

1 **BEFORE THE FEDERAL ELECTION COMMISSION**

2  
3 In the Matter of

4 )  
5 Larry Morgan )  
6 )

DEC 31 2003  
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2003 DEC 31 12:18:02  
MUR 4818

**SENSITIVE**

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8 **GENERAL COUNSEL'S REPORT #13**  
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10 **I. ACTIONS RECOMMENDED**

11 Accept the attached conciliation agreement.

12 **II. BACKGROUND**

13 MUR 4818 arose from a complaint alleging that Walt Roberts and Walt Roberts for  
14 Congress ("the Committee") knowingly and willfully violated 2 U.S.C. § 441a(f). Through the  
15 Commission's investigation, we discovered that Gene Stipe was at the center of multiple  
16 schemes that transferred funds from Stipe into the Committee, while hiding Stipe as the true  
17 source of the contributions. One scheme included recruiting intermediaries, such as Larry  
18 Morgan, to whom Stipe, with the help of Michael Mass, gave at least fifteen thousand dollars.  
19 Morgan then funneled Stipe's money to straw contributors so as to make the contributions appear  
20 as if they were legitimate. Michael Mass has already signed a conciliation agreement and paid a  
21 civil penalty approved by the Commission.

22 On October 9, 2003, the Commission found reason to believe that Larry Morgan  
23 knowingly and willfully violated 2 U.S.C. § 441f by assisting Stipe in the making of excessive  
24 contributions in the names of others and entered pre-probable cause conciliation.  
25

CONCILIATION INFORMATION IS CONTAINED IN PAGE 2.  
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24-04-403-1392

IV. RECOMMENDATIONS

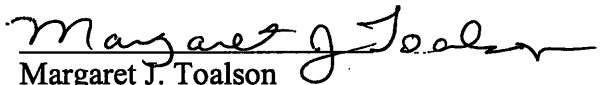
1. Accept the attached conciliation agreement with Larry Morgan.
2. Close the file as to Larry Morgan.
3. Approve the appropriate letter.


Lawrence H. Norton  
General Counsel

Rhonda J. Vosdingh  
Associate General Counsel  
for Enforcement

BY:

  
Jonathan A. Bernstein  
Assistant General Counsel

  
Margaret J. Toalson  
Attorney

  
Daniel G. Pinegar  
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Attachment:

1. Ltr. (12/16/2003): Conciliation Agreement and Check