

MAY 04 2006

BEFORE THE FEDERAL ELECTION COMMISSION

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COMMISSION
SECRETARIAT

In the Matter of:

2006 MAY -5 A 9:47

Tab Turner

Turner & Associates

Edwards for President and Julius
Chambers, in his official capacity as
treasurer

The Honorable John Edwards

SENSITIVE

MUR 5366

GENERAL COUNSEL'S REPORT #6

1 I. ACTIONS RECOMMENDED

- 2 Accept the attached signed conciliation agreements with (1) Tab Turner and Turner &
3 Associates, and (2) Edwards for President and Julius Chambers, in his official capacity as
treasurer; take no action as to John Edwards

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II. INTRODUCTION

This matter arose from a complaint alleging that at least six different law firms may have reimbursed support staff for contributions to Edwards for President ("the Edwards Committee"). Although the Commission found no reason to believe that respondents associated with four of the law firms violated the Act,¹ the Commission has made reason to believe findings as to respondents associated with Turner & Associates and the Edwards Committee.

Our investigation showed that Turner reimbursed four Firm employees for their contributions to the Edwards Committee, and that he also paid for his brother and sister-in-law's contribution. *See* General Counsel's Report #4, dated November 21, 2005, ("GCR #4") at 8-10. These contributions were funded by the Firm—a corporation—out of its general treasury. The Firm also provided in-kind services to the Edwards Committee and paid for hotel and car rental expenses for staff of the Edwards Committee. *See* GCR #4 at 6-8. The investigation also showed that the Edwards Committee knowingly accepted these in-kind contributions as well as the \$2,000 contribution made in the name of Turner's brother and sister-in-law.

¹ On April 14, 2004, the Commission found no reason to believe that respondents associated with the following law firms violated the Act in this matter and closed the file as it pertained to them: Howarth & Smith; Robinson, Calcagnie & Robinson; Shernoff, Bidart & Darras LLP; and Wilkes & McHugh. *See* First General Counsel's Report, dated April 8, 2004, at 8-9.

1 For Tab Turner and the Firm, we have negotiated a mutually acceptable conciliation
2 agreement that reflects the Commission's conclusion as to the knowing and willful nature of
3 Turner's conduct but does not require an explicit admission of knowing and willful violations.
4 The agreement also requires Turner to pay a \$50,000 civil penalty. See Attachment 1.

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9 For the Edwards Committee, we have likewise reached accord with an agreement in
10 which the Edwards Committee admits to certain violations and pays a civil penalty of \$9,500,
11 See Attachment 2.

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15 **III. RESULTS OF CONCILIATION**

16 **A. Tab Turner and Turner and Associates**
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B. Edwards for President

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7 John Edwards himself, who is also a respondent in this matter. The
8 Commission earlier determined to take no action at that time as to him because neither the
9 complaint nor publicly available information indicated that he had any personal involvement in
10 the alleged violations. See First General Counsel's Report at 9-11. Although our investigation
11 has shown that Senator Edwards was personally involved with the fundraisers hosted by Turner,
12 there is no evidence that he knowingly accepted prohibited contributions. Therefore, this Office
13 recommends that the Commission take no action as to him.

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V. RECOMMENDATIONS

1. Accept the attached, signed conciliation agreement with Tab Turner and Turner & Associates;
2. Accept the attached, signed conciliation agreement with Edwards for President and Julius Chambers, in his official capacity as treasurer;
3. Take no action as to John Edwards;
- 4.
- 5.
6. Close the file in MUR 5366; and

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7. Approve the appropriate letters.

Lawrence H. Norton
General Counsel

Rhonda J. Vosdingh
Associate General Counsel for Enforcement

5/4/06
Date

Mark D. Shonkwiler
BY: Mark D. Shonkwiler
Assistant General Counsel

Brant S. Levine
Brant S. Levine
Attorney

Attachments:

1. Signed conciliation agreement for Tab Turner and Turner & Associates
2. Signed conciliation agreement for Edwards for President

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