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October 31, 1990

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FEDERAL EXPRESS

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

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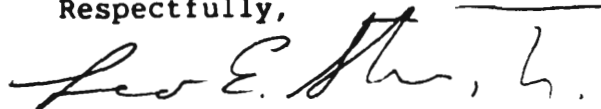
Re: In the Matter of the Carper for
Congress Committee v. Jane and John Doe

Dear Mr. Noble:

Please find enclosed for filing an original and four copies of a complaint and supporting evidence brought on behalf of the Carper for Congress Committee.

I would greatly appreciate it if your office could return a stamped-filed copy of the complaint in the postage paid envelope enclosed herein.

Respectfully,



Leo E. Strine, Jr.

CW

Enclosures

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter
of the Carper for
Congress Committee,

Complainant,

v.

Jane & John Doe,

Respondents.

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M.U.R.

3160

TO: Lawrence Noble, Esquire
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

COMPLAINT OF THE CARPER FOR CONGRESS COMMITTEE
AND SUPPORTING AFFIDAVITS AND EXHIBITS

SKADDEN, ARPS, SLATE, MEAGHER & FLOM
Leo E. Strine, Jr.
One Rodney Square
P.O. Box 636
Wilmington, Delaware 19899
(302) 651-3000
Attorney for Complainant

DATED: October 31, 1990

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Congress Committee

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter
of the Carper for
Congress Committee,

Complainant,

v.

Jane & John Doe,

Respondents.

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VERIFIED COMPLAINT

Now comes the complainant Carper for Congress Committee, through its counsel, Leo E. Strine, Jr., alleging that John and Jane Doe, anonymous clients of Friedman & Associates, a Virginia-based organization, may have violated provisions of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C.A. §§ 431-455 (West 1985 & 1990 Supp.), by the following actions:

1. John and Jane Doe have authorized and paid for a probing political and personal investigation of Congressman Thomas R. Carper (D-Del.) by Friedman & Associates designed to influence a federal election without complying with the applicable provisions of the Federal Election Campaign Act. Friedman & Associates has an

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office at 15400 Meherrin Court, Centreville, VA 22020.
Their telephone number is (703) 815-2687.

2. To this end, Friedman & Associates has collected information about Congressman Carper's legislative record and political background in Washington, D.C., and information about Congressman Carper's personal life in Delaware. These allegations are factually supported by the affidavits and exhibits referenced below.

3. In late August 1990, Ms. Jill Chase, a former employee of Congressman Carper's, had a chance encounter with Manelisi H.F. Ndibongo at the Office of Records and Registration in the Longworth House Office Building. Mr. Ndibongo was researching information about Congressman Carper. Indeed, he asked Ms. Chase whether she was aware that Congressman Carper had voted for Barry Goldwater in the presidential election of 1964. Upon parting, Mr. Ndibongo and Ms. Chase exchanged cards, and Mr. Ndibongo told her that he might like to give her a call. A copy of Mr. Ndibongo's card is attached as Exhibit A. Chase Aff. ¶¶ 2, 4-7.

4. During the week of September 10, 1990, a Lisa Ermie (phonetic) left telephone messages on Ms. Chase's answering machine at the law firm of Akin, Gump, Strauss, Hauer & Feld, where Ms. Chase is employed as a

legislative legal assistant. In the first of these messages, Ms. Ermie identified herself as a colleague of Mr. Ndibongo and further stated that she was a free-lance reporter. Ms. Ermie said she was doing research on several personalities in the Democratic Party and wanted to speak with Ms. Chase about Congressman Carper. In a subsequent message, Ms. Ermie claimed she had obtained Ms. Chase's name from an old Congressional Staff Directory. Chase Aff. ¶ 1, 8-9.

5. The week of September 17, 1990, Ms. Chase returned Ms. Ermie's calls. During this conversation, Ms. Ermie said that she was working for a firm named Friedman & Associates and mentioned a client. Ms. Ermie stated that she was doing political and personal profiles on several politicians, including Congressman Carper. She wanted to meet with Ms. Chase to discuss the Congressman's legislative record during the time Ms. Chase worked for him and to obtain other background information about the Congressman. Ms. Chase told Ms. Ermie that she did not occupy a primarily legislative position when she was a member of Congressman Carper's staff. Ms. Ermie still wanted to interview Ms. Chase, and they arranged to meet on September 20, 1990. Chase Aff. ¶ 10.

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6. Ms. Chase had to cancel this meeting and arranged to meet Ms. Ermie on September 24, instead. After rescheduling the September 21 meeting, Ms. Chase decided to speak with certain members of Congressman Carper's staff prior to meeting with Ms. Ermie. After unsuccessfully trying to contact these staff members, Ms. Chase called Ms. Ermie the morning of September 24 and told her that she wanted to put off their interview until she could speak with Congressman Carper's office. Ms. Chase then asked Ms. Ermie questions about the nature of the interview. Ms. Ermie responded that Friedman & Associates was compiling a "political profile" and "biography" of Congressman Carper for a client. When Ms. Chase asked Ms. Ermie who that client was, Ms. Ermie became uncomfortable and said that she was not permitted to reveal her client's identity. Ms. Ermie told Ms. Chase to call her if she changed her mind about proceeding with the interview. Chase Aff. ¶ 11.

7. After speaking with two members of Congressman Carper's staff, Ms. Chase called Ms. Ermie on or about September 25, 1990 at Friedman & Associates. Ms. Chase left a message for Ms. Ermie expressing a willingness to grant Ms. Ermie an interview. Despite Ms. Er-

mie's prior anxiousness to interview Ms. Chase, Ms. Ermie has not returned Ms. Chase's call. Chase Aff. ¶ 12.

8. As part of the same investigation, Melvin E. Drane, III and Larry Embry of Friedman & Associates interviewed Joyce Keeler in the State Capitol in Dover, Delaware, on September 11, 1990, in the presence of Mark Brainard. Mrs. Keeler is a Secretary for the Democratic Caucus of the Delaware House of Representatives. Mr. Brainard is the Chief of Staff and Administrative Assistant for the Caucus. Keeler Aff. ¶ 1; Brainard Aff. ¶¶ 1-2.

9. The interview with Messrs. Drane and Embry was arranged by telephone through calls placed by a woman in Virginia to Mrs. Keeler's home in Smyrna, Delaware. Mrs. Keeler cannot recall the woman's name. This woman told Mrs. Keeler that she had been given Mrs. Keeler's name as a person who might have information about Congressman Carper. She then asked Mrs. Keeler if Mrs. Keeler would agree to do an interview about Congressman Carper with two gentlemen from her office, but explicitly refused to identify her client. Mrs. Keeler consented, believing the interview to be part of a political poll, and was told that she would receive another call to finalize the interview time. Mrs. Keeler found the follow-

up call made by this woman somewhat strange because it reached Mrs. Keeler on her direct telephone line at work. During her original conversation with the woman from Virginia, Mrs. Keeler had not given out her work telephone number nor told the woman from Virginia where she worked. Mrs. Keeler believed that the woman was affiliated in some way with the Democratic Party because people associated with the Democratic Party were the sort who knew where Mrs. Keeler worked. Mrs. Keeler agreed to do the interview on or about September 11, 1990. Keeler Aff. ¶¶ 2-3.

10. The interview was conducted at the Democratic Caucus' office in the State Capitol. At Mrs. Keeler's request, Messrs. Drane and Embry agreed to conduct the interview in Mr. Brainard's presence. Keeler Aff. ¶¶ 6-7.

11. During the interview, Mr. Drane asked most of the questions. Mr. Embry appeared to scrutinize Mrs. Keeler's demeanor and reactions. Keeler Aff. ¶ 8; Brainard Aff. ¶ 5.

12. Mr. Drane asked Mrs. Keeler a wide array of questions, including questions about Congressman Carpenter's personal and family life, drinking habits, finances and business associations. Keeler Aff. ¶¶ 9-11; Brainard

Aff. ¶¶ 6-8. Some of these subjects have been issues in Congressman Carper's election campaigns.

13. For example, unsubstantiated rumors about the Congressman's involvement in child and wife abuse were spread by certain Republican operatives during the 1982 congressional campaign in Delaware. Exhibit B. And this year, Congressman Carper's primary opponent, Daniel Rappa, portrayed himself as a "Devoted Family Man." Exhibit C, tabs 1, 2. Mr. Drane explicitly asked Mrs. Keeler whether she believed that the Congressman had abused his first wife, Diane, and her children. Moreover, Mr. Drane probed Mrs. Keeler's knowledge and belief about Congressman Carper's relationship with both his first wife and her children and his present wife, Martha, and their two children. Keeler Aff. ¶ 10; Brainard Aff. ¶ 7.

14. During this year's primary election, Daniel Rappa accused the Congressman of having improper associations with financial institutions and certain individuals. See generally Exhibit C. This issue also has been raised by the Congressman's general election opponent, Ralph Williams. Exhibit D. Mr. Drane posed direct questions to Mrs. Keeler about Congressman Carper's finances, relationships to banks and other financial

institutions, and business associations. Keeler Aff.

¶ 11; Brainard Aff. ¶ 8.

15. After hearing Mrs. Keeler's responses to his questions, Mr. Drane queried, "Mrs. Keeler, from what we have heard so far, evidently you will not give us any bad information about Tom Carper?" Mrs. Keeler told him that she did not know anything bad about Congressman Carper and that the interview may as well be terminated if that is what he wanted. Mr. Embry then said, "I don't believe Mrs. Keeler is going to give us anything derogatory about the Congressman." The questions then ceased. Keeler Aff. ¶ 12.

16. Mrs. Keeler then asked Messrs. Drane and Embry certain questions about the nature of the investigation. In response, Messrs. Drane and Embry specifically told Mrs. Keeler and Mr. Brainard that their firm (which was later revealed, via Mr. Drane's business card, to be Friedman & Associates) was pursuing a political and personal investigation of Congressman Carper. Consistent with the approaches made to Ms. Chase by Friedman & Associates in Washington, Mr. Drane said the political aspect of the investigation was being conducted in Washington, D.C. Mr. Drane indicated that the personal aspect of the investigation was being conducted in Delaware and that

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Mrs. Keeler was not the only person Mr. Embry and he were going to interview. Brainard Aff. ¶ 10; Keeler Aff. ¶ 13.

17. When asked to divulge the name of Friedman & Associates' client and the name of the person who gave them Mrs. Keeler's name, Mr. Drane stated that he was "not at liberty" to give Mrs. Keeler answers to these questions. He did state that Friedman & Associates had been hired by private persons and/or organizations to conduct the investigation. At the request of Mr. Brainard and Mrs. Keeler, Mr. Drane gave them one of his business cards. It is attached to the complaint as Exhibit E. Keeler Aff. ¶¶ 13-14; Brainard Aff. ¶ 10.

18. This year Congressman Carper has faced two electoral opponents. His primary opponent was Daniel Rappa. Congressman Carper's Republican general election opponent is Ralph Williams.

19. Congressman Carper defeated Mr. Rappa in a primary election held on September 8, 1990. Ms. Chase's first contact with an agent or person associated with Friedman & Associates occurred before the September 8 primary, Chase Aff. ¶¶ 4-6, 9, as did Mrs. Keeler's first conversations with the woman from Virginia who set up the interview with Messrs. Drane and Embry. Keeler Aff. ¶ 2.

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However, both the September 11 interview of Mrs. Keeler and Ms. Chase's conversations with Ms. Ermie occurred after the September 8 primary. Chase Aff. ¶¶ 8, 10-11; Keeler Aff. ¶ 3; Brainard ¶ 3.

20. The complainant Carper for Congress Committee has taken steps to ascertain the identity of Friedman & Associates' client. First, Vincent P. Meconi, campaign manager for the Carper for Congress Committee, scrutinized the October 1990 Federal Election Commission reports of Congressman Carper's opponents, as well as the opponents' previous filings. Neither the Federal Election Commission reports of Mr. Rappa's campaign committee, the Dan Rappa for Congress Committee, nor the reports of Mr. Williams' campaign committee, Williams for Congress, Inc., disclose either a contribution by or a disbursement to Friedman & Associates, Manelisi H.F. Ndibongo, Lisa Ermie, Melvin E. Drane, III or Larry Embry. Meconi Aff. ¶¶ 3-4. Second, on October 30, 1990, Mr. Meconi, placed a phone call to Friedman & Associates at their telephone number (703) 815-2687. Mr. Meconi reached an answering machine, as he did on several subsequent calls to Friedman & Associates. He left a detailed message, identifying himself and his position with the Carper for Congress Committee. Mr. Meconi further stated

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that the Committee knew that Friedman & Associates had been hired to investigate Congressman Carper and that the Committee wanted to know the identity of Friedman & Associates' client. Mr. Meconi gave the telephone number of the Committee, and stated that the Committee would take legal action if it did not hear from Friedman & Associates promptly. As of 12:07 p.m., October 31, 1990, Friedman & Associates has not returned Mr. Meconi's call. Meconi Aff. ¶ 5.

21. The above-described facts regarding Friedman & Associates' investigation of Congressman Carper give the complainant reason to suspect that John and Jane Doe hired Friedman & Associates to uncover damaging information about Congressman Carper for use against him in this year's election. In doing so, John and Jane Doe may have committed the following violations of the Act, to wit:

A. Have concertedly made in excess of \$1,000 in expenditures designed to influence a federal election without registering as a political committee, 2 U.S.C. § 433, or reporting this expenditure in compliance with 2 U.S.C. § 434.

B. In the alternative, John & Jane Doe may be registered as an authorized or unauthorized political

committee under the Act, but have failed to comply with the disbursement and/or contribution reporting requirements applicable to authorized, see, e.g., 2 U.S.C. § 434(b)(3), (5), (6)(A), and unauthorized political committees, see, e.g., 2 U.S.C. § 434(b)(3), (5), (6)(B).

C. John and Jane Doe may have used funds from impermissible sources, 2 U.S.C. § 441b(a), or contributions of an unlawful amount, 2 U.S.C. 441a, to make expenditures to influence a federal election.

WHEREFORE, the complainant respectfully requests the Commission to undertake an investigation into the activities herein complained of, to require Friedman & Associates to disclose the true identities of its clients John & Jane Doe, and to take such other action as is necessary to ensure that John & Jane Doe are in compliance with the Act.



Leo E. Strine, Jr.
SKADDEN, ARPS, SLATE, MEAGHER &
FLOM
One Rodney Square
P.O. Box 636
Wilmington, Delaware 19899
(302) 651-3000
Attorney for the Carper for
Congress Committee

DATED: October 31, 1990

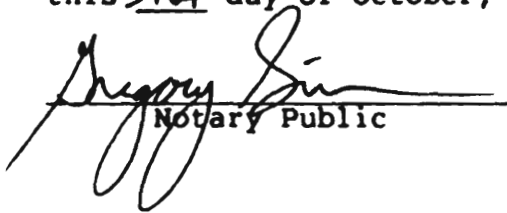
VERIFICATION

I, Leo E. Strine, Jr., swear, under penalty of perjury, 18 U.S.C. § 1001, that the information contained in the foregoing complaint is true and correct to the best of my knowledge, information, belief and investigation.



Leo E. Strine, Jr.

Sworn to before me
this 31st day of October, 1990


Notary Public

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter
of the Carper for
Congress Committee,

Complainant,

v.

Jane & John Doe,

Respondents.

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AFFIDAVIT OF JILL M. CHASE

I, Jill M. Chase, being duly sworn, do depose and swear under penalty of perjury, 18 U.S.C. § 1001, as follows:

1. I am employed as a legislative legal assistant at the law firm of Akin, Gump, Strauss, Hauer & Feld in Washington, D.C.

2. In 1986, I worked on Congressman Thomas R. Carper's reelection campaign. From 1987 to 1988, I was employed as a staff assistant in Congressman Carper's Washington Office. I was not a legislative assistant to the Congressman, and was not responsible for monitoring legislative issues, though I did draft some legislative correspondence.

3. As part of my duties at Akin, Gump I occasionally research information at the House Office of Records and Regis-

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tration in the Longworth House Office Building. Federal Election Commission Reports and Lobbyist Registration Reports are among the documents on file there.

4. On August 29, 1990, I was working in the Records Office in the Longworth Building when I heard a man mention Congressman Carper's name. The man was using a microfiche machine to obtain information about the Congressman.

5. Having worked for Congressman Carper, I was interested in why someone might be collecting information about him. I introduced myself to the man using the microfiche machine, who appeared to be in his forties, informed him that I had been employed by Congressman Carper, and asked if he was working for Congressman Carper. I did not think that he was an employee of the Congressman; however, I was interested in finding out who he was since the Congressman was facing a primary in a few weeks. He seemed eager to talk to me and identified himself as Manelisi H.F. Ndibongo, and I believe he mentioned that he was affiliated (in a manner I cannot recall) with Michigan State University. Mr. Ndibongo also stated that he did not have enough money to print all of the pages that he wanted. This led me to believe that he was probably a graduate student.

6. Mr. Ndibongo said that he was conducting research on different elected officials, including Congressman Carper. He seemed very knowledgeable about Tom Carper, and Delaware poli-

tics. In fact, he asked whether I was aware that Congressman Carper had voted for Barry Goldwater for President in 1964.

7. Mr. Ndibongo and I exchanged business cards. A copy of his card is attached as an Exhibit to the Complaint. Upon parting, he told me that he might be interested in calling me sometime. I have not spoken to him since.

8. I went on vacation the week of September 10, 1990. On September 12 or 13, I called my answering machine at work and there were two or more messages from a woman who identified herself as Lisa Ermie (phonetic). She left me a residential number of (703) 690-8021.

9. In her first message, Ms. Ermie identified herself as a colleague of Mr. Ndibongo, and indicated that she was a free-lance reporter. She stated that she was doing research on several personalities in the Democratic Party and wanted to speak with me because I had worked for Congressman Carper. In a subsequent message, Ms. Ermie said she had obtained my name from an old Congressional Staff Directory.

10. The week of September 17, 1990, I returned Ms. Ermie's calls and had a conversation with her. I believe Ms. Ermie again indicated that she was a free-lance reporter. She also, however, specifically stated that she was working for a firm named Friedman & Associates and mentioned a client. I did not ask her at this time who her client was, nor did I ask what

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Friedman & Associates was, though I assumed it was a political consulting group. She said she was doing "political profiling," "political analysis," and "personal profile[s]" on various politicians, including Congressman Carper. Ms. Ermie said that she wanted to interview me to obtain information about Congressman Carper's legislative record during the time I worked for him, as well as other background information about the Congressman. Either in this conversation or in another phone conversation near this date, I believe I told Ms. Ermie that much of the work I performed for Congressman Carper was not of a legislative nature. Ms. Ermie, however, still wanted to meet with me in person, so we arranged a meeting on or about Thursday, September 20, in Rosslyn, Virginia, a location convenient to Ms. Ermie's office in Centreville, Virginia.

11. I called Ms. Ermie to cancel this scheduled meeting and arranged to meet Ms. Ermie on Monday, September 24. After rescheduling the meeting, I thought about the implications of speaking to Ms. Ermie and decided that I preferred to speak with Edward J. Freel or Jeffrey W. Bullock of Congressman Carper's staff prior to meeting with Ms. Ermie. After attempting unsuccessfully to reach these members of Congressman Carper's staff before the meeting, I called Ms. Ermie the morning of September 24 and told her that I wished to speak with Congressman Carper's staff prior to meeting with her. I asked her more

questions about why she wanted to talk to me. Ms. Ermie stated that she was compiling a "political profile" and "biography" of Congressman Carper, and again mentioned that she was doing so for a "client." When I asked her to disclose who her client was, Ms. Ermie became uncomfortable, and told me that she was not permitted to reveal this information. Ms. Ermie said that I should call her if I changed my mind about meeting with her. I told her I would.

12. After speaking with Ed Freel and Jeff Bullock of Congressman Carper's staff on or about September 24, 1990, I called Ms. Ermie on or about September 25, 1990 at Friedman & Associates in order to set up a meeting with her. I left a message to that effect for her there. To this date, Ms. Ermie has not returned my call.

VERIFICATION

I, Jill M. Chase, swear, under penalty of perjury, 18 U.S.C. § 1001, that the information contained in the foregoing affidavit is true and correct to the best of my knowledge, recollection and belief.

Jill M. Chase
Jill M. Chase

Sworn to before me
this 19th day of October, 1990

Barbara Chase
Notary Public

My Commission Expires April 30, 1995

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had been given my name as someone who might have information about the Congressman. I asked her who her client was. She stated that she was "not at liberty to say." She asked if I would be willing to speak with two gentlemen with whom she was working, who would come to Delaware to interview me. I agreed to do so, believing the interview to be part of a political survey or poll. The woman from Virginia said that she would call back with a more definite date.

3. A few days later, I received a call from this same woman at my place of work. This made me wonder how this woman obtained my work telephone number and who her client was, because I had not told her that I was employed by the House Democratic Caucus. The woman indicated that the two gentlemen she had mentioned in our first conversation were going to be in Dover in a few days and would like to meet with me. I asked the woman what the purpose of these interviews was. She just said she was doing an interview. I thought she might be from the Democratic Party because Democratic activists are the type of people who would know where I am employed, since I work in a political job and I have been active in the Democratic Party for many years. I agreed to meet with the two gentlemen at the House Democratic Caucus' office on or about September 11, 1990. This was only days after Congressman Carper's primary victory on September 8, 1990 over Daniel Rappa.

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4. After agreeing to speak with these gentlemen, I approached my supervisor with the House Democratic Caucus, Mark Brainard, who is the Caucus' Chief of Staff and Administrative Assistant. I asked Mr. Brainard to sit in on the interview, because I did not know the nature of the organization conducting the interviews, and because I wanted another person to witness the interview. Mr. Brainard agreed.

5. The morning of the interview, I spoke with the woman from Virginia for the last time. She called to obtain directions to the Capitol for the gentlemen conducting the interview.

6. At around noon that day, the two gentlemen arrived at the House Democratic Caucus' office in the State Capitol. They introduced themselves as Mr. Melvin E. Drane, III and Mr. Larry Embry. They wore business suits and were polite. They offered to take me out to lunch, but I refused.

7. I told them that I wanted my supervisor Mark Brainard to sit in on the interview. Messrs. Drane and Embry hesitated, and I thought they would not agree. One of them then said, "we guess we have no objection." I then called Mr. Brainard in, and he introduced himself to Messrs. Drane and Embry.

8. The interview then began and was generally conducted in the following manner. Mr. Drane had a clipboard, and asked all the questions. Meanwhile, Mr. Embry focused his at-

tention on me, apparently in an attempt to draw inferences from my reactions to Mr. Drane's questions.

9. Mr. Drane asked me a wide variety of questions. He started out by asking me questions concerning how long I had known Congressman Carper, whether I knew him on a social, professional or political basis, and whether I knew his wife, Martha, and family. I answered all of Mr. Drane's questions as truthfully as I could.

10. Mr. Drane then asked me very specific and personal questions about Congressman Carper's family life. He asked me whether I had known the Congressman's ex-wife, Diane. I said that I did. Mr. Drane asked me whether I was aware of the "rumors" that had been published in 1982 about the Congressman, his then-wife, Diane, and her children regarding spousal and child abuse. He asked me if I knew whether the Congressman had been involved in such abuse. I said that I was aware that such stories had been published, but that a lot of untruths get printed, and that I did not believe the rumors to be true. Mr. Drane inquired as to whether I believed that Congressman Carper spends more time with his current wife, Martha, than he had spent with his former wife, Diane. I responded to these questions by indicating that I felt Tom Carper was a good family man, both during his first marriage and in his current marriage.

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11. Mr. Drane asked about a wide variety of other subjects, including whether the Congressman owned his home, what property the Congressman owned, what profession the Congressman would enter if he were not in Congress, what the names of the Congressman's business associates were, what the names of any financial institutions with whom the Congressman may have had dealings were, what the Congressman's hobbies were, and whether the Congressman was a drinker. I answered all of these questions to the best of my knowledge and ability.

12. After I responded to Mr. Drane's questions, he said something to this effect: "Mrs. Keeler, from what we have heard so far, evidently you will not give us any bad information about Tom Carper?" I replied that I did not know anything bad about Tom Carper and that I would be honest one way or another in my answers. I told Messrs. Drane and Embry that if they wanted bad information about Tom Carper, they may as well terminate the interview. To which Mr. Embry stated, "I don't believe Mrs. Keeler is going to give us anything derogatory about the Congressman."

13. I assumed this was the end of the interview. Thus, I turned the tables and told Messrs. Drane and Embry that I wanted to know who gave them my name and who their client was. Mr. Drane said, "we are not at liberty to give you these answers." He did say that his firm had been hired by private

persons and/or organizations to do these interviews. He further stated that his company was doing a two-track investigation of the Congressman, one on his political life and one on his personal life. Messrs. Drane and Embry said they were in Delaware to work on the personal part of the investigation, whereas the political investigation was being conducted in Washington, D.C.

14. At the end of the interview, Messrs. Drane and Embry gave Mr. Brainard and I, at our request, a business card which indicated that they worked for Friedman & Associates. A copy of this card is attached as an Exhibit to the Complaint.

15. I have not heard from the woman from Virginia or Messrs. Drane and Embry since the interview.

VERIFICATION

I, Joyce Keeler, swear, under penalty of perjury, 18
U.S.C. § 1001, that the information contained in the foregoing
affidavit is true and correct to the best of my knowledge, rec-
ollection, and belief.

Joyce Keeler
Joyce Keeler

Sworn to before me
this 19 day of October, 1990

Bonnie W. Johnson
Notary Public
My Commission Expires
Sept. 28, 1991

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter
of the Carper for
Congress Committee,

Complainant,

v.

Jane & John Doe,

Respondents.

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AFFIDAVIT OF MARK BRAINARD

I, Mark Brainard, being duly sworn, do depose and swear under penalty of perjury, 18 U.S.C. § 1001, as follows:

1. I am the Administrative Assistant and Chief of Staff for the Democratic Caucus of the Delaware House of Representatives. I have offices in the Carvel State Building in Wilmington, Delaware, and the State Capitol in Dover.

2. Joyce Keeler is a secretary employed by the Caucus. She works in the State Capitol.

3. On or about September 11, 1990, at the House Democratic Caucus' office in the State Capitol, Mrs. Keeler asked me to sit in on an interview she was to participate in later that day regarding Congressman Carper. Mrs. Keeler did not know the

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gentlemen who were to conduct the interview, and she wanted me there as a witness. I agreed to sit in. I remember that the interview took place early in the week after the September 8, 1990 congressional primary election. It probably occurred on Tuesday, September 11, 1990, because I work in Wilmington on Mondays, Wednesdays and Fridays.

4. Around noon that day, I entered the lobby area where Mrs. Keeler works and saw that the gentlemen had arrived. They introduced themselves as Mr. Melvin E. Drane, III and Mr. Larry Embry. They were both dressed in business attire and conducted themselves in a professional manner.

5. The interview was conducted in the following fashion. Mr. Drane had a clipboard and legal pad and asked most of the questions. Mr. Embry appeared to concentrate on observing Mrs. Keeler's reactions to the questions posed to her.

6. Mr. Drane asked Mrs. Keeler questions spanning a wide array of subject matters. These included questions regarding how long Mrs. Keeler had known the Congressman, and what Mrs. Keeler thought of the Congressman as a person. To these questions, Mrs. Keeler responded that she knew Tom Carper to be a good person and family man.

7. Mr. Drane specifically asked Mrs. Keeler about the Congressman's former marriage and any problems the Congressman may have had with his former wife and her children. Mrs. Keeler

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told Mr. Drane that she knew of no such problems. Then Mr. Drane asked her if she was aware of the rumors that had been published in 1982 about the Congressman and his family, including the Congressman's supposed involvement in child or wife abuse. Mrs. Keeler stated that she was aware of these stories, but that newspapers will publish a lot of stories about public figures that are not true.

8. Mr. Drane asked Mrs. Keeler what the Congressman did with his free time, whether he was a drinker, and asked whether the present Mrs. Carper, Martha, spends a lot of time away from home. I also recall Mr. Drane asking Mrs. Keeler if she knew any business associates of the Congressman's, if she was aware of any financial institutions with whom the Congressman had dealings or from whom he accepted contributions, if the Congressman had any friends who were bankers, and if the Congressman owned any property. Mr. Drane also inquired into what the Congressman would do if he were not in Congress. He also asked if the Congressman had suffered any financial difficulties or adverse contacts with the law.

9. After Mrs. Keeler answered these questions, Mr. Drane stated that it did not sound as if Mrs. Keeler could say anything negative about the Congressman. Mrs. Keeler responded that she did not know anything bad about Tom Carper.

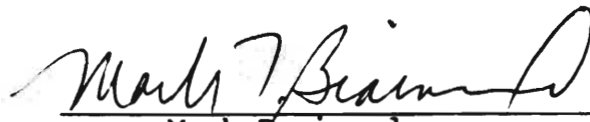
10. Then Mrs. Keeler asked Mr. Drane for whom his

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firm was working. He refused to divulge its client's name, claiming that this was confidential. He did indicate that his firm worked for private persons and/or organizations, and that it was gathering personal information on Tom Carper in Delaware from nonpublic sources and political information in Washington from legislative records and other public information. Mr. Drane also gave me one of his business cards, a copy of which is attached as an Exhibit to the Complaint, which indicated that he and Mr. Embry worked for Friedman & Associates. Mr. Drane said they were going to conduct interviews with more people while they were in Delaware.

VERIFICATION

I, Mark Brainard, swear, under penalty of perjury, 18 U.S.C. § 1001, that the information contained in the foregoing affidavit is true and correct to the best of my knowledge, recollection and belief.


Mark Brainard

Sworn to before me
this 17th day of October, 1990


Notary Public

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Respondents.

M.U.R. _____

2. Congressman Carper has faced two electoral opponents this year. Daniel D. Rappa opposed Congressman Carper in a primary held on September 8, 1990. Congressman Carper defeated Mr. Rappa. Congressman Carper's Republican opponent in the general election is Ralph O.

Williams. The election is scheduled for November 6, 1990.

3. Mr. Rappa's campaign committee, the Dan Rappa for Congress Committee, filed reports with the Federal Election Commission for the periods July 12, 1990 through August 19, 1990, and August 20, 1990 through September 30, 1990. I have reviewed these reports carefully. Neither discloses a contribution from or a disbursement to Friedman & Associates, Melvin E. Drane, III, Larry Embry, Lisa Ermie or Manelisi H.F. Ndibongo.

4. Mr. Williams' campaign committee, Williams for Congress, Inc., filed reports with the Federal Election Commission for the periods April 1, 1990 through June 30, 1990, July 1, 1990 through August 19, 1990, and August 20, 1990 through September 30, 1990. I have reviewed these reports carefully. None discloses a contribution from or a disbursement to Friedman & Associates, Melvin E. Drane, III, Larry Embry, Lisa Ermie or Manelisi H.F. Ndibongo.

5. On October 30, 1990, I placed a call to Friedman & Associates at their listed telephone number (703) 815-2687. I reached an answering machine, as I did on several subsequent calls to Friedman & Associates' telephone number. I left a message identifying myself

and stating that I am the campaign manager for the Carper for Congress Committee. I indicated that I was aware that Friedman & Associates had been retained to investigate Congressman Carper and that I wished to learn who had retained them. I gave Friedman & Associates the telephone number of the Committee, and stated that if I did not hear from them promptly, legal action would be forthcoming. As of 12:07 p.m., October 31, 1990, I have not received a return phone call.

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VERIFICATION

I, Vincent P. Meconi, swear, under penalty of perjury, 18 U.S.C. § 1001, that the information contained in the foregoing affidavit is true and correct to the best of my knowledge, recollection, and belief.

Vincent P. Meconi
Vincent P. Meconi

Sworn to before me
this 31st day of October, 1990

Gregory S. ...
Notary Public

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MANELISI H.F. NDIBONGO

1900 Man. Av. N.W.

P.O. BOX 14169
WASHINGTON D.C. 20005 WASHINGTON D.C. 20044-4169
U.S.A. U.S.A.

TEL: (202) *659-2345*

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Exhibit B

Why doesn't he rush to rescue?

WHY HASN'T President Ronnie come to Tommy Evans' support in the most crucial period of the congressman's political career?

After all, as the Wall Street Journal stated last Tuesday, Republican Evans, who is seeking re-election, was "Ronald Reagan's official liaison to the House" in the 1980 campaign.

Now, Evans seems to be in serious trouble in his race against Democrat Thomas R. Carper.

The Wall Street Journal stated that Evans is "running scared" and needs \$750,000 to win the election. So there is an all-hour attempt in Washington GOP financial circles to rescue him. But, why doesn't the president personally blow the "Charge" and gallop to Delaware for his pal?

Incidentally the Wall Street Journal in its story of last Tuesday went so far as to tag Carper as "the popular treasurer of Delaware." It also revived references to what has become known as the Evans-Parkinson connection.

I had always felt that despite continuing comments in the Delaware and national press on the Evans-Parkinson affair of last year, many Delawareans charitably felt that since Evans was quite contrite about it all, the incident should not be held against him.

But then certain supporters of Evans sneaked a story into the press about Carper, his wife and her children, which I think has flared

Bill Frank

back, dwindling much of Evans' support.

Veteran newsmen in Delaware can tell you of untidy incidents in the lives of other officials that never made headlines. There used to be an unwritten rule that as long as their official duties weren't adversely affected, officeholders were entitled to a certain amount of privacy.

Obviously things are different now.

Carper entered the U.S. House race late and even though he was supposed to have had the support of House Speaker Tip O'Neill and other national Democratic leaders, Evans was said to have had a long edge on his young opponent.

Also Evans has had considerable favorable press exposure at least in the past two years as he claimed responsibility for attracting millions of federal dollars into the state to help jobs and workers.

While Evans is linked with President Reagan, the lone Delawarean in the U.S. House has shown that he has not always sided with the president.

But recently certain of Evans' supporters relished the idea of peddling to the news media charges about domestic difficulties in Carper's personal life.

Carper has vigorously denied these accuracy of these stories.

M. Roy Adams, the News-Journal

political reporter who has no particular axe to grind, has exposed Arthur Fletcher, an Evans campaign aide, and State Rep. Charles L. Hebner of Brandywine Hundred, as key players in the whispering campaign that surfaced in the New York Post under the headline, "The Nation's Dirtiest Campaign."

After that the charges stopped over into the Delaware press.

This Fletcher fellow, by the way, lives in Washington and was once affiliated with the Richard Nixon White House crowd.

However, as Harry Thamel, the astute News-Journal public editor, wrote in a recent Sunday News-Journal, "Just because these leakers were Evans' supporters, it does not mean that the candidate himself was involved."

If that is so, once the stories hit the fan, Evans should have kicked the purveyors of the yarns off his team.

Instead, Evans equated Carper's reported problems with his own personal problems and said the questions raised about his rival needed to be investigated and answered.

As to Evans' reported financial problems, the Wall Street Journal stated:

"My advisers tell me we must raise over \$750,000 to win this year's election" says a letter from the Delaware Republican in an information packet at the door of the Republican Party's Capitol Hill Club."

The story also stated that while Evans is "running scared," the Wilmington, Del., papers keep reminding First State voters that he was "romantically linked" in 1981 to Paula Parkinson, a former Washington lobbyist who publicly claimed she had traded sexual favors for votes.

"So urbane Mr. Evans," the Wall Street Journal added, "is calling for the heavy artillery. Money. He is using that money to buy something his Democratic opponent (Carper) can't afford: A costly advertising blitz on Philadelphia television stations."

The Wall Street Journal further claimed that Evans' advisers say his total campaign won't cost nearly \$750,000; that \$350,000 is more like it.

And from there on the Wall Street Journal went into a general discussion of the cost of political campaigns throughout the nation but cited the Evans-Carper fight as "a prime example of the kind of cost that Democratic Party officials keep complaining about this year — one where an outgunned Democratic candidate confronts the tidal wave of GOP and corporate campaign committee cash."

Martin Frank, staff director of the Democratic Congressional Campaign Committee was quoted as having said, "Republicans are going to buy five seats."

Well, I suppose money raising efforts are common to both parties.

Roger Stone, an Evans' consultant, was also quoted as saying:

"Money and the exposure it buys allows you to frame the race. You can decide the issues instead of letting the opponent decide them for you."

Anyway you look at it, \$750,000 seems to be one big lot of cash to be spent by only one candidate in his effort to persuade about 271,000 voters in little Delaware to elect him to a two-year term.

When the election is over and Georgetown has wrapped up its Return Day reconciliation folk festival two days later, we should figure the grand total of money spent by all of the candidates, state and county, in this campaign.

This would be of course only money spent aboveboard. I'm sure we'd all like to ponder how so many millions could have been spent more productively.

Bill Frank is a News-Journal columnist.

We recommend *For the Senate*

INCUMBENCY CAN BE A burden or a blessing. No one is more aware of this than the two men running for the U.S. Senate: Sen. William V. Roth Jr. and David N. Levinson.

Both men are capable. Both are articulate about the issues confronting the nation. In some cases they hold similar views on solutions, in others they sharply disagree.

Mr. Levinson, a developer from Middletown, has been running for office for more than a year. He was a virtual unknown when he started. His record of service in community organizations was solid. His success as a businessman was substantial. He had not sought elective office before.

Dave Levinson took the Democratic Party by surprise. His early declaration, his willingness to work hard and campaign, his organizational and intellectual skills all made him attractive to the party. He has not let his party down.

Mr. Levinson's principal problem is simply stated. Are there substantial reasons for unseating Bill Roth?

When Sen. Roth, the two-term Republi-

can incumbent, entered the Senate in 1970, he was a rather doctrinaire conservative. That is no longer the case. He is still firmly in the conservative camp on most matters, but he has shown independence on many occasions.

His push for slowing military spending and his efforts to create an inspector general to ferret out waste and abuse of tax dollars in the Department of Defense are good examples of his independence.

Sen. Roth has also risen within the leadership of the Senate. With the Republican majority he became chairman of the Governmental Affairs Committee — a position of power and influence.

Our admiration for Bill Roth does not, could not, rely solely on the issues. We disagreed, in fact, with the senator on his most celebrated triumph, the Roth-Kemp tax cut bill. We think he's wrong on school prayer and on tuition tax credits.

Our support for Bill Roth's candidacy is rooted in his experience, his dedication and his independence. He has served Delaware well as a senator for 12 years and clearly deserves another term.

For the House

TWICE IN THE PAST four years the News-Journal papers have urged Delawareans to re-elect Thomas B. Evans Jr. to Congress. On both of those occasions they also recommended the re-election of Thomas C. Carper as state treasurer.

Now Republican Evans and Democrat Carper are pitted against each other for Delaware's only seat in the U.S. House of Representatives. This unsavory contest has provided more titillation to readers of the New York Post than it has substance to the voters of Delaware.

What a sorry substitute for campaign issues has been offered to the voters of Delaware. The test of worthiness for the candidates has been debased to a question: Which are worse, unsubstantiated allegations of wife-beating, which Mr. Carper and his wife vehemently deny, or intimate liaisons with a paid congressional lobbyist, which Rep. Evans acknowledged with appropriate repentance?

Our support for Mr. Carper's re-election as state treasurer does not translate into enthusiasm for his candidacy for Congress. He has performed creditably in a state position of limited importance. His responses to questions about the issues that arise in Congress, however, were glib, suggesting answers by rote rather than products of thoughtful analysis.

Mr. Carper is obviously bright and probably could quickly master the ropes on

Capitol Hill. But on-the-job training is not the most persuasive recommendation for Delaware's only House seat.

Rep. Evans' credentials are seriously tarnished, not by inexperience but by monumental insensitivity. He seems to be congenitally unable to discern potential conflicts of interest that are obvious to people far less sophisticated than he. The unhappy affair that has resurfaced in the waning days of this campaign is only the most sensational example of that insensitivity.

We were distressed even before that when Rep. Evans repudiated an earlier campaign promise — that he would not accept money from special interests that might appear before House committees of which he is a member. When he announced that he would accept such funds after all — funds that he did not need — he did so on the laughable basis that he had "decided to follow the letter and the spirit of the law."

In 1980, we said, "Rep. Evans has had the endorsement of these newspapers in each of his earlier campaigns for Congress. He has it again." The News-Journal papers will not say that in 1982. While we cannot urge the election of Thomas C. Carper, it would be hypocrisy for us to suggest that Thomas B. Evans Jr. deserves re-election. Those Delawareans who can dismiss ethical blindness as unimportant can support Rep. Evans enthusiastically. We cannot.

Face to face

Sunday campaigning void of recent 'scandals'

By CRAIG SPEARMAN
Staff Writer

WILMINGTON—Congressman Thomas B. Evans Jr. and his Democratic challenger, Thomas R. Carper, met face to face Sunday without a word of the political charges that plagued Carper last week.

Both politicians said after speaking before the Adas Kodesch Shol Emeth Jewish men's club in Wilmington that they considered charges that Carper beat his wife and children to be settled.

The allegation was raised by a New York Post newspaper article Wednesday that also claimed Carper's wife, Diane, had lost custody of her son and daughter to her former husband, Jay Hinkson of Washington Crossing, Pa.

Evans said the "serious questions" he had earlier demanded be answered by Carper had been answered in subsequent statements by Carper, his wife and the Family Court judge who handled the custody case.

Judge James J. Horgan said Friday he had seen no evidence of wrongdoing by Carper and that while the children are living with their father, he had signed an order that left legal custody with their mother.

Evans was the center of a political

scandal last year when he had an alleged romantic tie with Capitol Hill lobbyist Paula Parkinson, who later was Playboy model. Evans said Sunday he did not want to perpetuate the Carper scandal by further discussion.

"An son who has been maligned very badly and an son whose family has been hurt, I don't think any discussion of this is appropriate," Evans said as he left the breakfast debate.

"As far as I'm concerned, the ques-

tions have been answered," he said.

Evans' relationship with Parkinson had also been brought up by the New York Post, which Carper says he will sue. He said he has had enough of diving into both candidates' personal lives.

"I want to get back to the issues," he said.

Carper said "yes" when asked if he thought the matter had been cleared by Judge Horgan's explanation and Evans' acceptance of it.

Diane Carper, sitting at a nearby table as her husband spoke before about 100 persons, avoided reporters.

She said "hello" to newsmen who approached her but then turned to talk to other people.

While Carper and Evans say they consider the matter settled, Hinkson offered on Friday, after Horgan's explanation, what he said would be Carper's confession to beating his wife and her children.

Hinkson claimed he has transcripts of statements made by Carper under oath in which Carper admits beating his wife and step-children.

He said the deposition from Carper was taken in preparation for the custody battle but was not entered into

See CARPER—Page 3

Carper, Evans meet face to face

(Continued from page 1)

the court record because the case was settled out of court.

I will not dignify any of those comments other than to reiterate my previous statement that I clearly and categorically deny any implications contained in the article appearing in that sleazy tabloid, the New York Post," Carper said after the debate.

Hinkson offered to show the alleged transcript but the State News did not

have an opportunity to review it over the weekend.

During the debate, Carper and Evans sat next to each other at the head table.

Both discussed campaign issues—the economy, abortion, school prayer, campaign finance, military growth and other items—during their opening statements.

Members of a media panel assembled to question the candidates—reporters from the Wilmington News Journal,

television station WHYY and radio station WDEL—and members of the audience did not ask about the allegations against Carper or the Parkinson incident involving Evans.

Carper claimed Evans has an unfair advantage in his ability as a congressman to mail literature to constituents homes for free but did not claim directly that Evans was abusing the privilege.

Evans did not respond.

Statement by Carper's wife 'sets record straight'

By CRAIG SHEARMAN
Staff Writer

NEW CASTLE—The wife of Congressional candidate Thomas R. Carper says she gave up her two children to her former husband temporarily so they could see what living with him is really like.

"It was a decision I made out of love and was a tremendous sacrifice on my part and a difficult adjustment in my life," Diane Carper said in a statement released Friday.

The statement, which came in response to a Wednesday New York Post newspaper story alleging that the Democratic candidate beat his wife and step-children, blasted the tabloid's allegation.

The Family Court judge who presided over

the child custody case between Diane Carper and her former husband, Jay Hinkson said last week he had heard no evidence of wrongdoing by Thomas Carper.

Diane Carper backed that up Friday.

"Let me state unequivocally that I would never allow my children or myself to be abused," she said.

"The wellbeing of my children is more important to me than anything in the world," she said. "The very notion that anyone would imply such a thing for political gain or any other reason is appalling," she said.

Carper said Hinkson was providing their children with a "fantasy" environment during weekend visits which she is betting he will not be able to maintain on a sustained basis.

"Parenting involves the tough day-to-day decisions—discipline, rules and regulations—which are not palatable to children which are in their best interests," she said.

"My ex-husband, on the other hand, provided a fantasy environment during their short weekend visits with him.

"The children's perception of the environment was unrealistic and, therefore, they needed an opportunity to test that experience for themselves. That is why they are currently living in Washington Crossing, Pa.," she said.

Thomas Carper has strongly suggested that the allegation originated with supporters of incumbent Republican Thomas B. Evans Jr. Evans and other Republicans have denied it.

Hinkson, said in a telephone interview Fri-

day "I have not talked with anybody in Evans' group."

The issue became public Wednesday when the New York Post published a story alleging that Carper had beaten Diane and her two children, 13-year-old Stephanie and 14 year-old Gregory.

Rumors of the allegation had been around Delaware for months. Democrats accused Republicans of using the rumors in an attempt to reassure Evans' re-election to a fourth term.

The New York Post, against which Carper said he is filing a lawsuit, claimed that Diane Carper had lost custody of her children.

Carper said that claim and the claim that he had beaten Diane and her children were untrue.

Family Court Judge James J. Horgan, who presided over the case, said that he had signed an order in which Diane Carper retained custody of her children.

But the order allowed the children to live with their father in Washington Crossing, Pa., Horgan said. The agreement will be up for review in 1984 when it could be continued or changed if either party is unhappy with it.

The children are allowed to visit their mother, Horgan said. They are with the Carpers this weekend.

"Let me set the record straight," Diane Carper said in the statement, released through her husband's press secretary. "I have full legal custody of my two children."

The News-Journal, Wilmington, Del., Saturday, Oct. 16, 1982

Diane Carper says report appalls her

By DON SAPATKIN
Staff reporter

The wife of Democratic congressional candidate Thomas R. Carper said on Friday that she was "appalled" at reports that her husband abused his wife and stepchildren.

In what the candidate's press secretary described as a "from-the-heart statement," Diane I. Carper said that her children are "intelligent, loving, well-rounded and well-adjusted" and had been sent to live in Pennsylvania because they needed to experience more than just weekend visits with their father.

Neither Diane Carper, in a statement, nor campaign press secretary, Sharon H. Fitzgerald, made

any mention of the candidate's opponent, Republican Rep. Thomas B. Evans Jr. Carper has accused the Evans camp of using smear tactics in the heated race by spreading the rumors of abuse that were published in Wednesday's New York Post. Carper has denied the allegations.

"The well-being of my children is more important to me than anything in the world," Diane Carper said in the statement. "Let me state, unequivocally, that I would never allow my children or myself to be abused. The very notion that anyone would imply such a thing for political gain or any other reason is appalling."

Diane Carper was awarded custody

See CARPER — A4

Carper

• Continued from A1

custody of her son and daughter in 1972 after she and Jay Hinkson were divorced. She married Carper, the state treasurer, in 1976 and the children remained with them. Hinkson sued for custody in 1980.

"Parenting involves the tough, day-to-day decisions . . . which are not always palatable to children but are in their best interest," Diane Carper said. "My ex-husband, on the other hand, provided a fantasy environment during their short weekend visits with him."

She said she agreed out of court to let the children live with their father in Washington Crossing, Pa., "to test that experience for themselves."

"It was a decision I made out of love and was a tremendous sacrifice on my part and a difficult adjustment in my life," she said. "My children are fine."

The Post story based the allegations against Carper on depositions given during the child-custody suit but never entered into the court record.

Referring to the race for Delaware's only congressional seat as "The Nation's Dirtiest Campaign," the article also went over Evans' relationship with former Washington lobbyist Paula Partinosa.

Before the Post article appeared, several of Evans' Republican supporters had suggested that a story about Carper's personal affairs be published

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The Morning News • • Wilmington, Delaware
Friday, Oct. 15, 1982

Evans' supporters reach new heights in low blows

AFTER EVENTS of this week, it is clear that our Republican congressman has benefited little from his frequent attendance at prayer breakfasts.

The next time Tom Evans performs at one of these well-publicized pray-a-thons, he'd be well served to ask his favorite deity for a smidgen of moral guidance. He should ask if not for himself, then for his political henchmen who have so much trouble making moral distinctions in the midst of a crumbling campaign.

The Almighty could begin by explaining the difference, in terms of public morality, between a congressman climbing into bed with a blonde bimbo lobbyist and a father swatting his stepchildren and/or his wife.

The Divine Author might be exhausted when He is finished drumming this into the heads of Evans' minions. If not, He could offer a chapter or two on another abstraction that seems to confound cornered politicians: The simple truth.

Evans, campaigning for his third term in the House, clearly was in trouble after the disclosures about his affair with the lobbyist. The effect of these revelations might be blunted if some publication would dish the dirt on his Democratic opponent. Republicans tried for weeks to peddle the dirt, and finally denied responsibility

Ralph S. Moyed

By when one newspaper bit

The newspaper that eventually ran the story was the New York Post, the home of "Mother Eats Her Baby" journalism. Under the headline, "The Nation's Dirtiest Campaign," the Post story rehearsed this newspaper's 1981 disclosures about Evans and one Paula Parkinson, a pouting Playboy model and lobbyist. Evans and Parkinson had an affair that lasted a year. Evans voted her way on pending crop insurance legislation.

The New York tabloid went on to report the tale that Republicans had offered to Delaware newspapers, to Philadelphia newspapers, to Washington newspapers and to newspapers heaven knows where else. It concerned allegations that Tom Carper, the Democratic candidate for Congress, struck his wife, Dianne, and his stepchildren. The allegations originated with Dianne Carper's ex-husband at a time — about two years ago — when the former mates were locked in a Family Court battle over support and custody.

Within hours of Carper's entrance into the race, the stories were being whispered by prominent Republi-

cans, including state chairman Jerry Norrthy. Norrthy, whose own shirts are soiled, now feels it's safe to sling mud in public. The whispering campaign became a roar. Reporters received calls at their homes and offices. Charles Hobner, speaker of the Delaware House of Representatives, for example, tried with at least three reporters.

In one call, Hobner argued that the papers had a responsibility to print the story about Carper and his wife and stepchildren because it had printed the story of the congressman and the lobbyist. Evans took the same position in a bizarre public statement issued after the New York Post carried the story.

Can Evans, Hobner and the other Republicans really believe that taking favors from a lobbyist is no worse than a stepfather spanking his stepchildren?

It gets worse. In his statement, Evans said it would be "inappropriate" for him to comment on the substance of the Post story. Then he went on to comment on the substance of the story by saying it "raised serious allegations about the personal conduct of my opponent."

The episode raised more serious questions about Evans' conduct, the conduct of his supporters and the conduct of his staff.

"I emphatically deny that my campaign or anyone

associated with it has disseminated the widespread negative information about my opponents' personal life," Evans said in a statement.

That's a damned lie.

As recently as a week ago, Arthur Fletcher, a campaign consultant for Evans, was attempting to pressure these newspapers into printing the story about Carper. In a telephone conversation with M. Ray Adams, the News-Journal papers' political reporter, Fletcher said the Evans campaign had decided not to raise the issue. "Why don't the newspapers raise it?" Fletcher asked.

One reason was that the newspapers' staff had looked into the allegations, had interviewed the ex-husband and the children and had concluded that the charges could not be substantiated.

So who wins?

The waters have been muddied. Some simple souls might find it hard to vote for a man who speaks his kids.

And for at least a few days, Evans will not have told us why 11 million Americans are out of work, including Paula Parkinson.

Ralph S. Moyed has been with the News-Journal newspapers more than 20 years. His column appears Sunday, Monday, Wednesday and Friday.

The News-Journal Papers . . . Friday, Oct. 15, 1982

Evans denies his campaign fans rumors

By M. ROY ADAMS
Staff reporter

Republican U.S. Rep. Thomas R. Evans Jr. denied Thursday that his campaign is responsible for disseminating "the widespread negative information about my opponent's personal life."

Evans nevertheless said a New York Post story on Delaware's congressional campaign "has raised serious allegations" about Democrat Thomas R. Carper's "personal conduct."

The story in Wednesday's editions of the Post recounted Evans' involvement with former Washington lobbyist Paula Parkinson, and said the three-term incumbent is "betting a challenger accused of mistreating his wife and stepchildren."

Carper said Wednesday that the implications in the Post story "are without basis in fact." He accused Evans camp of viciously spreading rumors on his personal life in order to counter Carper's growing

See EVANS — A6

Evans

Continued from A1
strength in the polls. He said he would sue the Post for libel.

On Thursday, Carper said he had nothing to add to his previous statements.

Carper and Evans issued their statements after months of political whipsaw resulted in the Post story, which called the Delaware race "The Nation's Dirtiest Campaign."

The story bases the allegations against Carper on accusations taken during a child-custody suit involving his wife's two children. The accusations were never entered into the court record.

Evans said in a statement Thursday morning:

"I emphatically deny that my campaign or anyone associated with it has disseminated the wide-

spread negative information about my opponent's personal life. It would be unfair and inappropriate for me to comment on the substance of the charges against Mr. Carper and I will not do so."

But Evans also said: "In the past the Wilmington News-Journal has felt that an individual's personal conduct was fair game for political commentary. The New York Post has raised serious allegations about my opponent's personal conduct — questions that cannot be swept away by falsely accusing my campaign, questions we did not raise but questions that must be answered now by Mr. Carper, his family, his neighbors and those who know him well."

Evans added that his polls "show a solid and widening lead" for him, leading him to assume that this "has caused panic in the Carper campaign."

Despite Evans' denial, members of his camp and some of his supporters have been tied to the rumors. Arthur Fletcher, Evans' campaign consultant, recently urged a News-Journal reporter to raise the allegations of abuse as a campaign issue.

Fletcher said the Evans camp was worried about the election because polls showed that there are enough undecided voters to swing the election either way. On another occasion, Fletcher said Evans had an issue that would "neutralize" the negative fallout stemming from his relationship with Parkinson.

Speaker of the House Charles L. Hebeur, R-Hanby Corner, is one of several prominent Republicans who have urged development of a story on Carper's domestic affairs. Hebeur said he served as a go-between for Evans' camp and Jay

Hinkson, the children's natural father. Hinkson cooperated with the Post on its story.

Hebeur said a member of Evans' staff, whom he declined to name, alerted him to the story before it appeared in the Post.

Republican State Chairman Jerome O. Harlby said Thursday that the Post story raised serious questions about Carper's "character."

"I am deeply disappointed by Tom Carper's desperate effort to save his faltering campaign by falsely and maliciously accusing several prominent Republicans of spreading rumors about his personal problems," Harlby said in a statement. "... Carper owes an immediate explanation not a clever dodge ... If he is not forthright and honest in that explanation, he should consider withdrawing from the race."

Candidate Carper will sue NY Post

By CRAIG SHEARMAN
Staff Writer

WILMINGTON—Democratic congressional candidate Thomas R. Carper says he will sue the New York Post over a story claiming he had beaten his wife and step-children.

"I am taking my attorney today to immediately explore suing the New York Post for libel and I will consider similar action against anyone I can identify as involved in the dissemination of these untruths," Carper said in a statement issued through his press secretary Wednesday.

Under a headline proclaiming "The Nation's Dirtiest Campaign," the New York Post brought up Congressman Thomas B. Evans Jr.'s alleged romantic liaison in 1979-80 with Capital Hill lobbyist and subsequent Playboy model Paula Partimosa and also claimed Carper was "accused of molesting his wife and stepchildren."



CARPER

In an interview a week ago, Carper said he had no intention of making the Partimosa incident an issue in his campaign to unseat the Republican incumbent.

Carper said in his statement that he was worried last week by a "a source within Republican circles" that he should expect "a far more negative campaign to ensue."

He did not blame Evans by name for the story or associated rumors but said Evans was "a game of political

character assassination in an effort to halt the momentum of my congressional campaign and to deliver a fatal blow to my political career and to my wife's spirit."

Carper was campaigning this morning, according to Press Secretary Sharon H. Fitzgerald, and could not be reached for comment.

Evans issued a statement this morning in which he said "I emphatically deny that any campaign or anyone associated with it has disseminated the widespread negative information about my opponent's personal life."

See CARPER—Page 3

Carper set to sue

Continued from page 1

"I am most anxious to clear the air on this matter so that we may continue our discussion of the issues facing our nation," Evans said in the statement.

Evans said the Post article "has raised serious questions" that must be answered by Carper.

While Carper branded the New York Post article as "this vicious effort to smear me and my wife...this pathetic fraud," a former boyfriend of Diane Carper said this morning that she had, at least temporarily, lost custody of her 12-year-old daughter and 14-year-old son.

The children are now living with their natural father, Diane Carper's first husband Jay Hinkson of Washington Crossing, Pa., according to Robert A. "Rocky" Gaston.

Gaston, who dated Diane Carper for about three years before she married Carper in June, 1978, said her children had told him of beatings by Thomas Carper.

Gaston emphasized that he had not witnessed any abuse of Diane Carper or of her children, 12-year-old Stephanie and 14-year-old Gregory.

But he said the children "told me accounts" after he became aware of the alleged beatings because he was asked by Hinkson to testify in the custody hearing.

That hearing never took place because the custody agreement to return the children to their father was made out of court, he said.

Fitzgerald denied that Diane Carper had lost custody of the children. Family Court Judge James J. Morgan, who handled the case, could not be reached for comment this morning.

The New York Post article said Diane Carper lost the custody of her children, adding that the case was settled out of court last March and that there was no official judgment on "whether Carper was wrong in the way he treated his family...."

The paper said a tape of an interview with a Wilmington News Journal reporter about the alleged beatings was played to the Post's reporter Tuesday night.

A New York Post spokesman this morning refused to discuss the information in its story or how it verified it.

"That's not the kind of information that we can talk about at this time," said John C. Bender, vice president and counsel for the Post, when asked what type of procedure the newspaper uses to check the accuracy of its stories.

Rumors of the two-year court battle and alleged beatings have circulated among the political community for several months and several reporters had apparently heard them.

Carper claimed in his statement that Evans' campaign workers had been worried by a content that was "virtually dead even."

Carper said a Republican poll conducted just after he became a candidate Aug. 4 showed him 50 percentage points behind Evans but that his own poll showed "recently" that the race was nearly even.

Because of his supposedly increasing chances of winning, "near panic was developing" among Evans' campaign staff and supporters, Carper said. "A source within Republican circles personally phoned to tell me."

"That same person told me to now expect a far more negative campaign to ensue and I replied that I was fully prepared for it."

"I was not prepared however for the possibility that anyone might want to effect the outcome of this election so badly that they would resort to a vicious effort to smear me and my wife, Diane, through an article as outrageous as the one appearing in this morning's issue of the New York Post," he said.

"Let me say clearly and categorically that the implications in that article are without basis in fact. Two children and their vengeful father, who is also Diane's ex-husband, are being used as pawns in a game of political character assassination," Carper said.

Carper said the Post article would further intensify his efforts to become elected.

"Whoever is responsible for this sham will not be pleased to learn that I fully intend to redouble my efforts now to win the election and also to insure that the perpetrators and manipulators of this pathetic fraud are dealt with through the justice system in the state," he said.

Evans, who found himself at the center of a political scandal last year over Partimosa, said, "The New York Post has raised serious questions that we did not raise but questions that must be answered now by Mr. Carper, his family, his neighbors and those who knew him well."

Wilmington News Journal

Thursday, Oct. 14, 1988 . . . The News-Journal Papers . . .

Carper says campaign foes using desperation tactics

By M. ROY ADAMS
Staff reporter

Democratic congressional candidate Thomas R. Carper on Wednesday accused Republican Rep. Thomas B. Evans Jr.'s camp of using desperation tactics by spreading rumors that Carper abused his wife and stepchildren.

Carper issued the statement after months of political whispers culminated in a story in Wednesday's edition of the New York Post which described Delaware's congressional battle as "The

Nation's Dirtiest Campaign

"I was not prepared for the possibility that anyone might want to affect the outcome of this election so badly that they would resort to vicious efforts to smear me and my wife and to deliver a fatal blow to my political career," Carper said. "I am personally outraged that something like this would appear in print."

Craig Butcher, Evans' press secretary, refused comment when asked for Evans' reaction to the story. Butcher said no one affiliated with the Evans camp was responsible for it appearing in print.

But several prominent Republicans, including Arthur Fletcher, an Evans campaign aide, have said Carper's domestic affairs could be newsworthy.

"Let me say clearly and categorically that the implications in that story are without basis in fact," Carper said in his statement.

He said his wife's ex-husband and his stepchildren were being used as "pawns in a game of political character assassination in an effort to halt the momentum" of his political campaign.

The Post story rehearsed Evans' level-

voment with former Washington lobbyist Paula Parkinson, then said Evans is "testifying a challenger accused of mistreating his wife and stepchildren." The story bases the allegations against Carper on depositions taken during a child custody suit involving his wife's two children.

Family Court Judge James J. Horgan said the child custody issue was settled out of court. He said he hadn't seen the depositions because they were never made part of the court record.

See CARPER — A5

Carper

— Continued from A1

Carper described the New York Post story as "outrageous." He alleged that the Evans camp planted the story to knock him out of the race. He said he will sue the Post for libel.

Carper, a three-term state treasurer, said he found it "ironic" that the story would surface just three weeks before the election. He said a poll done by his camp shows that the race is "virtually dead even."

"I have tried to run a positive, issue-oriented campaign that focuses on the problems facing our country and their solutions," Carper said. "Last week a source within Republican circles personally phoned me that near panic was developing in light of the growing prospect that . . . I might prevail and win this election. That same person told me to expect a far more negative campaign issue to ensue and I replied that I was fully prepared for it."

Fletcher, Evans' political consultant, recently urged a News-Journal reporter to raise the allegations of abuse as a campaign issue. He said some accounts of Evans' relationship with Parkinson particularly justified raising such an issue. Fletcher, who was assigned to the

Evans campaign by the Republican National Committee, said:

"The court records are there. It wouldn't be that hard to put that one out one way or another."

Since Carper entered the congressional race in August, he and his wife, Diane, have been the subject of a whisper campaign that can be traced to the Republicans. Speaker of the House Charles L. Stenholm, R-Claymont, Wilmington City Republican Chairman G. Thomas Sandbach and Vernon J. Monard, a former executive assistant to Sen. William V. Roth Jr., all have urged development of a story on Carper's domestic problems.

Jay Hinkson, the children's natural father, said he cooperated with the Post reporter who wrote the story.

Horgan said the Carpers agreed to let the children live with Hinkson at his home in Washington's Crossing, Pa. He said allegations that Carper's wife lost custody of the children are "unfair." The legal dispute won't be resolved until the case comes back to Family Court in 1994, he said.

"When people petition for custody it's not unusual to allege a lot of things," Horgan said. "A lot of times a spanking by a stepparent immediately becomes a case of child abuse."

Hinkson said he is bitter about the custody case because it has cost him several thousand dollars. The Carpers said their most recent problems with Hinkson began after the Carpers sought additional child support.

STAFF/VIDEO/POST, WASHINGTON, D.C., OCTOBER 13, 1982

THE NATION'S DIRTIEST CAMPAIGN



Stylist Paula Parkinson,
is in vote-for-sex scandal.

By NILES LATHEM

WASHINGTON — The dirtiest campaign in the country is being waged in tiny Delaware, where an incumbent, accused of selling his vote for sex, is battling a challenger accused of mistreating his wife and stepchildren.

In this rough and tumble race, influential Reaganite Rep. Thomas Evans is fighting for his political life against a tough challenge from self-proclaimed "Kennedy liberal" Thomas Carper, the state treasurer.

Evans was involved in a scandal last year when he spent a week-end with lobbyist Paula Parkinson — the

Sex bribe, wife abuse charged in Delaware

woman accused of trading her favors for votes on an insurance bill.

Evans, who has admitted to an "association" with Miss Parkinson, said it is something he regretted. But he was cleared last year by the FBI of doing more than millions of American men do every year.

Nonetheless, the Carper campaign has been using Evans' phonylandering to its advantage while stressing the need to conservative voters for "good government."

But it appears that Carper has a few skeletons in his own closet — that have been a dirty little secret of Delaware politics for the last two years.

John Hinkson, the ex-husband of Carper's wife, Diane, received custody of his stepchildren following a bitter custody battle in which stories of child abuse, and wife beating were hurled at Carper and his wife.

The case was settled out of court last March and there was no official judgment on

whether Carper was wrong in the way he treated his family — although it is unusual for a father to be awarded custody in divorce cases.

But Carper's two stepchildren, Gregory, 14 and Stephanie Hinkson, 13, have actually tried to go public with the tale — saying that life was hell inside the Carper household.

The only trouble is that the Wilmington News Journal, which first exposed Evans' relationship with Paula Parkinson, did not print their charges, because, according to one executive at the paper, "it wasn't newsworthy and was too emotional."

And the Hinkson family says it has been getting threatening phone calls at their home in Washington Cross, Pa., from unidentified callers warning them that they had better shut up or Hinkson would lose his job with the DuPont company.

Sharon Fitzgerald, a spokeswoman for Carper, accused the Republicans of leaking the allegations to discredit her boss.

"This has been something that has plagued Tom for the last three campaigns," she said. "It is totally overblown, totally false."

But in a tape of the Journal interview played to The Post last night, the children charged that they were slapped around and



Rep. Thomas Evans
And is fighting.



Thomas Carper
Family strife.

trained by Carper for doing such things as leaving the family dog on the bed.

They also said that one time Carper punched their mother so hard he gave her a black eye. She then asked Stephanie to photograph her face so she could use it as evidence against him if they ever got divorced.

In a court deposition taken in July 1981 Carper admitted that this incident occurred.

"There is a lot of sharp exchanges of words [between us] and I stopped Diane one time. It was a stupid thing to do and I realize that now. It caused some dissimulation on her left eye and some puffiness. That's the only time I felt I ever hurt Diane," he said under oath.

Judge: No proof against

Party chiefs still differ

By CRAIG SHEARMAN
Staff Writer

WILMINGTON—A Family Court judge said today he has seen no evidence that Democratic congressional candidate Thomas R. Carper ever beat his wife or her two children.

Also, Diane Carper has kept legal custody of her son and daughter, Judge James J. Horgan, who presided over the case, said today.

However, Carper has agreed to have the children live with her former husband in an agreement which allows him to avoid a 400 percent increase in child support payments, he added.

If evidence of wrongdoing against Thomas Carper had existed, his wife's former husband would certainly have used it in his battle to gain legal custody of their children, Horgan said.

While there has never been a hearing to determine whether the allegations against Carper are true, "There is no evidence of which I am aware that the man has done a thing," Horgan said in a telephone interview.

The New York Post published an article Wednesday citing what the newspaper said was evidence that Carper had beaten his wife Diane, 13-year-old Stephanie and 14-year-old Gregory.

Carper was formally re-litigated with his attorney, Jeffrey M. Weiner of Wilmington, to explore the possibility of suing the Post for libel.

Carper also threatened to sue "anyone I can identify as involved" in spreading rumors that contained the allegation.

He hinted the rumors may have been spread by Republicans supporting incumbent Thomas B. Evans Jr. Evans denied it.

Democratic State Chairman Samuel L. Shipley called the judge's comments an exonerated of Carper.

See JUDGE—Page 3



Democratic Congressional candidate Thomas R. Carper campaigns at the Thursday night.

2104034543

Judge finds no evidence of abuse by Carper

(Continued from page 1)

"He's been vindicated in my book," Shipley said. Republican State Chairman Jerome O. Morley said he was not bothered by Horgan's explanation and continued to demand that Carper either explain the situation more fully or drop out of the race.

While Diane Carper retains legal custody of her children, their primary home is with Jay Hinkson, their father, Horgan said. That was agreed to in the out-of-court settlement.

Diane Carper was married to Hinkson, now 37

Washington Crossing, Pa., until they were divorced in 1972.

"The order reads that the placement of the children is with him (Hinkson) but that there is no transfer of custody," Horgan said.

Horgan, reached at home, said he did not recall precisely when he signed the order making the out of court settlement binding but added that the New York Post's date of March 1981, was probably accurate.

The judge is scheduled to have a routine hearing in

1984 if Diane Carper or Hinkson is not satisfied with the agreement. But if both are pleased, it could be renewed or made permanent, Horgan said.

Horgan said the fact that the case was settled out-of-court should not be taken to mean that Diane Carper thought she was going to lose the case.

"We encourage" out-of-court settlements to avoid having a stranger decide what is best for the children, he said. The terms of an out of court settlement become a court record that is enforceable by the court, he added.

"If they (parties to a custody case) have children it's far better that they make the arrangements themselves rather than coming and having a total stranger deciding where the child should be," Horgan said.

Horgan said he believed the Carper settlement gave Diane Carper visitation rights to her children, possibly a weekend a month and some holidays, but that he did not recall specifics of the agreement.

Carper said Thursday night that he and his wife would have the children this weekend.

"They will spend the weekend with us. We're looking forward to it," Carper said as he campaigned on the campus of the University of Delaware.

As Carper spoke before a group of about 25 students at the University of Delaware, he saw a couple of dozen more as he crossed the campus and shook hands with nearly 150 bowlers at the Brookside Bowling Alley. No one approached him to criticize or ask about the reported allegations.

While the children will not normally be in Diane Carper's home, Horgan said the significance of her retaining custody is that "she still has a significant say in their upbringing."

The parent who has custody of a child is allowed to make decisions about what school the child will attend, who the child's doctor will be, what religious faith the child will observe and "things of that nature," Horgan said.

Horgan conceded that "I've never heard this case. There may be some aspects of which I don't know anything."

But he said, "Sure, they'd use it," when asked if Hinkson would have come into court with evidence of wrongdoing by Carper if the evidence existed.

Because of the highly emotional nature of child custody cases, "People do make allegations which are exaggerated in order to get a custody proceeding into court," Horgan said.

And, while the case had been going on for some time, Horgan said he had raised Hinkson's child support payments nine months before the placement of the settlement.

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Horgan said he raised the payments from \$200 a month to \$300 a month—"a significant increase"—but that it "doesn't mean a heck of a lot" because Hinkson does not have to pay it while the children live with him.

After hearing that Horgan had said about the case, Shipley said he considered Carper cleared of the allegations.

"This thing (the allegations) was unnecessary and that's why I was sorry to use it," he added.

Both Shipley and Morley had said on Thursday, before hearing Horgan's comments, that they were uncertain what effect the allegations against Carper could have on the Nov. 3 election.

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Exhibit C

After 8 years in Congress, who is Tom Carper helping?

Printed for by Dan Rappa for Congress Committee, Dan Rappa Jr., Treasurer

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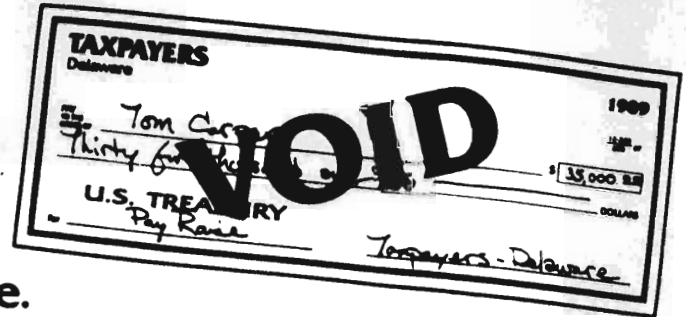
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Pay Raise

Taxpayers - Delaware

Us? Or Himself?

Tom Carper voted to increase his Congressional pay to \$125,000 a year. That's a 40% pay raise. That's \$35,000 of taxpayer expense.



What has Tom Carper done for us lately?
He voted against a bill that would have forced Savings and Loan institutions from divesting in the junk bond market. He opposed tougher penalties against oil companies who pollute our waterways. He accepted \$500,000 of special interest money. \$150,000 of it was linked to the banking and financial industry.



After 8 years of Tom Carper,
the choice is absolutely clear.
In the September 8th Democratic Primary

Elect

DAN RAPPA

FOR CONGRESS

U.S. Army Veteran ☐ Devoted Family Man ☐ Successful Businessman

GUILTY BY ASSOCIATION ?

Tom Carper has avoided the real issues and tried to make you believe guilt by association.
So believe this:

Carper accepted \$4500 in campaign contributions from Robert & Paul Teeven, owners of USA Training Academy, over the past 4 years.

Carper used the USA Training Academy's office for his Democratic party campaign phone banks in 1989.

Tom Carper hand picked Joe Farley to be the new leader of the Delaware Democratic Party.

Carper took contributions from Thomas Speigal, chief executive officer of Columbia Savings and Loan.

Carper took PAC contributions from former Speaker Jim Wright.

Carper took contributions from Tony Coehlo's PAC, the Valley Education Fund.

Carper took contributions from Provident National Bank.

Carper took contributions from Continental Bank of Chicago.

Carper has appeared with and has endorsed Penrose Hollins for New Castle County Council.

USA Training Academy has been under federal investigation for 2 years for embezzlement, income tax evasion, tax fraud, and violations of the Higher Education Act.

46.1% of the students who attended USA Training Academy didn't pay back their loans, according to statistics from the U.S. Department of Education. In 1987 Drug Czar William Bennett, then secretary of education singled out Teeven's school to illustrate problems of for-profit trade schools.

Joe Farley is a business partner of Robert Teeven.

Thomas Spiegel was indicted by a federal grand jury for stealing \$20 million from Columbia S&L, which was seized by the government in 1988.

Jim Wright was forced to resign from Congress because of his involvement with the S&L industry and PACs.

Coehlo resigned his seat in Congress rather than face congressional censure for ethics violations.

Provident National Bank was seized by federal regulators and will cost the taxpayers \$35 million.

Continental Bank's failure is the largest in our nations history. It will cost taxpayers \$4.5 billion.

Penrose Hollins' campaign is largely financed by Mario Capano, a convicted felon.

Tom Carper wanted you to believe
Guilt by Association. Fine. We believe.
Tom Carper You're Guilty!

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*NO PAC MONEY

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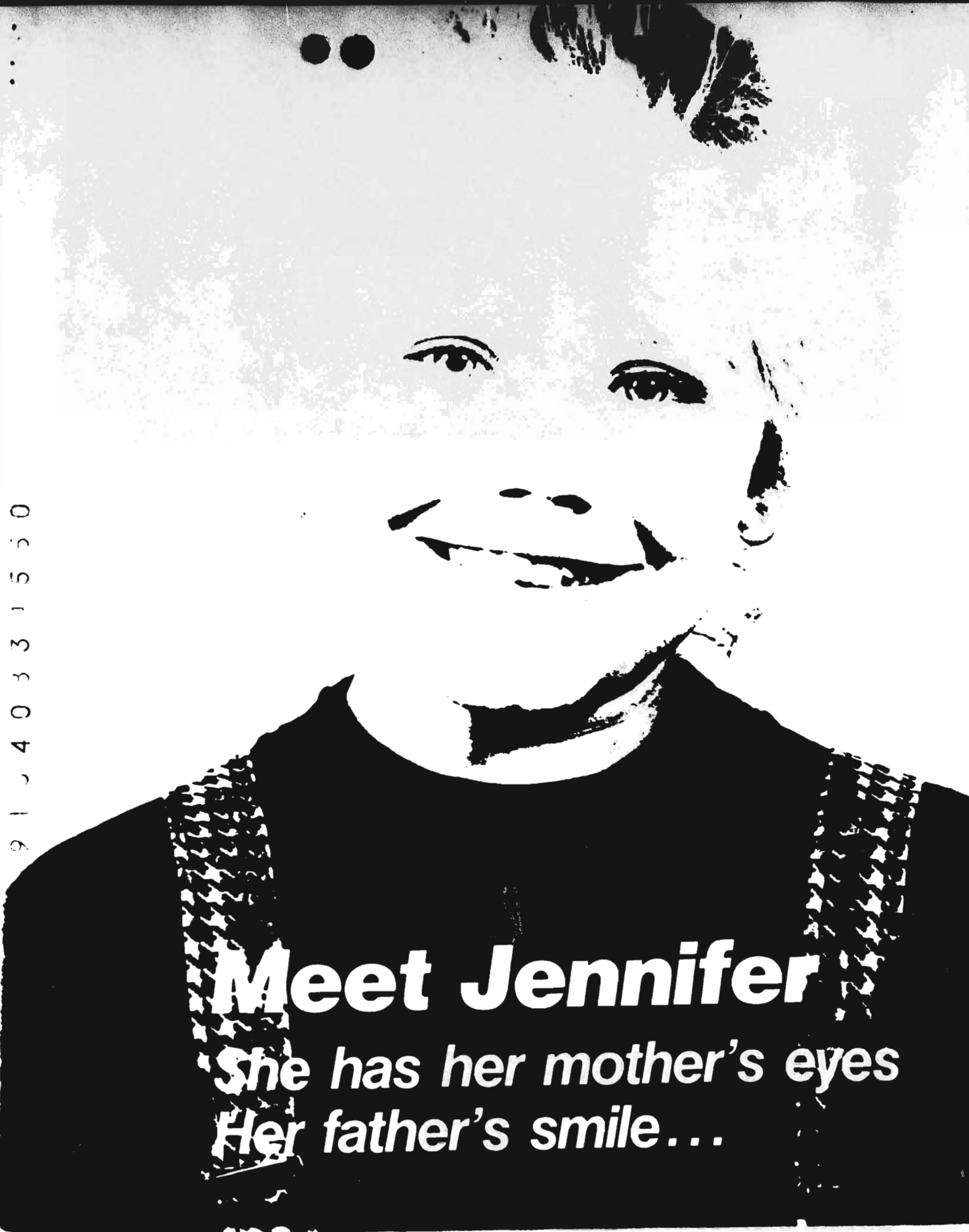
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*She has her mother's eyes
Her father's smile...*

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On September 8th there is an opportunity to make a change in America's future. Dan Rappa will be free to do what's right for America simply because it is the right thing to do.

Paid for by Dan Rappa for Congress Committee Dan Rappa Jr Treasurer

Dan Rappa for Congress

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Rep. Carper must decide whether he's a true reformer

Rep. Thomas Carper, D-Del., revels in the role of political reformer. He took his share of bows after engineering the 1989 campaign to oust scandal-tainted Eugene Reed Sr., the longtime head of the New Castle County Democratic Party.

He also sounded high-minded and magnanimous — and gained considerable publicity — when he promised last fall to renounce the \$24,150 salary increase Congress voted itself for 1991.

Mr. Carper earned those curtain calls. The question now, however, is whether the lawmaker is a political reformer only when politically convenient.

The query stems from the new report by Common Cause that ranks the four-term lawmaker ninth among U.S. House members who accepted campaign contributions from the banking and financial industry from 1983 through 1988.

Over the six years, Rep. Carper took in \$151,643 from financial interests' political action committees — while at the same time holding down an influential position on the House committee that deals with banking and financial legislation.

The lawmakers preceding Mr. Carper on the money list also serve on the House Banking, Finance and Urban Affairs Committee. This coziness, unfortunately, is typical of the relationship between congressional overseers and the special-interest groups (i.e., agriculture and defense) that come before their committees.

But the PACs-Congress marriage — called by Common Cause the "heart" of a "corrupt" system for financing congressional campaigns — is plain wrong. It fuels the widely held notion that Congress is bought and paid for by special interests.

It also produces the kind of errant, slipshod oversight that is part and parcel of such calamities as the savings and loan crisis, which some estimates say will cost taxpayers \$150 billion.

Just Ask Tom Carper.

Delawareans to pay, pay and pay!

Tom Carper thought it was okay to take \$150,000 from the modern-day Jesse Jameses of the savings and loan industry. And while Tom Carper was being wined and dined, today's James gang robbed \$500 billion of your hard-earned money.

Helping himself instead of us.

Congressman Tom Carper could have helped prevent the savings & loan fiasco. Instead, he chose to help himself. He accepted over \$150,000 from political action committees, representing banks, savings and loans, and other financially related interest groups.

Delawareans deserve better.

Delawareans need a Congressman who will stand up to special interest groups and say no when the S & L crooks come calling. Delawareans need Dan Rappa.

On Saturday, September 8, elect Dan Rappa for Congress.

**Dan
Rappa**
Congress '90

DELAWARE

TIMES

VOL 1 ISSUE 1 FALL 1990

SPECIAL EDITION



**THE
SAVINGS & LOAN
CRISIS**

**The \$500 Billion
Fiasco**

**Families To Be
Hit Hard**

**The Tom Carper
Sellout**

Carper is 9th in PAC donations

By Virginia Kirk
Staff writer

WASHINGTON — Rep. Thomas R. Carper, D-Del., has accepted \$555,747 in political action committee contributions in the last three elections and was Congress' ninth largest recipient from financial PACs.

Rep. Carper, a member of the House Banking, Finance and Urban Affairs Committee, raised 55 percent of his total campaign funds from PACs, according to the study by Common Cause which analyzed PAC contributions for every member of Congress.

He received \$151,643 from PACs representing banks, savings and loans and other financial interests.

The fact that employees of financial institutions contribute to my campaigns shouldn't come as a surprise, Rep. Carper said.

The financial services industry is an integral part of our state's economy and employs tens of thousands of Delawareans.

He said he has tried to minimize his reliance on PAC contributions and that number has dropped from 62 percent of his total funds in his 1984 campaign to 44 percent in the 1988 campaign — an 18 percent decrease.

The four PACs that made the largest contributions were:

- American Bankers Association: \$30,000
- United American Bankers: \$26,500
- National Association of Banks: \$24,325
- National Bankers Association: \$20,375

He received business PAC funds from labor PACs.

PACs are a huge part of my campaign and I am not limiting them.

Common Cause report.

See

Carper assets listed in the \$1 million range

By DAVID BAUMAN
Gannett News Service

WASHINGTON — Rep. Thomas R. Carper has assets ranging from \$545,000 to at least \$945,000 — mostly in real estate — according to his new financial disclosure report.

Carper, a Democrat, released the figures Tuesday, the filing deadline for House members, showing his assets and liabilities for 1989.

Since members of Congress are only required by law to list broad ranges of their assets and liabilities and income outside their annual \$89,500 salary each year, it is difficult to use the figures to

and \$245,000.

Although Carper is allowed to earn up to \$28,850 in speaking fees beyond his congressional salary, he did not list any.

However, under unearned income, Carper listed between \$3,000 and \$7,500 from investments and stocks. He also acknowledged that his wife, Martha, earns a salary as marketing manager with the Du Pont Co. but did not specify the amount.

Although he rented three of his homes, Carper reported making less than \$1,000 as a landlord in 1989, noting expenses nearly eliminated the income from the rentals.

Liabilities between

Thrift bailout estimate soars

Cost could hit \$500 billion

By DAVE SKIDMORE
Associated Press

WASHINGTON — The price tag on the savings and loan bailout could hit \$500 billion if the economy falters, congressional auditors said Friday in their bleakest assessment of the thrift crisis yet.

The General Accounting Office said it would cost the government at least \$325 billion to close or sell Pentagon's annual budget.

But even the new projection, 26 percent higher than the \$257 billion estimate offered by the GAO only five months ago, is optimistic, said Comptroller General Charles A. Bowsher, who heads the GAO.

"It could easily become a \$400 billion problem and it might even hit as high as \$500 billion, or half a trillion dollars, if you get the economy working against you," Bowsher told the Senate Banking Committee.

His testimony at a sparsely attended hearing challenged the Bush administration's contention that regulators have enough money for now and a reassessment can wait until after this year's congressional elections.

Bowsher called on Treasury Secretary Nicholas Brady to

tional funds."

Sen. Donald W. Riegle Jr., D-Mich., the committee chairman, said he would ask the administration to respond at a hearing next month.

This "devastating statement" from the GAO "should be a call to arms for all people involved from the administration, to Congress to the industry," said Sen. Bob Graham, D-Fla.

In past appearances before congressional committees, Seidman has conceded that last year's bailout probably is underfunded. The administration, however, has suggested it could get by through early appropriation of about \$30 billion intended for S&L failures after 1992.

Michael Boskin, chairman of the White House Council of Economic Advisors, declined to comment on the report but promised, "We'll analyze it in detail."

The GAO's new estimate includes interest payments spread over 40 years, but the bulk of the \$325 billion will be needed during the 1990s. Taxpayers will have to pick up most of the \$68 billion increase, Bowsher said. That likely would push their share of the total above \$200 billion, with the S&L industry paying the rest.

"We are looking here at a huge, huge number as far as what the American taxpayer is going to pay."

SATURDAY March 10, 1990



Rep. Thomas R. Carper

Among financial interests, Carper

By CELIA COHEN
Staff reporter

Rep. Thomas R. Carper ranked ninth among U.S. House members who accepted campaign contributions from the financial industry from 1983 to 1988, according to a study by Common Cause.

Like the other top 10 recipients, Carper holds an influential position for dealing with legislation that affects banks and other financial interests — by serving as one of the 51 members of the House's Banking, Finance and Urban Affairs Committee.

The Delaware Democrat is the state's lone member in the 435-member House of Representatives. He is seeking his fifth two-year term — without Republican opposition so far — and is widely regarded as the Democrats' leading candidate for governor in 1992.

Carper received \$151,643 from financial interests' political action committees (PACs) during the six years from 1983 to 1988, according to Common Cause.

The largest contributor was the American Bankers Association, which donated \$30,000. Carper also received a number of

contributions from Delaware banks, a dominating sector of the state economy since the 1981 passage of the Financial Center Development Act.

Carper acknowledged his receipt of bank PAC contributions but explained, "The fact that employees of financial institutions contribute to my campaigns shouldn't come as a surprise. The financial services industry is an integral part of our state's economy and employs tens of thousands of Delawareans."

There is nothing illegal about PAC contributions.

See CARPER A6

IT'S SHOCKING BUT TRUE!

TOM CARPER TAKES \$150,000 FROM FINANCIAL INTERESTS.

The General Accounting Office estimates that the savings & loan bailout could cost \$500 billion. That's \$5,000 for every American man, woman and child—except for Congressman Tom Carper.

Carper actually profited from political action committees: banks, savings & loans, and other financial institutions. He accepted \$150,000 of their money.

Common Cause termed Congressman Carper's actions, "the heart of a corrupt system" and "plain wrong." A leading Delaware newspaper called Carper's actions "slipshod oversight that is part and parcel of such calamities as the savings & loan crisis."

On Saturday, September 8, let's send a loud, clear message that our Congressmen must represent us.

Let's elect Dan Rappa.

Dan Rappa will take no donations from special interests groups, no contributions from PACs, and no orders from savings & loans crooks.

Carper No. 9

TOP CONTRIBUTORS	
PAC contributors to Rep. Thomas H. Carper Jr. since 1983, as reported by Common Cause.	
1. American Bankers Association	\$30,000
2. United Auto Workers	\$26,500
3. National Association of Realtors	\$24,300
4. National Education Association	\$20,000

Dan
Rappa

Congress '90

Paid for by Dan Rappa for Congress Committee, Dan Rappa, Jr., Treasurer

91040334558

Exhibit D

WILLIAMS FOR DELAWARE

PRESS RELEASE

CONTACT:

For Immediate Release

Mark Mead
658-7250

WILLIAMS PROPOSES CONTRACT FOR FAIR AND ETHICAL ELECTION; HAUGE SLAMS CARPER FOR PAC INFLUENCE

State Senator Richard A. Hauge, Chairman of the Williams for Delaware Committee today announced the signing by Ralph Williams of a proposed Contract for a Fair and Ethical Congressional Election between Ralph Williams, the Republican candidate for Congress, Tom Carper, the Democrat incumbent, and the People of the State of Delaware.

Branding the \$500 billion Savings & Loan crisis "the biggest financial rip-off of taxpayers in American history," Hauge called on Congressmen, "to give back all the PAC money they've collected," because of its corrupting influence. "More Congressmen should resign for their betrayal of trust."

"At the center of the Savings & Loan firestorm sits the House Banking Committee, Ground Zero for this mess. And Tom Carper was there as a member of the Committee since 1983, with his hand out to Banking PAC's, taking in more than \$150,000 over a six year period."

"Let's go to the heart of the matter. The Savings and Loan crisis is really a PAC crisis. If weak and corrupt Savings and Loans didn't have strong and wealthy PAC's, and if Congressmen like Tom Carper hadn't sold their influence for PAC dollars, the S&L debacle would never have happened, and our nation would be \$500 billion richer."

Press Release - Williams for Delaware
Contract for a Fair and Ethical Congressional Election
July 25, 1990
Page 2

The Contract has four parts. First, it calls on both candidates to refuse all PAC contributions and to donate to the U.S. Treasury existing PAC funds to reduce the deficit.

Second, the Contract calls for an end to deficit-financed free mailings out of Washington. Most of those mailings are post cards, designed and sent out to put a big picture of a Congressman and his name in front of the people. These mailings are political and should be paid for with campaign funds.

Third, the Contract states that the Congressional office should be busy solving our budget, savings and loan, drug, and environmental problems. They should not be taxpayer-financed campaign headquarters.

Fourth, the Contract calls for regular debates between the candidates.

In calling on Carper to sign the Contract, Hauge cited the March 12, News Journal editorial which urged Mr. Carper to decide "whether he's a true reformer."

As the News Journal said, Tom Carper's "six-year take from PAC's still totals more than \$500,000 -- including the unseemly \$151,643 he pockets from PAC interests he oversees. Those aren't the numbers of a 'reformer.' In fact, they suggest that Rep. Carper, while part of the solution in New Castle County, is part of the problem on Capitol Hill."

Williams, Hauge, and other committee members will be traveling the State gathering signatures for this Contract.

#

21040334561

Contract for a Fair and Ethical Congressional Election

THIS AGREEMENT, made this _____ day of _____ 1990, by and between The People of the State of Delaware (hereafter, "The People"), Ralph Williams, the Republican candidate for U.S. Congress, and Tom Carper, U.S. Congressman and candidate for re-election to that office;

WHEREAS, so far this election year, over \$80 million in PAC contributions have swollen campaign treasuries of members of the U.S. Congress; and

WHEREAS, the average U.S. Congressman receives over half of his campaign funds from special interest group PACs; and

WHEREAS, Tom Carper has accepted over half a million dollars of special interest PAC money to finance his re-election campaigns since 1983; and

WHEREAS, Tom Carper has accepted over \$150,000 in PAC contributions since 1983 from the financial industry he is supposed to regulate as a member of the House Urban Affairs and Banking Committee; and

WHEREAS, confidence in our government has been justifiably shaken by the growing perception that Congressional decisions and ineptitude are influenced by the PAC contributions that Congressmen depend upon to finance their re-election campaigns; and

WHEREAS, Congressman plan to spend over \$94 million dollars of our tax money on unsolicited mass mailings to their constituents next year; and

WHEREAS, Congress is planning a 64% increase in Congressional committee staff payrolls to \$90 million next year; and

WHEREAS, as a result of this PAC money and other abuses of the power of incumbency, one out of every five House members had no major party opposition in 1988, and over 98% of House incumbents were re-elected; and

WHEREAS, Congress has failed miserably to carry out its fiscal responsibilities, and our nation is now saddled with a \$3.1 trillion national debt, and a \$500 billion Savings and Loan crisis; and

WHEREAS, the parties hereto wish to see the electoral process returned to the People, so that our government does its job better, and thereby avoids burdening taxpayers with significant federal debt;

NOW THEREFORE IT IS HEREBY AGREED BY AND BETWEEN THE PEOPLE OF THE STATE OF DELAWARE AND RALPH WILLIAMS AND TOM CARPER AS FOLLOWS:

- 1. Ralph Williams and Tom Carper agree that PACs have corrupted the political process in Washington, and that PACs have insulated Congress from responsibility to The People. Ralph Williams and Tom Carper each agree to accept no PAC contributions to finance his campaign for U.S. Congress this year, and that each will donate to the U.S. Treasury any and all PAC contributions which may have already received for said campaign.**
- 2. Tom Carper agrees to send out no additional taxpayer financed mass mailings announcing town meetings or tax seminars this year and that he will repay to the U.S. Treasury from his campaign funds the full cost of printing and mailing any such literature mailed within one year prior to this year's Congressional election.**
- 3. Tom Carper and Ralph Williams agree that no Congressional staffers will be used for campaign activities - including speech writing, scheduling, and debate preparation - on government time. The halls of Congress should be used to solve our problems in Washington and *not* to run campaigns in Delaware.**
- 4. Ralph Williams and Tom Carper agree to engage in public debates throughout our State at least once every two weeks between now and the date of the election, November 6, 1990.**

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first written above.



 Ralph Williams

 Tom Carper

The People: _____

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Exhibit E

21540334564

MELVIN E. DRANE, III

LARRY EMBRY

Friedman and Associates
15400 Meherrin Court
Centreville, Virginia 22020

703-815-2687



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 5, 1990

Leo E. Strine, Jr., Esquire
Skadden, Arps, Slate, Meagher & Flom
One Rodney Square
P.O. Box 636
Wilmington, DE 19899

RE: MUR 3160

Dear Mr. Strine:

This letter acknowledges receipt on November 1, 1990, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by Friedman and Associates and/or clients unknown.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, including the identity of the respondent, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 3160. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

If you have any questions, please contact Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence H. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

Enclosure
Procedures

21040334565



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 5, 1990

Helvin E. Drane, III
Friedman and Associates
15400 Meherrin Court
Centreville, VA 22020

RE: HUR 3160

Dear Mr. Drane:

The Federal Election Commission received a complaint which alleges that you, your firm, and/or clients unknown may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter HUR 3160. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

21040834566

If you have any questions, please contact Jeff Long, the staff member assigned to this matter at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

21040834567

06C 8622

SKADDEN, ARPS, SLATE, MEAGHER & FLOM

ONE RODNEY SQUARE

BOX 636

WILMINGTON, DELAWARE 19899-0636

(302) 651-3000

FAX: (302) 651-3001

DIRECT DIAL
(302) 651-

3133

90 NOV 13 AM 10:09

BOSTON
BRUSSELS
CHICAGO
HONG KONG
LONDON
LOS ANGELES
NEW YORK
SAN FRANCISCO
SYDNEY
TOKYO
TORONTO
WASHINGTON D.C.

November 8, 1990

Lois G. Lerner, Esquire
Associate General Counsel
Federal Election Commission
999 E Street N.W.
Washington, DC 20463

Re: MUR 3160

Dear Ms. Lerner:

Please find enclosed an affidavit and true and correct copies of two news articles that appeared in the Wilmington News Journal that may be of use to the Commission in investigating this matter.

Very truly yours,

Leo E. Strine, Jr.
Leo E. Strine, Jr.

CW

Enclosures

90 NOV 13 PM 12:35

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

8 9 5 4 3 1 0 4 0 1 2

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter
of the Carper for
Congress Committee,

Complainant,

v.

Jane & John Doe,

Respondents.

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M.U.R. 3160

AFFIDAVIT OF LEO E. STRINE, JR.

I, Leo E. Strine, Jr., being duly sworn, do
depose and swear under penalty of perjury, 18 U.S.C. §
1001, as follows:

1. Attached are true and correct copies of two
news articles that appeared in the Wilmington News Jour-
nal.

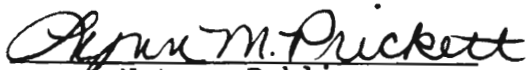
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VERIFICATION

I, Leo E. Strine, Jr., swear, under penalty of perjury, 18 U.S.C. § 1001, that the information contained in the foregoing affidavit is true and correct to the best of my knowledge, recollection, and belief.


Leo E. Strine, Jr.

Sworn to before me
this 24 day of November, 1990


Notary Public

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Carper, under investigation, files complaint

By CELIA COHEN
Staff reporter

WILMINGTON NEWS JOURNAL
FRIDAY, NOVEMBER 2, 1990

Someone has hired a Virginia-based firm to investigate U.S. Rep. Thomas R. Carper's political and personal background.

Carper doesn't know who is behind it, but he suspects the investigation is aimed at hurting his re-election bid.

Carper's campaign filed a complaint Thursday with the Federal Election Commission, asking it to find out who is investigating him. A spokesman for the commission declined comment. The agency is barred by law from discussing complaints before it, according to spokesman Fred Esland.

Carper is one of Delaware's most prominent Democrats. If he is re-elected Tuesday, he would set a record for eight statewide victories — five as a congressman and three as state treasurer. He is considered likely to compete with Insurance Commissioner David N. Levinson for the Democratic gubernatorial nomination in 1992.

Carper has collected his share of political enemies along the way. Most recently, he has been attacked by a disgruntled faction of Democrats led by Eugene T. Reed Sr. and Daniel D. Rappa.

"Anybody who wants to know anything about Tom or ask his opinion on an issue, all they have to do is call his office or come to one of his town meetings. They don't have to resort to this. We intend to find out who is behind this scurrilous behavior," said Vincent P. Meconi, campaign manager for Carper.

Carper doesn't contest anyone's right to ask questions about him. However, his campaign argues that it is illegal for someone to hire a firm and collect information without reporting it as a campaign expenditure to the Federal Election Commission.

In the complaint, the Carper campaign says representatives of Friedman and Associates of Centreville, Va., have researched Carper's political and personal life.

According to Carper's complaint, the firm's representatives have sought information about Carper's family life, drinking habits, finances, business associates, relationship to banks, relationship to his former wife and her children, and relationship to his present wife and their children.

Michael S. Friedman, president of Friedman and Associates, denied knowing about any investigation into Carper. In a telephone interview, he said he didn't know who Carper was but said representatives of his firm "work on their own projects."

Friedman refused to disclose what sort of business Friedman and Associates does. The firm is operated from a house in Virginia Run, an upscale suburban neighborhood outside Manassas, Va.

Carper, 43, of Wilmington, is being challenged for Delaware's lone seat in the U.S. House of Representatives by Republican Ralph O. Williams and Libertarian Richard A. Cohen.

Carper has attracted personal attacks before. He won his congressional seat in 1982 during a scandal-plagued campaign, in which Carper defeated Thomas B. Evans Jr., the Republican incumbent linked romantically to a lobbyist who posed nude for Playboy. Carper, in turn, fought allegations of wife and child abuse.

Carper turned back a primary challenge Sept. 8 from Rappa, who called Carper a liar and tried to link him to the troubles in the savings and loan industry.

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WILMINGTON NEWS JOURNAL
Saturday, November 3, 1990

WILLIAMS DENIES CARPER PROBE Nobody accused Republican Ralph O. Williams of secretly investigating Democratic Rep. Thomas R. Carper in their congressional race, but he is disavowing it, anyway.

Williams released a statement Friday, the same day The News Journal reported that Carper complained to the Federal Election Commission that someone hired Friedman and Associates, of Centreville, Va., to ask questions about his personal and political background.

Williams said: "Neither myself or any member of my campaign staff is involved in any way with this investigation. Tom and I have run a clean campaign based on the issues and I have at no time been involved with any investigation."

Carper's campaign has said he doesn't contest anyone's right to ask questions. However, the campaign argues it is illegal not to report the investigation as a campaign expenditure to the Federal Election Commission.

21040834572



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 21, 1990

Leo E. Strine, Jr., Esquire
Skadden, Arps, Slate, Meagher & Flom
One Rodney Square
P.O. Box 636
Wilmington, DE 19899

RE: MUR 3160

Dear Mr. Strine:

This letter acknowledges receipt on November 13, 1990, of the supplement to the complaint you filed on November 1, 1990, against Friedman and Associates and/or clients unknown. The respondents will be sent copies of the supplement. You will be notified as soon as the Federal Election Commission takes final action on your complaint.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in dark ink, appearing to read "L. G. Lerner", is written over the typed name of Lois G. Lerner.

BY: Lois G. Lerner
Associate General Counsel

21040334573



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 21, 1990

Melvin E. Drane, III
Friedman and Associates
15400 Meherrin Court
Centreville, Virginia 22020

RE: MUR 3160

Dear Mr. Drane:

On November 5, 1990, you were notified that the Federal Election Commission received a complaint from Leo E. Strine alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On November 13, 1990, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information.

If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in dark ink, appearing to read "LGL", is written over the typed name of Lois G. Lerner.

BY: Lois G. Lerner
Associate General Counsel

Enclosure

91040334574

MICHAEL S. FRIEDMAN
ATTORNEY AT LAW

MEMBER OF THE BAR
VIRGINIA
PENNSYLVANIA
NEW JERSEY
DISTRICT OF COLUMBIA

90 NOV 21 AM 11:56
15400 MEHERRIN COURT
CENTREVILLE, VIRGINIA 22020
(703) 815-2687

November 20, 1990

Mr. Jeff Long
Office of the General Counsel
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

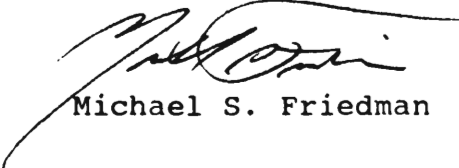
RE: MUR 3160

Dear Mr. Long:

This letter is a formal request for an extension of time to respond to the complaint in the above referenced matter. In a telephone conversation today with Mr. Rishel, he indicated that an extension until December 7, 1990, would be acceptable. I will be representing Friedman and Associates in the above referenced case. Please direct your response to this letter and any other communications to me.

Thank you in advance for taking time in this matter, if you should have any questions please do not hesitate to contact me.

Sincerely yours,


Michael S. Friedman

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RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 NOV 21 PM 3:41

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 28, 1990

Michael S. Friedman, Esquire
15400 Meherrin Court
Centreville, Virginia 22020

RE: MUR 3160
Friedman and Associates

Dear Mr. Friedman:

This is in response to your letter dated November 20, 1990, which we received on November 21, 1990, requesting an extension until December 7, 1990 to respond to the complaint in the above-referenced matter. 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 December 7, 1990.

If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in dark ink, appearing to read "Lerner", is written over the typed name of Lois G. Lerner.

BY: Lois G. Lerner
Associate General Counsel

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06C 8820

MICHAEL S. FRIEDMAN
ATTORNEY AT LAW

MEMBER OF THE BAR
VIRGINIA
PENNSYLVANIA
NEW JERSEY
DISTRICT OF COLUMBIA

15400 MEHERRIN COURT
CENTREVILLE, VIRGINIA 22020

(703) 815-2687

December 6, 1990

Jeffrey Long, Esq.
Office of the General Counsel
Federal Election Commission
Washington, DC 20463

Re: MUR 3160
Friedman and Associates

Dear Mr. Long:

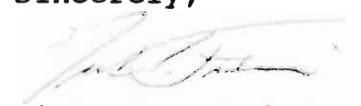
2104083457

This letter is in response to the above referenced complaint. Friedman and Associates performed discrete tasks in support of an assignment undertaken by Fairfax Consultants, Ltd. The work performed by Friedman and Associates was limited to conducting interviews of people believed to have personal knowledge of Mr. Carper to verify information in public records. All of the information obtained by Friedman and Associates was transmitted to either Fairfax Consultants or The Fairfax Group, Ltd.

I have enclosed an affidavit from Philip H. Stern, Esq., Managing Director and Counsel of Fairfax Consultants, Ltd. which provides additional information on the nature of the assignment undertaken by Fairfax Consultants.

If you have any questions, please feel free to contact me.

Sincerely,


Michael S. Friedman

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL
90 DEC -7 PH 3:03

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter
of the Carper for
Congress Committee,

Complainant,

v.

Jane & John Doe,

Respondents.

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M.U.R. 3160

AFFIDAVIT OF PHILIP H. STERN

I, Philip H. Stern, being duly sworn, do depose and state as follows:

1. I am the Managing Director and Counsel of Fairfax Consultants, Ltd. of New York, New York.

2. In July, 1990, Fairfax Consultants, Ltd. was retained to research and confirm information in the public domain concerning Congressman Tom Carper. Fairfax Consultants utilized affiliated entities including The Fairfax Group, Ltd. of Falls Church, Virginia and Friedman and Associates of Centreville, Virginia to perform discreet tasks in support of its research effort. I specifically was informed that the research and confirmation of the information requested was not for the purpose of influencing any federal election or any campaign for federal office.

3. This research is still ongoing, and Fairfax Consultants has not been given a deadline for its completion.

4. On December 4, 1990, I received an affidavit from Fairfax Consultants' client in this matter which reads as follows:

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(1) I am a licensed clinical psychologist and am doing research on Delaware state-government, personalities in state government and state-governmental issues. This research will be used for a book on those subjects.

(2) To assist in this research, I retained Fairfax Consultants which I have recently learned was acting through related firms including Friedman and Associates, to research and confirm only public information concerning Tom Carper, who is a former state office holder, who is currently a United States Congressman, who has been described by the Delaware press and other reliable sources as a likely candidate in 1992 for Governor of Delaware, and who, at this time, is apparently the most likely candidate to win that office.

(3) This research was not nor has it ever been undertaken for the purpose of influencing any federal election or any campaign for federal office. Moreover, when I retained Fairfax Consultants, I stated that its research was for matters not connected with any federal election or any campaign for federal office.

(4) I believe that my ability to research

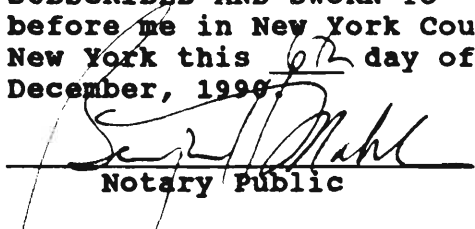
and confirm the information I want would be impaired if it became public knowledge that I was seeking this information. Therefore, one of the express requirements in my agreement with Fairfax Consultants was that the identity of the client would not be disclosed except if required by a Court-issued subpoena.

(5) As of December 4, 1990, I have not yet reviewed most of this research data, and Fairfax Consultants' research is presently ongoing in this matter. My schedule calls for the completion of my research by April 1, 1991; so that drafting of the book may begin then.

FURTHER AFFIANT SAYETH NOT


Philip H. Stern

SUBSCRIBED AND SWORN TO
before me in New York County,
New York this 6th day of
December, 1990


Notary Public

BENJAMIN H. MAHLER
Notary Public, State of New York
No. 4689391
Qualified in Nassau County
Commission Expires May 31, 1991

01040334530

91 MAR -7 AM 9:53

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

MUR #3160
DATE COMPLAINT RECEIVED
BY OGC: 11/01/90
DATE OF NOTIFICATION TO
RESPONDENTS: 11/05/90
STAFF MEMBER: Lawrence D. Parrish

COMPLAINANT: Carper for Congress Committee

RESPONDENTS: Friedman and Associates and Michael S. Friedman
Fairfax Consultants, Ltd. and Philip H. Stern,
Esq., as Managing Director

And Person(s) Unknown

RELEVANT STATUTE: 2 U.S.C. § 433
2 U.S.C. § 434

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

On November 1, 1990, Carper for Congress Committee filed a complaint with the Federal Election Commission ("Commission") alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by Person(s) Unknown.

(Attachment 1.) The Complainant also enclosed copies of news articles and political advertisements along with the complaint.
(Attachment 2.)

The Complainant alleges that Person(s) Unknown authorized and paid Friedman & Associates to conduct an investigation of Congressman Thomas R. Carper's political and personal affairs. The Complainant further alleges that the Respondents concertedly

9104033451

made in excess of \$1,000 in expenditures designed to influence a federal election without registering as a political committee or reporting these expenditures, in violation of 2 U.S.C. §§ 433 and 434. In the alternative, the Complainant also alleges that Person(s) Unknown may be registered as an authorized or unauthorized political committee, but have failed to comply with the reporting requirement of 2 U.S.C. § 434 by failing to report disbursements and/or contributions related to the above-mentioned investigation. The Complainant further alleges that Person(s) Unknown, in order to make expenditures to influence a federal election, may have used funds from impermissible sources, or from contributions of an unlawful amount in violation of 2 U.S.C. §§ 441b(a) and 441a.

On November 13, 1990, an amendment to the complaint was received by the Commission. (Attachment 6.) The amendment enclosed November 2, 1990 and November 3, 1990 news articles that appeared in the Wilmington News Journal. According to the November 2, 1990 news article, "Someone has hired a Virginia-based firm to investigate U.S. Rep. Thomas R. Carper's political and personal background." The article further reported that "Michael S. Friedman, president of Friedman and Associates, denied knowing about any investigation into Carper. In a telephone interview, he said he didn't know who Carper was but said representatives of his firm 'work on their own projects'." The November 3, 1990 news article reported that Republican Ralph O. Williams denies any involvement in the

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investigation of Congressman Carper.¹

II. FACTUAL AND LEGAL ANALYSIS

A. Applicable Law

Pursuant to 2 U.S.C. § 433(a), every political committee which is not an authorized committee and which is not a separate segregated fund shall file a statement of organization with the Commission "within 10 days after becoming a political committee within the meaning of section 431(4)." Pursuant to 2 U.S.C. § 431(4), a political committee includes "any ... group of persons which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year." A contribution includes "any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office." 2 U.S.C. § 431(8)(A)(i). Thus, a contribution results when a person pays compensation for the personal services of another, and those services are rendered without charge to a political committee for any purpose, except for certain legal and accounting services. See 11 C.F.R. § 100.7(a)(3). An expenditure includes "any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made by any person for the purpose of influencing any election for Federal office." 2 U.S.C. § 431(9)(A)(i).

No person shall make contributions "to any candidate and

1. Ralph O. Williams was the Republican challenger of Congressman Carper's seat in Congress in 1990.

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his authorized political committee with respect to any election for Federal office which, in the aggregate, exceed \$1,000."

2 U.S.C. § 441a(a)(1)(A). No person shall make contributions "to any other political committee in any calendar year, which in the aggregate, exceed \$5,000." 2 U.S.C. § 441a(a)(1)(C). A person can be an individual or a political committee. See 2 U.S.C. § 431(11). No political committee shall knowingly accept a contribution or make an expenditure which exceeds these limits. See 2 U.S.C. § 441a(f). All political committees must file reports of receipts and disbursements with the Commission. 2 U.S.C. § 434(a)(1). Such reports must include contributions received and expenditures made. See generally 2 U.S.C. § 434(b).

B. Facts

The Complainant in this matter has alleged that unknown Person(s) have authorized and paid for a political and personal investigation of Congressman Carper by Friedman and Associates devised to influence a federal election without complying with the applicable provisions of the Federal Election Campaign Act.

The Complainant alleges that sometime in late August of 1990, Ms. Jill Chase, a former employee of Congressman Carper, had an unplanned encounter at the Office of Records and Registration at the Longworth House Office with Mr. Manelisi H.F. Ndibongo. The Complainant submitted a notarized affidavit from Jill Chase along with the complaint, dated October 19, 1990. (Attachment 3). Mr. Ndibongo was allegedly researching information on Congressman Carper when Ms. Chase introduced

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herself to him. He questioned Ms. Chase about Congressman Carper. On their departure they exchanged business cards. Ms. Chase stated that Mr. Ndibongo said that he would be interested in calling her, but that he never did. Ms. Chase further states that sometime around the 12th or 13th of September, she called her answering machine at work and retrieved two or more messages from a woman who identified herself as Lisa Ermie. Ms. Ermie identified herself on the recorder as a colleague of Mr. Ndibongo and indicated that she was doing research on several personalities from the Democratic Party. Ms. Ermie allegedly left messages to speak to Ms. Chase about her work with Congressman Carper, and left a number on the recorder for Ms. Chase to phone her.

Sometime during the week of September 17, 1990, Ms. Chase states that she returned Ms. Ermie's telephone call. Ms. Ermie allegedly stated that she worked for Friedman & Associates and was doing political and personal profiles on several politicians, including Congressman Carper. She also allegedly told Ms. Chase that she wanted to meet with her to discuss Congressman Carper's legislative record and any other information pertaining to the Congressman, but never met with her. During one of the several phone calls between the two, Ms. Chase ask Ms. Ermie who her client was. Ms. Ermie allegedly stated that she was unable to reveal her client's identity.

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The Complainant further alleges that on September 11, 1990, Melvin E. Drane, III and Larry Embry of Friedman & Associates interviewed Joycle Keeler in the State Capitol in Dover, Delaware. The Complainant submitted a notarized affidavit from Joycle Keeler along with the complaint, dated October 19, 1990. (Attachment 4). Mrs. Keeler is employed as a secretary for the Democratic Caucus of the Delaware House of Representatives. This interview was held in the presence of Mark Brainard, who is the Chief of Staff and Administrative Assistant for the Caucus. The Complainant submitted a notarized affidavit from Mark Brainard along with the complaint, dated October 19, 1990. (Attachment 5). The Complainant alleges that during this interview Mr. Drane asked various questions dealing with Congressman Carper's personal and family life, drinking habits, finances and business associations.

Based upon the above-mentioned facts, and other enclosed information, the Complainant believes that Person(s) Unknown have hired Friedman & Associates to obtain damaging information about Congressman Carper to use against him during an election year.

On December 6, 1990, a response to the complaint from Michael S. Friedman of Friedman and Associates was received by the Commission. (Attachment 7.) Mr. Friedman states the following:

Friedman and Associates performed discrete tasks in support of an assignment undertaken by Fairfax Consultants, Ltd. The work performed by Friedman and Associates was limited to conducting interviews of people believed to have personal knowledge of Mr. Carper to verify information in

public records. All of the information obtained by Friedman and Associates was transmitted to either Fairfax Consultants or The Fairfax Group, Ltd.

A notarized affidavit from Philip H. Stern, Esq.,² Managing Director and Counsel of Fairfax Consultants was also enclosed with the response. (Attachment 8.) Mr. Stern states that "[i]n July, 1990, Fairfax Consultants, Ltd. was retained to research and confirm information in the public domain concerning Congressman Tom Carper." Mr. Stern also stated that affiliated entities, The Fairfax Group, Ltd. of Falls Church, Virginia and Friedman And Associates of Centreville, Virginia, were used to assist in the research. Mr. Stern further states that this research is still ongoing, that he did not have a deadline, and that he was "informed that the research and confirmation of the information requested was not for the purpose of influencing any federal election or any campaign for federal office." Mr. Stern alleges that he received an affidavit from the undisclosed client which stated the following:

(1) I am a licensed clinical psychologist and am doing research on Delaware state government, personalities in state government and state governmental issues. This research will be used for a book on those subjects.

(2) To assist in this research, I retained Fairfax Consultants which I have recently learned was acting through related firms including Friedman and Associates, to research and confirm only public information concerning Tom Carper, who is a former state office holder, who is currently a United States Congressman, who has been describes by the Delaware press and

2. It should be noted that the Philip H. Stern in this matter is not the same Philip M. Stern involved in another matter and litigation with the Commission. (Philip M. Stern v. Federal Election Commission).

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other reliable sources as a likely candidates in 1992 for Governor of Delaware, and who, at this time, is apparently the most likely candidate to win that office.

(3) This research was not nor has it ever been undertaken for the purpose of influencing any federal election or any campaign for federal office. Moreover, when I retained Fairfax Consultants, I stated that its research was for matters not connected with any federal election or any campaign for office.

(4) I believe that my ability to research and confirm the information I want would be impaired if it became public knowledge that I was seeking this information. Therefore, one of the express requirements in my agreement with Fairfax Consultants was that the identity of the client would not be disclosed except if required by a Court-issued subpoena.

(5) As of December 4, 1990, I have not yet reviewed most of this research data, and Fairfax Consultants' research is presently on going in this matter. My schedule calls for the completion of my research by April 1, 1991; so that drafting of the book may begin then.

C. Analysis

As noted above, the Complainant alleges that Person(s) Unknown authorized and paid Friedman & Associates to conduct an investigation of Congressman Thomas R. Carper's political and personal affairs. The Complainant further alleges that the Respondents made in excess of \$1,000 in expenditures designed to influence a federal election without registering as a political committee or reporting these expenditures. The news articles submitted along with the complaint alleged that Congressman Carper was being investigated by sources unknown. If Fairfax Consultants, Ltd., The Fairfax Group, Ltd. and Friedman and Associates were hired by Person(s) Unknown to gather information to be used for the purpose of unseating Congressman Carper, as is alleged, then payments that were made

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to retain Fairfax Consultant, Ltd. would constitute payments made for the purpose of influencing an election for federal office. Based upon the above-mentioned information, it appears that over \$1,000 may have been expended in this research for information concerning Congressman Carper. In order to resolve this question, we need to know the identity of the person who hired Fairfax Consultants and to pose questions to that person. Therefore, there is reason to believe that Person(s) Unknown should have registered as a political committee and reported receipts and disbursements to the Commission.

Accordingly, the Office of General Counsel recommends that the Commission find reason to believe that Person(s) Unknown have violated 2 U.S.C. §§ 433 and 434 by failing to register as a political committee and failing to report receipts and disbursements.³ Additionally, we recommend that the Commission authorize subpoenas to Philip H. Stern of Fairfax Consultants, Ltd. and Michael S. Friedman of Friedman and Associates for (1) the identities of Person(s) Unknown in this matter; (2) copies of any relevant documents, such as any reports or information pertaining to Congressman Carper; and (3) any other questions that are pertinent.

3. We make no recommendation at this time regarding the allegation that Person(s) Unknown also may have violated 2 U.S.C. §§ 441a and 441b, pending further investigation.

III. RECOMMENDATIONS

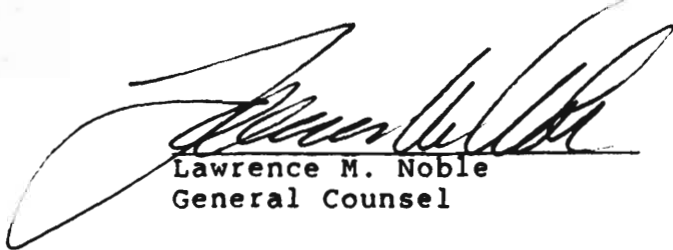
1. Find reason to believe that Person(s) Unknown have violated 2 U.S.C. §§ 433 and 434.

2. Authorize the attached subpoenas and orders to Philip H. Stern of Fairfax Consultants, Ltd. and Michael S. Friedman of Friedman and Associates.

3. Approve the appropriate letters.

Date

3/6/91


Lawrence M. Noble
General Counsel

Attachments

1. Complaint
2. News articles and political advertisements
3. Affidavit from Jill Chase
4. Affidavit from Joycle Keeler
5. Affidavit from Mark Brainard
6. Amendment to complaint (news articles)
7. Response from Michael S. Friedman
8. Affidavit from Philip H. Stern, Esq.
9. Affidavit from Vincent P. Meconi
10. Subpoenas (2)

21040834520



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20461

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS / DONNA ROACH *DR*
COMMISSION SECRETARY

DATE: MARCH 12, 1991

SUBJECT: MUR 3160 - FIRST GENERAL COUNSEL'S REPORT
DATED MARCH 6, 1991

The above-captioned document was circulated to the
Commission on THURSDAY, MARCH 7, 1991 at 4:00 P.M..

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

Commissioner Aikens	<u>XXXXX</u>
Commissioner Elliott	<u>XXXXX</u>
Commissioner Josefiak	<u>XXXXX</u>
Commissioner McDonald	<u> </u>
Commissioner McGarry	<u> </u>
Commissioner Thomas	<u>XXXXX</u>

This matter will be placed on the meeting agenda
for TUESDAY, MARCH 19, 1991.

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

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Friedman and Associates and Michael S. Friedman;
Fairfax Consultants, Ltd. and Philip H. Stern, Esq., as Managing Director;
Person(s) Unknown.

MUR 3160

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on March 19, 1991, do hereby certify that the Commission decided by a vote of 4-2 to reject the recommendations contained in the General Counsel's March 6, 1991 report and instead take the following actions in MUR 3160:

1. Find no reason to believe that Person(s) Unknown have violated 2 U.S.C. §§ 433 and 434.
2. Close the file.
3. Direct the Office of General Counsel to send appropriate letters pursuant to the above-noted actions.

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

Attest:

3-20-91
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 28, 1991

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Leo E. Strine, Jr., Esquire
Skadden, Arps, Slate, Meagher & Flom
One Rodney Square
P. O. Box 636
Wilmington, DE 19899

RE: MUR 3160

Dear Mr. Strine:

On March 19, 1991, the Federal Election Commission reviewed the allegations of your complaint dated October 31, 1990, and found that on the basis of the information provided in your complaint, and information provided by others, there is no reason to believe Persons Unknown violated 2 U.S.C. §§ 433 and 434. Accordingly, on March 19, 1991, the Commission closed the file in this matter. A copy of the General Counsel's Report is enclosed. A Statement of Reasons explaining the Commission's determination will be issued and sent to you at a later time.

The Federal Election Campaign Act of 1971, as amended ("the Act") allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

A handwritten signature in dark ink, appearing to read "Lawrence M. Noble", is written over the typed name.

Lawrence M. Noble
General Counsel

Enclosure
General Counsel's Report

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CLOSED



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 28, 1991

Michael S. Friedman, Esquire
15400 Meherrin Court
Centreville, VA 22020

RE: MUR 3160
Persons Unknown

Dear Mr. Friedman:

On November 5, 1990, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On March 19, 1991, the Commission found, on the basis of the information in the complaint, and information provided by you that there is no reason to believe Persons Unknown violated 2 U.S.C. §§ 433 and 434, on the basis of the complaint in MUR 3160. Accordingly, the Commission closed its file in this matter. A copy of the General Counsel's Report is enclosed. A Statement of Reasons explaining the Commission's determination will be issued and sent to you at a later time.

This matter will become a part of the public record within 30 days. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

Sincerely,

A handwritten signature in black ink, appearing to read "Lawrence M. Noble".

Lawrence M. Noble
General Counsel

Enclosure
General Counsel's Report

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3160

DATE FILMED 4/17/91 CAMERA NO. 4

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 3160.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CLOSED

April 23, 1991

Michael S. Friedman, Esquire
15400 Meherrin Court
Centreville, VA 22020

RE: MUR 3160

Dear Mr. Friedman:

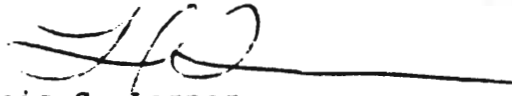
By letter dated March 28, 1991, the Office of the General Counsel informed you of determinations made with respect to a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. Enclosed with that letter was a General Counsel's Report and a copy of the Commission's Certification.

Enclosed please find a Statement of Reasons from Commissioners Joan D. Aikens, Lee Ann Elliott, Thomas J. Josefiak and Scott E. Thomas Commissioners explaining their vote. This document will be placed on the public record as part of the file of MUR 3160.

If you have any questions, please contact Lawrence D. Parrish, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel


BY: Lois G. Lerner
Associate General Counsel

Enclosure
Statement of Reasons

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24C Docket



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: COMMISSIONERS
GENERAL COUNSEL NOBLE
STAFF DIRECTOR SURINA
PRESS OFFICER EILAND

FROM: *MW* MARJORIE W. EMMONS/DONNA ROACH *DR*
COMMISSION SECRETARY

DATE: APRIL 16, 1991

SUBJECT: STATEMENT OF REASONS FOR MUR 3160

Attached is a copy of the Statement of Reasons in MUR 3160 signed by Commissioners Aikens, Elliott, Josefiak, and Thomas. This was received in the Commission Secretary's Office on Monday, April 15, 1991 at 4:58 p.m.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

In the Matter of
Person(s) Unknown

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NUR 3160

STATEMENT OF REASONS

On November 1, 1990, the Carper for Congress Committee filed a complaint with the Federal Election Commission ("Commission") alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by Person(s) Unknown. The complaint alleges that Person(s) Unknown authorized and paid Friedman and Associates to conduct an investigation of Representative Thomas R. Carper's political and personal affairs; that the respondent(s) made over \$1,000 in expenditures designed to influence a federal election without registering as a political committee or reporting these expenditures, in violation of 2 U.S.C. §§433 and 434; that Person(s) Unknown may be registered as an authorized or unauthorized political committee, but failed to report disbursements and/or contributions, in violation of 2 U.S.C. §434 and; that Person(s) Unknown may have used funds from impermissible sources or from contributions of an unlawful amount in violation of 2 U.S.C. §§441b and 441a. Because the complaint did not name a specific respondent, a copy of the complaint was sent to Friedman and Associates as the agent for the unnamed respondent(s).

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On December 6, 1990, Michael Friedman of Friedman and Associates filed a response stating that Friedman and Associates had performed certain tasks in support of an assignment undertaken by Fairfax Consultants, Ltd. The response included an affidavit from Philip H. Stern, managing director of Fairfax Consultants, which stated that Fairfax Consultants was retained to research and confirm information concerning Representative Carper and that the research was still on-going. Mr. Stern further stated that he was informed that the research and confirmation of information about Representative Carper was not for the purpose of influencing any federal election or any campaign for federal office.

In his affidavit, Mr. Stern also quoted from an affidavit which he stated he had received from Fairfax Consultants' unnamed client. The affidavit stated that the undisclosed client was a licensed clinical psychologist researching information for a book on Delaware state government and Representative Carper who, according to the affidavit, was considered a likely candidate for Governor. The affidavit further asserted the research was not for the purpose of influencing any federal election or any campaign for federal office.

In a report dated March 6, 1991, the General Counsel recommended that the Commission find reason to believe that Person(s) Unknown had violated 2 U.S.C. §§433 and 434. The General Counsel further recommended authorizing subpoenas and orders to Philip H. Stern of Fairfax Consultants, Ltd. and Michael S. Friedman of Friedman and Associates in order to

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ascertain the identity of the person who hired Fairfax Consultants.

On March 19, 1991, the Commission considered the General Counsel's recommendations and rejected them. Instead, the Commission found no reason to believe that Person(s) Unknown violated 2 U.S.C. §§433 and 434, and voted to close the file in this matter. The basis for our decision is that we found no evidence indicating that this activity was undertaken to influence a federal election. For example, there was no indication that material developed for and by Person(s) Unknown was utilized publicly to influence either a 1990 federal election or some future federal campaign. Accordingly, we had no reason to believe Fairfax Consultants' unnamed client had committed a violation of the Federal Election Campaign Act and no reason to commence an investigation to uncover the person's identity.

4/15/91
Date

Joan D. Aikens
Joan D. Aikens
Vice Chairman

4/15/91
Date

Lee Ann Elliott
Lee Ann Elliott
Commissioner

4/15/91
Date

Thomas J. Josefiah
Thomas J. Josefiah
Commissioner

4/15/91
Date

Scott E. Thomas
Scott E. Thomas
Commissioner

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THE FOLLOWING DOCUMENTATION IS ADDED TO
THE PUBLIC RECORD IN CLOSED MUR 3160.

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SKADDEN, ARPS, SLATE, MEAGHER & FLOM

ONE RODNEY SQUARE
BOX 636

WILMINGTON, DELAWARE 19899-0636

(302) 651-3000

FAX (302) 651-3001

DIRECT DIAL
(302) 651-

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NEW YORK
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SYDNEY
TOKYO
TORONTO
WASHINGTON D.C.

April 10, 1991

VIA FEDERAL EXPRESS

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

Re: MUR 3160

Dear Mr. Noble:

Yesterday, I received your letter of March 28, 1991 by registered mail. A copy of your letter is enclosed. That letter contained a copy of the General Counsel's report in the above-referenced matter as well as a certification attesting to the dismissal of the Carper for Congress Committee's complaint.

As I was concerned about the expiration of time that had already elapsed since the event triggering my client's time to seek judicial review (roughly 20 days), I called Retha Dixon. Ms. Dixon informed me that my client's time to seek judicial review would run for 60 days starting on March 20, 1991, the date of the certification. I told Ms. Dixon that given the delay in notifying me, it was important to my client that the file be opened and that the Commission issue its Statement of Reasons as quickly as possible.

I write now to ask that I be notified by telephone on the day that these events occur, so that I can arrange for immediate pickup of the Statement of Reasons and copies of the Respondents' submissions to the Commission. Please notify me if this is not possible.

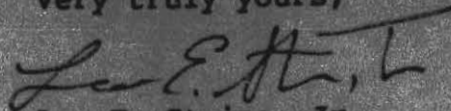
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OFFICE OF GENERAL COUNSEL

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Lawrence M. Noble, Esquire
April 10, 1991
Page Two

Thank you for considering my request.

Very truly yours,



Leo E. Strine, Jr.
Counsel for the Carper for
Congress Committee

fas

Enclosure

cc: Lawrence D. Parrish, Esquire
Retha Dixon

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 17, 1991

CLOSED

Leo E. Strine, Jr., Esquire
Skadden, Arps, Slate, Meagher & Flom
One Rodney Square
P.O. Box 636
Wilmington, DE 19899

RE: MUR 3160

Dear Mr. Bell:

By letter dated March 28, 1991, the Office of the General Counsel informed you of determinations made with respect to the complaint filed by you against Person(s) Unknown. Enclosed with that letter was a General Counsel's Report and a copy of the Commission's Certification.

Enclosed please find a Statement of Reasons from Commissioners Joan D. Aikens, Lee Ann Elliott, Thomas J. Josefiak and Scott E. Thomas explaining their vote. This document will be placed on the public record as part of the file of MUR 3160.

If you have any questions, please contact Lawrence D. Parrish, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Statement of Reasons

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

In the Matter of
Person(s) Unknown

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MUR 3160

STATEMENT OF REASONS

On November 1, 1990, the Carper for Congress Committee filed a complaint with the Federal Election Commission ("Commission") alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by Person(s) Unknown. The complaint alleges that Person(s) Unknown authorized and paid Friedman and Associates to conduct an investigation of Representative Thomas R. Carper's political and personal affairs; that the respondent(s) made over \$1,000 in expenditures designed to influence a federal election without registering as a political committee or reporting these expenditures, in violation of 2 U.S.C. §§433 and 434; that Person(s) Unknown may be registered as an authorized or unauthorized political committee, but failed to report disbursements and/or contributions, in violation of 2 U.S.C. §434 and; that Person(s) Unknown may have used funds from impermissible sources or from contributions of an unlawful amount in violation of 2 U.S.C. §§441b and 441a. Because the complaint did not name a specific respondent, a copy of the complaint was sent to Friedman and Associates as the agent for the unnamed respondent(s).

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On December 6, 1990, Michael Friedman of Friedman and Associates filed a response stating that Friedman and Associates had performed certain tasks in support of an assignment undertaken by Fairfax Consultants, Ltd. The response included an affidavit from Philip H. Stern, managing director of Fairfax Consultants, which stated that Fairfax Consultants was retained to research and confirm information concerning Representative Carper and that the research was still on-going. Mr. Stern further stated that he was informed that the research and confirmation of information about Representative Carper was not for the purpose of influencing any federal election or any campaign for federal office.

In his affidavit, Mr. Stern also quoted from an affidavit which he stated he had received from Fairfax Consultants' unnamed client. The affidavit stated that the undisclosed client was a licensed clinical psychologist researching information for a book on Delaware state government and Representative Carper who, according to the affidavit, was considered a likely candidate for Governor. The affidavit further asserted the research was not for the purpose of influencing any federal election or any campaign for federal office.

In a report dated March 6, 1991, the General Counsel recommended that the Commission find reason to believe that Person(s) Unknown had violated 2 U.S.C. §§433 and 434. The General Counsel further recommended authorizing subpoenas and orders to Philip H. Stern of Fairfax Consultants, Ltd. and Michael S. Friedman of Friedman and Associates in order to

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ascertain the identity of the person who hired Fairfax Consultants.

On March 19, 1991, the Commission considered the General Counsel's recommendations and rejected them. Instead, the Commission found no reason to believe that Person(s) Unknown violated 2 U.S.C. §§433 and 434, and voted to close the file in this matter. The basis for our decision is that we found no evidence indicating that this activity was undertaken to influence a federal election. For example, there was no indication that material developed for and by Person(s) Unknown was utilized publicly to influence either a 1990 federal election or some future federal campaign. Accordingly, we had no reason to believe Fairfax Consultants' unnamed client had committed a violation of the Federal Election Campaign Act and no reason to commence an investigation to uncover the person's identity.

4/15/91
Date

Joan D. Aikens
Vice Chairman

4/15/91
Date

Lee Ann Elliott
Commissioner

4/15/91
Date

Thomas J. Josefiak
Commissioner

4/15/91
Date

Scott E. Thomas
Commissioner

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