.00	25.00	CENTL DIV	0.00	0.00

PAC II

Name	LEVEL	PLEDGE	BALLANCE	PLAN UNIT	ASKEW	BANJANIN
L. ROUILLER	4	125.00	70.00	POW DEL	0.00	0.00
P. RUSSELL	5	75.00	50.00	CORP PLAN	0.00	0.00
P. SAIA		0.00	-35.00	MKT & LD MGT	0.00	0.00
G. SAMMONS	5	75.00	30.00	EAST DIV	0.00	0.00
M. SAXON	6	75.00	25.00	EMP REL	0.00	0.00
D. SCHOFIELD	4	75.00	50.00	POW DEL	0.00	0.00
J. SHEROUSE	5	75.00	45.00	POW GEN	0.00	0.00
K. SIMS	5	75.00	10.00	EAST DIV	15.00	0.00
F. SINGLETARY	5	75.00	50.00	CENTL DIV	0.00	0.00
V. SMITH	4	125.00	90.00	CORP PLAN	0.00	0.00
D. SMITHSON	5	75.00	20.50	ACCT/CORP	0.00	0.00
T. SPANGENBERG	4	125.00	60.00	POW DEL	0.00	0.00
B. SPRINGLE	4	125.00	50.00	CENTL DIV	0.00	0.00
B. SPRINKLE	4	125.00	10.00	ACCT/CORP	0.00	0.00
M. STEVENS	5	75.00	40.00	POW DEL	0.00	0.00
T. TALTY	4	125.00	125.00	POW GEN	0.00	0.00
--W. TATE	3	175.00	-115.00	TRES&INFO	0.00	0.00
E. TAYLOR		0.00	-10.00	MKT & LD MGT	0.00	0.00
J. THOMPSON		0.00	0.00	NON-EMPLOYEE	0.00	0.00
E. THORN		0.00	-25.00	ELEC OP SERV	0.00	0.00
K. TRUMP	5	75.00	55.00	POW DEL	0.00	0.00
C. TUGWELL	4	125.00	95.00	POW GEN	0.00	0.00
D. WALKER	5	75.00	75.00	TRES&INFO	0.00	0.00
B. WEINTRITT	4	125.00	50.00	EAST DIV	15.00	0.00
B. WELCH	4	125.00	105.00	POW GEN	0.00	0.00
WIGGINS CO.		0.00	-50.00	NON-EMPLOYEE	0.00	0.00
J. WILEY		0.00	-25.00	NON-EMPLOYEE	0.00	0.00
C. WILSON	5	75.00	45.00	MKT & LD MGT	20.00	0.00
D. WITT	4	125.00	100.00	POW GEN	0.00	0.00
R. YADEN	5	75.00	25.00	MKT & LD MGT	25.00	0.00
R. YARBROUGH	3	175.00	0.00	APPL SALES	0.00	0.00
J. YOUNG	4	125.00	-335.00	MKT & LD MGT	50.00	0.00
*** Total ***		11375.00	-7666.50		2440.00	330.00

PAC II

NAME	BARRON	BASS	BELL	BROWN	BUSH	CHILDERS	CHILES
A. ABDON	0.00	0.00	20.00	0.00	0.00	0.00	0.00
D. ANDERSON	0.00	25.00	0.00	0.00	0.00	0.00	0.00
T. ANTHONY	0.00	20.00	0.00	0.00	0.00	0.00	0.00
J. BABBITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--T. BAKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BARHAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. BARRON	35.00	0.00	0.00	0.00	0.00	0.00	15.00
M. BASS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. BATTAGLIA	20.00	0.00	0.00	0.00	0.00	0.00	0.00
C. BLACKWELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. BLANTON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--P. BOWERS	0.00	0.00	0.00	0.00	0.00	50.00	50.00
BOZEMAN & LEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BRANNING	0.00	0.00	0.00	0.00	0.00	0.00	15.00
M. BROWN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. BRYSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BUCKELEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BYERLEY	0.00	0.00	0.00	0.00	0.00	0.00	15.00
W. BYRD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
H. CALDWELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CALHOUN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. CHAFFIN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CLAY	0.00	0.00	0.00	0.00	0.00	0.00	15.00
COASTAL INSULATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. CORDES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CROOMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F. CULLY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSHING	0.00	0.00	0.00	0.00	0.00	15.00	0.00
CVC CONSTRUTION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CZEPLUCH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. DAVIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. DAVIS	25.00	0.00	0.00	0.00	0.00	0.00	0.00
L. DIXON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. DOUGHERTY	45.00	0.00	0.00	0.00	0.00	0.00	0.00
--M. DUNN	105.00	0.00	0.00	0.00	0.00	15.00	15.00
J. DUNNING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ELLIOTT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. ENGEL	25.00	0.00	0.00	0.00	0.00	0.00	0.00
L. FAIRCHILD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--G. FELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. FILLINGAME	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--D. FISHER	100.00	0.00	0.00	0.00	0.00	0.00	0.00
D. FOWLER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--D. GILBERT	0.00	15.00	0.00	0.00	0.00	0.00	0.00
L. GILCHRIST	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G. GRAVES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. GRAYSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GULF COAST LINE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. HANSEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HANSFORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S. HARRINGTON	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PAC II

NAME	BARRON	BASS	BELL	BROWN	BUSH	CHILDERS	CHILES
J. HARRIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. HARRY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. HASKINS	25.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HAWKINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HAWKINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--E. HENDERSON	100.00	0.00	0.00	0.00	0.00	0.00	0.00
--J. HODGES	0.00	25.00	50.00	0.00	0.00	100.00	0.00
J. HORTON	0.00	100.00	100.00	250.00	1000.00	1000.00	0.00
B. HOWELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HOWELL'S 76 SERV	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. IRIZARRY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--B. JACKSON	0.00	0.00	0.00	0.00	0.00	100.00	23.00
S. JERNIGAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. JONES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--C. JORDAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. KELLY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. KILGORE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. KINSLOW	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. KUBIK	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. LABRATO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. LAMBERT	0.00	0.00	0.00	0.00	0.00	175.00	0.00
--G. LAYMAN	0.00	30.00	0.00	0.00	0.00	0.00	0.00
C. LEE	50.00	0.00	0.00	0.00	0.00	10.00	0.00
--E. LEE	0.00	10.00	0.00	0.00	0.00	0.00	0.00
H. LEMORE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. LYFORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. MAJORS	10.00	15.00	0.00	0.00	0.00	0.00	0.00
T. MALLINI	0.00	10.00	0.00	0.00	0.00	0.00	0.00
M. MALLOY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S. MANNING	10.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MCDANAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MCDONALD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MITCHELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MONROE	0.00	25.00	0.00	0.00	0.00	0.00	0.00
W. MULLINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MULLIS	45.00	0.00	0.00	0.00	0.00	0.00	0.00
G. NELSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. NICHOLS	0.00	25.00	0.00	0.00	0.00	0.00	0.00
--J. OERTING	0.00	25.00	0.00	0.00	0.00	0.00	0.00
J. PARKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P. PARKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. POPE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. POTTER	0.00	0.00	0.00	0.00	0.00	0.00	15.00
B. PUGH	20.00	0.00	0.00	0.00	0.00	0.00	0.00
D. RANNEY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. RECTOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. REEVES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S. RICHBOURG	0.00	25.00	0.00	0.00	0.00	0.00	15.00
R. ROTHBAUER	25.00	0.00	0.00	0.00	0.00	0.00	0.00
L. ROUILLER	20.00	0.00	0.00	0.00	0.00	0.00	0.00
P. RUSSELL	0.00	25.00	0.00	0.00	0.00	0.00	0.00

PAC II

NAME	BARRON	BASS	BELL	BROWN	BUSH	CHILDERS	CHILES
P. SAIA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G. SAMMONS	45.00	0.00	0.00	0.00	0.00	0.00	0.00
M. SAXON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. SCHOFIELD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. SHEROUSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. SIMS	35.00	0.00	0.00	0.00	0.00	0.00	15.00
F. SINGLETARY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. SMITH	25.00	0.00	0.00	0.00	0.00	0.00	0.00
D. SMITHSON	10.00	0.00	0.00	0.00	0.00	0.00	0.00
T. SPANGENBERG	15.00	0.00	0.00	0.00	0.00	0.00	0.00
B. SPRINGLE	50.00	0.00	0.00	0.00	0.00	0.00	0.00
B. SPRINKLE	25.00	0.00	0.00	0.00	0.00	0.00	0.00
M. STEVENS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. TALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--W. TATE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. TAYLOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. THOMPSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. THORN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. TRUMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. TUGWELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. WALKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. WEINTRITT	45.00	0.00	0.00	0.00	0.00	0.00	15.00
B. WELCH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WIGGINS CO.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. WILEY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. WILSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
H. WITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. YADEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--R. YARBROUGH	0.00	25.00	0.00	0.00	0.00	25.00	0.00
D. YOUNG	25.00	0.00	0.00	0.00	0.00	50.00	50.00
*** Total ***	935.00	400.00	170.00	250.00	1000.00	1540.00	258.00

9204

PAC II

NAME	CRONLEY	C-JONES	DEM-LDRS	DESORBO	DUKAKIS	EDGAR	GORE
A. ABDON	0.00	0.00	0.00	10.00	0.00	0.00	0.00
D. ANDERSON	0.00	0.00	0.00	0.00	0.00	10.00	0.00
T. ANTHONY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. BABBITT	0.00	0.00	0.00	0.00	0.00	10.00	0.00
--T. BAKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BARHAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. BARRON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. BASS	0.00	0.00	0.00	0.00	0.00	100.00	0.00
E. BATTAGLIA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. BLACKWELL	0.00	0.00	0.00	0.00	0.00	10.00	0.00
M. BLANTON	0.00	0.00	0.00	0.00	0.00	100.00	0.00
--P. BOWERS	0.00	0.00	0.00	10.00	0.00	25.00	0.00
BOZEMAN & LEE	0.00	0.00	0.00	0.00	0.00	100.00	0.00
B. BRANNING	100.00	0.00	0.00	0.00	0.00	0.00	0.00
M. BROWN	0.00	0.00	0.00	0.00	0.00	25.00	0.00
T. BRYSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BUCKELEW	0.00	0.00	0.00	10.00	0.00	0.00	0.00
B. BYERLEY	0.00	25.00	0.00	0.00	0.00	0.00	0.00
BYRD	0.00	0.00	0.00	0.00	0.00	15.00	0.00
H. CALDWELL	0.00	0.00	0.00	0.00	0.00	25.00	0.00
CALHOUN	0.00	0.00	0.00	0.00	0.00	10.00	0.00
K. CHAFFIN	0.00	0.00	0.00	0.00	0.00	25.00	0.00
CLAY	0.00	25.00	0.00	0.00	0.00	0.00	0.00
COASTAL INSULATION	0.00	0.00	0.00	0.00	0.00	100.00	0.00
B. CORDES	0.00	0.00	0.00	0.00	0.00	10.00	0.00
CROOMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F. CULLY	0.00	0.00	0.00	0.00	0.00	25.00	0.00
CUSHING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CVC CONSTRUTION	0.00	0.00	0.00	0.00	0.00	100.00	0.00
CZEPLUCH	0.00	0.00	0.00	0.00	0.00	25.00	0.00
C. DAVIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. DAVIS	0.00	0.00	0.00	0.00	0.00	25.00	0.00
DIXON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. DOUGHERTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. DUNN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. DUNNING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ELLIOTT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. ENGEL	0.00	0.00	0.00	0.00	0.00	100.00	0.00
L. FAIRCHILD	0.00	0.00	0.00	0.00	0.00	10.00	0.00
--G. FELL	0.00	30.00	0.00	0.00	0.00	25.00	0.00
D. FILLINGAME	0.00	0.00	0.00	0.00	0.00	50.00	0.00
--D. FISHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. FOWLER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--D. GILBERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. GILCHRIST	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G. GRAVES	0.00	0.00	0.00	0.00	0.00	50.00	0.00
E. GRAYSON	0.00	0.00	0.00	0.00	0.00	25.00	0.00
GULF COAST LINE	0.00	0.00	0.00	0.00	0.00	100.00	0.00
J. HANSEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HANSFORD	0.00	0.00	0.00	0.00	0.00	10.00	0.00
S. HARRINGTON	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PAC II

NAME	CRONLEY	C-JONES	DEM-LDRS	DESORBO	DUKAKIS	EDGAR	GORE
J. HARRIS	0.00	0.00	0.00	0.00	0.00	20.00	0.00
R. HARRY	0.00	0.00	0.00	0.00	0.00	25.00	0.00
J. HASKINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HAWKINS	0.00	0.00	0.00	0.00	0.00	10.00	0.00
D. HAWKINS	0.00	0.00	0.00	0.00	0.00	10.00	0.00
--E. HENDERSON	0.00	0.00	0.00	0.00	0.00	25.00	0.00
--J. HODGES	0.00	25.00	0.00	0.00	0.00	0.00	0.00
J. HORTON	0.00	25.00	250.00	100.00	1000.00	300.00	500.00
B. HOWELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HOWELL'S 76 SERV	0.00	0.00	0.00	0.00	0.00	100.00	0.00
A. IRIZARRY	0.00	0.00	0.00	0.00	0.00	50.00	0.00
--B. JACKSON	0.00	10.00	0.00	0.00	0.00	50.00	0.00
S. JERNIGAN	0.00	0.00	0.00	0.00	0.00	25.00	0.00
V. JONES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--C. JORDAN	0.00	0.00	0.00	0.00	0.00	25.00	0.00
J. KELLY	0.00	0.00	0.00	0.00	0.00	15.00	0.00
T. KILGORE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. KINSLOW	0.00	0.00	0.00	0.00	0.00	25.00	0.00
J. KUBIK	0.00	0.00	0.00	0.00	0.00	10.00	0.00
R. LABRATO	0.00	10.00	0.00	0.00	0.00	0.00	0.00
C. LAMBERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--G. LAYMAN	0.00	0.00	0.00	0.00	0.00	20.00	0.00
C. LEE	0.00	40.00	0.00	0.00	0.00	0.00	0.00
--E. LEE	0.00	0.00	0.00	0.00	0.00	20.00	0.00
H. LEMORE	0.00	0.00	0.00	0.00	0.00	25.00	0.00
B. LYFORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. MAJORS	0.00	0.00	0.00	0.00	0.00	10.00	0.00
D. MALLINI	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. MALLOY	0.00	0.00	0.00	0.00	0.00	20.00	0.00
D. MANNING	0.00	10.00	0.00	0.00	0.00	25.00	0.00
J. MCDANAL	0.00	0.00	0.00	0.00	0.00	10.00	0.00
J. MCDONALD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MITCHELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MONROE	0.00	25.00	0.00	0.00	0.00	0.00	0.00
H. MULLINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MULLIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G. NELSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. NICHOLS	0.00	0.00	0.00	0.00	0.00	25.00	0.00
--J. OERTING	0.00	0.00	0.00	0.00	0.00	25.00	0.00
J. PARKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P. PARKER	0.00	0.00	0.00	0.00	0.00	10.00	0.00
B. POPE	0.00	0.00	0.00	0.00	0.00	25.00	0.00
D. POTTER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. PUGH	0.00	10.00	0.00	0.00	0.00	20.00	0.00
D. RANNEY	0.00	0.00	0.00	0.00	0.00	40.00	0.00
D. RECTOR	0.00	0.00	0.00	0.00	0.00	25.00	0.00
T. REEVES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S. RICHBOURG	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. ROTHBAUER	0.00	0.00	0.00	0.00	0.00	25.00	0.00
L. ROUILLER	0.00	0.00	0.00	0.00	0.00	25.00	0.00
P. RUSSELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PAC II

NAME	CRONLEY	C-JONES	DEM-LDRS	DESORBO	DUKAKIS	EDGAR	GORE
P. SAIA	0.00	0.00	0.00	0.00	0.00	35.00	0.00
G. SAMMONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. SAXON	0.00	0.00	0.00	0.00	0.00	25.00	0.00
D. SCHOFIELD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. SHEROUSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. SIMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F. SINGLETARY	0.00	0.00	0.00	0.00	0.00	25.00	0.00
V. SMITH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. SMITHSON	0.00	0.00	0.00	0.00	0.00	10.00	0.00
T. SPANGENBERG	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. SPRINGLE	0.00	0.00	0.00	0.00	0.00	25.00	0.00
B. SPRINKLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. STEVENS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. TALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--W. TATE	0.00	30.00	0.00	0.00	0.00	15.00	0.00
E. TAYLOR	0.00	0.00	0.00	0.00	0.00	10.00	0.00
J. THOMPSON	0.00	0.00	0.00	0.00	0.00	10.00	0.00
E. THORN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. TRUMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. TUGWELL	0.00	0.00	0.00	0.00	0.00	20.00	0.00
D. WALKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. WEINTRITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
N. WELCH	0.00	0.00	0.00	0.00	0.00	20.00	0.00
WIGGINS CO.	0.00	0.00	0.00	0.00	0.00	50.00	0.00
N. WILEY	0.00	0.00	0.00	0.00	0.00	25.00	0.00
C. WILSON	0.00	0.00	0.00	0.00	0.00	10.00	0.00
H. WITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. YADEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--R. YARBROUGH	0.00	0.00	0.00	0.00	0.00	25.00	0.00
D. YOUNG	0.00	0.00	0.00	10.00	0.00	50.00	0.00
*** Total ***	100.00	265.00	250.00	140.00	1000.00	2505.00	500.00

9204

PAC II

NAME	GRANT	GUNTER	HOLLOWAY	HSE-LDRSP	HUNTER	HUTTO	T-JOHNSON
A. ABDON	0.00	0.00	20.00	0.00	0.00	0.00	0.00
D. ANDERSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. ANTHONY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. BABBITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--T. BAKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BARHAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. BARRON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. BASS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. BATTAGLIA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. BLACKWELL	0.00	0.00	20.00	0.00	0.00	0.00	0.00
M. BLANTON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--P. BOWERS	0.00	100.00	0.00	0.00	0.00	0.00	0.00
BOZEMAN & LEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BRANNING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. BROWN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. BRYSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BUCKELEW	0.00	0.00	20.00	0.00	0.00	0.00	0.00
B. BYERLEY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
W. BYRD	0.00	0.00	0.00	0.00	25.00	0.00	0.00
H. CALDWELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. CALHOUN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. CHAFFIN	0.00	0.00	20.00	0.00	0.00	0.00	0.00
FV CLAY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COASTAL INSULATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. CORDES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S. CROOMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F. CULLY	0.00	0.00	20.00	0.00	0.00	0.00	0.00
J. CUSHING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CVC CONSTRUTION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. CZEPLUCH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. DAVIS	0.00	25.00	0.00	0.00	0.00	0.00	0.00
J. DAVIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. DIXON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. DOUGHERTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. DUNN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. DUNNING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. ELLIOTT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. ENGEL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. FAIRCHILD	0.00	20.00	0.00	0.00	0.00	0.00	0.00
--G. FELL	0.00	0.00	0.00	0.00	25.00	0.00	0.00
D. FILLINGAME	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--D. FISHER	0.00	0.00	0.00	0.00	0.00	100.00	0.00
D. FOWLER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--D. GILBERT	0.00	0.00	0.00	0.00	15.00	0.00	0.00
L. GILCHRIST	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G. GRAVES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. GRAYSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GULF COAST LINE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. HANSEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HANSFORD	0.00	0.00	10.00	0.00	0.00	0.00	0.00
S. HARRINGTON	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PAC II

NAME	GRANT	GUNTER	HOLLOWAY	HSE-LDRSP	HUNTER	HUTTO	T-JOHNSON
J. HARRIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. HARRY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. HASKINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HAWKINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HAWKINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--E. HENDERSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--J. HODGES	0.00	0.00	100.00	0.00	25.00	0.00	0.00
J. HORTON	100.00	0.00	250.00	100.00	0.00	0.00	0.00
B. HOWELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HOWELL'S 76 SERV	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. IRIZARRY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--B. JACKSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S. JERNIGAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. JONES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--C. JORDAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. KELLY	0.00	0.00	30.00	0.00	0.00	0.00	0.00
T. KILGORE	0.00	25.00	0.00	0.00	0.00	0.00	0.00
B. KINSLOW	0.00	0.00	20.00	0.00	0.00	0.00	0.00
J. KUBIK	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. LABRATO	0.00	0.00	25.00	0.00	0.00	0.00	0.00
C. LAMBERT	0.00	150.00	0.00	0.00	0.00	0.00	0.00
--G. LAYMAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. LEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--E. LEE	0.00	0.00	25.00	0.00	0.00	0.00	0.00
H. LEMORE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. LYFORD	0.00	0.00	10.00	0.00	0.00	0.00	0.00
K. MAJORS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. MALLINI	0.00	0.00	30.00	0.00	0.00	0.00	0.00
M. MALLOY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. MANNING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MCDANAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. MCDONALD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. MITCHELL	0.00	0.00	20.00	0.00	0.00	0.00	0.00
J. MONROE	0.00	0.00	0.00	0.00	25.00	0.00	0.00
W. MULLINS	0.00	0.00	20.00	0.00	0.00	0.00	0.00
J. MULLIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G. NELSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. NICHOLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--J. OERTING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. PARKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P. PARKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. POPE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. POTTER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. PUGH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. RANNEY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. RECTOR	0.00	0.00	20.00	0.00	0.00	0.00	0.00
T. REEVES	0.00	0.00	20.00	0.00	0.00	0.00	0.00
S. RICHBOURG	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. ROTHBAUER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. ROUILLER	0.00	0.00	10.00	0.00	0.00	0.00	0.00
P. RUSSELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PAC II

NAME	GRANT	GUNTER	HOLLOWAY	HSE-LDRSP	HUNTER	HUTTO	T-JOHNSON
P. SAIA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G. SAMMONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. SAXON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. SCHOFIELD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. SHEROUSE	0.00	0.00	10.00	0.00	0.00	0.00	0.00
K. SIMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F. SINGLETARY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. SMITH	0.00	0.00	0.00	0.00	10.00	0.00	0.00
D. SMITHSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. SPANGENBERG	0.00	0.00	30.00	0.00	0.00	0.00	0.00
B. SPRINGLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. SPRINKLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. STEVENS	0.00	0.00	0.00	0.00	25.00	0.00	0.00
T. TALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--W. TATE	0.00	0.00	45.00	0.00	0.00	0.00	25.00
E. TAYLOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. THOMPSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. THORN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. TRUMP	0.00	0.00	20.00	0.00	0.00	0.00	0.00
C. TUGWELL	0.00	0.00	10.00	0.00	0.00	0.00	0.00
B. WALKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. WEINTRITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. WELCH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WIGGINS CO.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
W. WILEY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. WILSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
H. WITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. YADEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--R. YARBROUGH	0.00	0.00	25.00	0.00	0.00	0.00	0.00
D. YOUNG	0.00	100.00	0.00	0.00	0.00	0.00	0.00
*** Total ***	100.00	420.00	830.00	100.00	150.00	100.00	25.00

9204

PAC II

NAME	J-R-JONES	KENNEY	MACK	MARTINEZ	PEYTON	RICHIE	ROBERTSON
A. ABDON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. ANDERSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. ANTHONY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. BABBITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--T. BAKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BARHAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. BARRON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. BASS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. BATTAGLIA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. BLACKWELL	0.00	0.00	0.00	55.00	0.00	0.00	0.00
M. BLANTON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--P. BOWERS	0.00	0.00	0.00	0.00	0.00	50.00	0.00
BOZEMAN & LEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BRANNING	0.00	0.00	0.00	95.00	0.00	25.00	0.00
M. BROWN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. BRYSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BUCKELEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BYERLEY	0.00	0.00	0.00	0.00	0.00	0.00	20.00
W. BYRD	0.00	0.00	0.00	85.00	0.00	0.00	0.00
H. CALDWELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. CALHOUN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. CHAFFIN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F. CLAY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COASTAL INSULATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. CORDES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S. CROOMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F. CULLY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. CUSHING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CVC CONSTRUTION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. CZEPLUCH	25.00	0.00	0.00	0.00	0.00	0.00	0.00
C. DAVIS	25.00	0.00	0.00	0.00	0.00	0.00	0.00
M. DAVIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. DIXON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. DOUGHERTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. DUNN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. DUNNING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. ELLIOTT	50.00	0.00	0.00	0.00	0.00	0.00	0.00
J. ENGEL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. FAIRCHILD	0.00	0.00	0.00	35.00	0.00	0.00	0.00
--G. FELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. FILLINGAME	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--D. FISHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. FOWLER	15.00	0.00	0.00	0.00	50.00	25.00	0.00
--D. GILBERT	100.00	0.00	0.00	10.00	0.00	0.00	0.00
L. GILCHRIST	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G. GRAVES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. GRAYSON	25.00	0.00	0.00	0.00	0.00	0.00	0.00
GULF COAST LINE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. HANSEN	0.00	0.00	0.00	50.00	0.00	0.00	20.00
D. HANSFORD	10.00	0.00	0.00	0.00	0.00	0.00	0.00
S. HARRINGTON	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PAC II

NAME	J-R-JONES	KENNEY	MACK	MARTINEZ	PEYTON	RICHIE	ROBERTSON
J. HARRIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. HARRY	25.00	0.00	0.00	0.00	0.00	0.00	0.00
J. HASKINS	40.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HAWKINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HAWKINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--E. HENDERSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--J. HODGES	0.00	50.00	0.00	50.00	0.00	25.00	100.00
J. HORTON	0.00	100.00	100.00	0.00	0.00	0.00	1000.00
B. HOWELL	20.00	0.00	0.00	0.00	0.00	0.00	0.00
HOWELL'S 76 SERV	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. IRIZARRY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--B. JACKSON	50.00	0.00	0.00	0.00	0.00	0.00	0.00
S. JERNIGAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. JONES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--C. JORDAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. KELLY	15.00	0.00	0.00	0.00	0.00	0.00	0.00
T. KILGORE	25.00	0.00	0.00	0.00	0.00	25.00	0.00
B. KINSLOW	25.00	0.00	0.00	0.00	0.00	0.00	0.00
J. KUBIK	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. LABRATO	0.00	0.00	0.00	22.50	0.00	0.00	0.00
C. LAMBERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--G. LAYMAN	25.00	0.00	0.00	0.00	0.00	0.00	0.00
C. LEE	20.00	0.00	0.00	0.00	0.00	0.00	0.00
--E. LEE	20.00	0.00	0.00	34.50	0.00	0.00	0.00
A. LEMORE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. LYFORD	20.00	0.00	0.00	0.00	0.00	0.00	10.00
R. MAJORS	6.00	0.00	0.00	34.00	0.00	0.00	0.00
T. MALLINI	0.00	0.00	0.00	50.00	0.00	50.00	0.00
M. MALLOY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. MANNING	15.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MCDANAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. MCDONALD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MITCHELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MONROE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
W. MULLINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MULLIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G. NELSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. NICHOLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--J. OERTING	30.00	0.00	0.00	0.00	0.00	0.00	0.00
J. PARKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P. PARKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. POPE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. POTTER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. PUGH	16.00	0.00	0.00	34.00	0.00	0.00	0.00
D. RANNEY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. RECTOR	25.00	0.00	0.00	0.00	0.00	0.00	0.00
T. REEVES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S. RICHBOURG	0.00	0.00	0.00	25.00	0.00	0.00	10.00
R. ROTHBAUER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. ROUILLER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P. RUSSELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PAC II

NAME	J-R-JONES	KENNEY	MACK	MARTINEZ	PEYTON	RICHIE	ROBERTSON
P. SAIA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G. SAMMONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. SAXON	25.00	0.00	0.00	0.00	0.00	0.00	0.00
D. SCHOFIELD	25.00	0.00	0.00	0.00	0.00	0.00	0.00
J. SHEROUSE	20.00	0.00	0.00	0.00	0.00	0.00	0.00
K. SIMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F. SINGLETARY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. SMITH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. SMITHSON	18.00	0.00	0.00	16.50	0.00	0.00	0.00
T. SPANGENBERG	20.00	0.00	0.00	0.00	0.00	0.00	0.00
B. SPRINGLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. SPRINKLE	25.00	0.00	0.00	50.00	0.00	0.00	0.00
M. STEVENS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. TALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--W. TATE	10.00	0.00	0.00	65.00	0.00	25.00	25.00
E. TAYLOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. THOMPSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. THORN	25.00	0.00	0.00	0.00	0.00	0.00	0.00
K. TRUMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. TUGWELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. WALKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. WEINTRITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. WELCH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WIGGINS CO.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. WILEY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. WILSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
H. WITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. YADEN	0.00	0.00	0.00	0.00	0.00	25.00	0.00
--R. YARBROUGH	25.00	0.00	0.00	0.00	0.00	25.00	0.00
D. YOUNG	0.00	0.00	0.00	0.00	0.00	50.00	0.00
*** Total ***	820.00	150.00	100.00	711.50	50.00	325.00	1185.00

PAC II

NAME	SEELY	SMITH	TAUZIN	TOBIASSEN	UNKNOWN	VOGT	WALKER
A. ABDON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. ANDERSON	0.00	0.00	25.00	0.00	0.00	0.00	0.00
T. ANTHONY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. BABBITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--T. BAKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BARHAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. BARRON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. BASS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. BATTAGLIA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. BLACKWELL	0.00	0.00	0.00	0.00	25.00	0.00	0.00
M. BLANTON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--P. BOWERS	0.00	0.00	25.00	0.00	10.00	50.00	0.00
BOZEMAN & LEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BRANNING	0.00	0.00	0.00	0.00	55.00	0.00	0.00
M. BROWN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. BRYSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. BUCKELEW	0.00	0.00	25.00	0.00	0.00	0.00	0.00
B. BYERLEY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
W. BYRD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
H. CALDWELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. CALHOUN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. CHAFFIN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. CLAY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COASTAL INSULATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. CORDES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S. CROOMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F. CULLY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. CUSHING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CVC CONSTRUTION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. CZEPLUCH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. DAVIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. DAVIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. DIXON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. DOUGHERTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. DUNN	0.00	0.00	25.00	0.00	0.00	0.00	0.00
J. DUNNING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. ELLIOTT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. ENGEL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. FAIRCHILD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--G. FELL	0.00	0.00	25.00	0.00	0.00	0.00	0.00
D. FILLINGAME	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--D. FISHER	0.00	0.00	50.00	0.00	0.00	0.00	0.00
D. FOWLER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--D. GILBERT	0.00	0.00	50.00	0.00	0.00	0.00	0.00
L. GILCHRIST	0.00	0.00	25.00	0.00	0.00	0.00	0.00
G. GRAVES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. GRAYSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GULF COAST LINE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. HANSEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HANSFORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S. HARRINGTON	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PAC II

NAME	SEELY	SMITH	TAUZIN	TOBIASSEN	UNKNOWN	VOGT	WALKER
J. HARRIS	0.00	0.00	15.00	0.00	0.00	0.00	0.00
R. HARRY	0.00	0.00	25.00	0.00	0.00	0.00	0.00
J. HASKINS	0.00	0.00	50.00	0.00	0.00	0.00	0.00
D. HAWKINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. HAWKINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--E. HENDERSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--J. HODGES	100.00	15.00	0.00	100.00	0.00	0.00	50.00
J. HORTON	300.00	25.00	0.00	0.00	0.00	200.00	0.00
B. HOWELL	0.00	0.00	25.00	0.00	0.00	0.00	0.00
HOWELL'S 76 SERV	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. IRIZARRY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--B. JACKSON	0.00	15.00	0.00	0.00	350.00	50.00	0.00
S. JERNIGAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. JONES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--C. JORDAN	0.00	0.00	25.00	0.00	0.00	0.00	0.00
J. KELLY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. KILGORE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. KINSLOW	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. KUBIK	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R. LABRATO	0.00	10.00	25.00	0.00	0.00	0.00	0.00
C. LAMBERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--G. LAYMAN	0.00	20.00	25.00	0.00	0.00	0.00	0.00
C. LEE	0.00	25.00	0.00	0.00	0.00	0.00	0.00
--E. LEE	0.00	0.00	50.00	0.00	0.00	0.00	0.00
A. LEMORE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. LYFORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. MAJORS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. MALLINI	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. MALLOY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D MANNING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MCDANAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MCDONALD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MITCHELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MONROE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MULLINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. MULLIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NELSON	0.00	0.00	25.00	0.00	0.00	0.00	0.00
V. NICHOLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--J. OERTING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. PARKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P. PARKER	0.00	0.00	0.00	0.00	15.00	0.00	0.00
B. POPE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. POTTER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. PUGH	0.00	0.00	25.00	0.00	0.00	0.00	0.00
D. RANNEY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. RECTOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. REEVES	0.00	0.00	25.00	0.00	0.00	0.00	0.00
S. RICHBOURG	0.00	0.00	25.00	0.00	0.00	0.00	0.00
R. ROTHBAUER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
L. ROUILLER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P. RUSSELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PAC II

NAME	SEELY	SMITH	TAUZIN	TOBIASSEN	UNKNOWN	VOGT	WALKER
P. SAIA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G. SAMMONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M. SAXON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. SCHOFIELD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. SHEROUSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. SIMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F. SINGLETARY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V. SMITH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. SMITHSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T. SPANGENBERG	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. SPRINGLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. SPRINKLE	0.00	15.00	0.00	0.00	0.00	0.00	0.00
M. STEVENS	0.00	0.00	10.00	0.00	0.00	0.00	0.00
T. TALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--W. TATE	0.00	0.00	25.00	25.00	0.00	0.00	0.00
E. TAYLOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. THOMPSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. THORN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
K. TRUMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. TUGWELL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. WALKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. WEINTRITT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. WELCH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WIGGINS CO.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
J. WILEY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. WILSON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
H. WITT	0.00	0.00	25.00	0.00	0.00	0.00	0.00
R. YADEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
--R. YARBROUGH	0.00	0.00	25.00	0.00	0.00	0.00	0.00
D. YOUNG	0.00	0.00	25.00	0.00	0.00	50.00	0.00
*** Total ***	400.00	125.00	700.00	125.00	455.00	350.00	50.00

PAC II

NAME	WALTRIP
A. ABDON	0.00
D. ANDERSON	0.00
T. ANTHONY	0.00
J. BABBITT	0.00
--T. BAKER	0.00
B. BARHAM	0.00
K. BARRON	0.00
M. BASS	0.00
E. BATTAGLIA	0.00
C. BLACKWELL	0.00
M. BLANTON	0.00
--P. BOWERS	0.00
BOZEMAN & LEE	0.00
B. BRANNING	0.00
M. BROWN	0.00
T. BRYSON	0.00
B. BUCKELEW	0.00
B. BYERLEY	0.00
W. BYRD	0.00
H. CALDWELL	0.00
R. CALHOUN	0.00
K. CHAFFIN	0.00
F. CLAY	0.00
COASTAL INSULATION	0.00
B. CORDES	0.00
S. CROOMS	0.00
F. CULLY	0.00
T. CUSHING	0.00
CVC CONSTRUTION	0.00
R. CZEPLUCH	0.00
C. DAVIS	0.00
M. DAVIS	0.00
L. DIXON	0.00
J. DOUGHERTY	0.00
M. DUNN	0.00
J. DUNNING	0.00
M. ELLIOTT	0.00
J. ENGEL	0.00
L. FAIRCHILD	0.00
--G. FELL	0.00
D. FILLINGAME	0.00
--D. FISHER	0.00
D. FOWLER	0.00
--D. GILBERT	0.00
L. GILCHRIST	0.00
G. GRAVES	0.00
E. GRAYSON	0.00
GULF COAST LINE	0.00
J. HANSEN	0.00
D. HANSFORD	0.00
S. HARRINGTON	0.00

PAC II

NAME	WALTRIP
J. HARRIS	0.00
R. HARRY	0.00
J. HASKINS	0.00
D. HAWKINS	0.00
D. HAWKINS	0.00
--E. HENDERSON	0.00
--J. HODGES	0.00
J. HORTON	100.00
B. HOWELL	0.00
HOWELL'S 76 SERV	0.00
A. IRIZARRY	0.00
--B. JACKSON	0.00
S. JERNIGAN	0.00
V. JONES	0.00
--C. JORDAN	0.00
J. KELLY	0.00
T. KILGORE	0.00
B. KINSLOW	0.00
J. KUBIK	0.00
R. LABRATO	0.00
C. LAMBERT	0.00
--G. LAYMAN	0.00
C. LEE	0.00
--E. LEE	0.00
H. LEMORE	0.00
B. LYFORD	0.00
K. MAJORS	0.00
T. MALLINI	0.00
M. MALLOY	0.00
D. MANNING	0.00
J. MCDANAL	0.00
J. MCDONALD	0.00
J. MITCHELL	0.00
J. MONROE	0.00
W. MULLINS	0.00
J. MULLIS	0.00
G. NELSON	0.00
V. NICHOLS	0.00
--J. OERTING	0.00
J. PARKER	0.00
P. PARKER	0.00
B. POPE	0.00
D. POTTER	0.00
B. PUGH	0.00
D. RANNEY	0.00
D. RECTOR	0.00
T. REEVES	0.00
S. RICHBOURG	0.00
R. ROTHBAUER	0.00
L. ROUILLER	0.00
P. RUSSELL	0.00

PAC II

NAME	WALTRIP
P. SAIA	0.00
G. SAMMONS	0.00
M. SAXON	0.00
D. SCHOFIELD	0.00
J. SHEROUSE	0.00
K. SIMS	0.00
F. SINGLETARY	0.00
V. SMITH	0.00
D. SMITHSON	0.00
T. SPANGENBERG	0.00
B. SPRINGLE	0.00
B. SPRINKLE	0.00
M. STEVENS	0.00
T. TALTY	0.00
--W. TATE	0.00
E. TAYLOR	0.00
J. THOMPSON	0.00
E. THORN	0.00
K. TRUMP	0.00
C. TUGWELL	0.00
D. WALKER	0.00
B. WEINTRITT	0.00
B. WELCH	0.00
WIGGINS CO.	0.00
J. WILEY	0.00
C. WILSON	0.00
H. WITT	0.00
R. YADEN	0.00
--R. YARBROUGH	0.00
D. YOUNG	0.00
*** Total ***	100.00

9 2 0 4

OGC #0297
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
91 MAR -8 PM 4:32

CLARK, PARTINGTON, HART, LARRY, BOND, STACKHOUSE & STONE
ATTORNEYS AT LAW
SUITE 800, FIRST FLORIDA BANK BLDG.
125 WEST ROMANA STREET
POST OFFICE BOX 13010
PENSACOLA, FLORIDA
32591-3010

ROBERT D. HART, JR.

TELEPHONE (904) 434-9200
TELECOPIER (904) 432-7340

March 8, 1991

Lois G. Lerner
Associate General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3099
John Appleyard Agency, et al.

Dear Ms. Lerner:

I am giving you this letter by hand delivery at our meeting on March 8, 1991. Responding to your letter of February 22, 1991, I believe that the evidence would show the following additional information with respect to the campaign fund raisers about which you have inquired:

The Askew Campaign Function

This function was held March 23, 1988 at New World Landing, a conference center adjacent to a motel in downtown Pensacola.

Members of the Appleyard family received printed invitations to this function. No member of the Appleyard family, nor the John Appleyard Agency, was a "sponsor" of the function. As best we can determine, the Askew for ~~President~~ SENATE Campaign Committee was in charge of the function.

Richard Appleyard and others, including employees at Gulf Power, encouraged people to attend the function. As best Richard Appleyard can recall, the only participation he had in assisting with the success of the function was being requested to pick up a banner that would be used at the function. Other than that, he was neither a sponsor, nor prime organizer, of the event.

No copies of invitation to this function were kept. They were received from someone else. Neither the Agency nor members of the family were involved in the printing and mailing of the invitations.

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The solicitation for the contribution made by members of the Appleyard family was made by the invitation to the fund raiser. Other oral solicitations were, no doubt, made, both from employees of Gulf Power and others participating in the function.

The Gunter Function

This function was held on June 18, 1988, at the home of Richard Appleyard. The function was organized by local supporters of Bill Gunter, candidate for the United States Senate. The statewide campaign of Mr. Gunter assisted with organization of the function. As best can be determined, invitations for the function were mailed by the campaign offices of Mr. Gunter. No copies of these invitations are available.

Richard Appleyard was asked by employees of Gulf Power and others to assist with the location of the function and helping get people to attend. After investigating costs of public places, Mr. Appleyard volunteered the use of his home as the location for the function. Mr. Appleyard then solicited various friends and associates to attend the function and make a contribution.

Mr. Appleyard was himself solicited by Paul Bowers, an employee of Gulf Power, and by others. The solicitation was made at or about the time of the function in June of 1988, and was an oral solicitation. No written solicitation was made other than what would have been indicated on the invitation to the function.

Mr. Appleyard has no formal position with the Gunter campaign. His only involvement was in helping arrange the function held at his home the evening of June 18, 1988.

At the time of dictation of this letter, I do not have information on individuals and entities solicited by Richard Appleyard for both the Askew and Gunter functions. From brief discussion with Richard Appleyard, I do know there is no list of entities or individuals from whom he solicited contributions, and any such information would have to be based solely on his memory at this time.

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Bonuses to Richard and Diane Appleyard

Enclosed is a schedule of bonuses received by Richard Appleyard and Diane Appleyard from the John Appleyard Agency in the years 1986, 1987, 1988 and 1989.

As you can see from the attached schedule, the corporation has a practice of bonusing these two individuals periodically, as is frequently the case in closely-held family corporations of this type.

In 1988, the year of the campaign functions about which you have inquired, Richard Appleyard received five bonuses at different times during the year. On March 30, 1988, the month in which Richard Appleyard's wife made the contribution to the Askew campaign, he received a bonus of $1,080. In June of that year, the month of the Gunter function, he received a bonus of $50,000.

In March of 1988, the month in which Diane Appleyard contributed to the Askew campaign, she received a bonus of $10,270. In June of that year, the month in which Ms. Appleyard made a contribution to the Gunter campaign, she received two bonuses totalling $4,600.

You requested some additional documentation, but timing did not permit gathering everything you requested. We will provide this in the near future.

I look forward to discussing these matters with you at our meeting on March 8.

Yours truly,

ROBERT D. HART, JR.

RDHJr/to
Encl.

9204092300

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 14, 1991

Robert Hart, Esq.
Clark, Partington, Hart, Larry,
Bond, Stackhouse & Stone
125 West Romana Street, Suite 800
P.O. Box 13010
Pensacola, FL 32591-3010

RE: MUR 3099
John Appleyard Agency
Carolyn Appleyard
Diane Appleyard
Eleanor Appleyard
Richard Appleyard

Dear Mr. Hart:

We appreciate the cooperation you expressed on behalf of your clients at the meeting with Jonathan Bernstein and Mark Allen of this Office on March 8, 1991. This letter is to confirm the additional information that you will provide.

Please provide the following information:

1. For Carolyn, Eleanor, Richard, and Diane Appleyard, provide bank statements, check registers, and all other documents relating to their political contributions.

2. For Carolyn, Eleanor, and Diane Appleyard, provide copies of backs of contribution checks.

3. Regarding Richard Appleyard's role in the Askew and Gunter fundraisers, did he collect contribution checks in connection with either fundraiser? If so, identify by name and position the individual to whom he turned over the checks.

4. Regarding the bonuses Richard and Diane Appleyard received after their contributions to the Askew and Gunter campaigns, provide documentation of the John Appleyard Agency's payment, such as invoices, ledger pages, and all correspondence. Also provide documentation of Richard and Diane Appleyard's receipt of the bonuses, such as bank statements.

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5. Describe the relationship, if any, between the John Appleyard Agency and/or its employees and each of the following individuals and entities:

a. Dick Leonard Group II, Inc.

b. William Bush

c. Whitney Babcock

d. Dick Leonard

e. Hemmer & Yates Corp.

f. Cooper Yates

6. Describe the precise procedure by which the John Appleyard Agency made contributions to state candidates and billed the costs back to Gulf Power via a "special projects fund." Describe the process by which Agency employees contributed to the Gunter for U.S. Senate Committee, and how and why this varied from the state contributions.

In addition, as stated at the meeting, this Office will consider your letter of November 7, 1990, as a request for pre-probable cause conciliation on behalf of your clients. As discussed at the meeting, this Office is willing to recommend that the Commission enter into pre-probable cause conciliation once all factual issues relating to your clients are resolved. Finally, if my staff has additional questions they will contact you directly.

If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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06C0899

CLARK, PARTINGTON, HART, LARRY, BOND, STACKHOUSE & STONE
ATTORNEYS AT LAW
SUITE 800, FIRST FLORIDA BANK BLDG.
125 WEST ROMANA STREET
POST OFFICE BOX 13010
PENSACOLA, FLORIDA
32591-3010

ROBERT D. HART, JR.

TELEPHONE (904) 434-9200
TELECOPIER (904) 432-7340

April 19, 1991

VIA FEDERAL EXPRESS

Mr. Mark Allen
Office of the General Counsel
FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
91 APR 22 AM 10:46

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
91 APR 22 PM 3:29

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Re: MUR 3099
The John Appleyard Agency, et al.

Dear Mark:

I appreciated the opportunity to meet with you and Mr. Bernstein at your offices in Washington.

Responding to the letter I received after that conference from Lois Lerner, I give you the following additional information.

1. Enclosed are copies of bank statements from Carolyn, Eleanor, Richard and Diane Appleyard for the months in which the contributions in question were made.

2. Enclosed are copies of front and back of contribution checks for Carolyn, Eleanor and Diane Appleyard.

3. With regard to bonuses paid Richard and Diane Appleyard, enclosed are copies of payroll records and copies of bank statements of Richard and Diane Appleyard for months in which bonuses were received and political contributions made.

4. The above items answer questions 1, 2 and 4 of Ms. Lerner's letter. Questions 3, 5 and 6 are answered in the enclosed affidavit from Richard Appleyard.

Assuming your review of this letter and the enclosed information confirms you have all factual information necessary to enter into pre-probable cause conciliation, I will appreciate

your giving me a call at your first convenience so indicating in order that we can begin those discussions as expeditiously as possible.

Yours truly,

ROBERT D. HART, JR.

RDHJr/to
Encl.

9204092223 04

STATE OF FLORIDA

COUNTY OF ESCAMBIA

AFFIDAVIT OF RICHARD L. APPLEYARD

BEFORE ME, the undersigned authority, personally appeared RICHARD L. APPLEYARD, who, after being first duly sworn, deposes and says:

1. I am submitting this affidavit individually and as President of The John Appleyard Agency, Inc. (the "Agency") in response to a request for additional information from the Federal Election Commission. The information requested is as follows:

A. THE ASKEW FUNCTION

2. The Reubin Askew for Senate Campaign function was held on March 23, 1988, at New World Landing, a conference center adjacent to a hotel in downtown Pensacola.

3. Members of the Appleyard family personally received printed invitations to this function. No member of the Appleyard family, nor the Agency, was a "sponsor" of the function. I believe that the Askew for Senate Campaign Committee was responsible for and in charge of this function.

4. Gulf Power employees participated in soliciting attendance at the function. As best I recall, my only participation in assisting with this function's success was being requested to pick up a banner to be used at the function. Beyond

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that, I was neither a sponsor, nor a prime organizer of this event.

5. No copies of the invitations to this function were kept. These invitations were received by me and other members of the Appleyard family from someone else. Neither the Agency, nor members of the Appleyard family, were involved in the printing or mailing of the invitations.

6. The contributions to the Askew for Senate Campaign which were made by members of the Appleyard family were solicited by this invitation. To the best of my recollection, there were other oral solicitations made for contributions by employees of Gulf Power and others participating in the function. I did not collect contribution checks for the Askew function, other than the one from my wife. I do not recall to whom that check was delivered.

B. THE GUNTER FUNCTION

7. The Bill Gunter for Senate Campaign function was held on June 18, 1988, at my home. This function was organized by local supporters of Mr. Gunter's United States Senate Campaign. The statewide campaign organization assisted with the organization of this function. As best I can recall, the invitations for this function were mailed by the campaign offices of Mr. Gunter. No copies of these invitations are available to the Agency or the Appleyard family.

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8. I was asked by employees of Gulf Power and other supporters of Mr. Gunter's campaign to assist them with the location of the function and to encourage the attendance of people in the community. After investigating the costs which would be involved in holding the function at a public location, I volunteered the use of my home as the location for this function. I then encouraged various family members, personal friends and other associates to attend the function and make contributions to Mr. Gunter's campaign.

9. I was personally solicited for contributions to Mr. Gunter's campaign by Paul Bowers, a Gulf Power employee, and by others. This solicitation was made at or about the time of the June, 1988, function, and was an oral solicitation. No written solicitation was made to me other than any which may have been indicated on the invitations to the function. I did not collect any checks at the function. I do not recall receiving checks for delivery before or after the function.

10. Although I had no formal position with the Gunter campaign, I did participate in meetings to plan the fund-raising function. A representative of the statewide Gunter campaign led these meetings. My main involvement in the campaign was in helping to arrange the function which was held at my home on the evening of June 18, 1988.

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C. RELATIONSHIP WITH OTHERS

11. The Agency, and the members of the Appleyard family, had no business or other relationship with the Dick Leonard Group II, Inc., William Bush, Whitney Babcock, Dick Leonard, Hemmer & Yates, Inc., or Cooper Yates. I have never met Mr. Bush, Mr. Babcock or Mr. Leonard. Mr. Yates is a competitor of the Agency in Pensacola.

D. THE "SPECIAL PROJECTS" FUND FOR GULF POWER

12. For 20 years prior to 1981, the Agency had been billing Gulf Power for many different advertising and public relation matters. In 1981, at the request of Gulf Power, the Agency established a separate account known as the "special projects" account which was used to pay the Agency for the writing of a management textbook. For a period of time, the account would be billed to Gulf Power at $1,000 a month, and this amount was later increased to $2,000 a month. These additional funds were used for entertainment events and other special projects for Gulf Power.

13. All disbursements made from the special projects fund were made at the direction of Gulf Power. In 1982, one ticket for $100 was purchased to a gubernatorial campaign fund raiser.

9204092308

14. In 1983, the Agency performed some advertising/brochure work in a City Council campaign for which Gulf Power was billed. The Agency did not know whether Gulf Power was being reimbursed by the campaign for these expenses.

15. In 1984, a ticket was purchased to an appreciation dinner for a state legislator who was retiring. Also in 1984, a $1,000 contribution was made, at the direction of Gulf Power, to a "speakers fund." At the time, the Agency thought this was for a speaker being sponsored by Gulf Power, but it turned out to be a contribution to a fund from which the speaker of the Florida House of Representatives would direct contributions to various political races throughout the State of Florida.

16. Other than the above-mentioned items, no campaign contributions were made from the special projects fund and billed back to Gulf Power. The special projects fund was terminated in 1984.

17. There was absolutely no relationship, either in time or procedure, between the special projects fund terminated in 1984 and voluntary federal campaign contributions made by members of the Appleyard family four years after the special projects fund had been terminated.

RICHARD L. APPLEYARD

9204092309

SWORN TO and subscribed before me this 11th day of April, 1991.

Terry E. O'Rourke
Notary Public
State of Florida

My Commission Expires: 1-31-94

[NOTARIAL SEAL]

TERRY E. O'ROURKE (NOTARY) PUBLIC STATE OF FLORIDA

9220409223110

9204092231 1

RICHARD L. APPLEYARD
OR CAROLYN P. APPLEYARD
PH 904 438-8848
2250 MCCUTCHEN PLACE
PENSACOLA, FL. 32503

6-18 19 88 317

PAY TO THE ORDER OF Bill Gunter for Senate $ 500.00

Five Hundred & 00/100 DOLLARS

Barnett Bank
100 WEST GARDEN STREET
PENSACOLA, FLORIDA 32501

PAID 06320040 05-29-88

MEMO

Carolyn P. Appleyard

JE 88 28

Pay To The Order Of
FIRST FLORIDA BANK, N.A.
For Deposit Only
GUNTER FOR U.S. SENATE
611020259

PAY ANY BANK PEG FRB JAX
FRB JACKSONVILLE 063000191

28 JUN 88

05-29-88 CLEARING 02 063101035

#0336701

9220409223112

RICHARD L. APPLEYARD
OR CAROLYN P. APPLEYARD
PH 904 438-8848
2250 MC CUTCHEN PLACE
PENSACOLA, FL 32503

3-21 19 89 128

04-04-88 133799768

PAY TO THE ORDER OF Ashwin for Senate $ 1000.00

One thousand dollars DOLLARS

PAID 06320040 04-04-88

Barnett Bank
100 WEST GARDEN STREET
PENSACOLA, FLORIDA 32501

MEMO

Carolyn P. Appleyard

AP '88 01 P E G

SUN BANK N.A.
ORLANDO, FL
PAY AN. JANK

PAY TO THE ORDER OF

RA LANY BANK FEG FRB JAX 63-19
FRB JACKSONVILLE 063000199
7927 7927 02 04-04-88 133799768

C16
C16

04-04-88 INCLEARING 02 020200355

88 APR 01

VENDORS

JOHN H. OR ELEANOR K. APPLEYARD
741 GERHARDT DR 432-1163
PENSACOLA, FL 32503

1706

June 17 19 88

53-1012
632

Pay to the Order of Bill Gunter for US Senate $ 1000 00

7074 7085-02-05 29-RB 0028230976

One thousand and 00/100 Dollars

first STATE BANK OF PENSACOLA
PENSACOLA, FLORIDA 32597

For Eleanor K Appleyard

9204092231 3

FIRST FLORIDA BANK, N.A.
TAMPA, FLORIDA

28 JUN 88

063100 2019 6 12

PAY ANY BANK REG FRB JAX
FRB JACKSONVILLE 063000018
88-06-28

99001090

Pay To The Order Of
FIRST FLORIDA BANK, N.A.
For Deposit Only
GUNTER FOR U.S. SENATE
6110202091

TOSSED

9204092231 4

JOHN H. OR ELEANOR K. APPLEYARD
741 GERHARDT DR 432-1163
PENSACOLA, FL 32503

1634

Mar 23 1985

63-1012
632

Pay to the Order of Sakeen for Senate $ 250.00

Two hundred fifty dus 00/100 Dollars

first STATE BANK OF PENSACOLA
PENSACOLA, FLORIDA 32507

For Eleanor K. Appleyard

⑈ 1634 ⑈ ⑆063101012⑆ 9204092231 4

SUN BANK N.A.
ORLANDO, FL
PAY ANY BANK

PAY TO THE ORDER OF

APR 88

0408 88.

0904

DIANE APPLEYARD
5270 FLAX RD 477-4842
PENSACOLA, FL 32504

3/22 19 87 63-1012 832

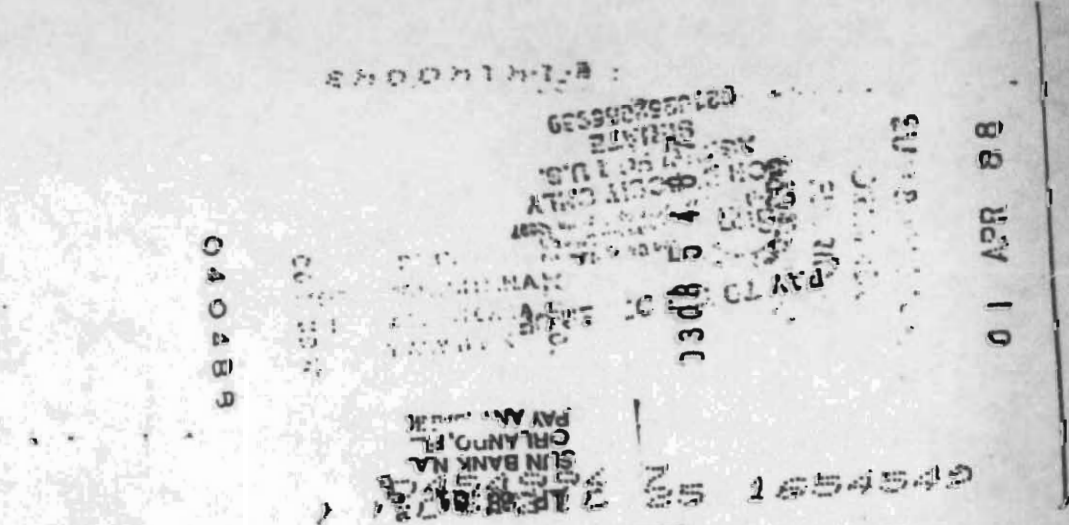
Pay to the Order of Gates for Seniors $ 250.00

Two hundred fifty and 00/100 Dollars

first STATE BANK OF PENSACOLA
PENSACOLA, FLORIDA 32501

For _____ Diane Appleyard

9220409223315



9220409223116

0992

DIANE APPLEYARD
5270 FLAX RD., 477-4842
PENSACOLA, FL 32504

6/17 19 88 s01 63-1012 832

PAY TO THE ORDER OF Bill Gunter for Senate $ 500 00/100

7079 7085 02 06-24-88 $500.00

five hundred and 00/100 DOLLARS

FIRST UNION First Union National Bank of Florida Pensacola, Florida 32506

FOR

Diane Appleyard

FIRST FLORIDA BANK, N.A.
TAMPA, FLORIDA

Pay To The Order Of
FIRST FLORIDA BANK N.A.
For Deposit Only
GUNTER FOR U.S. SENATE
611020269

PAY ANY BANK FEG FRB JAX:
FRB JACKSONVILLE 063000047
06-24-88

063100661

JUN 88

20 6 11

FLORIDA BANK
TALLAHASSEE

0033821102

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32589

5535

June 16 19 88

63-1012
632

PAY TO THE ORDER OF Richard L. Appleyard $ 36,000 00/100

Thirty-six Thousand and 00/100 DOLLARS

FIRST UNION First Union National Bank of Florida Pensacola, Florida 32506

JOHN APPLEYARD AGENCY, INC.

BONUS
$50000 - e - 14.00 FWT

Eleanor K. Appleyard

⑈005535⑈ ⑆063210125⑆ 118 1388 2475⑈ ⑈0003500000⑈

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32589

5534

June 16 19 88

63-1012
632

PAY TO THE ORDER OF Richard L. Appleyard $ 3172 61/100

Three Thousand one hundred seventy two and 61/100 DOLLARS

FIRST UNION First Union National Bank of Florida Pensacola, Florida 32506

JOHN APPLEYARD AGENCY, INC.

4250.00 - 107.39 FICA - 915.00 FWT - 5.00 VW
- 57.00 Car

Eleanor K. Appleyard

⑈005534⑈ ⑆063210125⑆ 118 1388 2475⑈ ⑈0003172615⑈

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32598

5069

63-1012
632

March 31 19 88

PAY TO THE ORDER OF Diane P. Appleyard $ 9030 71/100

Nine thousand thirty and 71/100 DOLLARS

First Union National Bank of Florida Pensacola, Florida 32508

JOHN APPLEYARD AGENCY, INC.

FICA FWT Ins UW
11695.00 - 878.29 - 1756.25 - 232.50

Diane K. Appleyard

⑈005069⑈ ⑆063210125⑆ 6186388247⑆ ⑈0009030 71⑈

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32598

5070

63-1012
632

March 31 19 88

PAY TO THE ORDER OF Richard L Appleyard $ 3874 72/100

2815 7243 7444 02 04-05-88 2943 2815

Three thousand Eight hundred Seventy-four 72/100 DOLLARS

First Union National Bank of Florida Pensacola, Florida 32508

JOHN APPLEYARD AGENCY, INC.

FICA FWT UW Casualty
5330.00 - 400.28 - 1000 - 5.00 - 50

04-04-88 0948 0613

Richard L. Appleyard

⑈005070⑈ ⑆063210125⑆ 6186388247⑆ ⑈0003874 72⑈

9204092318

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32589

5531

June 15 19 88

63-1012
532

PAY TO THE ORDER OF Diane Appleyard $ 1013 23/100

One thousand thirteen and 23/100 DOLLARS

First Union National Bank of Florida
Pensacola, Florida 32506

JOHN APPLEYARD AGENCY, INC.

Eleanor K. Appleyard

1425 - 107.02 FICA - 269.00 - 2725-8.00

⑈005531⑈ ⑆063210125⑆ 1181388475⑈ ⑈0000101323⑈

9204092231

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32589

5532

June 15 19 88

63-1012
532

PAY TO THE ORDER OF Diane Appleyard $ 2579 60/100

Two thousand five hundred seventy nine and 60/100 DOLLARS

First Union National Bank of Florida
Pensacola, Florida 32506

JOHN APPLEYARD AGENCY, INC.

Eleanor K. Appleyard

4000 - 300.40 FWT - 1428.00 FICA

Bonus

⑈005532⑈ ⑆063210125⑆ 1181388475⑈ ⑈0000257960⑈

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32589

6700

Dec. 15 19 88 — 63-1012/832

PAY TO THE ORDER OF Diane Appleyard — $ 1145 96/100

One thousand one hundred forty-five 96/100 DOLLARS

FIRST UNION First Union National Bank of Florida Pensacola, Florida 32506

JOHN APPLEYARD AGENCY, INC.

Eleanor K. Appleyard

1610 - 120.91 - 3% - 15.63 - 8.50

"006700" ⑆063210125⑆ 1181388 2475" "0000114596"

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32589

5722

July 5 19 88 — 63-1012/832

PAY TO THE ORDER OF Diane Appleyard — $ 1013 23/100

One thousand thirteen and 23/100 DOLLARS

FIRST UNION First Union National Bank of Florida Pensacola, Florida 32506

JOHN APPLEYARD AGENCY, INC.

Eleanor K. Appleyard

425.00 - 107.02 - 3% - 769 - 27.35 - 8.50 (FIC, FWT, Ono, LW)

"005722" ⑆063210125⑆ 1181388 2475" "0000101323"

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32589

5670

June 30 19 88 — 63-1012/832

PAY TO THE ORDER OF Diane Appleyard — $ 1428 17/100

One thousand four hundred twenty-eight 17/100 DOLLARS

FIRST UNION First Union National Bank of Florida Pensacola, Florida 32506

JOHN APPLEYARD AGENCY, INC.

Eleanor K. Appleyard

2025 - 152.05 - 409 - 27.25 - 8.50

"005670" ⑆063210125⑆ 1181388 2475" "0000142817"

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32589

5723

July 15 19 88

63-1012/632

PAY TO THE ORDER OF Richard L. Appleyard $ 4490.00

Four thousand four hundred ninety and 00/100 DOLLARS

First Union National Bank of Florida Pensacola, Florida 32506

JOHN APPLEYARD AGENCY, INC.

5590-0-1085-5.00-50 Eleanor K. Appleyard

07-25-88 0554-00321

⑈005723⑈ ⑆063210125⑆ 118138824 75⑈ ⑈000449000⑈

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32589

5671

June 30 19 88

63-1012/632

5310 5310 02 07-05-88 1580935 47

PAY TO THE ORDER OF Richard L. Appleyard $ 3280.00

Three thousand two hundred eighty and 00/100 DOLLARS

First Union National Bank of Florida Pensacola, Florida 32506

07-01-88 0552 00113

JOHN APPLEYARD AGENCY, INC.

4250-915-5-50 Eleanor K. Appleyard

⑈005671⑈ ⑆063210125⑆ 118138824 75⑈ ⑈000328000⑈

JOHN APPLEYARD AGENCY, INC.
PH 904-432-8396
P. O. BOX 1902
PENSACOLA, FL 32589

5850

July 29 19 88

63-1012/632

PAY TO THE ORDER OF Richard L. Appleyard $ 3280.00

5232 5232 02 08-01-88 1580935 47

Three thousand two hundred eighty and 00/100 DOLLARS

First Union National Bank of Florida Pensacola, Florida 32506

JOHN APPLEYARD AGENCY, INC.

4250.00-0-915.00-5-50 Eleanor K. Appleyard

08-29-88 0722 00316

⑈005850⑈ ⑆063210125⑆ 118138824 75⑈ ⑈000328000⑈

9120402232 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 10, 1991

Kelli Hanley Crabb, Esq.
Battaglia, Ross, Hastings and Dicus
First Union Building
980 Tyrone Boulevard
St. Petersburg, FL 33710

RE: MUR 3099
Richard Leonard; The
Dick Leonard Group II,
Inc.; Whitney Babcock

Dear Ms. Crabb:

In November, 1990, Mark Allen of this Office spoke with you regarding your responses on behalf of your clients to the Commission's Order to Answer Questions and Subpoena to Produce Documents, dated August 14, 1990. During that conversation, Mr. Allen stated that your responses were incomplete, specifically, that your responses did not include answers to the questions addressed to Richard Leonard, and did not include the "invoice attached hereto" noted under number 3 on page 2 of the response titled "RICHARD V. LEONARD, and the DICK LEONARD GROUP, II, INC." You stated that you would provide this information.

Please provide the above-noted information immediately. If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9204092322

06-C 1666

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FEDERAL ELECTION COMMISSION
MAIL ROOM

91 JUN 24 AM 11:04

Battaglia, Ross, Hastings and Dicus

A Professional Association

Attorneys at Law

Anthony S. Battaglia
Howard P. Ross*
Michael L. Hastings**
Aubrey O. Dicus, Jr.
Stephen J. Weis
Murray B. Silverstein
Kelli Hanley Crabb
Joel B. Giles

Nicholas F. Lang
Brian P. Battaglia
Alan M. Gross
Louis O. Young
Margie J. Fraley
Bruce G. Howe***
Alison McLane
Ute Schramm

First Union Building
950 Tyrone Boulevard
St. Petersburg, Florida 33710

Post Office Box 41100
St. Petersburg, Florida 33743

St. Petersburg (813) 381-2300
Tampa (813) 238-0616
Telecopier (813) 343-4059

*Board Certified Civil Trial Lawyer
**Board Certified Marital and Family Lawyer
***Board Certified Criminal Trial Lawyer

June 20, 1991

Reply to:

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

91 JUN 24 PM 3:52

Mark Allen, Esquire
Federal Election Commission
Office of General Counsel
999 E-Street Northwest
Washington, D.C. 20463

Re: MUR3099 Richard Leonard;
The Dick Leonard Group II, Inc.,
and Whitney Babcock

Dear Mr. Allen:

In accordance with our discussion on Wednesday afternoon, June 19, 1991, enclosed please find the specific response to the inquiries directed to Richard V. Leonard. As I indicated in our discussion on Wednesday, these inquiries were basically answered in a joint response by The Dick Leonard Group II, Inc., and Richard Leonard. However, in order to clarify this response and provide certain additional information, I have prepared a response solely on behalf of Mr. Leonard.

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Please be advised that I am in the process of locating the invoice which you requested and will forward that to you under separate cover when I return from my vacation next week.

I trust that with this information, you have information you require. Of course if you require any additional information, please do not hesitate to contact me.

Very truly yours,

BATTAGLIA, ROSS, HASTINGS AND DICUS,
A Professional Association

Kelli Hanley Crabb

KELLI HANLEY CRABB, ESQUIRE

khc:jab
Enclosure
951

9204092223324

BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF:

MUR: 3099

_____/

RESPONSE TO MOTIONS AND DOCUMENT REQUESTS

RICHARD V. LEONARD, by and through his undersigned attorneys, hereby files this his answers to the Questions and Document Requests propounded by the Federal Election Commission and states as follows:

1. List your occupations and employers during the period 1981-1989. To the best of your knowledge, describe any and all contract work done by any of your employers for Gulf Power Company during this period.

Response: During the period 1981-1989, Richard V. Leonard was employed as the owner and President of The Dick Leonard Group, II, Inc. The work performed by The Dick Leonard Group II, Inc., for Gulf Power Company during this period included general advertising and marketing services during portions of the years in question.

2. Identify each federal political contribution and expenditure on behalf of Federal political committees you made during the period 1981-1989 by date, amount and recipient committee. For each contribution,

a. State whether the contribution in the amount of $250.00 to Reubin Askew's campaign; dated March 1, 1988, was made by check or other written instrument. If yes, provide a copy of such check or other written instrument.

Response: Contribution was made by check - attached to

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earlier response.

b. State whether the contribution was made as a result of a written solicitation. If yes, state by whom and when the solicitation was made. Produce the solicitation.

Response: The contribution was a result of an oral solicitation by Doug Knowles.

c. State whether the contribution was made in connection with a particular fund-raising event. If yes, state when and where the event was held, who sponsored the event, on whose behalf the event was held and whether you attended.

Response: To the best of the knowledge of the undersigned, the contribution was not made in response to a particular fund-raising event.

d. State whether you received an advance, bonus, payment or other compensation for the contribution from an employer listed in response to question 1.

Response: Pursuant to Knowles' instructions, Gulf Power was invoiced for the contribution and The Dick Leonard Group II, Inc. then reimbursed Richard V. Leonard.

e. In addition to the documents produced in response to questions 2(a) and 2(b), produce all documents relating to, in any way pertaining to, each contribution, including bank statements, check registers, correspondence, notes, and all other such documents.

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Response: None to our knowledge.

3. Identify any person other than counsel who was consulted or assisted in the preparation of answers to these questions.

Response: None other than counsel.

RICHARD V. LEONARD

By: Kelli Hanley Crabb

KELLI HANLEY CRABB, ESQUIRE
BATTAGLIA, ROSS, HASTINGS AND DICUS, A Professional Association
980 Tyrone Boulevard
P. O. Box 41100
St. Petersburg, FL 33743
Florida Bar No.: 401587

I HEREBY CERTIFY, that a true and correct copy of the foregoing has been furnished by U. S. Mail, to Mark Allen, Office of General Counsel, Federal Election Commission, 999 E-Street, Northwest, Washington, D.C. 20463, this ___ day of _____, 1991.

khc:jab
957

Kelli Hanley Crabb
Attorney

92040922327

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F.E.C.
SECRETARIAT
91 JUL 29 PM 1:33

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Gulf Power Company Dick Leonard Group II, Inc. John Appleyard Agency et al	)))))	MUR 3099

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On December 21, 1989, the Office of the General Counsel received a referral from the Department of Justice (DOJ) consisting of the guilty plea materials of Gulf Power Company regarding its operation of a contribution reimbursement scheme through several vendors and their employees. The referral noted that a DOJ and Internal Revenue Service investigation was focusing in part on several subsidiaries of Southern Corporation, most notably Gulf Power Corporation and Georgia Power. On August 1, 1990, the Commission found reason to believe that Gulf Power Company, several Gulf employees, vendors, and vendor employees violated the Federal Election Campaign Act of 1971, as amended ("the Act"), by participating in a contribution reimbursement scheme. Several of these individuals and entities have requested pre-probable cause conciliation. Also on August 1, 1990, the Commission approved a Subpoena and Order to Georgia Power as a non-respondent witness. Georgia Power has not answered the Subpoena and Order. This report considers such lack of response in addition to the pre-probable cause conciliation requests of several respondents.

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II. ANALYSIS

A. Pre-Probable Cause Conciliation Requests

1. Dick Leonard Group II and employees

Respondent Dick Leonard Group II, Inc. ("DLG") was a Gulf Power vendor. Respondents Whitney Babcock, William Bush, and Richard Leonard were all DLG employees. The Gulf Power plea materials note that Babcock, Bush, and Leonard each made $250 contributions to Askew for U.S. Senate. The DLG employees were reimbursed by DLG that was in turn reimbursed by Gulf Power Company. The plea materials also note a $250 contribution from DLG to the Al Gore Campaign that was billed back to Gulf Power as advertising fees. The Albert Gore, Jr. For President Committee, Inc. disclosed a $250 contribution from Dick Leonard.

DLG and the three individuals have submitted responses to the Commission's Orders and Subpoenas; all have requested pre-probable cause conciliation.

Whitney Babcock and William Bush acknowledge in their responses to the Commission's Order and Subpoena that they were reimbursed for their March 25, 1988 $250 contributions to Askew for U.S. Senate (Attachment 1, page 3; Attachment 2, page 22). Babcock and Bush were president and creative director of DLG, respectively, at this time. Babcock and Bush state that they have made no other federal contributions during 1981 to 1989, and the contributor index also lists no others.

Richard Leonard and DLG provided a joint response to the Commission's Order and Subpoena that was later supplemented by a separate response from Leonard. Leonard acknowledgas that he was

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reimbursed for his March 25, 1988 $250 contribution to Askew for U.S. Senate (Attachment 2, page 7). He was chairman of DLG at this time. Leonard states that he made no other federal contributions during 1981 to 1989, and the contributor index also lists no others.

The Leonard/DLG response also lists a $250 DLG contribution on September 21, 1987 to the "Albert Gore Campaign" and includes a copy of the check, drawn on the DLG account (Attachment 2, pages 7 and 19). The Albert Gore, Jr. for President Committee, Inc.'s 1987 Year End Report discloses a $250 contribution dated October 21, 1987 from Richard Leonard. Thus, this contribution appears to have been a corporate contribution erroneously reported by the Gore Committee as an individual contribution. In sum, DLG and its employees made four federal contributions totaling $1,000 which were reimbursed by Gulf Power.

DLG was noted in the Gulf Power guilty plea as making approximately $20,000 in charitable contributions and political contributions to state candidates. These contributions started in 1983 and were reimbursed by Gulf Power, whose employee Doug Knowles instructed DLG to make these contributions.

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Whitney Babcock joined DLG in 1987 and the contributions continued. It appears that Richard Leonard, William Bush, and Whitney Babcock knew that Gulf Power's reimbursement of the political contributions was illegal, yet they continued to participate in the scheme.

Based on all the information regarding the reimbursed contributions, this Office is satisfied that respondents were not involved in any other violations, and so recommends that the Commission enter into pre-probable cause conciliation with William Bush, Whitney Babcock, Richard Leonard, and DLG.[2]

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2. John Appleyard Agency and Appleyard individuals

On August 1, 1990, the Commission found reason to believe that the John Appleyard Agency ("Agency") may have reimbursed

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2. This Office notes that the contribution checks of William Bush, Whitney Babcock, and Richard Leonard contain, underneath the signatures on the checks and in handwriting different from the signature, the name "Dick Appleyard" (Attachment 1, page 6; Attachment 2, pages 27 and 33), an employee of another Gulf Power vendor and a respondent in this matter. Although this Office does not know the reason for the handwriting on the checks, for the reasons given below in the section on the Appleyards we do not recommend delaying conciliating with the three DLG employees.

several of its employees for 1988 contributions to the Askew for U.S. Senate and Gunter for U.S. Senate committees. There is no evidence in the responses of the Agency, its employees, Gulf Power, or the SEC information, that the Agency was reimbursed by Gulf Power for these contributions by its employees.

In their responses to the Commission's Orders and Subpoenas, the Agency and the employees stated that the contributions were made from the personal funds of the employees. The Agency and Diane Appleyard and Richard Appleyard added that the Agency did pay bonuses to Diane and Richard (Vice President and President of the Agency, respectively), not as compensation for the contributions but as compensation to which the employees were entitled (Attachment 3, pages 4, 6, 10). Counsel later provided a list of all bonuses paid to these two individuals (Attachment 3, page 29). Both Diane and Richard Appleyard received large bonuses near the dates of their contributions. These bonuses are similar in timing and size to bonuses received during other years. The bonuses and contributions (by check date) of Diane, Richard, and Carolyn Appleyard are set out in the following chart.[3]

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3. Carolyn Appleyard shares a joint checking account with Richard Appleyard, on which their contributions were drawn. She received no bonuses directly.

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The bonuses paid to Diane and Richard Appleyard may have served as compensation for the contributions made by Carolyn, Diane, and Richard Appleyard. Counsel stated in a meeting with this Office on March 8, 1991 that the bonuses were not directly intended to cover the contributions, but counsel did acknowledge that there was a question whether the bonuses served to compensate for the contributions. Because the 1988 bonuses did not vary widely from the bonus patterns in other years and the fact that three of the four 1988 bonuses received in proximity to the contributions (Diane Appleyard March 30 and June 15; Richard Appleyard June 15) far exceed the size of the contributions, it is unclear whether there was a connection between the bonuses and the contributions.

The fourth respondent Agency employee, Eleanor Appleyard, contributed $250 to the Askew Committee on March 23, 1988 and $1,000 to the Gunter Committee on June 17, 1988. Although on the same date as Diane's and Richard's contributions and proximate in time to the bonuses they received, it is unclear whether her

contributions were reimbursed by the Agency through bonuses. Eleanor received no bonuses directly, and she made the contributions from an account shared with John Appleyard, Chairman of the Agency, who is not a respondent in this matter. Although John Appleyard may have received bonuses that covered Eleanor's contributions, this Office has no information to that effect. In light of the circumstances, this Office recommends that the Commission take no further action regarding the John Appleyard Agency, Carolyn Appleyard, Diane Appleyard, Eleanor Appleyard, and Richard Appleyard.[4]

3. Charles Lambert

Respondent Charles Lambert was a Gulf Power employee who responded to the Commission's Order and Subpoena by taking the Fifth Amendment (Attachment 4). This Office remains uncertain of Lambert's precise role in the Gulf Power contribution reimbursement scheme, and so recommends that the Commission reject Lambert's pre-probable cause conciliation request at this time.

B. Georgia Power Order and Subpoena

The Commission issued an Order and Subpoena to Georgia Power, a non-respondent witness, on August 16, 1990. Georgia Power has refused to answer the questions and document requests (Attachment 5). When this Office recommended that the Commission

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4. As noted above, Richard Appleyard's name appeared on the three Dick Leonard Group II, Inc. employee contribution checks. Richard Appleyard stated in his response that he had no business or other relationship with the DLG employees (Attachment 3, page 61). This Office has no information to contradict this assertion and is satisfied that Richard Appleyard did not play a role in the reimbursed contributions of the DLG employees.

issue the Order and Subpoena, we were inquiring into the possibility that Georgia Power operated an illegal contribution reimbursement scheme like that of Gulf Power that included federal election contributions. In addition, this Office considered the possibility that Georgia Power operated a scheme involving an unregistered internal committee raising employee contributions in violation of 2 U.S.C. § 441b(a).[5]

After the Commission issued the Subpoena and Order to Georgia Power, this Office reviewed substantial materials provided by the United States Securities and Exchange Commission. These included a copy of Georgia Power's guilty plea regarding its reimbursement of one state contribution. None of these materials, however, implicated Georgia Power in federal contribution activity. Furthermore, the public record does not show any committees as beneficiaries of large numbers of contributions from Georgia Power employees which might suggest a scheme similar to "PAC II."[6]

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5. The First General Counsel's Report in this matter describes such a scheme operated by Gulf Power titled "PAC II." Under this scheme, certain employees were assigned a certain pledged contribution amount to candidates that he or she was expected to make within a two year period. Gulf Power kept track of all such contributions, and this information was routinely provided to the employee's supervisor. Employees wrote personal checks to the candidates; some checks were submitted directly to the candidates, while others were submitted to a supervisor, who bundled the checks and gave them to the candidate. On July 31, 1990, the Commission found reason to believe that Gulf Power's operation of "PAC II" violated 2 U.S.C. § 441b(a) by giving something of value to the campaigns when it facilitated the making of political contributions to these campaigns.

6. Significantly, the contributor index searched by this Office only includes contributions of $500 and greater.

In sum, this Office does not possess evidence indicating that Georgia Power has violated the Act by itself or in connection with Gulf Power. In light of the above reasons, this Office suggests that the Commission not pursue the enforcement of this Subpoena and Order and this Office will inform respondent to this effect.

III. RECOMMENDATIONS

1. Enter into pre-probable cause conciliation with Whitney Babcock, William Bush, Richard Leonard, and the Dick Leonard Group II, Inc.

2. Take no further action regarding Carolyn Appleyard, Diane Appleyard, Eleanor Appleyard, Richard Appleyard, and the John Appleyard Agency, and close the file as to these respondents.

3. Decline at this time to enter into pre-probable cause conciliation with Charles Lambert.

4. Approve the attached conciliation agreements and the appropriate letters.

2/28/91
Date

LMNoble (ZH2)
Lawrence M. Noble
General Counsel

Attachments:
1. Response of William Bush
2. Responses of Whitney Babcock, Dick Leonard Group II, Inc., and Richard Leonard
3. Responses of the Appleyards
4. Response of Charles Lambert
5. Response of Georgia Power
6. Proposed conciliation agreements

Staff person: Mark Allen

9204092233 6

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS /DONNA ROACH DR
COMMISSION SECRETARY

DATE: AUGUST 13, 1991

SUBJECT: MUR 3099 - GENERAL COUNSEL'S REPORT DATED JULY 29, 1991

9204092337

The above-captioned document was circulated to the Commission on TUESDAY, JULY 30, 1991 at 11:00 a.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens _____
Commissioner Elliott _____
Commissioner Josefiak _____
Commissioner McDonald _____
Commissioner McGarry _____
Commissioner Thomas XXX

This matter will be placed on the meeting agenda for TUESDAY, AUGUST 13, 1991.

Please notify us who will represent your Division before the Commission on this matter.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Gulf Power Company;	)	MUR 3099
Dick Leonard Group II, Inc.;	)	
John Appleyard Agency, et al.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 5, 1991, the Commission decided by a vote of 5-0 to take the following actions in MUR 3099:

1. Enter into pre-probable cause conciliation with Whitney Babcock, William Bush, Richard Leonard, and the Dick Leonard Group II, Inc.

2. Take no further action regarding Carolyn Appleyard, Diane Appleyard, Eleanor Appleyard, Richard Appleyard, and the John Appleyard Agency, and close the file as to these respondents.

3. Decline at this time to enter into pre-probable cause conciliation with Charles Lambert.

(Continued)

9204092238

4. Approve the conciliation agreements and the appropriate letters, as recommended in the General Counsel's Report dated July 29, 1991.

Commissioners Aikens, Elliott, Josefiak, McGarry, and Thomas voted affirmatively for the decision; Commissioner McDonald did not cast a vote.

Attest:

8-5-91
Date

Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat:	Mon.,	July	29, 1991	4:32	p.m.
Circulated to the Commission:	Tues.,	July	30, 1991	11:00	a.m.
Deadline for vote:	Thurs.,	August	1, 1991	11:00	a.m.
Objection received:	Wed.,	July	31, 1991	3:59	p.m.
Placed on the agenda for:	Tues.,	August	13, 1991		
Objection Withdrawn:	Mon.,	August	5, 1991	11:56	a.m.

dr

9204092239

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

August 14, 1991

Kelli Hanley Crabb, Esquire
Battaglia, Ross, Hastings and Dicus
First Union Building
980 Tyrone Boulevard
St. Petersburg, FL 33710

RE: MUR 3099
Richard Leonard; The
Dick Leonard Group, II,
Inc.; Whitney Babcock

Dear Ms. Crabb:

On July 31, 1990, the Federal Election Commission found reason to believe that your clients violated 2 U.S.C. § 441f. At your request, on August 5, 1991, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed are two conciliation agreements that the Commission has approved in settlement of this matter. If your clients agree with the provisions of the enclosed agreements, please sign and return them along with the civil penalties, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Mark Allen, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreements

9204092340

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

August 14, 1991

Michael B. Brown, Esquire
Brown & Ringelspaugh
Florida Federal Building
One Fourth Street North
Suite 770
St. Petersburg, FL 33701

RE: MUR 3099
William Bush

Dear Mr. Brown:

On July 31, 1990, the Federal Election Commission found reason to believe that William Bush violated 2 U.S.C. § 441f. At your request, on August 5, 1991, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If your client agrees with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Mark Allen, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

9204092234 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 14, 1991

Steven W. Ludwick, Esquire
275 Lincoln Piedmont Building
3405 Piedmont Road, N.E.
Atlanta, GA 30305-1741

RE: MUR 3099
Charles Lambert

Dear Mr. Ludwick:

On August 16, 1990, you were notified that the Federal Election Commission found reason to believe that your client violated 2 U.S.C. § 441f. On October 10, 1990, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has considered your request and determined, because of the need to complete the investigation, to decline at this time to enter into conciliation prior to a finding of probable cause to believe.

At such time when the investigation in this matter has been completed, the Commission will reconsider your request to enter into conciliation prior to a finding of probable cause to believe.

If you have any questions, please contact Mark Allen, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9204092342

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 14, 1991

Robert D. Hart, Jr., Esquire
Clark, Partington, Hart, Larry,
Bond, Stackhouse & Stone
125 West Romana Street, Suite 800
P.O. Box 13010
Pensacola, FL 32591-3010

RE: MUR 3099
John Appleyard Agency
Carolyn Appleyard
Diane Appleyard
Eleanor Appleyard
Richard Appleyard

Dear Mr. Hart:

On August 16, 1990, your clients were notified that the Federal Election Commission found reason to believe that they violated 2 U.S.C. § 441f. On September 20, 1990, March 8, 1991 and April 19, 1991, you submitted responses to the Commission's reason to believe findings.

After considering the circumstances of the matter, the Commission determined on August 5, 1991, to take no further action against your clients, and closed the file with regard to them. 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 factual or legal materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

The Commission reminds you that using company funds to pay for federal campaign contributions is a violation of 2 U.S.C. § 441f. Your clients should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please contact Mark Allen, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9204092343

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 14, 1991

Robert H. Forry, Esquire
Troutman, Sanders, Lockerman
& Ashmore
Candler Building, Suite 400
127 Peachtree Street, N.E.
Atlanta, GA 30303-1810

RE: MUR 3099
Georgia Power Company

Dear Mr. Forry:

On August 14, 1990, the Federal Election Commission issued a subpoena and order to Georgia Power Company requesting certain information in connection with its pending investigation. The subpoena and order were issued to your client as a nonrespondent witness. On September 26, 1990, the Commission received your response in which Georgia Power declined to produce the information requested. In light of all the circumstances in this matter, including information reviewed by the Commission after the subpoena and order were issued to your client, the Commission does not now require a response to its subpoena and order.

If you have any questions, please contact Mark Allen, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9204092344

RECEIVED
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91 OCT 25 AM 10: 22

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)
) MUR 3099
William Bush)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On August 5, 1991, the Commission determined to enter into conciliation negotiations with respondent prior to a finding of probable cause to believe.

II. ANALYSIS

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Therefore, this Office recommends that the Commission accept the agreement. Respondent has submitted a check for the amount of the civil penalty.

III. RECOMMENDATIONS

1. Accept the attached conciliation agreement with William Bush.

2. Close the file in this matter with respect to William Bush.

3. Approve the appropriate letter.

10-24-91
Date

Lawrence M. Noble
General Counsel

Attachments
1.
2. September 13, 1991 letter to respondent
3. Proposed Conciliation Agreement

Staff Assigned: Mark Allen

92040922347

191

WILLIAM J. BUSH OR 10-90
CATHY A. BUSH

63-445/631

SEPT. 20, 1991

Pay to the Order of FEDERAL ELECTION COMMISSION $ 500.00

FIVE HUNDRED & 00/100 Dollars

C&S The Citizens and Southern National Bank of Florida Pinellas County

ULTIMA

For Coordination Agreement MUR 3071 William J. Bush

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
William Bush.) MUR 3099

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 29, 1991, the Commission decided by a vote of 6-0 to take the following actions in MUR 3099:

1. Accept the conciliation agreement with William Bush, as recommended in the General Counsel's Report dated October 24, 1991.

2. Close the file in this matter with respect to William Bush.

3. Approve the appropriate letter, as recommended in the General Counsel's Report dated October 24, 1991.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry and Thomas voted affirmatively for the decision.

Attest:

10-29-91
Date

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

Received in the Secretariat: Fri., Oct. 25, 1991 10:22 a.m.
Circulated to the Commission: Fri., Oct. 25, 1991 12:00 p.m.
Deadline for vote: Tues., Oct. 29, 1991 4:00 p.m.

dr

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR: 3099
)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that William Bush ("Respondent") violated 2 U.S.C., Section 441f.

NOW, THEREFORE, the Commission and the 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. Section 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 matters are as follows:

1. Respondent was creative director of the Dick Leonard Group, II, Inc.

2. Under instruction from his employer, who was requested by a Gulf Power employee, Respondent on March 25, 1988 contributed $250.00 to the Askew for Senate Committee, a political

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committee under 2 U.S.C. Section 431(4).

3. On March 25, 1988, Respondent was reimbursed for the contribution made to the Askew for Senate Committee by a check from the Dick Leonard Group II, Inc. in the amount of $250.00. Respondent later learned that the Dick Leonard Group II, Inc. was reimbursed by Gulf Power for Respondent's contribution to the Askew for Senate Committee.

4. 2 U.S.C. Section 441f provides 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.

V. Respondent knowingly permitted his name to be used to make a contribution to a candidate for federal office, in violation of 2 U.S.C. Section 441f.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of Five Hundred Dollars ($500.00), pursuant to 2 U.S.C. Section 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. Section 437g(a)(1) concerning the matters at issue herein or in 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.

IX. Respondent shall have no more than 30 days from the date

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this agreement becomes effective to comply with and implement the requirement 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 enforceable.

FOR THE COMMISSION:

LMNoble (JP) 11-5-91

LAWRENCE M. NOBLE
GENERAL COUNSEL

DATE

FOR THE RESPONDENT:

MICHAEL B. BROWN, ESQUIRE
Attorney for WILLIAM J. BUSH
One Beach Drive S.E., Ste. 205
St. Petersburg, FL 33701
(813) 821-5507

9/24/91

DATE

9204092223352

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 6, 1991

Michael B. Brown, Esq.
Bayfront Tower
One Beach Drive S.E.
Suite 205
St. Petersburg, FL 33701

RE: MUR 3099
William Bush

Dear Mr. Brown:

On October 29, 1991, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441f, a provision 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.

This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

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Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

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91 DEC 17 PM 12:42

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)
) MUR 3099
Richard Leonard)
Dick Leonard Group II, Inc.)
Whitney Babcock)

GENERAL COUNSEL'S REPORT

I. DISCUSSION

On August 5, 1991, the Commission determined to enter into conciliation negotiations with respondents prior to a finding of probable cause to believe. Also on that date the Commission approved two conciliation agreements, one for Whitney Babcock and one for Richard Leonard and the Dick Leonard Group II, Inc.[1]

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on December 6, 1991, respondents submitted signed agreements identical to those originally approved by the Commission (Attachment 3). Therefore, this Office recommends that the Commission accept the agreements. Respondents have not yet submitted payment of the civil penalties.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreements with Richard Leonard, Dick Leonard Group II, Inc., and Whitney Babcock.

2. Close the file in this matter with respect to Richard Leonard, Dick Leonard Group II, Inc., and Whitney Babcock.

---

1. All three respondents are represented by the same counsel.

3. Approve the appropriate letter.

12-16/91
Date

LMNoble (7/2)
Lawrence M. Noble
General Counsel

Attachments
1. September 11, 1991 letter from respondents
2.
3. Proposed Conciliation Agreements (2)

Staff Assigned: Mark Allen

9204092356

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Richard Leonard;	)	MUR 3099
Dick Leonard Group II, Inc.;	)	
Whitney Babcock.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on December 19, 1991, the Commission decided by a vote of 4-0 to take the following actions in MUR 3099:

1. Accept the conciliation agreements with Richard Leonard, Dick Leonard Group II, Inc., and Whitney Babcock, as recommended in the General Counsel's Report dated December 16, 1991.

2. Close the file in this matter with respect to Richard Leonard, Dick Leonard Group II, Inc., and Whitney Babcock.

(continued)

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3. Approve the appropriate letter, as recommended in the General Counsel's Report dated December 16, 1991.

Commissioners Aikens, Elliott, McDonald, and Thomas voted affirmatively for the decision; Commissioners Josefiak and McGarry did not cast votes.

Attest:

12-19-21
Date

Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Mon., Dec. 17, 1991 12:42 p.m.
Circulated to the Commission: Tues., Dec. 17, 1991 4:00 p.m.
Deadline for vote: Thurs., Dec. 19, 1991 4:00 p.m.

bjf

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3099
Whitney Babcock)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Whitney Babcock ("Respondent") violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the 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:

1. Respondent was president of the Dick Leonard Group II, Inc.

2. In March 1988, a Gulf Power employee instructed Respondent to contribute to the Askew for Senate Committee, a political committee under 2 U.S.C. § 431(4).

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3. On March 25, 1988, Respondent contributed $250 to the Askew for Senate Committee.

4. On March 25, 1988, Respondent was reimbursed for the contribution made to the Askew for Senate Committee by a check from the Dick Leonard Group II, Inc. in the amount of $250.

5. The Dick Leonard Group II, Inc. was reimbursed by Gulf Power for Respondent's contribution to the Askew for Senate Committee.

6. This transaction was part of a scheme whereby Respondent and other employees of the Dick Leonard Group II, Inc., at the request of Gulf Power employees, made political contributions and caused the Dick Leonard Group II, Inc. to make political and charitable contributions. These contributions were billed back to Gulf Power Company. Respondent knew that Gulf Power's reimbursement of the political contributions was illegal, yet continued to participate in the scheme.

7. 2 U.S.C. § 441f provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution.

V. Respondent knowingly permitted his name to be used to make a contribution to a candidate for federal office in knowing and willful violation of 2 U.S.C. § 441f.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of Five Hundred dollars ($500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein

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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.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

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 enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

12/20/91
Date

FOR THE RESPONDENTS:

Kelli Hensley Cross
(Name)
ATTORNEY
(Position)

11/26/91
Date

92040922361

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3099
Richard Leonard)
Dick Leonard Group II, Inc.)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the Dick Leonard Group II, Inc. ("Dick Leonard Group") and Richard Leonard (collectively, "Respondents") violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the 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 has 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:

1. Richard Leonard was chairman of Dick Leonard Group.

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2. The Dick Leonard Group was an advertising firm and a vendor to Gulf Power Company.

3. In September 1987, a Gulf Power employee instructed Respondents to contribute to the Albert Gore, Jr. for President Committee, Inc., a political committee under 2 U.S.C. § 431(4).

4. On September 21, 1987, the Dick Leonard Group contributed $250 to the Albert Gore, Jr. for President Committee, Inc.

5. The Dick Leonard Group was reimbursed by Gulf Power Company for its contribution to the Albert Gore, Jr. for President Committee, Inc.

6. In March 1988, a Gulf Power employee instructed Respondents to contribute to the Askew for Senate Committee, a political committee under 2 U.S.C. § 431(4).

7. On March 25, 1988, Richard Leonard and two other Dick Leonard Group employees, William Bush and Whitney Babcock, contributed $250 each to the Askew for Senate Committee.

8. On March 25, 1988, the Dick Leonard Group reimbursed the $250 contributions by Richard Leonard, William Bush and Whitney Babcock to the Askew for Senate Committee in the amount of $250 each.

9. The Dick Leonard Group was reimbursed by Gulf Power for the contributions made by William Bush, Whitney Babcock, and Richard Leonard to the Askew for Senate Committee.

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10. These transactions were part of a scheme carried out over a number of years whereby the Dick Leonard Group, at the request of Gulf Power employees, made political and charitable contributions and billed them back to Gulf Power Company. Respondents knew that Gulf Power's reimbursement of the political contributions was illegal, yet they continued to participate in the scheme.

11. 2 U.S.C. § 441f provides that no person shall make a contribution in the name of another person, knowingly permit his or her name to be used to effect such a contribution, or assist in the making of a contribution in the name of another.

V. Respondents knowingly permitted their names to be used to make contributions to candidates for federal office and assisted in the making of other contributions in knowing and willful violation of 2 U.S.C. § 441f.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of One Thousand dollars ($1,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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.

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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.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

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 enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

12/30/91
Date

FOR THE RESPONDENTS:

Kelli Hanley Crabb
(Name)
(Position) ATTORNEY

11/26/91
Date

9204092223365

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 3, 1992

Kelli Hanley Crabb, Esq.
Battaglia, Ross, Hastings and Dicus
First Union Building
980 Tyrone Boulevard
St. Petersburg, FL 33710

RE: MUR 3099
Richard Leonard
Dick Leonard Group II, Inc.
Whitney Babcock

Dear Ms. Crabb:

On December 19, 1991, the Federal Election Commission accepted the signed conciliation agreements submitted on your clients' behalf in settlement of violations of 2 U.S.C. § 441f, a provision 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.

This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreements, however, will become a part of the public record.

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. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

9204092223366

Enclosed you will find copies of the fully executed conciliation agreements for your files. Please note that the civil penalties are due within 30 days of the conciliation agreements' effective dates. If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

Enclosure
Conciliation Agreements

92040922367

2 U.S.C. 4001

Battaglia, Ross, Hastings and Dicus

A Professional Association

Attorneys at Law

Anthony S. Battaglia
Howard P. Ross*
Michael L. Hastings**
Aubrey C. Dicus, Jr.
Stephen J. Wein
Murray B. Silverstein
Kelli Hanley Crabb
Joel B. Giles

Nicholas F. Lang
Brian P. Battaglia
Allan M. Gross
Louise C. Young
Margie J. Fraley
Bruce G. Howie***
Aileen McLane
Ute Schramm

*Board Certified Civil Trial Lawyer
**Board Certified Marital and Family Lawyer
***Board Certified Criminal Trial Lawyer

First Union Building
980 Tyrone Boulevard
St. Petersburg, Florida 33710

Post Office Box 41100
St. Petersburg, Florida 33743

St. Petersburg (813) 381-2300
Tampa (813) 228-0616
Telecopier (813) 343-4059

One Tampa City Center
Suite 2555
Tampa, Florida 33602-5163
(813) 221-4771

Reply to: St. Petersburg

January 2, 1992

Mark Allen, Esq.
Federal Election Commission
Office of General Counsel
999 "E" Street NW
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JAN -7 PM 3:56

Re: Mur 3099; Richard Leonard; The Dick Leonard Group II, Inc., and Whitney Babcock
File #: 48170

Dear Mark:

Enclosed please find checks in the amount of $1,000 and $500, respectively, made payable to the Federal Election Commission. These are the checks for the fines levied against Richard Leonard and The Dick Leonard Group, II, and Whitney Babcock. Upon receipt of these checks, it is my understanding that the matter has been completed and that you need no further documentation. If this is incorrect, please notify me and I will make sure we get whatever is needed to you as soon as possible so that the matter can be closed.

Of course, if you have any questions, do not hesitate to contact me.

Very truly yours,

KELLI HANLEY CRABB

KHC/llm
:48170\14668

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
92 JAN -6 PM 1:08

9204092223688

DOL 4002

DONNA LEONARD
DICK LEONARD
3009 LAWN AVE.
TAMPA, FL 33611

1162

12-8 91

PAY TO THE ORDER OF Federal Election Commission $ 1,000.00

One thousand and no/100 DOLLARS

Suncoast Schools
Federal Credit Union

MEMO

RECEIVED
FEDERAL ELECTION COMMISSION
92 JAN -7 PM 3:56

ELIZABETH F. OR WHITNEY W. BABCOCK
PH. 502-266-6598
4910 CHENOWETH RUN RD.
LOUISVILLE, KY 40299

2654

12/5 1991

21-013/830

Pay to the order of Federal Election Commission $ 500.00

Five hundred and 00/100 Dollars

Liberty National Bank
and Trust Company of Louisville, Ky.

Account Number Elizabeth F. Babcock

9204092223370

AGENDA DOCUMENT #X92-43

RECEIVED
F.E.C.
SECRETARIAT

92 MAY 27 AM 11:20

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

May 27, 1992

JUN 2 1992

MEMORANDUM

EXECUTIVE SESSION

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

Lois G. Lerner
Associate General Counsel

SUBJECT: Matters Under Review and Exercise of Prosecutorial Discretion

9204092237 1

I. BACKGROUND

In April 1992 this Office circulated a memorandum to the Commission containing a list of cases which we believed warranted the exercise of prosecutorial discretion by the closing of the file. The memorandum also invited the Commission to suggest additional cases for consideration of such action. Presented below are the cases included in our memorandum as well as those suggested to us by a Commissioner for inclusion (as denoted by an asterick).

This report recommends closing certain matters, not closing others, and holding one matter in abeyance. This Office's recommendations as to whether the file should be closed in each matter reflect numerous factors including our present workload, the age of the case, the amount of financial activity involved, and the seriousness of the violation. Closing cases under these circumstances should not necessarily be seen as a decision on how to handle similar cases in the future.

PAGES 2-12 AND 14-32 DO NOT PERTAIN TO THESE RESPONDENTS.

9204090223372

4) **MUR 3099 (I) Gulf Power** (Opened 7-31-90)

The Commission opened this Department of Justice referral against Gulf Power based on corporate reimbursement of federal contributions, and apparent corporate facilitation of contributions through Gulf Power's "PAC II" activities. The Commission has conciliated with one group of vendor conduits, and took no further action as to another. Gulf Power, several employees, and two vendor conduits remain in the MUR.

Gulf Power has already pled guilty to the contribution reimbursements, most of which were to state and local candidates, and paid a $500,000 criminal penalty. After substantial subpoena responses from Gulf Power, as well as voluminous documentation from the Securities & Exchange Commission, it appears that the amounts involved to federal candidates are relatively low: total federal contributions funded by Gulf Power from 1983 through early 1988 amount to only $5,000, while federal donations through PAC II over roughly the same period total approximately $7,000 (the documentation is not completely clear). Further, one of the vendors appears to have acted as a conduit only for non-federal contributions. According to the Assistant United States Attorney responsible for the Gulf Power prosecution, the remaining former corporate employees are not blameless, although the highest ranking executive who was mastermind of the scheme died some time ago. Nonetheless, the amounts are modest, the matter has been under investigation for nearly two years, and in the opinion of this Office, admonishments to the remaining respondents (including to Gulf Power for the PAC II activities) would seem to suffice without investing further resources to pursue the matter to conclusion. Therefore, this Office recommends the Commission take no further action and close the file in this matter.

9204092373

III. RECOMMENDATIONS

1. Take no further action and close the file in:
   a) MUR 3177
   b) MUR 3419
   c) MUR 2745
   d) MUR 2934
   e) MUR 3099
   f) MUR 3127
   g) MUR 3271
   h) MUR 3371
   i) MUR 3441
   j) MUR 3482
   k) MUR 3151
   l) MUR 3239

2. Decline to open a Matter Under Review in:
   a) RAD Referral 92NF-02
   b) RAD Referral 91L-76
   c) Pre-MUR 245

3.

4. Approve the appropriate letters containing admonishment language.

9204092237 4

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	Agenda Document
Matters Under Review and Exercise	)	#X92-43
of Prosecutorial Discretion	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on June 2, 1992, do hereby certify that the Commission took the following actions with respect to the above-captioned matters:

1. Decided by a vote of 5-0 to

   a) Take no further action and close the file in MUR 3177, MUR 3419, MUR 2745, MUR 3099, MUR 3127, MUR 3271, MUR 3371, MUR 3441, MUR 3482, MUR 3151, and MUR 3239.

   b) Decline to open a Matter Under Review in RAD Referral 92NF-02, RAD Referral 91L-76, and Pre-MUR 245.

   c)

   d) Approve the appropriate letters containing admonishment language, as recommended in the General Counsel's report dated May 27, 1992.

   Commissioners Aikens, Elliott, McGarry, Potter, and Thomas voted affirmatively for the decision; Commissioner McDonald was not present at the meeting.

(continued)

9204092375

2. Decided by a vote of 4-0 to take no further action and close the file in MUR 2934.

Commissioners Aikens, Elliott, McGarry, and Thomas voted affirmatively for the decision. Commissioner McDonald was not present at the meeting. Commissioner Potter recused with respect to MUR 2934 and did not cast a vote.

Attest:

6-4-92
Date

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

9204092237 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1992

G. Edison Holland, Esq.
Beggs & Lane
700 Brent Building
Post Office Box 12950
Pensacola, FL 32576

RE: MUR 3099
Gulf Power Company

Dear Mr. Holland:

On August 16, 1990, Gulf Power Company was notified that the Federal Election Commission found reason to believe that it violated 2 U.S.C. §§ 441b(a), 441c, and 441f. On September 26, 1990, you submitted a response to the Commission's reason to believe finding.

After considering all the circumstances of the matter, and in the exercise of its prosecutorial discretion, the Commission determined on June 2, 1992, to take no further action against Gulf Power Company and closed the file. The Commission reminds you, however, that Gulf Power's arranging for vendors to make contributions to political campaigns and then reimbursing the vendors via inflated or false invoices is a violation of 2 U.S.C. §§ 441b(a), 441c, and 441f. In addition, Gulf Power's facilitating of contributions through PAC II may be a violation of 2 U.S.C. § 441b(a). You should take immediate steps to insure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

9204092377

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1992

Robert H. Forry, Esq.
Troutman, Sanders, Lockerman & Ashmore
Candler Building, Suite 400
127 Peachtree Street, N.E.
Atlanta, GA 30303-1810

RE: MUR 3099
Georgia Power Company

Dear Mr. Forry:

On August 16, 1990, the Federal Election Commission issued a subpoena and order to Georgia Power Company requesting certain information in connection with its pending investigation. On August 14, 1991, the Commission notified you that Georgia Power need not respond to the subpoena and order at that time.

This letter is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

9204092378

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1992

Mr. Raymond Yarborough
4451 Chula Vista Drive
Pensacola, FL 32504

RE: MUR 3099

Dear Mr. Yarborough:

On August 16, 1990 you were notified that the Federal Election Commission found reason to believe you violated 2 U.S.C. § 441f. To date, the Commission has received no response from you.

However, after considering all the circumstances of the matter, and in the exercise of its prosecutorial discretion, the Commission determined on June 2, 1992, to take no further action against you and closed the file. The Commission reminds you, however, that assisting in the making of contributions in the name of another in connection with the Gulf Power Company contribution reimbursement scheme may be a violation of 2 U.S.C. § 441f. You should take immediate steps to insure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

9204092237 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1992

Barry W. Beroset, Esq.
417 East Zaragoza St.
Pensacola, FL 32501

RE: MUR 3099
Doug Knowles

Dear Mr. Beroset:

On August 16, 1990, Doug Knowles was notified that the Federal Election Commission found reason to believe he violated 2 U.S.C. § 441f. On August 29, 1990, you submitted a response to the Commission's reason to believe finding.

After considering all the circumstances of the matter, and in the exercise of its prosecutorial discretion, the Commission determined on June 2, 1992, to take no further action against your client and closed the file. The Commission reminds your client, however, that assisting in the making of contributions in the name of another in connection with the Gulf Power Company contribution reimbursement scheme may be a violation of 2 U.S.C. § 441f. You should take immediate steps to insure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

9204092223380

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1992

Steven W. Ludwick, Esq.
275 Lincoln Piedmont Building
3405 Piedmont Road, N.E.
Atlanta, GA 30305-1741

RE: MUR 3099
Charles Lambert

Dear Mr. Ludwick:

On August 16, 1990, Charles Lambert was notified that the Federal Election Commission found reason to believe he violated 2 U.S.C. § 441f. On October 9, 1990, you submitted a response to the Commission's reason to believe finding.

After considering all the circumstances of the matter, and in the exercise of its prosecutorial discretion, the Commission determined on June 2, 1992, to take no further action against your client and closed the file. The Commission reminds your client, however, that assisting in the making of contributions in the name of another in connection with the Gulf Power Company contribution reimbursement scheme may be a violation of 2 U.S.C. § 441f. You should take immediate steps to insure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

9204092238 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1992

Mr. Cooper Yates
Hemmer & Yates Corporation
120 Church St.
Pensacola, FL 32501

RE: MUR 3099

Dear Mr. Yates:

On August 16, 1990 you were notified that the Federal Election Commission found reason to believe you and the Hemmer and Yates Corporation each violated 2 U.S.C. § 441f. On September 12, 1992, you submitted a response to the Commission's reason to believe findings.

After considering all the circumstances of the matter, and in the exercise of its prosecutorial discretion, the Commission determined on June 2, 1992, to take no further action against you and the Corporation and closed the file. The Commission reminds you, however, that assisting in the making of contributions in the name of another in connection with the Gulf Power Company contribution reimbursement scheme may be a violation of 2 U.S.C. § 441f. You should take immediate steps to insure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

9204092223382

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1992

Ronald Johnson, Esq.
438 East Government Street
Pensacola, FL 32501

RE: MUR 3099
Fred Suttles, Jr.

Dear Mr. Johnson:

On August 16, 1990, Fred Suttles, Jr. was notified that the Federal Election Commission found reason to believe he violated 2 U.S.C. § 441f. On September 11, 1990, Mr. Suttles submitted a response to the Commission's reason to believe finding and named you as his counsel.

After considering all the circumstances of the matter, and in the exercise of its prosecutorial discretion, the Commission determined on June 2, 1992, to take no further action against your client and closed the file. The Commission reminds your client, however, that allowing one's name to be used to effect a contribution with Gulf Power Company's corporate funds may be a violation of 2 U.S.C. § 441f. You should take immediate steps to insure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

9204092223833

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1992

Mr. Ben Kickliter
387 Citation Dr.
Cantonment, FL 32533

RE: MUR 3099

Dear Mr. Kickliter:

On August 16, 1990 you were notified that the Federal Election Commission found reason to believe you violated 2 U.S.C. § 441b(a). On September 5, 1990, you submitted a response to the Commission's reason to believe finding.

After considering all the circumstances of the matter, and in the exercise of its prosecutorial discretion, the Commission determined on June 2, 1992, to take no further action against you and closed the file. The Commission reminds you, however, that consenting to Gulf Power Company's donation of something of value to federally registered committees through its operation of PAC II may be a violation of 2 U.S.C. § 441b(a). You should take immediate steps to insure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

9204092223384

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1992

Robert D. Hart, Jr., Esq.
Clark, Partington, Hart, Larry, Bond,
Stackhouse & Stone
125 West Romana Street, Suite 800
P.O. Box 13010
Pensacola, FL 32591-3010

RE: MUR 3099
John Appleyard Agency
Carolyn Appleyard
Diane Appleyard
Eleanor Appleyard
Richard Appleyard

Dear Mr. Hart:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

9204092385

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1992

Michael B. Brown, Esq.
Bayfront Tower
One Beach Drive S.E.
Suite 205
St. Petersburg, FL 33701

RE: MUR 3099
William Bush

Dear Mr. Brown:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen

Mark Allen
Attorney

9204092223886

CLOSED

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1992

Kelli Hanley Crabb, Esq.
Battaglia, Ross, Hastings and Dicus
First Union Building
980 Tyrone Boulevard
St. Petersburg, FL 33710

RE: MUR 3099
Richard Leonard
Dick Leonard Group II, Inc.
Whitney Babcock

Dear Ms. Crabb:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mark Allen
Attorney

9204092238 7

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3099

DATE FILMED 8-28-92 CAMERA NO. 4

CAMERAMAN EES

9204092223888