



FEDERAL ELECTION COMMISSION  
WASHINGTON, D C. 20463

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**SENSITIVE**

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**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Lyn Utrecht, Esq.  
Ryan, Phillips & Utrecht  
1133 Connecticut Avenue, NW – Suite 300  
Washington, DC 20036

RE: MUR 5366  
Edwards for President, and  
Julius Chambers, as treasurer

Dear Ms. Utrecht:

On June 6, 2003, the Federal Election Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your clients at that time.

Upon further review of the allegations contained in the complaint and information provided by your clients, the Commission, on November 9, 2004, found that there is reason to believe that Edwards for President and Julius Chambers, as treasurer, violated 2 U.S.C. §§ 441b and 441f, provisions of the Act. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath.

In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred

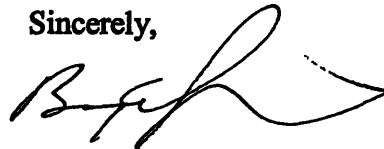
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Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily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

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

If you have any questions, please contact Brant S. Levine, the attorney assigned to this matter, at (202) 694-1572.

Sincerely,



Bradley A. Smith  
Chairman

Enclosures

Factual and Legal Analysis

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**FEDERAL ELECTION COMMISSION**  
**FACTUAL AND LEGAL ANALYSIS**

**Respondents:** Edwards for President and Julius  
Chambers, as treasurer

**MUR: 5366**

**I. INTRODUCTION**

This matter was generated by a complaint filed by the American Conservative Union dated May 30, 2003. *See* 2 U.S.C. § 437g(a)(1). The complaint alleged that that Edwards for President and Julius Chambers, as treasurer, ("the Edwards Committee") violated the Federal Election Campaign Act of 1971, as amended, ("the Act"), by accepting contributions made in the name of another. The complaint relied on media reports that identified numerous law firms whose employees reportedly made questionable contributions to the Edwards Committee. *See* Complaint, Exs. A-F. Most specifically, the *Washington Post* reported that a paralegal in the Arkansas law firm of Turner & Associates received assurances from her boss, Tab Turner, that she would be reimbursed for her contribution to John Edwards's principal campaign committee, Edwards for President ("the Edwards Committee"). *See* Complaint, Ex. A.

In response to the complaint, the Edwards Committee asserts that it played no role in soliciting contributions from employees of Turner & Associates and that it did not become aware that the contributions may have been reimbursed until after the media reported the issue in early April 2003. According to its disclosure reports, the Edwards Committee refunded the contributions to the Turner employees on April 7, 2003. As to contributions received from employees of other law firms cited in the complaint, the Edwards Committee disputes any illegality, arguing that a pattern of giving by employees on the same day does not violate the Act.

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## II. FACTUAL AND LEGAL ANALYSIS

Information obtained by the Commission since the complaint was filed indicates that the Edwards Committee may have violated the Act by accepting prohibited corporate contributions and by accepting a contribution made in the name of another. *See* 2 U.S.C. §§ 441b and 441f.<sup>1</sup>

### A. Corporate Contributions

Turner & Associates—a corporate entity—appears to have made in-kind contributions to the Edwards Committee related to two fundraising receptions hosted by Tab Turner in Little Rock, Arkansas, in February 2003. Turner agreed to host these fundraisers for Senator Edwards at the request of Jennifer Kinder, an employee of the Edwards Committee. Kinder previously worked for the Democratic National Committee, where she had assisted Turner in hosting fundraising events for two senatorial candidates in 2002.

According to information obtained by the Commission, in February 2003 Turner & Associates paid \$2,357.88 for hotel and car expenses for employees of the Edwards Committee who traveled to Little Rock for the fundraising events.<sup>2</sup> In addition, Turner & Associates also required its employees to assist the Edwards Committee in planning the fundraising events. Brenda Gwin, the firm administrator at the time, regularly interacted with Jennifer Kinder of the Edwards Committee to plan the events and collect contributions. Gwin also occasionally requested that other Turner employees assist with the planning and fundraising, which they did.

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<sup>1</sup> Other information obtained by the Commission indicates that individuals associated with law firm cited in the complaint—Turner & Associates may have been reimbursed for their contributions to the Edwards Committee. Nonetheless, there is no current indication that Edwards Committee knew that these contributions were illegal at the time they were made or that the Edwards Committee failed to refund the contributions within 30 days of learning of an illegality. *See* 11 C.F.R. § 103.3(b).

<sup>2</sup> Tab Turner personally signed a hotel form authorizing his firm credit card to be charged for room expenses for two employees of the Edwards Committee who traveled to Little Rock for the fundraisers. The expenses were paid out of the firm's bank account, but noted as personal expenses in the accounting ledgers for the firm. Items recorded as personal expenses are apparently treated as income to Tab Turner at the end of the year. The Edwards Committee eventually reimbursed Tab Turner for these expenses on July 22, 2003—after the complaint was filed in this matter.

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Gwin performed these services during her normal working hours as part of her official job responsibilities for the firm, sometimes spending more than 40 hours per week on fundraising activities.

Both the payments for the travel expenses and the personal services provided by employees of Turner & Associates to the Edwards Committee appear to constitute in-kind contributions from the firm to the campaign and thus warrant an investigation into whether the Edwards Committee knowingly accepted prohibited corporate contributions. *See* 2 U.S.C. § 441b. Therefore, there is reason to believe that the Edwards Committee violated 2 U.S.C. § 441b.

**B. Contributions Made in the Name of Another**

Tab Turner's brother and sister-in-law, Neal and Elizabeth Turner, contributed \$2,000 to the Edwards Committee on February 28, 2003.<sup>3</sup> Information obtained by the Commission shows that Tab Turner paid for this contribution during one of the fundraising receptions for Senator Edwards in Little Rock. One person who attended the fundraiser stated that Jennifer Kinder, an employee of the Edwards Committee, asked Tab Turner for his credit card to effectuate the contribution for Neal and Elizabeth Turner. Kinder then filled out a donor card for Neal and Elizabeth Turner. The completed donor card lists Tab Turner's first initial and last name as the name on the credit card used for the contribution, but appears to be signed by Neal and Elizabeth Turner. The Commission has since received an unverified representation that the reason Tab Turner paid for Neal and Elizabeth Turner's contribution is because Tab owed Neal money for a boat that Tab previously agreed to buy from Neal.

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<sup>3</sup> The Edwards Committee refunded this contribution on July 23, 2003.

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Because Tab Turner appears to have paid for the contribution by Neal and Elizabeth Turner with the apparent knowledge of the Edwards Committee, further investigation is needed to determine whether the Edwards Committee violated the Act. The Act prohibits any person from making a contribution in the name of another person, from knowingly assisting in making such contributions, or from knowingly accepting such contributions. *See* 2 U.S.C. § 441f; 11 C.F.R. § 110.4(b)(1)(iii). An example of making a contribution in the name of another includes making a monetary contribution and attributing as the source of the money another person when in fact the contributor is the true source. *See* 11 C.F.R. § 110.4(b)(2)(ii). Therefore, there is reason to believe that the Edwards Committee violated 2 U.S.C. § 441f.

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