



FEDERAL ELECTION COMMISSION  
WASHINGTON, D C 20463

THIS IS THE BEGINNING OF MUR # 4548

DATE FILMED 9-23-97 CAMERA NO. 4

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FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

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FEDERAL ELECTION  
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**BEFORE THE FEDERAL ELECTION COMMISSION**

**BLAGOJEVICH FOR CONGRESS COMMITTEE**

**AXELROD & ASSOCIATES**

)

) MUR October 25, 1996 # 4548

)

**COMPLAINT**

Jim Battista, Republican State Central Committee Member for the 5th District of Illinois, brings this complaint pursuant to 2 U.S.C. § 437g(a)(1) (1994). I can be reached at 188 West Randolph Street, Suite 627, Chicago, IL 60601.

**I. SUMMARY**

In March, 1996, the Rod Blagojevich for Congress Committee wanted to purchase more television time than it could afford. Rather than obtaining a loan from a bank, however, the Blagojevich Committee went ahead and incurred \$140,466.45 in vendor debts for television advertising time. For undisclosed reasons, Axelrod and Associates -- Blagojevich's media consultant and vendor -- extended this massive credit to the Blagojevich Committee. Over the following seven months, Blagojevich has only repaid \$47,065.00 on the principal, despite raising adequate funds to repay the obligation. The accommodating Axelrod & Associates has apparently not charged the campaign any interest on this debt.

Under federal regulations, the extension of credit outside the ordinary course of business is considered a contribution. 11 C.F.R. § 100.7(a)(6)(1996). Both the size and duration of Blagojevich's debt for air time seem far more favorable than terms provided to non-political debtors of similar risk and size of obligation. *See FEC Advisory Opinion 1979-36*. Corporations such as Axelrod & Associates are prohibited from making contributions to federal candidates. 2 U.S.C. § 441b(a) (1996).

Furthermore, Blagojevich for Congress unlawfully accepted \$8,405 in excessive contributions to his primary campaign. To date, none of these excessive contributions have been reported as redesignated for the general election. Blagojevich additionally:

- promised \$15,900 more in pending redesignations on his mid-year report, but he has filed no amendments correcting his errors;
- failed to report any rent or office expenses out of his federal campaign in most of 1995, apparently accepting office space and resources contributions from his state campaign committee, 11 C.F.R. § 110.3(d).

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## II. FACTS

1. Blagojevich for Congress is the principal campaign committee of Rod Blagojevich, Democratic Candidate for the U.S. House in the 5th District of Illinois.
2. Blagojevich has employed Axelrod & Associates to shape and produce television and radio advertisements.
3. Between February 29 and March 31, 1996, Blagojevich incurred a debt of \$140,466.45 to Axelrod for "consulting -- ads -- TV."
4. As of June 30, 1996, Blagojevich for Congress possessed \$136,495.38 cash-on-hand, enough to retire the Committee's debt to Axelrod.
5. Over the past seven months, the Blagojevich Committee has only paid Axelrod & Associates \$47,065.00 of the more than \$140,000 owed.
6. Upon information and belief, Axelrod & Associates has not charged Blagojevich any interest on its massive debt.
7. Blagojevich for Congress reports raising \$192,900.97 during the first half of 1995, spending \$843.17 on telephone bills and \$367.55 on a printer, but the Committee never reports any office or rent expenditures for this period.

## III. DISCUSSION

### I. THE BLAGOJEVICH COMMITTEE'S DEBT TO AXELROD & ASSOCIATES FALLS OUTSIDE OF NORMAL BUSINESS PRACTICES, BOTH BY ITS SIZE AND DURATION.

The alleged "extension of credit" to Blagojevich Committee by Axelrod and Associates is in fact an unlawful corporate contribution. Under federal election law:

The extension of credit by any person is a contribution unless the credit is extended in the ordinary course of the person's business and the terms are substantially similar to extensions of credit to nonpolitical debtors that are of similar risk and size of obligation.

11 C.F.R. § 100.7(a)(4) (1996). See also FEC Advisory Opinion 1979-36.

Seven months ago, Axelrod & Associates "floated" the Blagojevich for Congress Committee over \$140,000 to run television advertising for the Illinois primary election on

March 19, 1996. The bulk of that debt remains unpaid, even though Blagojevich for Congress has raised far more than enough in new funds to retire this obligation. This massive debt and the apparent repayment plan agreed to is neither commercially reasonable nor within the ordinary course of any solvent media firm's business. Axelrod & Associates has in effect loaned \$140,466.45 to Blagojevich for Congress, in violation of the express prohibition against corporate loans and contributions.

**II. THE BLAGOJEVICH COMMITTEE HAS ACCEPTED \$8,405  
IN EXCESSIVE PRIMARY ELECTION CONTRIBUTIONS.**

According to the reports it has filed with the Commission, Blagojevich for Congress has accepted \$8,405 in excessive contributions for the March 19, 1996 primary election. To date, none of these funds have been redesignated.

Under federal law, an individual may only contribute up to \$1,000 to any candidate for any election. 2 U.S.C. § 441a(a)(1)(A)(1996). Likewise, a partnership is also limited to \$1,000 per election. See FEC Advisory Opinion 1975-17.

By its own filings, the Blagojevich for Congress Committee has reported \$8,405 in excess contributions made by individuals and partnerships to the primary election. See Chart (attached). None of these contributions have been redesignated in subsequent Committee filings. And the Committee reported an intent to redesignate \$15,900 in further excessive contributions, but to-date has not redesignated any of these funds.



IV. PRAYER for RELIEF

I respectfully request that the Commission investigate the Blagojevich for Congress Committee's FEC filings. Blagojevich's acceptance of advertising time paid by a corporation, in addition to his excessive primary election contributions and apparent use of state committee resources for federal election purposes, warrant Commission scrutiny and discipline. The Commission should take immediate and appropriate action to punish these and to deter future violations of the law.

Respectfully Submitted,

  
Jim Battista

STATE OF ILLINOIS

Signed and sworn to before me  
this 25th day of Oct., 1996.



  
NOTARY PUBLIC

**SCHEDULE B**  
 (Revised 1/80)

**DEBTS AND OBLIGATIONS**  
**Excluding Loans**

9/30/96

 Page 14 of 16  
 LINE NUMBER 14  
 Use separate columns  
 for each number in this

Name of Debtor (in Full)	Outstanding Balance Beginning This Period	Amount Borrowed This Period	Payments This Period	Outstanding Balance at End of This Period
<b>BLAGOTJEVICH FOR CONGRESS</b>				
A. Full Name, Mailing Address and ZIP Code of Debtor or Creditor CONSOLIDATED PRINTING CO. 4042 N NASHVILLE CHICAGO, IL 60634	1496.27	-0-	-0-	1496.27
B. Name of Debt (Purpose): PRINTING COSTS				
C. Full Name, Mailing Address and ZIP Code of Debtor or Creditor CHICAGO RIVER FRONT ANTIQUE MART 12929 N WESTERN CHICAGO, IL 60648	700.00	-0-	-0-	700.00
D. Name of Debt (Purpose): VICTORY PARTY				
E. Full Name, Mailing Address and ZIP Code of Debtor or Creditor ELSTON TELEPHONE CO 3485 N ELSTON CHICAGO, IL 60648	993.86	-0-	-0-	993.86
F. Name of Debt (Purpose): PHONES				
G. Full Name, Mailing Address and ZIP Code of Debtor or Creditor GREAT LAKES GRAPHICS 5555 W HOWARD SKOKIE, IL 60077	14327.00	-0-	-0-	14327.00
H. Name of Debt (Purpose): PRINTING				
I. Full Name, Mailing Address and ZIP Code of Debtor or Creditor AXELROD & ASSOC 730 N FRANKLIN CHICAGO, IL 60640	11546.45	-0-	8206.00	9340.45
J. Name of Debt (Purpose): CONSULTING - ADS - TV				
K. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
L. Name of Debt (Purpose):				

SUBTOTALS This Period This Page (optional)

SUBTOTALS This Period (omit page in this line only)

SUBTOTAL OUTSTANDING LOANS from Schedule C (omit page only)

ADD 2 and 3 and carry forward to appropriate line of Summary Page (omit page only)

3/3/96

SCHEDULE C  
Partnership Schedule

Partnership Name	Amount	Debit	Credit
UNCONSOLIDATED PRINTING 4042 N NASHVILLE CHICAGO, IL 60634	2200.62	- 0 -	2200.62
PRINTING COSTS CHICAGO RIVERFRONT ANTIQUE MARKET 2929 N WESTERN CHICAGO, IL 60618	700.00	- 0 -	700.00
VICTORY PARTY ELSTON TELEPHONE CO 3485 N ELSTON CHICAGO, IL 60618	993.86	- 0 -	993.86
PRINTING GREAT LATE GRAPHICS 5555 W HOWARD SKOKIE, IL 60077	21,107.00	- 0 -	21,107.00
PRINTING AXELROD & ASSOCIATES 730 N FRANKLIN ST CHICAGO, IL 60610	140,466.45	- 0 -	140,466.45
PRINTING ADS - TV PRINTED IMPRESSIONS 4432 N KEDZIE CHICAGO, IL 60625	835.50	- 0 -	835.50
PRINTING			
SUBTOTALS This Period This Page (optional)			
TOTALS This Period (last page in this line only)			
TOTAL OUTSTANDING LOANS from Schedule C (last page) only			
ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)			



**FEC COMPLAINT AGAINST ROD BLAGOJEVICH FOR CONGRESS COMMITTEE**

<b>EXCESSIVE CONTRIBUTIONS FOR THE PRIMARY 1996 ELECTION</b>
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<b><u>INDIVIDUAL</u></b>	<b><u>PRIMARY CONTRIBUTIONS &amp; DATES</u></b>	<b><u>TOTAL \$\$ TO PRIMARY</u></b>
Ranko Bjelopetrovich	\$500 (6/29/95), \$250 (2/14/96), \$500 (3/11/96)	\$1,250
Joseph Cavanaugh	\$200 (4/26/95), \$500 (6/29/95), \$300 (10/14/95), \$75 (12/22/95), \$450 (3/11/96)	\$1,525
George Cullen	\$500 (6/28/95), \$300 (10/9/95), \$150 (12/23/95), \$200 (3/1/96)	\$1,150
Joseph Curci	\$1,000 (6/30/95), \$1,000 (3/4/96)	\$2,000
Gerald Donlon	\$1,000 (6/30/95), \$300 (3/12/96)	\$1,300
Marilyn Drury	\$700 (4/12/95), \$500 (11/2/95)	\$1,200
Michael Fulton	\$500 (3/14/95), \$100 (5/7/95), \$400 (6/30/95), \$80 (12/23/95)	\$1,080
Jeffrey Goldberg	\$1,000 (4/25/95), \$500 (10/9/95)	\$1,500
Michael Igoe	\$500 (5/7/95), \$250 (10/24/95), \$150 (12/23/95), \$450 (3/11/96)	\$1,350
Radomir Jovanovich	\$500 (4/5/95), \$500 (4/12/95), \$300 (10/24/95)	\$1,300
Bruce Kohen	\$750 (10/14/95), \$500 (2/14/96)	\$1,250
Ronald Rossi	\$700 (11/29/95), \$300 (11/29/95), \$1,000 (3/15/96)	\$2,000
<b><u>PARTNERSHIP</u></b>		
Fishman & Fishman LTD	\$2,000 (3/25/95)	\$2,000
Holleb & Coff	\$1,500 (6/29/95), \$1,500 (2/10/96)	\$3,000
Rudnick & Wolfe	\$1,500 (12/23/95)	\$1,500





FEDERAL ELECTION COMMISSION  
Washington, DC 20463

November 4, 1996

Jim Battista  
188 West Randolph St., Suite 627  
Chicago, IL 60601

RE: MUR 4548

Dear Mr. Battista:

This letter acknowledges receipt on October 29, 1996, of the complaint you filed alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). The respondent(s) will be notified of this complaint within five days.

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, 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 4548. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosure  
Procedures

97704334975



**FEDERAL ELECTION COMMISSION**

Washington, DC 20463

November 4, 1996

Ranko Bjelopetrovich  
601 S. Engel Blvd.  
Park Ridge, IL 60608

RE: MUR 4548

Dear Mr. Bjelopetrovich:

The Federal Election Commission received a complaint which indicates that you 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 MUR 4548. Please refer to this number in all future correspondence.

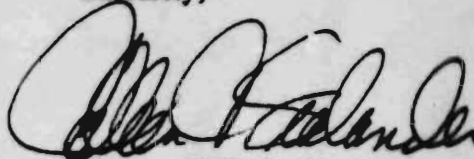
Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under 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.

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If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in dark ink, appearing to read "Colleen T. Sealander", written in a cursive style.

Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

97043634977



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

November 4, 1996

Joseph Cavanaugh  
39 S. LaSalle Street  
Chicago, IL 60603

RE: MUR 4548

Dear Mr. Cavanaugh:

The Federal Election Commission received a complaint which indicates that you 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 MUR 4548. Please refer to this number in all future correspondence.

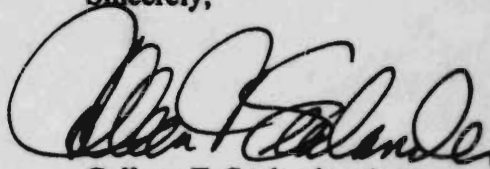
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Sincerely,

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Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

97043834979



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

November 4, 1996

George Cullen  
35 E. Wacker Drive  
Chicago, IL 60601

RE: MUR 4548

Dear Mr. Cullen:

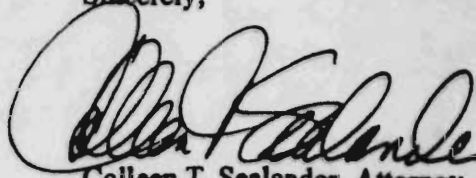
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Sincerely,



Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

97043834981



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

November 4, 1996

Joseph Curci  
2719 N. Greenview  
Chicago, IL 60614

RE: MUR 4548

Dear Mr. Curci:

The Federal Election Commission received a complaint which indicates that you 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 MUR 4548. Please refer to this number in all future correspondence.

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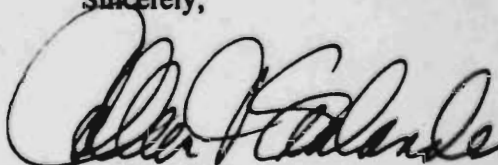
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Sincerely,

A handwritten signature in dark ink, appearing to read "Colleen T. Sealander". The signature is fluid and cursive, with a large initial "C" and "S".

Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

9 / 0 4 3 3 3 4 9 8 3



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20483

November 4, 1996

Gerald Donlon  
2326 Weatherfield Way  
Schaumburg, IL 60693

RE: MUR 4548

Dear Mr. Donlon:

The Federal Election Commission received a complaint which indicates that you 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 MUR 4548. 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.

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Sincerely,

A handwritten signature in dark ink, appearing to read "Colleen T. Sealander". The signature is fluid and cursive, with the first name "Colleen" being more prominent.

Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

9 / 0 4 3 3 3 4 9 8 5



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

November 4, 1996

Marilyn Drury  
PO Box 1399  
Park Ridge, IL 60068

RE: MUR 4548

Dear Ms. Drury:

The Federal Election Commission received a complaint which indicates that you 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 MUR 4548. Please refer to this number in all future correspondence.

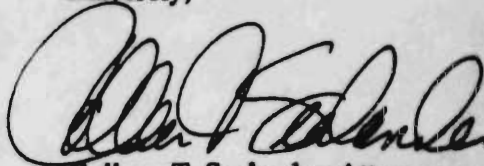
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Sincerely,

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Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

97043834987



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

November 4, 1996

Michael E. Fulton  
520 Des Plaines  
Forest Park, IL 60130

RE: MUR 4548

Dear Mr. Fulton:

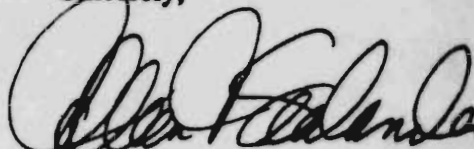
The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4548. Please refer to this number in all future correspondence.

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Sincerely,



Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

97043834989



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

November 4, 1996

Jeffrey Goldberg  
180 E. Pearson  
Chicago, IL 60611

RE: MUR 4548

Dear Mr. Goldberg:

The Federal Election Commission received a complaint which indicates that you 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 MUR 4548. Please refer to this number in all future correspondence.

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Sincerely,

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Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

970433834991



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

November 4, 1996

Michael Igoe  
1385 Briarmeadow  
Worthington, OH 43235

RE: MUR 4548

Dear Mr. Igoe:

The Federal Election Commission received a complaint which indicates that you 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 MUR 4548. Please refer to this number in all future correspondence.

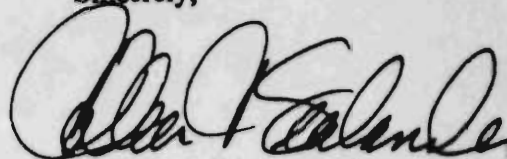
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This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, 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.

9 / 0 4 3 6 3 4 9 9 2

If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

97043834993



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

November 4, 1996

Radomir Jovanovich, M.D.  
5433 N. Milwaukee Avenue  
Chicago, IL 60630

RE: MUR 4548

Dear Dr. Jovanovich:

The Federal Election Commission received a complaint which indicates that you 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 MUR 4548. Please refer to this number in all future correspondence.

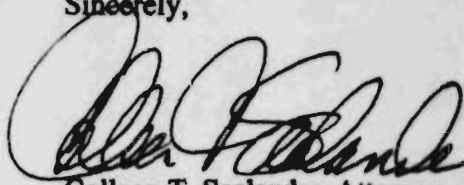
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If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

97043834995



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

November 4, 1996

Bruce Kohen  
626 Warbler Cr.  
Highland Park, IL 60035

RE: MUR 4548

Dear Mr. Kohen:

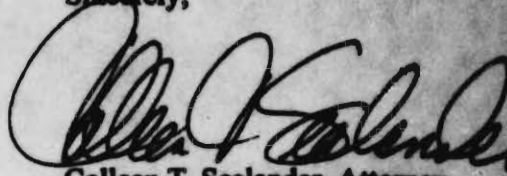
The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4548. Please refer to this number in all future correspondence.

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.

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If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

9704334997



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

November 4, 1996

Ronald Rossi  
201 W. Lake Street  
Northlake, IL 60164

RE: MUR 4548

Dear Mr. Rossi:

The Federal Election Commission received a complaint which indicates that you 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 MUR 4548. Please refer to this number in all future correspondence.

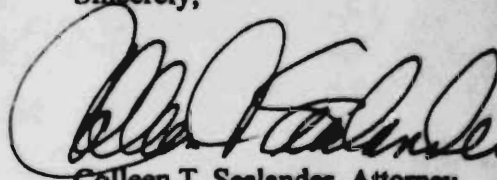
Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under 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.

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If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in dark ink, appearing to read "Colleen T. Sealander", written over a horizontal line.

Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

97043834999



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

November 4, 1996

Fishman & Fishman, Ltd.  
134 N. LaSalle Street  
Chicago, IL 60602

RE: MUR 4548

Dear Sir or Madam:

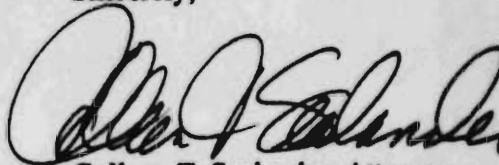
The Federal Election Commission received a complaint which indicates that Fishman & Fishman, Ltd. may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4548. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against Fishman & Fishman, Ltd. 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.

If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in dark ink, appearing to read "Colleen T. Sealander". The signature is fluid and cursive, with the first name "Colleen" being more prominent.

Colleen T. Sealander, Attorney  
Central Enforcement Docket

**Enclosures**

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

97043835001



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

November 4, 1996

Holleb & Coff  
55 E. Monroe Street  
Chicago, IL 60603

RE: MUR 4548

Dear Sir or Madam:

The Federal Election Commission received a complaint which indicates that Holleb & Coff 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 MUR 4548. 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 Holleb & Coff 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.

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9704383002



If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in dark ink, appearing to read "Colleen T. Sealander". The signature is fluid and cursive, with the first name "Colleen" being more prominent.

Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

97043035003



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

November 4, 1996

Rudnick & Wolfe  
203 N. LaSalle Street  
Chicago, IL 60601-1293

RE: MUR 4548

Dear Sir or Madam:

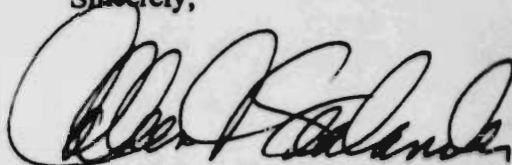
The Federal Election Commission received a complaint which indicates that Rudnick & Wolfe may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4548. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against Rudnick & Wolfe 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.

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If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

97043635005



FEDERAL ELECTION COMMISSION

Washington, DC 20463

November 4, 1996

Patricia Feeley, Treasurer  
Blagojevich for Congress  
3649 N. Kedzie Avenue  
Chicago, IL 60618

RE: MUR 4548

Dear Ms. Feeley:

The Federal Election Commission received a complaint which indicates that Blagojevich for Congress ("Committee") and you, as treasurer, 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 MUR 4548. Please refer to this number in all future correspondence.

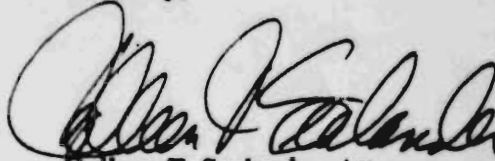
Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements 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.



If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

cc: Rod R. Blagojevich

970433007



**FEDERAL ELECTION COMMISSION**

Washington, DC 20463

November 4, 1996

Axelrod and Associates  
730 N. Franklin  
Chicago, IL 60618

RE: MUR 4548

Dear Sir or Madam:

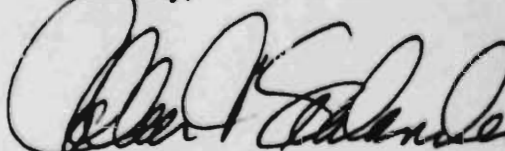
The Federal Election Commission received a complaint which indicates that Axelrod and Associates may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4548. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against Axelrod and Associates 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.

If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Colleen T. Sealander', written over a large, loopy initial 'C'.

Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

9704335009



**FEDERAL ELECTION COMMISSION**

Washington, DC 20463

November 4, 1996

Patricia Feeley, Treasurer  
Citizens for Blagojevich (Non-Federal Account)  
3649 N. Kedzie Avenue  
Chicago, IL 60618

RE: MUR 4548

Dear Ms. Feeley:

The Federal Election Commission received a complaint which indicates that Citizens for Blagojevich (Non-Federal Account) ("Committee") and you, as treasurer, 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 MUR 4548. 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 the Committee and you, as treasurer, 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.

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970433010



If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Colleen T. Sealander, Attorney  
Central Enforcement Docket

Enclosures

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

cc: Rod R. Blagojevich

97043835011

JOSEPH J. CAVANAUGH  
ATTORNEY AT LAW

39 SOUTH LA SALLE STREET — SUITE 1400  
CHICAGO, ILLINOIS 60603

(312) 781-0055  
FAX (312) 332-0104

November 12, 1996

Colleen T. Sealander  
Federal Election Commission  
Washington, DC 20463

RE: MUR 4548

NOV 18 2 35 PM '96

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Dear Ms. Sealander:

I have been advised that documentation has been forwarded to your office confirming that I redesignated a portion of my political contribution from the Primary to the General election.

Please advise if you do not have the necessary paperwork. If I can be of further assistance, please advise.

Sincerely,

*Joseph J. Cavanaugh*  
Joseph J. Cavanaugh

97043035012

LAW OFFICES

**RUDNICK & WOLFE**

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATION

203 NORTH LA SALLE STREET  
SUITE 1800

CHICAGO, ILLINOIS 60601-1293

TELEPHONE (312) 368-4000  
FACSIMILE (312) 236-7516

TAMPA OFFICE

RUDNICK & WOLFE  
101 EAST KENNEDY BLVD.  
SUITE 2000  
TAMPA, FLORIDA 33602-5133  
(813) 229-2111  
FACSIMILE (813) 229-1447

WASHINGTON, D.C. OFFICE

RUDNICK, WOLFE, EPSTEIN & ZEIDMAN  
1201 NEW YORK AVENUE, N.W.  
PENTHOUSE  
WASHINGTON, D.C. 20005-3919  
(202) 712-7200  
FACSIMILE (202) 712-7222

WRITERS DIRECT LINE

November 18, 1996

(312) 368-4050

General Counsel's Office  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Attention: Colleen T. Sealander, Esq.  
Central Enforcement Docket

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

NOV 19 9 47 AM '96

**VIA TELECOPIER AND FEDERAL EXPRESS**

(202) 219-3923

Re: **MUR 4548:**

*Rudnick & Wolfe Contribution to  
Blagojevich for Congress Committee*

Dear Ms. Sealander:

I am responding on behalf of Rudnick & Wolfe to your letter dated November 4, 1996, which I received on Monday, November 11, 1996. Enclosed with that letter was the Complaint (the "Complaint") filed by Mr. Jim Battista, Republican State Central Committee Member for the 5th District of Illinois, against the Blagojevich for Congress Committee ("BFCC") and Axelrod & Associates. Part II of the Complaint alleges that BFCC has accepted excessive contributions from partnerships and individuals, and on an attached chart, Rudnick & Wolfe is listed as partnership contributing \$1,500 to BFCC on December 23, 1995, for the "Primary 1996 Election".

After receiving your letter, we reviewed our accounting records and determined that on November 9, 1995, Rudnick & Wolfe issued a check in the amount of \$1,500 to BFCC to purchase a table at a BFCC fund-raising dinner. It was the belief of the Rudnick & Wolfe personnel involved that the amount in excess of the cost of the dinner would be contributed to Mr. Rod Blagojevich's campaign for Congress in the 1996 primary and general elections. There was certainly no intent whatsoever to exceed the contribution limits imposed by 11 C.F.R. §110.1(b)(1) of \$1,000 for the primary election and of \$1,000 for the general election.

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RUDNICK & WOLFE

Federal Election Commission  
November 18, 1996  
Page 2

Additionally, since the Complaint alleges that the entire \$1,500 was contributed solely to the primary election, we made inquiry of BFCC regarding its use and allocation of the \$1,500 contribution. In response, BFCC sent Rudnick & Wolfe a check dated November 14, 1996, in the amount of \$500, as a partial refund of Rudnick & Wolfe's November 9, 1995, check. (A photocopy of BFCC's check is enclosed.) Thus, it is now clear that Rudnick & Wolfe's contribution to Mr. Blagojevich's primary campaign is limited to \$1,000, and we trust that this removes any doubt that Rudnick & Wolfe is in compliance with 11 C.F.R. §110.1(b)(1).

If you need or want anything further from Rudnick & Wolfe regarding these matters, please do not hesitate to telephone or write to me.

Very truly yours,

RUDNICK & WOLFE



William J. Campbell, Jr.

Enclosure  
WJC4019



1700

BLAGOJEVICH FOR CONGRESS

11-14-96

70-477/719

PAY  
TO THE  
ORDER OF

Rudolph & Wolfe  
Steve Indelic & W/put

\$500.00

DOLLARS

FIRSTAR  
BANK

FIRSTAR BANK ILLINOIS  
Chicago, IL 60602  
Kedzie Avenue Office

FOR

REFUND FROM '96 PRIMARY

Patricia Blazynski

⑈001700⑈ ⑆071904779⑆ ⑈004006 526⑈

97043835015

# Blagojevich

**FOR CONGRESS**

- 3657 North Kedzie
- Chicago, Illinois 60618
- (312) 530-9773
- Fax (312) 478-8008

Radomir Jovanovich, M.D.  
5433 North Milwaukee Avenue  
Chicago, IL 60630

This hereby confirms that I hereby redesignate my contribution of \$ 300<sup>00</sup>,  
dated 10-24-95 to the November 5, 1996 general election.

Signed: 

97043835016

Paid for by the Blagojevich for Congress committee.

**NOT PAID FOR AT TAX PAYER EXPENSE.** Contributions are not tax deductible. Federal law requires political committees to report the name, mailing address, occupation and name of employer for each individual whose contributions aggregate in excess of \$200 in a calendar year.

November 19, 1996

MELISSA A. MAYHEW  
GEOFFREY S. MAHER  
ALVIN E. MARR  
FRANK E. MARR  
MICHAEL J. MARCHANT  
RACHEL LUTHER MARCHENA  
MATTHEW G. MARRAS  
MICHAEL S. MARRAS  
MATTHEW J. MARRAS  
MARCY A. MARRAS  
KATHRYN A. MARRAS  
LEA A. MARRAS  
ANUP BATTERY  
NICHOLEN CLARE SCHEIDT  
GEOFFREY G. SCHWARTZ  
RILEY L. SCHWARTZ  
DONALD L. SCHWARTZ  
JEFFREY M. SCHWARTZ  
CAROL A. SCHWARTZ  
MICHAEL J. SILVERMAN  
PAMELA JOSEPHINE SMITH  
PAUL A. SMITH  
JAMES F. SMITH  
ALAN J. SMITH  
MICHAEL L. SMITH  
ROBERT J. SMITH  
ROBERT M. SMITH  
JON SMITH

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

**VIA FACSIMILE**

Ms. Alva Smith  
Federal Election Commission  
999 E. Street N.W.  
Washington, D. C. 20463

Re: Blagojevich for Congress Committee, et al.  
MUR October 25, 1996 #4548

Dear Ms. Smith:

On behalf of the law firm of Holleb & Coff, please accept this letter as our firm's request for an extension of time to submit Holleb & Coff's response to the allegations contained in the complaint referenced above.

Ms. Sealander's November 4, 1996, letter advising the firm of this matter was received on Saturday, November 9, 1996. The materials were not reviewed until Tuesday, November 12, 1996, the day after the Veterans' Day holiday. After a preliminary internal investigation, the matter was forwarded to my attention on Friday, November 15, 1996. Since that time I have made a diligent effort to respond to the allegations made in the complaint by making a factual and legal investigation of the claims. Our factual investigation will take additional time because it is dependent on third parties with knowledge of the receipt and allocation of contributions. In addition, since our legal practice does not typically involve such complaints, we will need to research and analyze the applicable law and rules and regulations to insure a satisfactory response.

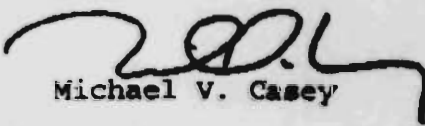
**HOLLEB & COFF**  
ATTORNEYS AT LAW

Ms. Alva Smith  
Federal Election Commission  
November 19, 1996  
Page 2

We trust that you understand we are making a good faith effort to discover the relevant facts and analyze the applicable law to provide a careful and meaningful response. Unfortunately, that will take more time than currently available. We therefore respectfully request a three week extension of time to respond to the above referenced complaint by December 16, 1996.

Thank you for your cooperation.

Very truly yours,

  
Michael V. Casey

MVC:jam

0139890.01

9 / 0 4 3 6 3 5 0 1 8



STATEMENT OF DESIGNATION OF COUNSELMUR 4548NAME OF COUNSEL: Michael V. CaseyFIRM: Holleb & CoffADDRESS: 55 East Monroe StreetChicago, IL 60603TELEPHONE: ( 312 ) 419-4519FAX: ( 312 ) 807-3900

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

Date

11/19/96

Signature

Michael V. Casey  
Managing Partner Holleb & CoffRESPONDENT'S NAME: Holleb & CoffADDRESS: 55 East Monroe StreetChicago, IL 60603

TELEPHONE: HOME ( )

BUSINESS ( 312 ) 807-4600

NAT P. OZMON  
CURT N. RODIN  
MARK NOVAK  
BRUCE M. KOHEN  
JOSEPH MIROBALLI  
DOUGLAS A. COLBY

RICHARD A. KIMNACH  
D. JEFFREY COMEAU  
JAMES J. MORICI, JR.  
ALAIN LEVAL  
STEPHEN S. PHALEN  
MARC A. TAXMAN  
SCOTT H. RUDIN  
JOHN A. SALZEIDER  
DAVID FIGLIOLI  
TELLY C. NAKOS  
MARTIN J. LUCAS  
JOHN M. POPELKA  
DANIEL V. O'CONNOR  
PAUL W. PASCHE  
MICHELLE L. DEKALB  
MARK C. MURNANE  
RICHARD B. VAUGHN  
DARIUS H. BOZORGI  
R. ANDREW HAHN  
ILONKA E. ULRICH  
MARC J. CAIRO

CHARLES E. ANESI (1912-1995)  
RICHARD A. LEWIN (1925-1985)

LAW OFFICES

ANESI, OZMON & RODIN, LTD.

21ST FLOOR

161 NORTH CLARK STREET

CHICAGO 60601

(312) 372-3822

1-800-458-3822

(WITHIN ILLINOIS)

FAX (312) 372-3833



FORMERLY

HORWITZ & ANESI  
(1955-1985)

J. W. HORWITZ (DEC'D 1983)  
CHARLES E. ANESI (DEC'D 1995)

ADMINISTRATION  
CHARLES CHOMSKY  
JANE KISIEL

OF COUNSEL  
NOEL C. LINDENMUTH  
IRVING D. FASHAN

November 15, 1996

Federal Election Commission  
c/o General Counsel's Office  
999 E Street, NW  
Washington, DC 20463

RE: MUR 4548

To Whom It May Concern:

I am writing this letter in response to your letter of November 4, 1996 in the Complaint filed with the Federal Elections Commission. Please be advised that on October 18, 1996 I filled out and sent to the Blagojevich campaign a form reattributing a \$250.00 contribution from myself to my wife, Sheri Kohen. I am enclosing a copy of my reattribution form for your records.

Since receiving the Complaint, I have contacted the Blagojevich campaign and they have advised me that unfortunately they have been slow in filing the amendments which would have included my reattribution. I hope this now clears up this matter and that the file relating to my contributions can be closed. If there is any additional information you need, please do not hesitate to contact me.

Very truly yours,

Bruce M. Kohen

BMK/kew  
Enclosure

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
NOV 20 9 44 AM '96

**PERKINS COIE**

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS  
607 FOURTEENTH STREET, P. W. WASHINGTON, D.C. 20005-2011  
TELEPHONE: 202 638-6600 • FACSIMILE: 202 434-1690

November 20, 1996

Via Facsimile

Alva A. Smith  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 4548

Dear Ms. Smith:

I am writing on behalf of Blagoyevich for Congress to request an extension of time in which to respond to the allegations contained in MUR 4548.

Respondent received the complaint on November 8, 1996. In light of the recent election, as well as the complex legal allegations raised in the complaint, Respondent respectfully requests an extension of time in which to respond until Monday, December 16, 1996. A copy of an executed Statement of Designation of Counsel is enclosed for your information.

Thank you for your assistance in this matter. Please do not hesitate to contact me directly at 202/434-1625 if you require anything further.

Very truly yours,



Marc E. Elias

MEE:dml  
Enclosure

[04003-0001/DA963250.063]

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

NOV 20 5 25 PM '96

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STATEMENT OF DESIGNATION OF COUNSEL

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Nov 20 5 26 PM '96

MUR 4548

NAME OF COUNSEL: Robert F. Bauer/Marc E. Elias

FIRM: Perkins Coie

ADDRESS: 607 Fourteenth Street, N.W.

Washington, D.C. 20005

TELEPHONE: ( 202 ) 628-6600

FAX: ( 202 ) 434-1690

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

11/20/96  
Date

*Patricia Annier Kelly*  
Signature

RESPONDENT'S NAME: Blagojevich for Congress

ADDRESS: 3557 North Kedzie

Chicago, IL 60618

FAX  
TELEPHONE: ~~HOME~~

BUSINESS ( 312 ) 539-9773

97043035022



366 EAST BROAD STREET  
COLUMBUS, OHIO 43215  
FAX 614/221-0216  
TELEPHONE 614/228-6135

**CARLILE PATCHEN & MURPHY**  
ATTORNEYS AT LAW

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Nov 21 2 24 PM '96



November 14, 1996

Federal Election Commission  
Attn: Office of General Counsel  
Washington, DC 20463

Re: MUR 4548

To Whom It May Concern:

Most of the contributions which are alleged to have been made by me in this Complaint were in fact made by another person. It is my understanding that other than the \$500.00 contribution which was made by me on May 7, 1995, the remaining contributions were made by a person with a name similar to mine. That person, I believe, is Michael L. Igoe, Jr., who resides in Chicago, Illinois.

It is my understanding that the Blagojevich Committee is going to be providing you with information to confirm this.

Thank you for your attention to this matter.

Very truly yours,

CARLILE PATCHEN & MURPHY

Michael H. Igoe

MHI/VKW/222080  
ADMIN.004  
Enclosure

970433023

# Blagojevich

FOR CONGRESS

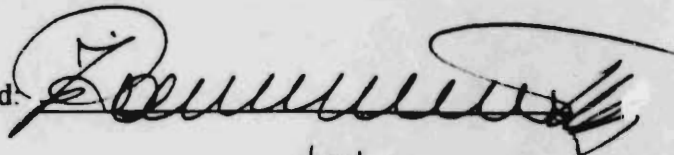
- 3657 North Kedzie
- Chicago, Illinois 60618
- (312) 539-9773
- Fax (312) 478-8006

NOV 21 2 28 PM '96


RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Radomir Jovanovich, M.D.  
5433 North Milwaukee Avenue  
Chicago, IL 60630

This hereby confirms that I hereby redesignate my contribution of \$ 300<sup>00</sup>,  
dated 10-24-95 to the November 5, 1996 general election.

Signed: 

Re: MUR 11548

Dear Mr. Saslowder,  
This is a copy of Radomir Jovanovich's document  
function note that his document  
I hope that help.  
Thank you.  
11-18-96.  


Paid for by the Blagojevich for Congress committee.  
NOT PAID FOR AT TAX PAYER EXPENSE. Contributions are not tax deductible. Federal law requires political committees to report the name, mailing address, occupation and name of employer for each individual whose contributions aggregate in excess of \$200 in a calendar year.

**BIEDERMAN & O'KEEFE LTD.**

ATTORNEYS AT LAW

30 NORTH LASALLE STREET

SUITE 1426

CHICAGO, ILLINOIS 60602

312 634-4100

FAX 312 634-4104

WILLIAM BIEDERMAN

(312) 634-4101

November 20, 1996

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
NOV 22 12 12 PM '96

**VIA FACSIMILE**  
**AND**  
**FEDERAL EXPRESS**

General Counsel  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463

Re: Blagojevich For Congress Committee/  
Axelrod & Associates Inc.  
MUR 4548

Dear Sir or Madam:

This letter and the enclosed materials is in response only to the allegations relating to Axelrod & Associates Inc. No response is made as to the allegations concerning the alleged acceptance by The Blagojevich Committee of allegedly excessive contributions.

Axelrod & Associates Inc. ("Axelrod") was retained by the Blagojevich for Congress Committee ("Blagojevich") to provide political consulting services and to develop and place media advertisements. A copy of the agreement between Axelrod and Blagojevich is enclosed herewith as Exhibit "A" (the "Agreement"). The Agreement is the standard agreement utilized by Axelrod, with one exception -- the candidate agreed to be personally liable for the obligations under the Agreement.

Pursuant to the Agreement, Axelrod developed and implemented a direct mail campaign for Blagojevich and placed with television and radio stations advertisements for Blagojevich. Axelrod incurred and paid production expenses for the advertisements for Blagojevich prior to receiving funds from Blagojevich. This is standard procedure for Axelrod. Axelrod operates its business based upon the personal relationship and trust developed between Axelrod and its clients. In this regard, Axelrod conducts its business in a manner similar to any provider of services, such as lawyers,

970466025

BIEDERMAN & O'KEEFE LTD.  
ATTORNEYS AT LAW

November 20, 1996  
Page 2

accountants and advertising companies. In the vast majority of campaigns it has undertaken, Axelrod has received reimbursement during the applicable campaign.

Axelrod made expenditures for production costs on behalf of Blagojevich -- \$112,566.00 on March 18, 1996 and \$27,900.45 on March 29, 1996. Blagojevich made payments to Axelrod in May, June and July as follows:

May, 1996	\$18,000
June, 1996	\$ 7,000
July, 1996	<u>\$60,000</u>
Total	\$85,000

The allegations in the complaint notwithstanding, interest has accrued on all sums and is due from Blagojevich to Axelrod. The interest accrued to date amounts to \$9,524.75.

Axelrod is not privy to the cash on hand and the cash needs of Blagojevich. However, Axelrod expects to be paid in full by Blagojevich in accordance with the terms of the Agreement.

Accompanying this letter are the following materials:

1. The Agreement.
2. An answer to the Complaint as it relates to Axelrod.
3. A recapitulation of the payments and outstanding balance due from Blagojevich to Axelrod.
4. Affidavit of Colleen McMahon.
5. Statement of Designation of Counsel.

Very truly yours,

  
William Biederman

WB/cmr  
Enclosures

97043035026



BEFORE THE FEDERAL ELECTION COMMISSION

BLAGOJEVICH FOR CONGRESS COMMITTEE )

AXELROD & ASSOCIATES )

) MUR October 25, 1996 #4548

ANSWER

Axelrod & Associates Inc. ("Axelrod") answers the Complaint as it relates to it stating as follows:

I. SUMMARY

Axelrod is in the business of providing political consulting services. Axelrod's services include the development of political advertisements for television, radio, direct mail and print media. As part of the development of political advertising, Axelrod purchases air time on television and radio.

In March, 1996 Axelrod made two advances for production expenses for Blagojevich for Congress Committee ("Blagojevich") in the total amount of \$140,466.45. Axelrod advanced the funds for the production expenses with the understanding and expectation that it would be reimbursed shortly by Blagojevich. Axelrod's understanding and expectation was based upon its agreement with Blagojevich (a copy of which is attached hereto as Exhibit "A"), which included the agreement of the candidate to be personally obligated and Axelrod's experience as a political consultant. Pursuant to the Agreement, Blagojevich was obligated to reimburse Axelrod within fifteen (15) days of receipt of Axelrod's invoice for all expenses incurred by Axelrod. Pursuant to the Agreement, payments not received in a timely manner accrue interest at the rate of 18% per annum. The advancing of funds for production expenses on the eve of an election is standard procedure for Axelrod (and other political consultants). Axelrod has been placed in similar situations by candidates.

Blagojevich made the following payments to Axelrod in reimbursement of the expenses:

May, 1996	\$18,000
June, 1996	\$ 7,000
July, 1996	<u>\$60,000</u>
Total	\$85,000

Inasmuch as Blagojevich did not reimburse Axelrod in full in accordance with the Agreement, interest is due in accordance with the Agreement.

The alleged extension of credit by Axelrod to Blagojevich was consistent with and in the ordinary course of Axelrod's business. The amount of the funds expended for production expenses was not excessive for a campaign of the nature of the Blagojevich primary campaign. The timing of the repayment, although disappointing, was not outside the ordinary course of business for Axelrod or for non-political obligors.

## II. FACTS

1. Blagojevich for Congress is the principal campaign committee of Rod Blagojevich, Democratic Candidate for the U.S. House in the 5th District of Illinois.

ANSWER: Axelrod admits the allegations contained in paragraph 1.

2. Blagojevich has employed Axelrod & Associates to shape and produce television and radio advertisements.

ANSWER: Axelrod states that it was retained by Blagojevich to provide the services set forth in the Agreement attached hereto as Exhibit "A".

3. Between February 29 and March 31, 1996, Blagojevich incurred a debt of \$140,466.45 to Axelrod for "consulting -- ads -- TV".

ANSWER: Axelrod states that funds were expended by it on production expenses for Blagojevich as follows: \$112,566 on March 18, 1996 and \$27,900.45 on March 29, 1996.

4. As of June 30, 1996, Blagojevich for Congress possessed \$136,495.38 cash-on-hand, enough to retire the Committee's debt to Axelrod.

ANSWER: Axelrod is without knowledge as to Blagojevich's cash on hand in June, 1996 and as to the total amount of Blagojevich's obligations in June, 1996. Axelrod further states that as of July 15, 1996, Blagojevich had made payment to it in the total amount of \$85,000.

5. Over the past seven months, the Blagojevich Committee has only paid Axelrod & Associates \$47,065.00 of the more than \$140,000 owed.

ANSWER: Axelrod denies the allegations contained in paragraph 5, stating that by July 15, 1996, Blagojevich had repaid Axelrod \$85,000.

6. Upon information and belief, Axelrod & Associates has not charged Blagojevich any interest on its massive debt.

**ANSWER:** Axelrod denies the allegations contained in paragraph 6, stating that interest has been accrued and charged to Blagojevich at the rate of 18% per annum as set forth in the Agreement.

7. Blagojevich for Congress reports raising \$192,900.97 during the first half of 1996, spending \$843.17 on telephone bills and \$367.55 on a printer, but the Committee never reports any office or rent expenditures for this period.

**ANSWER:** The allegations in paragraph 7 does not relate to Axelrod and Axelrod makes no response to the allegations.

### III. DISCUSSION

As set forth hereinabove, the advance of funds by Axelrod for production expenses was lawful for the reasons that: (1) the production expenses were incurred by Axelrod in the ordinary course of its business; (2) pursuant to the Agreement with Blagojevich, Axelrod was to be repaid in full within fifteen (15) days; (3) the candidate is personally liable to Axelrod for all amounts due in connection with the Agreement; (4) Axelrod received \$85,000 of the \$140,000 due by July 15, 1996; and (5) interest has accrued and been charged to Blagojevich on the sums owed at the rate of 18% per annum.

Respectfully submitted

AXELROD & ASSOCIATES INC.

By: 

William Biederman, Its Attorney

## CONSULTING AGREEMENT

This campaign consulting agreement is entered into this 15th day of January, 1995, by and between Rod Blagojevich, Individually, Rod Blagojevich for Campaign Committee (hereinafter referred to as "Blagojevich") and Axelrod & Associates, Inc., an Illinois corporation (hereinafter referred to as "Axelrod").

A. Blagojevich is the political committee of Rod Blagojevich, who is seeking election to the office of United States Representative of the 5th Congressional District of Illinois.

B. Axelrod is in the business of providing political media and campaign consulting services.

C. Blagojevich desires to engage Axelrod and Axelrod desires to render campaign and media consulting services to Blagojevich, pursuant to the terms and provisions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing provisions which are incorporated herein by this reference and made a part hereof and in consideration of the mutual promises herein contained, it is agreed as follows:

1. Term. Blagojevich hereby retains Axelrod and Axelrod hereby agrees to serve as campaign consultant to Blagojevich for a term commencing as of the date of this agreement and expiring on the date of the 1996 Illinois general election.

2. Duties. Axelrod shall provide campaign and media consulting services to Blagojevich during the term hereof. Such consulting services shall include the development of the communications and message strategy; the development of campaign commercial scripts and the coordination of the production of campaign television and radio commercials; the placement of the campaign commercials with the appropriate media outlets; polling analysis; campaign research assistance; issue development; speech writing; debate preparation assistance; advise on press relations and press conferences; assistance in the creation of copy for brochures, tabloids or other campaign promotional material; and general advice on campaign strategy, management and organization.

3. Compensation and Expenses.

a. Blagojevich agrees to pay Axelrod a base fee of Forty-Six Thousand Dollars (\$46,000.00) (the "Base Fee") for the services rendered by Axelrod pursuant to this Agreement. The Base Fee shall be payable as follows:



(l) \$2,000.00 a month commencing January 15, 1995 through November 1, 1996, when the balance of the Base Fee remaining unpaid shall be paid in full.

In addition to the Base Fee, Blagojevich agrees to pay Axelrod an agency commission (the "Agency Commission") in an amount equal to fifteen percent (15%) of the cost to Blagojevich of any and all media advertising, including without limitation radio, television and newspaper advertisements. The Agency Commission shall be due and payable and paid to Axelrod concurrently with the payment for the applicable media source for such advertising. Blagojevich agrees to remit to Axelrod by wire transfer or other means acceptable to Axelrod payment for media advertising (including the Agency Commission) not less than five (5) days prior to the air or publication date of such advertising.

b. Expenses. Blagojevich agrees to reimburse Axelrod for all expenses incurred in providing services to Blagojevich pursuant to the Agreement, including but not limited to production costs of commercials and advertising, copying costs, telephone charges, mailing costs, travel and lodging and such other appropriate out-of-pocket expenses incurred by Axelrod and any of its subcontractors, agents or independent contractors. Except as hereinafter set forth, Blagojevich shall reimburse Axelrod for such expenses within fifteen (15) days of receipt of Axelrod's invoice for such expenses. Notwithstanding the foregoing, Blagojevich shall reimburse Axelrod for the foregoing expenses as follows:

(i) If Axelrod notifies Blagojevich in writing, expenses incurred during the period October 15, 1996 until the day of the general election shall be remitted to Axelrod within three (3) days of receipt of Axelrod's invoice.

(ii) Fifty percent (50%) of Axelrod's estimate of the cost of location shoots shall be remitted prior to the shoot. Upon completion of the shoot, the costs paid pursuant to Axelrod's estimate shall be credited against the actual cost of the shoot. The remaining balance shall be paid within fifteen (15) days of receipt of the invoice for the shoot.

(iii) The entire amount of Axelrod's estimate of the cost of producing spots independent of a location shoot shall be remitted prior to the shipment of these spots to the broadcaster. The remaining balance shall be paid within fifteen (15) days of receipt of the invoice for the shoot.

c. Late Payment. In the event that Blagojevich fails to make any payment to Axelrod pursuant to this paragraph when due, the amount of such payment shall bear interest at the rate of eighteen percent (18%) per annum from the date such payment is due and continuing until such payment is made.

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4. Termination of Agreement. Either party to this agreement may terminate the agreement upon thirty (30) days written notice to the other party. Any unpaid fees, expenses or commissions shall be payable immediately upon the termination of this agreement.

5. Indemnification. Blagojevich agrees to indemnify, defend and hold harmless Axelrod, its subcontractors, employees, agents or representatives against any loss, damage liability and expenses (including reasonable attorney's fees) arising out of or relating to any publication, advertisement or other dissemination by Axelrod of information or campaign promotional material authorized by Blagojevich.

6. Entire Agreement. This agreement contains the entire agreement between the parties and may not be modified or amended except by an agreement in writing and signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the date first written above.

BY: 

DAVID AXELROD, President  
Axelrod & Associates

BY: 

ROD BLAGOJEVICH, individually

BY: 


BLAGOJEVICH FOR CONGRESS CAMPAIGN COMMITTEE

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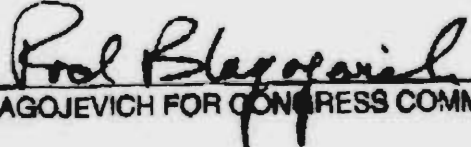
ADDENDUM  
to  
CONSULTING AGREEMENT

February 7, 1996

In addition to the compensation set forth in paragraph Three (3) hereof, Blagojevich agrees that in the event Blagojevich wins the 1996 Democratic primary for United States Representative of the 5th Congressional District of Illinois, Blagojevich shall pay to Axelrod on or before April 19th, 1996, the sum of \$25,000.00 for work completed on a direct mail campaign.

By:   
DAVID AXELROD, President  
Axelrod & Associates

By:   
ROD BLAGOJEVICH, individually

By:   
BLAGOJEVICH FOR CONGRESS COMMITTEE

970433033

STATE OF ILLINOIS     )  
                              ) SS.  
COUNTY OF COOK        )

**AFFIDAVIT OF COLLEEN MCMAHON**

Colleen McMahon having been fully sworn on oath states as follows:

1. I am assistant to the president of Axelrod & Associates Inc. ("Axelrod"). I was actively involved in the services rendered by Axelrod for the Blagojevich for Congress Committee ("Blagojevich").

2. I am familiar with the matters contained in the Answer to which this affidavit is attached.

3. To the best of my knowledge and belief, the matters contained in the Answer are true and correct.

4. Accompanying this affidavit is a recapitulation I prepared showing the funds advanced by Axelrod, the repayments made by Blagojevich and the interest accrued and due and owing from Blagojevich to Axelrod. The recapitulation is based upon and summarizes, the invoices and receipts maintained by Axelrod in the ordinary course of its business.

Further, your affiant sayeth not.

*Colleen McMahon*

Colleen McMahon

Subscribed and Sworn to  
before me this 20th day  
of November, 1996.

*Christine M. Roiss*  
Notary Public





## SCHEDULE OF PAYMENTS AND BALANCES

March 18	\$112,566.00		
March 29	<u>\$ 27,900.45</u>		
TOTAL:	\$140,466.45	Due end of March	
April:	\$140,466.45		
	<u>x 1.5%</u>		
TOTAL:	\$ 2,107.00	= \$142,573.45	
		- \$ 18,000.00	PAID (May, 1996)
		\$124,573.45	
May:	\$124,573.45		
	<u>x 1.5%</u>		
	\$ 1,868.60	= \$126,442.05	
		- \$ 7,000.00	PAID (June, 1996)
		\$119,442.05	
June:	\$119,442.05		
	<u>x 1.5%</u>		
	\$ 1,791.63	= \$121,233.68	
		- \$ 60,000.00	PAID (July, 1996)
TOTAL:		\$ 61,233.68	
July:	\$61,233.68		
	<u>x 1.5%</u>		
	\$ 918.51	= \$62,152.19	
August:	\$62,152.19		
	<u>x 1.5%</u>		
	\$ 932.28	= \$63,084.47	

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September:      \$63,084.47  
                   $\times \quad 1.5\%$   
                  \$ 946.27      = \$64,030.74

October:          \$64,030.74  
                   $\times \quad 1.5\%$   
                  \$ 960.46      = \$64,991.20

TOTAL INTEREST      \$2,107.00  
                          \$1,668.60  
                          \$1,791.63  
                          \$ 918.51  
                          \$ 932.28  
                          \$ 946.27  
                          \$ 960.46

TOTAL DUE:          \$9,524.75

97043635036

BILL BIEDERMAN

NOV-20-1996 17:32

ID: AXELROD & ASSOCIATES

312-664-4174

8750 P01

11-20-1996 04:15PM

FROM BIEDERMAN & O'KEEFE LTD.

TO

96540174 P.01

NOV-12-1996

ID: AXELROD & ASSOCIATES

312-664-4174

**STATEMENT OF DESIGNATION OF COUNSEL**

MUR 4548

NAME OF COUNSEL: William Biederman

FIRM: Biederman & O'Keefe Ltd.

ADDRESS: 30 N. LaSalle Street, Suite 1426

Chicago, Illinois 60602

TELEPHONE: (312) 634-4100

FAX: (312) 634-4104

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

11/19/96

Date

*Quinn McFarlane*

Signature

RESPONDENT'S NAME: Axelrod & Associates Inc.

ADDRESS: 730 N. Franklin Street, Suite 404

Chicago, Illinois 60610

TELEPHONE: HOME ( )

BUSINESS 312 664-7500

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RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Nov 22 12 11 PM '96

November 17, 1996

Ms. Colleen T. Sealander  
Attorney, Central Enforcement Docket  
Federal Election Commission  
& Office of the General Counsel  
Washington, DC 20463

RE: MUR 4548

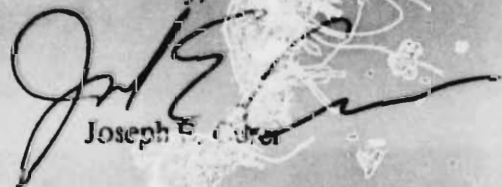
Dear Ms. Sealander/Office of the General Counsel:

I received your letter dated November 4, 1996 with respect to two campaign contributions I made on 6/30/95 and 3/4/96 each in the amount of \$1,000.

At the time I made the second contribution, I received a letter from the Blagojevich for Congress committee, a copy of which I have enclosed. Along with this letter was a form in which I redesignated the 3/4/96 contribution to the general election. That form was sent to the Blagojevich for Congress committee on 5/16/96.

I will be happy to supply any additional information as requested.

Sincerely,



Joseph E. Coder

9704335030



# Blagojevich

FOR CONGRESS

- 3657 North Kedzie
- Chicago, Illinois 60618
- (312) 539-9773
- Fax (312) 478-8006

April 3, 1996

Joseph Curci  
2719 N. Greenview  
Chicago, IL 60614

Dear Joseph

Thank you for your recent contribution to the Committee.

Federal law, however, prohibits the amount any one person may contribute to a federal campaign to \$1000 per election cycle. We are currently in the primary election period and are required to attribute all undesignated contributions to that period. Your most recent contribution cannot be attributed for this election period because your previous contribution history is greater or equal to \$1000.

We request that you provide the campaign with either a redesignation to the general election period or a reattribution. This can be accomplished by completing one of the enclosed forms and returning it to the campaign in the enclosed prepaid postage envelope. We must receive one or the other or your contribution must be refunded to you. Therefore, please return the form as soon as possible.

As an alternative, you may request a refund of your contribution. If you have any questions, please do not hesitate to contact Clare at campaign headquarters (312) 539-9773.

*Pat*

Pat Feeley  
Treasurer

*sent to  
general  
election  
5/16/96*

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Nov 22 12 13 PM '96

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

Nov 22 9 43 AM '96

November 15, 1996

Federal Election Commission  
999 E Street, NW  
Washington, DC 20463

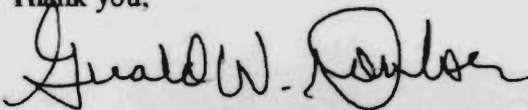
Re: MUR 4548

Dear Sirs:

In reference to the Federal Election Commission complaint in which I was named; I contacted the Blagoyevich for Congress Committee on my contributions. They agreed to refund the overage immediately.

My intentions were not to go over the amount allowed, but due to the 9 months which had elapsed, I simply forgot about the earlier contribution.

Thank you,



Gerald W. Donlon  
2326 Weathersfield Way  
Schaumburg, Illinois 60193

9704333040

LINO J. MENCONI  
ATTORNEY AT LAW

2500 E. DEVON AVENUE  
DES PLAINES, ILLINOIS 60018



PHONE (847) 390-7676  
FAX (847) 390-7717

November 14, 1996

Colleen T. Sealander, Esq.  
Federal Election Commission  
999 E. Street, NW  
Washington, D.C. 20463

RE: BLAGOJEVICH FOR CONGRESS  
MUR # 4548

NOV 25 10 23 AM '96  
RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Dear Ms. Sealander:

I am writing on behalf of Mr. Ronald Rossi in response to the above complaint and in accordance to the Federal Election Campaign Act of 1971. Enclosed please find an executed statement of Designation of Counsel identifying myself as Attorney of Record.

Mr. Rossi denies each and every allegation of wrongdoing directed towards him as set forth in the FEC Complaint against the Blagojevich for Congress Committee #MUR 4548. In addition, Ronald Rossi disputes the accuracy of the amounts and dates of contributions attributed to him as alleged in the list of "Excessive Contributions For The Primary 1996 Election" attached to the FEC Complaint.

On or about February 7, 1996 Mr. Rossi made a \$500.00 contribution to the 1996 primary election and a \$1,000.00 contribution to the general election. At no time did Mr. Rossi's combined primary and general election contributions to Blagojevich for Congress exceed eighteen hundred dollars (\$1,800.00). (See attached Ronald Rossi Affidavit) Furthermore, on or about November 13, 1996, upon Mr. Rossi's request the Blagojevich for Congress Committee refunded all donations to the Blagojevich Campaign with the exception of three hundred dollars (\$300.00) in primary election contributions.

I hope the above information is useful in resolving all issues regarding Mr. Rossi in this matter. Please direct all future correspondence to my attention at the above address.

Sincerely,

Lino J. Menconi

cc: Joseph Cini

97043635041

County of Cook  
State of Illinois

)  
) ss  
)  
)

**AFFIDAVIT**

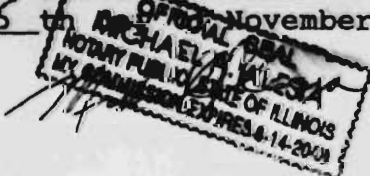
I, Ronald Rossi, am over the age of twenty one and if called to testify would state the following:

1. I am currently employed as the General Manager of Rossi Contractors in Northlake, Illinois.
2. On or about 10/10 1994 I made a three hundred dollar (\$300.00) donation to the Rod Blagojevich For Congress primary election campaign.
3. On or about February 7, 1996, I made a five hundred dollar (\$500.00) and one thousand dollar (\$1,000.00) donation to the Rod Blagojevich primary and general elections respectively.
4. At no time have my combined contributions to Blagojevich For Congress exceeded eighteen hundred dollars (\$1800.00).
5. On or about February 7, 1996 I requested and received from the Blagojevich for Congress Committee a refund of fifteen hundred dollars (\$1500.00) from the monies donated.

FURTHER AFFIANT SAYETH NAUGHT.

  
Ronald Rossi

Subscribed and Sworn  
to before me this  
15<sup>th</sup> day of November, 1996



970425042



STATEMENT OF DESIGNATION OF COUNSEL

MUR 4548

NAME OF COUNSEL: Lino J. MENCONI

FIRM: Lino J. MENCONI ATTORNEY AT LAW

ADDRESS: 2500 E. DEVON AVE

Suite 300

DES PLAINES, ILLINOIS 60018

TELEPHONE: (847) 390-7676

FAX: (847) 390-7717

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

11/9/96  
Date

Ronald Rossi  
Signature

RESPONDENT'S NAME: RONALD ROSSI

ADDRESS: 201 W. LAKE ST

NORTH LAKE, ILLINOIS

60164

TELEPHONE: HOME( ) \_\_\_\_\_

BUSINESS( 773 ) 287-7545 \_\_\_\_\_

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
NOV 25 10 23 AM '96

97043835043

Law Offices of

Cullen, Haskins, Nicholson & Menchetti P.C.

November 21, 1996

Federal Election Commission  
General Counsel's Office  
999 E Street NW  
Washington D.C. 20463

George J. Cullen  
Charles G. Haskins, Jr.  
Patrick B. Nicholson  
David B. Menchetti  
Susan O. Pigott  
Gerald A. Granada

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
NOV 25 3 39 PM '96

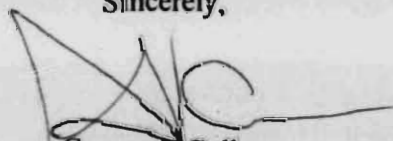
RE: Complaint No. MUR 4548

Dear Sir or Madam:

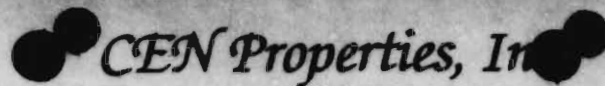
This is to acknowledge receipt of the copy of the Complaint in the above captioned matter involving apparent violation of the Federal Election Campaign Act of 1971 by payment of \$1,150.00 to the Rod Blagojevich For Congress Committee in the primary election. It was my intention and I was under the impression that I had corrected this matter and delegated that \$150.00 of the contribution made to the primary election be allocated to the general election. If that record is not part of the Blagojevich For Congress Committee record, please consider this letter as my direction to have those funds so allocated.

I would then request that the Complaint against me be dismissed.

Sincerely,

  
George J. Cullen

GJC/mbn



33 North LaSalle Street, 29th Floor  
Chicago, Illinois 60602-2605

Telephone (312) 346-6808

Facsimile (312) 372-8343

November 14, 1996

General Counsel's Office  
Federal Election Commission  
999 E Street, N.W., Room 657  
Washington, D.C. 20463

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
Nov 25 3 23 PM '96

Gentlemen:

RE: MUR 4548

Please be advised that pursuant to the above complaint, the complaint alleges that Fishman & Fishman, Ltd. contributed \$2,000.00 to the primary for Rod Blagojevich. The check was a personal donation from my personal account and was for \$1,000.00 from my wife, Gloria Fishman and \$1,000.00 from myself.

I have contacted the Campaign for Rod Blagojevich and was informed they inadvertently neglected to file the necessary form for the additional contribution on behalf of my wife, Gloria Fishman. The campaign therefore, stated they are refunding the \$1,000.00.

If you have any further questions please contact my office.

Yours very truly,

CEN PROPERTIES, INC.

Norman W. Fishman

NWF:mt

970433045



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 26, 1996

Michael V. Casey, Esquire  
Holleb & Coff  
55 East Monroe Street, Suite 4100  
Chicago, IL 60603

re: MUR 4548


Dear Mr. Casey:

Thank you for your letter of November 19, 1996, requesting an extension of time in which to respond to the complaint filed in connection with the above-captioned Matter Under Review.

Your request is approved, based upon the good cause shown in your letter. Your response will be due no later than the close of business on Monday, December 16, 1996.

Many thanks for your consideration. If we can be of any further assistance, please contact Ms. Alva Smith of my staff at (202) 219-3690.

Very truly yours,

  
F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

970435046





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 26, 1996

Robert F. Bauer, Esquire  
Marc E. Elias, Esquire  
PERKINS COIE  
607 Fourteenth Street, NW  
Washington, DC 20005-2011

RE: MUR 4548  
Blagojevich for Congress

Dear Messrs. Bauer and Elias:

This is in response to your letter dated November 20, 1996, which we received on that day, requesting an extension, until December 16, 1996, to respond to the complaint filed in the above-noted matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on December 16, 1996.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, reading "Alva E. Smith", is positioned above the typed name.

Alva E. Smith, Paralegal  
Central Enforcement Docket

97043835047



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 27, 1996

Michael Igoe, Jr.  
22 N. LaSalle  
Chicago, IL 60601

RE: MUR 4548

Dear Mr. Igoe:

The Federal Election Commission received a complaint which indicates that you 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 MUR 4548. Please refer to this number in all future correspondence.

The complaint was not sent to you earlier due to administrative oversight. 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.

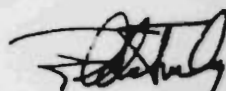
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed 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.

97043835040

Michael Igoe, Jr.  
Page 2

If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Enclosures

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

97043835049

**PERKINS COIE**

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS  
607 FOURTEENTH STREET, N.W. · WASHINGTON, D.C. 20005-2011  
TELEPHONE: 202 628-6600 · FACSIMILE: 202 494-1690

December 12, 1996

**Via Facsimile**

Alva E. Smith, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

**Re: MUR 4548****Dear Ms. Smith:**

Per our conversation today regarding an extension of time for respondent Blagojevich for Congress to respond to the allegations in MUR 4548, respondent is seeking an extension until December 23, 1996.

Respondent's reason for this request are due to the complex legal allegations contained in the complaint and the time required to gather documentation which fully responds to those allegations.

Please do not hesitate to contact me directly at 202/434-1625 if you require anything further regarding this request.

Very truly yours,

**Marc E. Elias****MEE:dml****[04005-0062/DAP63]30.011]**

ANCHORAGE BELLEVUE HONG KONG LONDON LOS ANGELES PORTLAND SEATTLE TAMPA WASHINGTON, D.C.

STRATEGIC ALLIANCE: RUSSELL &amp; DUMOULIN, VANCOUVER, CANADA

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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 16, 1996

Marc E. Elias, Esquire  
PERKINS COIE  
607 Fourteenth Street, N.W.  
Washington, D.C. 20005-2011

RE: MUR 4548  
Blagojevich for Congress

Dear Mr. Elias:

This is in response to your letter dated December 12, 1996, which we received on December 13, 1996, requesting an additional extension until December 23, 1996, to respond to the complaint filed in the above-noted matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on December 23, 1996.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script, appearing to read "Alva E. Smith", is written above the typed name.

Alva E. Smith, Paralegal  
Central Enforcement Docket

91043635051

MORRIS J. COFF (1924-1993)

LEWIS B. BABON  
FREDERICK H. BRANDING  
ALLAN S. BRILLIANT  
ANNE WEBBER BRODY  
CHERYL BLACKWELL BRYSON  
MICHAEL V. CASEY  
CHRISTOPHER B. COHEN  
RONALD A. DAMASHEK  
LAWRENCE I. DAVIDSON  
PAUL B. DIAMOND  
BRUCE DOPKE  
JAN FELDMAN  
ERIC M. FOGEL  
H. JAMES FOX  
PAUL T. FOX  
ROBERT H. GERSTEIN  
HOWARD N. GILBERT  
STANFORD L. GLASS  
WILLIAM I. GOLDBERG  
JAMES G. HAPT  
DAVID I. HERBST  
DON S. HERSHMAN  
HOWARD M. HOFFMANN  
MARSHALL M. HOLLEB  
KIRK A. HOOPINGARNER  
MARK J. HORNE  
JEFFREY H. HORNSTEIN  
CHRISTOPHER J. HORVAY  
JEANNE DOYLE KELLY  
MARK S. KIPNIS

CARL R. KLEIN  
THEODORE L. KOENIG  
ROBERT B. KOLEK  
DANIEL L. KRAUS  
JEFFREY KUTA  
JEWEL LAPONTANT-MANKARIOUS  
STEPHEN J. LANDES  
JANINE M. LANDOW-ESSEX  
JENNETH A. LATIMER  
ALLEN P. LEV  
IRVING B. LEVINSON  
KENNETH F. LOBCH  
NICHOLAS J. LYNN  
STEPHEN A. MARCUS  
JAMES W. MARKS  
JOSEPH L. MATZ  
ARTHUR R. MILLER  
HERBERT B. NICHOLSON  
ROBERT K. NEUMAN  
MICHAEL A. REITER  
RICHARD S. RHODES  
KEITH J. SHAPIRO  
JAMES M. SNYDER  
CHARLES A. STERN  
ROBERT E. STIGGER  
TOM WECHTER  
JEROME E. WEXLER  
THOMAS P. WHITE  
J. MICHAEL WILLIAMS  
ALLAN A. WULFSTADT

# HOLLEB & COFF

ATTORNEYS AT LAW

55 EAST MONROE STREET  
SUITE 4100  
CHICAGO, ILLINOIS 60603-5896  
(312) 807-4600

TELECOPIER (312) 807-3900

WRITER'S DIRECT DIAL (312) 419-4519

December 13, 1996

LISA J. ACEVEDO  
AIDA M. ALARA  
PATRICIA L. AVAREKY ALMAN  
LYNN M. BAKER  
RICHARD G. BERNET  
JOHN M. BLUM  
LAWRENCE B. BRODESKY  
ANDREW S. COHEN  
ANDREW J. FERREN  
LINDA K. FINKEL  
RICHARD X. FISCHER  
PAUL A. GILMAN  
LOBI A. GOLDSTEIN  
EDWARD J. GREEN  
AMY FIELD HERZOG  
KRISTOPHER S. HIBSON  
HAROLD B. HILBORN  
JUDITH M. HUDSON  
HAROLD D. ISRAEL  
SCOTT H. KIDING  
BRIAN P. KIRWIN  
DANIEL KOHN  
DEBRA L. LOEYV  
DONALD R. LORENZEN  
JAMES L. LUCARI  
MONTE L. MANN  
MELISSA A. MANUEL  
GREGORY S. MARKOW  
ALVIN K. MARR

SUBAN K. MARR  
MICHAEL J. McCAFFEY  
RACHEL LUTNER MCKINNA  
MICHAEL S. MOSTOW  
MATTHEW J. MUYER  
PIA NORMAN  
NANCY A. PETERMAN  
KATHRYN A. PYSZKA  
LISA A. RINEHART  
ANUP SATHY  
KENNETH CLARK SCHIRLE  
GREGORY G. SCHULER  
JULIE L. SCHULTZ  
DONALD L. SCHWARTZ  
JEFFREY M. SCHWARTZ  
MICHAEL J. SILVERMAN  
PAMELA GREGORY SMITH  
PAUL A. SMITH  
JAMES P. TRUPEL  
ANNE LINK VONER  
MICHELLE M. WARNER  
ROBERT S. WERT  
JON ZIMRING

OF COUNSEL  
JOSEPH W. BERNSTEIN  
WILLIAM R. COTTLE  
JILL A. OLSWANGER  
MARTIN H. REDDISH

## VIA FEDERAL EXPRESS

Federal Election Commission  
General Counsel's Office  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 4548

Dear Sir or Madam:

On November 4, 1996, the law firm of Holleb & Coff received a letter from the General Counsel's Office indicating "that Holleb & Coff may have violated the Federal Election Campaign Act of 1971, as amended ("the Act")" in light of certain allegations made in the complaint referenced above. This letter is submitted on behalf of Holleb & Coff to demonstrate that no action should be taken against the firm in this matter.

Holleb & Coff was solicited by representatives of the Blagojevich for Congress Campaign Committee to make two donations to Congressman Blagojevich's 1995-1996 Congressional Primary Campaign. On June 29, 1995, a check was delivered to Blagojevich campaign headquarters in the amount of \$1,500.00 and on February 2, 1996, a check was delivered in the amount of \$1,500.00.

The contributions were intended to be made on behalf of certain partners in the firm but for the sake of convenience only one check was cut for each such payment. For its own internal accounting purposes, the firm allocates such firm contributions to each of its partners. In addition, upon tendering the checks, the undersigned orally communicated with a campaign finance representative and requested that the campaign recognize the firm's

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RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

HOLLEB & COFF  
ATTORNEYS AT LAW

Federal Election Commission  
General Counsel's Office  
December 13, 1996  
Page 2

contribution as a contribution from certain of its partners in an effort to make sure that a contribution was not made in excess of federal limits.

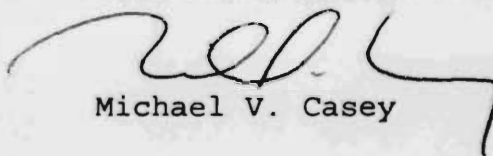
After having received notice of the above referenced action and having become more familiar with the Act, it is our understanding that our allocation and attribution of the firm's contribution among our partners does not alter the fact that under the Act the firm submitted two checks in its own name in excess of federal limits. We trust you understand that our oversight was not done with any intent to circumvent the terms of the Act and its limitations on congressional campaign contributions. In fact, we undertook efforts to attribute our firm's contribution under the mistaken impression that by doing so our contribution would comply with federal law.

Recognizing that the firm's \$3,000.00 contribution for the primary campaign exceeded the federal limit of \$1,000.00, we are, in conjunction with this letter, submitting a written request to the Blagojevich for Congress Campaign Committee for reimbursement of \$2,000.00, which is the overage amount.

Under these circumstances, any conclusion that the Act has been violated by our firm's contribution should be tempered by the knowledge that our oversight related more to the technical method in which the contribution was made than any purposeful effort to avoid the contribution limitations under federal law. For the reasons set forth in this letter, we respectfully request that no action be taken against Holleb & Coff as a result of the allegations made in the above referenced matter.

The undersigned has personal knowledge of the representations made in this letter and such representations are true and correct to the best of the undersigned's knowledge, information and belief.

Very truly yours,



Michael V. Casey

MVC:jam

# PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS  
607 FOURTEENTH STREET, N.W. · WASHINGTON, D.C. 20005-2011  
TELEPHONE: 202 628-6600 · FACSIMILE: 202 434-1690

December 23, 1996

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
DEC 23 3 04 PM '96

Lawrence Noble, Esq.  
Federal Election Commission  
6th Floor  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 4548

Dear Mr. Noble:

I am writing on behalf of Blagojevich for Congress in response to the October 25, 1996 complaint filed by the Illinois Republican Party designated MUR 4548. Because the complaint is without merit, it should promptly be dismissed and no further action should be taken.

The centerpiece of the Illinois Republican Party's complaint is an allegation that Blagojevich for Congress was improperly granted an extension of credit by its media consultant, Axelrod & Associates ("Axelrod"). While the complaint correctly states that the extension of credit outside the ordinary course of business is considered a contribution, 11 C.F.R. § 100.7(a)(6), it fails to offer any evidence that the arrangement between Blagojevich and Axelrod was anything other than "in the ordinary course." It is the Committee's understanding that in its response Axelrod provided sworn testimony that the expenses it advanced were, in fact, in the ordinary course of its business.

In contrast to this sworn statement, the Illinois Republican Party offers pure speculation that "the size and duration of Blagojevich's debt for air time seem far more favorable than terms provided to nonpolitical debtors of similar risk and size of obligation" (emphasis added). The fact is that the Blagojevich campaign and Axelrod entered into a written consulting agreement detailing the terms of their relationship. Under this agreement, Blagojevich agreed to certain payment schedules as well as to an 18% interest rate for late payment. Once again, this arrangement was described by Axelrod as "in the ordinary course."

[04031-12/01/DA963540.029]



910400050



12/23/96

# VEDDER PRICE

VEDDER, PRICE, KAUFMAN & KAMMHOLZ  
222 NORTH LASALLE STREET  
CHICAGO, ILLINOIS 60601-1003  
312-609-7500  
FACSIMILE: 312-609-5005

MICHAEL L. IGOE, JR.  
312-609-7555

A PARTNERSHIP INCLUDING VEDDER, PRICE, KAUFMAN & KAMMHOLZ, P.C.  
WITH OFFICES IN CHICAGO AND NEW YORK CITY

January 14, 1997

Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 4548

Attention: F. Andrew Turley

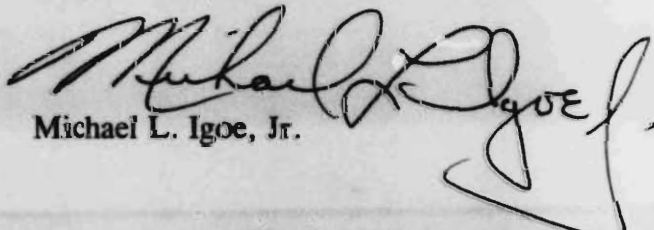
Dear Mr. Turley:

You will find enclosed my Answer to Complaint No. MUR 4548 and your letter of November 27, 1996 which was received by me on January 13, 1997 as evidenced by the receipt stamp of this law firm. I also note that your letter of November 27, 1996 was not mailed until January 8, 1997. Therefore, the date of receipt of the letter was the 13th of January, 1997 and the 15 day time runs from that date. Please also note that my address is 222 North LaSalle and not 22 North LaSalle.

You will find enclosed my Answer to the Complaint as sworn to by me. I have diligently searched my records and can find no record of any contribution to the Rodney Blagojevich for Congress campaign made on 5/7/95 in the amount of \$500. Beginning in October of 1995, I did make 3 contributions which total \$850. Therefore, my contributions are in the amount of \$850 and not in the amount of \$1350 as allegedly indicated in the Complaint.

I hope this Answer will be sufficient for your purposes. Should there be any further questions, please respond. Thank you very much.

Very truly yours,

  
Michael L. Igoe, Jr.

MLI/bh  
encl.

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JAN 17 12 45 PM '97

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**BEFORE THE FEDERAL ELECTION COMMISSION**

**BLAGOJEVICH FOR CONGRESS COMMITTEE**

**AXELROD & ASSOCIATES**

)

)

)

**MUR October 25, 1996 #4548**

**ANSWER TO COMPLAINT**

Now comes Michael L. Igoe, Jr. having an office for the practice of law at 222 North LaSalle Street, Chicago, Illinois 60601-1003 and being first duly sworn on oath, answers as follows:

**I. SUMMARY**

In March, 1996, the Rod Blagojevich for Congress Committee wanted to purchase more television time than it could afford. Rather than obtaining a loan from a bank, however, the Blagojevich Committee went ahead and incurred \$140,446.45 in vendor debts for television advertising time. For undisclosed reasons, Axelrod and Associates -- Blagojevich's media consultant and vendor -- extended this massive credit to the Blagojevich Committee. Over the following seven months, Blagojevich has only repaid \$47,065.00 on the principal, deposit raising adequate funds to repay the obligation. The accommodating Axelrod & Associates has apparently not charged the campaign any interest on this debt.

Under federal regulations, the extension of credit outside the ordinary course of business is considered a contribution. *11 C.F.R. § 100.7(a)(6)(1996)*. Both the size and duration of Blagojevich's debt for air time seem far more favorable than terms provided to non-political debtors of similar risk and size of obligation. *See FEC Advisory Opinion 1979-36*. Corporations such as Axelrod & Associates are prohibited from making contributions to federal candidates. *2 U.S.C. § 441b(a) (1996)*.

Furthermore, Blagojevich for Congress unlawfully accepted \$8,405 in excessive contributions to his primary campaign. To date, none of these excessive contributions have been reported as redesignated for the general election. Blagojevich additionally:

- promised \$15,900 more in pending redesignations on his mid-year report, but he has filed no amendments correcting his errors;
- failed to report any rent or office expenses out of his federal campaign in most of 1995, apparently accepting office space and resources contributions from his state campaign committee, *11 C.F.R. § 110.3(d)*.

Answer:

1) That he has no knowledge of the allegations contained in paragraph 1 Summary of the Complaint and can neither affirm or deny such allegations and further answering, states that such allegations as set forth do not apply to him.

**II. FACTS**

1. Blagojevich for Congress is the principal campaign committee of Rod Blagojevich, Democratic Candidate for the U.S. House in the 5th District of Illinois.
2. Blagojevich has employed Axelrod & Associates to shape and produce television and radio advertisements.
3. Between February 29 and March 31, 1996, Blagojevich incurred a debt of \$140,466.45 to Axelrod for "consulting -- ads -- TV."
4. As of June 30, 1996, Blagojevich for Congress possessed \$136,495.38 cash-on-hand, enough to retire the Committee's debt to Axelrod.
5. Over the past seven months, the Blagojevich Committee has only paid Axelrod & Associates \$47,065.00 of the more than \$140,000 owed.
6. Upon information and belief, Axelrod & Associates has not charged Blagojevich any interest on its massive debt.
7. Blagojevich for Congress reports raising \$192,900.97 during the first half of 1995, spending \$843.17 on telephone bills and \$367.55 on a printer, but the Committee never reports any office or rent expenditures for this period.

Answer:

2) That he has no knowledge as to the allegations contained in paragraph II Facts of the Complaint and can neither affirm or deny such allegations and further answering, states that such allegations as set forth do not apply to him.



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**III. DISCUSSION**

**I. THE BLAGOJEVICH COMMITTEE'S DEBT TO AXELROD & ASSOCIATES FALLS OUTSIDE OF NORMAL BUSINESS PRACTICES, BOTH BY ITS SIZE AND DURATION**

The Alleged "Extension of credit" to Blagojevich Committee by Axelrod and Associates is in fact an unlawful corporate contribution. Under federal election law:

The extension of credit by any person is a contribution unless the credit is extended in the ordinary course of the person's business and the terms are substantially similar to extensions of credit to nonpolitical debtors that are of similar risk and size of obligation.

11 C.F.R. § 100.7(a)(4) (1996). *See also* FEC Advisory Opinion 1979-36.

Seven months ago, Axelrod & Associates "floated" the Blagojevich for Congress Committee over \$140,000 to run television advertising for the Illinois primary election on March 19, 1996. The bulk of that debt remains unpaid, even though Blagojevich for Congress has raised far more than enough in new funds to retire this obligation. This massive debt and the apparent repayment plan agreed to is neither commercially reasonable nor within the ordinary course of any solvent media firm's business. Alexrod & Associates has in effect loaned \$140,466.45 to Blagojevich for Congress, in violation of the express prohibition against corporate loans and contributions.

**Answer:**

That he has no knowledge as to the allegations contained in paragraph III. I Discussion of the Complaint and can neither affirm or deny such allegations and further: answering, states that such allegations as set forth do not apply to him.

**II. THE BLAGOJEVICH COMMITTEE HAS ACCEPTED \$8,405 IN EXCESSIVE PRIMARY ELECTION CONTRIBUTIONS.**

According to the reports it has filed with the Commission, Blagojevich for Congress has accepted \$8,405 in excessive contributions for the March 19, 1996 primary election. To date, none of these funds have been redesignated.

Under federal law, an individual may only contribute up to \$1,000 to any candidate for any election. 2 U.S.C. § 441a(a)(1)(A)(1996). Likewise, a partnership is also limited to \$1,000 per election. See FEC Advisory Opinion 1975-17.

By its own filings, the Blagojevich for Congress Committee has reported \$8,405 in excess contributions made by individuals and partnerships to the primary election. See Chart (attached). None of these contributions have been registered in subsequent Committee filings. And the Committee reported an intent to redesignate \$15,900 in further excessive contributions, but to-date has not redesignated any of these funds.

Answer:

That as to paragraph III, Discussion II, "The Blagojevich Committee has accepted \$8,405 in excessive Primary Election Contributions" he states as follows:

That as such Complaint pertains to him as shown by the attached list marked Exhibit A, he denies the allegation that he made an excessive contribution for the Primary 1996 election and that he has made a complete and thorough search of his financial records and states that:

- a) As to the Primary Contribution of May 7, 1995 in the amount of \$500.00, he has no record of such contribution and denies that he made an contribution of \$500.00 on or about May 7, 1995 to the Rod Blagojevich for Congress Committee.
- b) As to the Primary Contribution of October 24, 1995 in the amount of \$250.00, he admits that by his check number 9164 dated October 12, 1995, he made a contribution to the Rod Blagojevich for Congress Committee.
- c) As to the Primary Contribution of December 23, 1995 in the amount of \$150.00, he admits that by his check number 9283 dated December 13, 1995, he made a contribution to the Rod Blagojevich for Congress Committee.

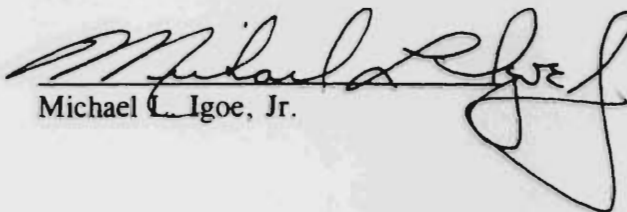
d) As to the Primary Contribution of March 11, 1996 in the amount of \$450.00, he admits that by his check number 9456 dated March 8, 1996, he made a contribution to the Rod Blagojevich for Congress Committee.

5. That a complete and thorough search of his records shows his contributions to the Rod Blagojevich for Congress Committee totaled the sum of \$850.00 and not the \$1350.00 as alleged in the Complaint.

6. Denies that he has violated 2 U.S.C. § 441a(a)(1)(A) 1996.

WHEREFORE, it is herewith requested that as to Michael L. Igoe, Jr. that the Complaint be dismissed.

Respectfully submitted,

  
Michael L. Igoe, Jr.

Michael L. Igoe, Jr.  
222 North LaSalle Street  
Chicago, Illinois 60601-1003  
312/609-7555

STATE OF ILLINOIS     )  
                                  )     SS  
COUNTY OF COOK       )

I, Betty Hueramo, a Notary Public in and for said county and state, do hereby certify that Michael L. Igoe, Jr. personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 14 day of January, 1997

(SEAL)



  
Notary Public

**FEC COMPLAINT AGAINST ROD BLAGOJEVICH FOR CONGRESS COMMITTEE**

<b>EXCESSIVE CONTRIBUTIONS FOR THE PRIMARY 1996 ELECTION</b>
--

<b>INDIVIDUAL</b>	<b>PRIMARY CONTRIBUTIONS &amp; DATES</b>	<b>TOTAL \$\$ TO PRIMARY</b>
Ranko Bjelopetrovich	\$500 (6/29/95), \$250 (2/14/96), \$500 (3/11/96)	\$1,250
Joseph Cavanaugh	\$200 (4/26/95), \$500 (6/29/95), \$300 (10/14/95), \$75 (12/22/95), \$450 (3/11/96)	\$1,525
George Cullen	\$500 (6/28/95), \$300 (10/9/95), \$150 (12/23/95), \$200 (3/1/96)	\$1,150
Joseph Curci	\$1,000 (6/30/95), \$1,000 (3/4/96)	\$2,000
Gerald Donlon	\$1,000 (6/30/95), \$300 (3/12/96)	\$1,300
Marilyn Drury	\$700 (4/12/95), \$500 (11/2/95)	\$1,200
Michael Falton	\$500 (3/14/95), \$100 (5/7/95), \$400 (6/30/95), \$50 (12/23/95)	\$1,000
Jeffrey Goldberg	\$1,000 (4/25/95), \$500 (10/9/95)	\$1,500
Michael Igoe	\$500 (5/7/95), \$250 (10/24/95), \$150 (12/23/95), \$450 (3/11/96)	\$1,350
Radomir Jovanovich	\$500 (4/5/95), \$500 (4/12/95), \$300 (10/24/95)	\$1,300
Bruce Kohen	\$750 (10/14/95), \$500 (2/14/96)	\$1,250
Ronald Rossi	\$700 (11/29/95), \$300 (11/29/95), \$1,000 (3/15/96)	\$2,000
<b>PARTNERSHIP</b>		
Fishman & Fishman LTD	\$2,000 (3/25/95)	\$2,000
Hollob & Coff	\$1,500 (6/29/95), \$1,500 (2/10/96)	\$3,000
Rudnick & Wolfe	\$1,500 (12/23/95)	\$1,500



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
)  
)

ENFORCEMENT PRIORITY

AUG 14 4 23 PM '97

**SENSITIVE**

AUG 19 1997

**EXECUTIVE SESSION  
SUBMITTED LATE**

GENERAL COUNSEL'S REPORT

I. INTRODUCTION.

The cases listed below have been identified as either stale or of low priority based upon evaluation under the Enforcement Priority System (EPS). This report is submitted to recommend that the Commission no longer pursue these cases.

II. CASES RECOMMENDED FOR CLOSURE.

A. Cases Not Warranting Further Action Relative to Other Cases Pending Before the Commission

EPS was created to identify pending cases which, due to the length of their pendency in inactive status or the lower priority of the issues raised in the matters relative to others presently pending before the Commission, do not warrant further expenditure of resources. Central Enforcement Docket (CED) evaluates each incoming matter using Commission-approved criteria which results in a numerical rating of each case.

Closing such cases permits the Commission to focus its limited resources on more important cases presently pending before it. Based upon this review, we have identified 34 cases which do not warrant further action relative to other pending matters.<sup>1</sup>

<sup>1</sup> These cases are: MUR 4470 (Ward for Congress); MUR 4478 (Citizens for Tom Reynolds); MUR 4492 (Friends of Ken Poston); MUR 4498 (Darryll Roberts for Congress); MUR 4506 (The Hon. Ted Little); MUR 4512 (Friends of Lane Evans); MUR 4517 (Unknown Respondent); MUR 4518 (Kansas for Rathbun); MUR 4520 (Larry Lerner for

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Attachment 1 to this report contains summaries of each case, the EPS rating, and the factors leading to assignment of a low priority and recommendation not to further pursue the matter.

### B. Stale Cases

Effective enforcement relies upon the timely pursuit of complaints and referrals to ensure compliance with the law. Investigations concerning activity more distant in time usually require a greater commitment of resources, primarily due to the fact that the evidence of such activity becomes more remote and consequently more difficult to develop. Focusing investigative efforts on more recent and more significant activity also has a more positive effect on the electoral process and the regulated community. In recognition of these facts, EPS also provides us with the means to identify those cases which, though earning a higher rating when received, remained unassigned due to a lack of resources for effective investigation. The utility of commencing an investigation declines as these cases age, until they reach a point when activation of a case would not be an efficient use of the Commission's resources.

Congress); MUR 4522 (*Republican Party of Bexar County*); MUR 4523 (*Cong. Andrea Seastrand*); MUR 4524 (*Danny Covington Campaign Fund Committee*); MUR 4526 (*Hoffell for Congress*); MUR 4528 (*Pete King for Congress*); MUR 4529 (*Pete King for Congress*); MUR 4532 (*Citizen's Committee for Gilman for Congress*); MUR 4535 (*Visclosky for Congress*); MUR 4537 (*Di Nicola for Congress*); MUR 4541 (*Ross Perot*); MUR 4543 (*Blagojevich for Congress*); MUR 4550 (*Friends of Wamp for Congress*); MUR 4551 (*John N. Hostettler*); MUR 4557 (*De La Rosa for Congress*); MUR 4559 (*Bill Baker for Congress*); MUR 4560 (*George Stuart Jr. for Congress*); MUR 4562 (*Wayne E. Schile*); MUR 4566 (*Al Gore*); MUR 4574 (*Danny Covington Campaign Fund Committee*); MUR 4576 (*Volunteers for Shimkus*); MUR 4579 (*New Zion Baptist Church*); MUR 4580 (*Friends of Mike Forbes*); MUR 4584 (*Bill Baker for Congress*); MUR 4588 (*Navarro for Congress*); and MUR 4613 (*Guy Kelley for Congress*).

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The U.S. District Court for the District of Columbia, however, held in *Democratic Senatorial Campaign Committee v. FEC*, Civ. Action No. 95-0349 (D.D.C. April 17, 1996) that 24 months was too long a time in which to hold a case in an inactive status.

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Twenty one cases have remained on the Central Enforcement Docket for a sufficient period of time to render them stale, all of which are recommended for closure in this Report.<sup>4</sup> This group includes four MURs that became stale several months ago, but were held pending criminal prosecution by the Department of Justice.<sup>5</sup> DOJ obtained convictions in the two criminal cases related to these four MURs (*U.S. v. Jay Kim* and *U.S. v. Dynamic Energy Resources*) based upon guilty pleas by the key defendants, who are also the principal respondents in our pending matters. Pursuit of civil enforcement action in view of the satisfactory results obtained in the criminal cases would not be the most effective use of the Commission's scarce resources at this time.

We recommend that the Commission exercise its prosecutorial discretion and direct closure of the cases listed below, effective August 29, 1997. Closing these cases as

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<sup>4</sup> These cases are: MUR 4274 (GOPAC); MUR 4358 (Miller for Senate); MUR 4361 (ABC-TV); MUR 4368 (Citizens Business Bank); MUR 4380 (AFGE Local 2391 PAC); MUR 4383 (Dial for Congress); MUR 4386 (Zimmer for Senate); MUR 4396 (ABC); MUR 4404 (Friends of Steve Stockman); MUR 4410 (39th Legislative District); MUR 4417 (Our Choice II); MUR 4422 (Desana for Congress Committee); and Pre-MUR 336 (Park National Bank & Trust).

<sup>5</sup> These cases are: MUR 3796 (Jay Kim for Congress); MUR 3798 (Jay Kim); MUR 4273 (Jay Kim); and MUR 4356 (Dynamic Energy Resources). In dismissing the Jay Kim cases, we also recommend closing Pre-MUR 352, which is the transmittal of the guilty plea agreement and related documentation in the criminal case against Congressman Kim forwarded by United States Attorney's office.

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of this date will permit CED and the Legal Review Team the necessary time to prepare closing letters and case files for the public record.

### III. RECOMMENDATIONS.

A. Decline to open a MUR, close the file effective August 29, 1997, and approve the appropriate letters in the following matters:

Pre-MUR 336

Pre-MUR 352

B. Take no action, close the file effective August 29, 1997, and approve the appropriate letters in the following matters:

MUR 3796	MUR 4396	MUR 4522	MUR 4559
MUR 3798	MUR 4404	MUR 4523	MUR 4560
MUR 4274	MUR 4410	MUR 4524	MUR 4562
MUR 4275	MUR 4417	MUR 4526	MUR 4566
	MUR 4422	MUR 4528	MUR 4574
MUR 4356	MUR 4470	MUR 4529	MUR 4576
MUR 4358	MUR 4478	MUR 4532	MUR 4579
MUR 4361	MUR 4492	MUR 4535	MUR 4580
MUR 4368	MUR 4498	MUR 4537	MUR 4584
	MUR 4506	MUR 4541	MUR 4588
MUR 4380	MUR 4512	MUR 4548	MUR 4613
MUR 4385	MUR 4517	MUR 4550	
MUR 4386	MUR 4518	MUR 4551	
	MUR 4520	MUR 4557	

8/14/97  
Date

Lawrence M. Noble (42)  
Lawrence M. Noble  
General Counsel

Attachment:  
Case Summaries

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Enforcement Priority ) Agenda Document No. X97-55

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on August 19, 1997, do hereby certify that the Commission decided by a vote of 4-1 to take the following actions with respect to Agenda Document No. X97-55:

- A. Decline to open a MUR, close the file effective August 29, 1997, and approve the appropriate letters in the following matters:
1. Pre-MUR 336. 2. Pre-MUR 352.
- B. Take no action, close the file effective August 29, 1997, and approve the appropriate letters in the following matters:
1. MUR 3796. 2. MUR 3798. 3. MUR 4274.  
4. MUR 4275. 5. MUR 4356. 6. MUR 4358.  
7. MUR 4361. 8. MUR 4368. 9. MUR 4380.  
10. MUR 4385. 11. MUR 4386. 12. MUR 4396.  
13. MUR 4404. 14. MUR 4410. 15. MUR 4417.  
16. MUR 4422. 17. MUR 4470. 18. MUR 4478.

(continued)

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Federal Election Commission  
Certification: Enforcement Priority  
August 19, 1997

Page 2

19. MUR 4492. 20. MUR 4498. 21. MUR 4506.  
22. MUR 4512. 23. MUR 4517. 24. MUR 4518.  
25. MUR 4520. 26. MUR 4522. 27. MUR 4523.  
28. MUR 4524. 29. MUR 4526. 30. MUR 4528  
31. MUR 4529. 32. MUR 4532. 33. MUR 4535.  
34. MUR 4537. 35. MUR 4541. 36. MUR 4548  
37. MUR 4550. 38. MUR 4551. 39. MUR 4557.  
40. MUR 4559. 41. MUR 4560. 42. MUR 4562.  
43. MUR 4566. 44. MUR 4574. 45. MUR 4576.  
46. MUR 4579. 47. MUR 4580. 48. MUR 4584.  
49. MUR 4588. 50. MUR 4613.

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

Attest:

8-21-97  
Date

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

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Jim Battista  
188 West Randolph Street, Suite 627  
Chicago, IL 60601

RE: MUR 4548

Dear Mr. Battista:

On October 29, 1997, the Federal Election Commission received your complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against the respondents. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997. This matter will become part of the public record within 30 days.

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,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

970435069

Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary, responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 29, 1997

Michael Igoe, Jr.  
222 N. LaSalle  
Chicago, IL 60601

RE: MUR 4548

Dear Mr. Igoe:

On November 27, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

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Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

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This matter is less significant relative to other matters pending before the Commission.



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Ranko Bjelopetrovich  
601 S. Engel Blvd.  
Park Ridge, IL 60608

RE: MUR 4548

Dear Mr. Bjelopetrovich:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

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Narrative



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Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Joseph Cavanaugh  
39 S. LaSalle Street  
Chicago, IL 60603

RE: MUR 4548

Dear Mr. Cavanaugh:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

A handwritten signature in black ink, appearing to read "F. Andrew Turley", is positioned above the typed name.

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.

97043635076



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Rudnick & Wolfe  
203 N. LaSalle Street  
Chicago, IL 60601-1293

RE: MUR 4548

Dear Sir or Madam:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against Rudnick & Wolfe. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative



97043635078

Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Michael V. Casey, Esquire  
HOLLEB & COFF  
55 East Monroe Street  
Chicago, IL 60603

RE: MUR 4548  
Holleb & Coff

Dear Mr. Casey:

On November 4, 1996, the Federal Election Commission notified Holleb & Coff of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against Holleb & Coff. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

97043835079

9704333080

Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating the he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Fishman and Fishman, Ltd.  
134 N. LaSalle Street  
Chicago, IL 60602

RE: MUR 4548

Dear Sir or Madam:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative



Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Iggoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.

9704335082





**FEDERAL ELECTION COMMISSION**  
WASHINGTON, D.C. 20463

August 29, 1997

Lino J. Menconi, Esquire  
2500 E. Devon Avenue, Suite 300  
Des Plaines, IL 60018

RE: MUR 4548  
Ronald Rossi

Dear Mr. Menconi:

On November 4, 1996, the Federal Election Commission notified your client, Ronald Rossi, of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your client. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

A handwritten signature in dark ink, appearing to read "F. Andrew Turley".

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.

97043835084



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Bruce Kohen  
626 Warbler Cr.  
Highland Park, IL 60035

RE: MUR 4548

Dear Mr. Kohen:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative



Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

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Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.

97043035086





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Radomir Jovanovich, M.D.  
5433 N. Milwaukee Avenue  
Chicago, IL 60630

RE: MUR 4548

Dear Dr. Jovanovich:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

970436087

Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary, responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Iggo states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Jeffrey Goldberg  
180 E. Pearson  
Chicago, IL 60611

RE: MUR 4548

Dear Mr. Goldberg:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

97043035089



Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

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Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary, responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

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This matter is less significant relative to other matters pending before the Commission.

9704335090





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Michael E. Fulton  
520 Des Plaines  
Forest Park, IL 60130

RE: MUR 4548

Dear Mr. Fulton:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

A handwritten signature in black ink, appearing to read "F. Andrew Turley", is written over a horizontal line.

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

9704303091

Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Marilyn Drury  
PO Box 1399  
Park Ridge, IL 60068

RE: MUR 4548

Dear Ms. Drury:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

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If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

9704335093



Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

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Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary, responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

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Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

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This matter is less significant relative to other matters pending before the Commission.





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Gerald Donlon  
2326 Weatherfield Way  
Schaumburg, IL 60693

RE: MUR 4548

Dear Mr. Donlon:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

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Sincerely,

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F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

97043035095

9704363096

Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

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This matter is less significant relative to other matters pending before the Commission.



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 29, 1997

Joseph Curci  
2719 N. Greenvview  
Chicago, IL 60614

RE: MUR 4548

Dear Mr. Curci:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

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Sincerely,

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F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

97043635097



Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

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Respondent Bruce Kohert, who the complainant alleges contributed \$1,250 for the primary, responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

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This matter is less significant relative to other matters pending before the Commission.





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 29, 1997

George Cullen  
35 E. Wacker Drive  
Chicago, IL 60601

RE: MUR 4548

Dear Mr. Cullen:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

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Sincerely,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative

Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

William Biederman, Esquire  
BIEDERMAN & O'KEEFE, LTD.  
30 N. LaSalle Street, Suite 1426  
Chicago, IL 60602

RE: MUR 4548  
Axelrod and Associates

Dear Mr. Biederman:

On November 4, 1996, the Federal Election Commission notified your client, Axelrod and Associates, of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your client. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Dockets

Attachment  
Narrative

97043835101



Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Igoe states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating the he redesignated \$300 to the general election. Joseph Kavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$525 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Robert F. Bauer, Esquire  
Marc E. Elias, Esquire  
PERKINS COIE  
607 Fourteenth Street, N.W.  
Washington, D.C. 20005

RE: MUR 4548  
Blagojevich for Congress and Patricia Feeley, Treasurer

Dear Messrs. Bauer and Elias:

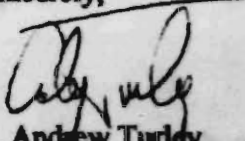
On November 4, 1996, the Federal Election Commission notified your clients of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your clients. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

  
F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Desk

Attachment  
Narrative

9704363103

Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

Blagojevich for Congress responds that the expenses advanced by Axelrod and Associates were in the ordinary course of their business, in accordance with FEC Advisory Opinion 1979-36. Axelrod, in its ordinary course of business, entered into a written agreement detailing the terms of their relationship. Under the agreement, the Committee agreed to a certain payment schedule as well as to an 18% interest rate for late payment. With regard to the other allegations, the Committee asserts that it is reviewing its records and accounts, and will take corrective action if necessary.

Axelrod and Associates responds that this transaction was within its ordinary course of business, with one exception: that the candidate agreed to be personally liable for the debt, for them to incur and pay production expenses for advertisements. Axelrod advanced \$140,466.45 to the Committee with the understanding and expectations that they would be reimbursed within 15 days. Payments not received in a timely manner accrue interest at the rate of 18% per annum. The Committee repaid \$85,000. Because the Committee failed to reimburse them in full, \$9,524.75 in interest has accrued and been charged to the Committee.

Respondent Bruce Kohen, who the complainant alleges contributed \$1,250 for the primary responds that on October 18, 1996, he sent the Committee a form to redesignate a \$250 contribution from himself to his wife. Respondent Michael Iggo states that he can find no record of contributing \$1,350 to the Blagojevich Committee, though he admitted contributing \$850 to the campaign. Holleb & Coff admits to mistakenly submitting \$3,000 in contributions in its own name to the Committee, which were intended to be allocated to each of its partners. As a result of receiving the complaint, the firm submitted a written request to the Committee for a \$2,000 reimbursement.

Respondent Joseph Curei responds that he made two contributions of \$1,000 each to the Committee. He then received a letter from the Committee, along with a redesignation form, stating that his most recent contribution cannot be attributed to the primary election. He then redesignated the contribution to the general election. The Committee disclosed the redesignation on its 1996 Amended April Quarterly Report.

Respondent Gerald Donlon, who was alleged to have contributed \$1,300 for the primary election, advises that he contacted the Committee and was promised an immediate refund of the excessive contribution.

Respondent Norman Fishman states that the Committee erroneously attributed a personal contribution of \$2,000 for the primary election to Fishman & Fishman, Ltd. He states that the Committee refunded \$1,000 on November 25, 1996. Rudnick & Wolfe responds that the \$1,500 contribution to the Committee was to pay the cost of a fund-raising event. They understood that the contribution would be for the primary and general elections. In response to Rudnick & Wolfe's inquiry, the Committee refunded \$500.

In response to the complaint George Cullen states that of the \$1,150 he contributed to the Committee, \$150 was to have been attributed to the general election. Radomir Jovanovich, who was alleged to have contributed \$1,300 to the primary, responds by submitting a form on the Committee's letterhead stating the he redesignated \$300 to the general election. Joseph Cavanaugh, who was alleged to have contributed \$1,525 to the primary election, responds that he redesignated \$325 to the general election, which was disclosed in the Committee's 1995 Amended Year End and 1996 Amended April Quarterly Reports.

This matter is less significant relative to other matters pending before the Commission.

97043835104



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 29, 1997

Patricia Feeley, Treasurer  
Citizens for Blagojevich (Non-Federal Account)  
3649 N. Kedzie Avenue  
Chicago, IL 60618

RE: MUR 4548

Dear Ms. Feeley:

On November 4, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against Citizens of Blagojevich (Non-Federal Account) and you, as treasurer. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 219-3400.

Sincerely,

A handwritten signature in black ink, appearing to read "F. Andrew Turley".

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Attachment  
Narrative



Jim Battista alleges that the Blagojevich for Congress Committee received an extension of credit from Axelrod and Associates which was not within that firm's ordinary course of business. Specifically, he alleges that the Committee incurred a \$140,466.45 debt to Axelrod and Associates for television advertising. The Committee reportedly repaid \$47,065 on the principal over a period of seven months and was not charged interest. It appeared to Mr. Battista that the Committee had adequate funds to repay the debt in full. Mr. Battista also alleges that the Committee accepted \$8,405 in excessive contributions to the primary campaign.

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This matter is less significant relative to other matters pending before the Commission.

97040635106





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4548

DATE FILMED 9-23-67 CAMERA NO. 4

CAMERAMAN JM/1

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