

CUBA DEMOCRACY ADVOCATES

1320 19th Street, N.W., Suite 600
Washington, D.C. 20036

October 23, 2006

Mr. Jeff S. Jordan
Office of the General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 5830

Dear Mr. Jordan:

This letter is in response to a complaint (MUR 5830) received by the Federal Election Commission ("Commission") alleging violations by Respondents, Cuba Democracy Advocates (EIN 54-2003328), Mr. Leopoldo Fernandez-Pujals, and Mr. Mauricio Claver-Carone, Esq., of the Federal Election Campaign Act of 1971 ("FECA").

The complaint filed by Citizens for Responsibility and Ethics in Washington ("CREW") is full of factual inaccuracies, mischaracterizations, and defamatory statements. *Cuba Democracy Advocates* ("CDA") was duly formed -- pursuant to the District of Columbia Nonprofit Corporation Act-- in September, 2000 under the name *Cuba Libertad*. Shortly after its incorporation, the name was changed to *Citizens for Liberty in Cuba*. In November, 2000, the organization applied for and received Recognition of Tax-Exemption under Section 501(c) (3) of the Internal Revenue Code. Its name was changed to its current form, CDA, in September, 2003. (See Attachment A, CDA Certificate of Amendment).

In compliance with its exempt status, CDA is not, or has ever been, involved in any political activity. According to Section 8.01 of CDA's bylaws, "notwithstanding any provision in these bylaws or in [CDA]'s Articles of Incorporation, [CDA] shall not carry on any activities not permitted to be carried on by an organization exempt from federal income tax as an organization described in Section 501 (c)(3) of the [Internal Revenue] Code, or the corresponding provision of any future federal tax code." (See Attachment B, Article VIII, Section 8.01, Bylaws of CDA). The exempt purpose of CDA is to promote respect for human rights, representative democracy, and individual freedoms in Cuba. The organization pursues its exempt purpose by means of the compilation, publication and dissemination of human rights violations by the Cuban government; advocacy campaigns in favor of the release of political prisoners in Cuba; educational forums and

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discussion panels on examples of transitions to democracy in Spain, Central and Eastern Europe, and Latin America; the design and promotion of humanitarian and infrastructure assistance programs for the Cuban civil society; and research focused on the economic, social, and cultural complexities of Cuba and the Cuban people.

CDA leases office space at 1320 19th Street, N.W., Suite 600, Washington, D.C. 20036. According to the bylaws of CDA, "all corporate powers shall be exercised by, or under the authority of, and the business of the corporation shall be managed under the direction of, the Board of Directors." (See Attachment C, Article IV, Section 4.01, Bylaws of CDA). The Board of Directors of CDA is currently composed of five (5) independent Members: Mr. Mauricio Claver-Carone, Esq., Mr. Leopoldo Fernandez-Pujals, Mr. Carlos Gutierrez, Jr., Mr. Alain Lopez, Esq., and Mr. Felipe Sixto, Esq.

Furthermore, the bylaws of CDA prescribe that, "the corporation may pay compensation to agents and employees for services rendered, and may reimburse agents and employees for expenses incurred in the performance of their duties to the corporation, in reasonable amounts, such amounts to be fixed by the Board of Directors." (See Attachment D, Article VI, Section 6.06, Bylaws of CDA). Mr. Mauricio Claver-Carone, Esq., serves as the Executive Director of CDA. In such capacity, he is compensated by CDA solely for services rendered in furtherance of CDA's stated exempt purpose.

In the same manner, all contributions received by CDA are apportioned solely for the pursuit of CDA's stated exempt purpose. As permitted by law, Mr. Leopoldo Fernandez-Pujals is a generous supporter of numerous charitable, cultural, and civic organizations in the United States and throughout the world. Mr. Fernandez-Pujals has been a financial supporter of CDA since its inception in September, 2000. Mr. Fernandez-Pujals' contributions to CDA have been solely in pursuit of CDA's stated exempt purpose. Throughout this time, Mr. Fernandez-Pujals has never expressed any desire to undertake any activity outside CDA's stated exempt purpose. Moreover, Mr. Fernandez-Pujals has never attempted or sought to direct, dictate, control, or exert influence over any individual Member of CDA's Board of Director's decision-making process with regards to such person's federal or non-federal election related activities, as the complaint falsely alleges.

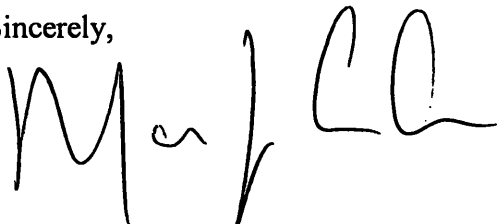
Political contributions and volunteer activities -- as permitted by FECA -- by individual Members of CDA's Board of Directors are solely a matter of personal choice. The complaint specifically addresses the political contributions and volunteer activities of Mr. Mauricio Claver-Carone. As a citizen of the United States, Mr. Claver-Carone is free to make personal direct and in-kind contributions, and volunteer his personal time, to the candidates and committees of his choice, within the limitations in FECA. All political contributions and volunteer activities ever made by Mr. Claver-Carone have been solely pursuant to his personal volition. Mr. Claver-Carone has never conducted, or been asked to conduct, political activities, or make political contributions and/or expenditures -- directly or indirectly -- on behalf of Mr. Leopoldo Fernandez-Pujals, or any other person or entity. (See Attachment E, Mauricio Claver-Carone Affidavit).

Finally, it's important to note that, for the past fifteen (15) years (prior to the creation of any of the organizations mentioned in the complaint), Mr. Claver-Carone has been a consistent supporter, and volunteer, of numerous other organizations dedicated to the promotion of human rights and democracy for the Cuban people, as it involves an issue of life-long personal commitment. Any contributions ever made by Mr. Claver-Carone, whether charitable or political, have always derived from Mr. Claver-Carone's personal, taxable, income.

Please do not hesitate to contact me with any further questions.

Thank you for your time and attention.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Claver-Carone', with a stylized flourish at the end.

Mauricio Claver-Carone, Esq.

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ATTACHMENT A

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS



CERTIFICATE

THIS IS TO CERTIFY that all applicable provisions of the District of Columbia Nonprofit Corporation Act have been complied with and accordingly, this **CERTIFICATE OF AMENDMENT** is hereby issued to:

CITIZEN FOR LIBERTY IN CUBA

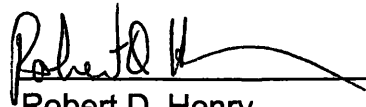
Name Changed To

CUBA DEMOCRACY ADVOCATES, INC.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of this office to be affixed as of the **5th** day of **September, 2003**.

David Clark
DIRECTOR

John T. Drann
Acting Administrator
Business Regulation Administration


Robert D. Henry
Act. Assistant Superintendent of Corporations
Corporations Division

Anthony A. Williams
Mayor

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ATTACHMENT B

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The indemnification provided by this Section shall not be deemed exclusive of any other rights to which such Director, officer, or employee may be entitled under any statute, Bylaw, agreement, vote of the Board of Directors, or otherwise and shall not restrict the power of the Corporation to make any indemnification permitted by law.

The Board of Directors may authorize the purchase of insurance on behalf of any Director, officer, employee, or other agent against any liability asserted against or incurred by him or her which arises out of such person's status as a Director, officer, employee, or agent or out of acts taken in such capacity, whether or not the Corporation would have the power to indemnify the person against that liability under law.

In no case, however, shall the Corporation indemnify, reimburse, or insure any person for any taxes imposed on such individual under chapter 42 of the Internal Revenue Code of 1986, as amended (the "Code").

If any part of this Section shall be found in any action, suit, or proceeding to be invalid or ineffective, the validity and the effectiveness of the remaining parts shall not be affected.

Section 7.06. Loans to Directors and Officers. No loans shall be made by the Corporation to its Directors or officers.

ARTICLE VIII

Exempt Status

Section 8.01. Exempt Status. Notwithstanding any provision in these Bylaws or in the Corporation's Articles of Incorporation, the Corporation shall not carry on any activities not permitted to be carried on by an organization exempt from federal income tax as an organization described in § 501(c)(3) of the Code or the corresponding provision of any future federal tax code, or by an organization contributions to which are deductible under §§ 170(c)(2), 2055(a)(2) and 2522(a)(2) of the Code or the corresponding provision of any future federal tax code.

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ATTACHMENT C

ARTICLE IV
Board of Directors

Section 4.01. Power and Qualification of the Board of Directors. All corporate powers shall be exercised by, or under the authority of, and the business of the Corporation shall be managed under the direction of, the Board of Directors. Directors need not be residents of the District of Columbia.

Section 4.02. Number of Directors. The number of Directors constituting the entire Board of Directors of the Corporation shall not be less than three (3) and shall include the Chairman of the Board. The number of Directors may be increased or decreased from time to time by amendment to the Bylaws. No decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director.

Section 4.03. Election and Term of Directors. The initial Board of Directors of the Corporation shall consist of those persons named in the Articles of Incorporation. At each annual meeting of the Board of Directors, the Directors then in office shall elect Directors. Each Director shall hold office for a term of one year until the next annual meeting of the Board, and until his or her successor has been elected and qualified. A Director may succeed himself or herself in office.

Section 4.04. Vacancies. Any vacancy in the Board of Directors, occurring either through any newly created directorships or by reason of death, resignation, retirement, disqualification, or removal of a Director, shall be filled by appointment by the Board of Directors. A Director so elected shall serve until the close of the next annual meeting of the Board of Directors or until his or her successor is elected and qualified.

Section 4.05. Removal of Directors. A Director may be removed, with or without cause, by a vote of a majority of the Directors then in office at a meeting of the Board of Directors expressly called for that purpose.

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ATTACHMENT D

Section 6.06. Compensation of Officers, Agents and Employees. (a) The officers of the Corporation shall serve without compensation for services rendered by them in their capacity as officers.

(b) By resolution of the Board of Directors, officers of the Corporation may be reimbursed for reasonable expenses paid while acting on behalf of the Corporation.

(c) The Corporation may pay compensation to agents and employees for services rendered, and may reimburse agents and employees for expenses incurred in the performance of their duties to the Corporation, in reasonable amounts, such amounts to be fixed by the Board of Directors.

(d) The Board of Directors may require agents or employees to give security for the faithful performance of their duties.

ARTICLE VII *Miscellaneous*

Section 7.01. Fiscal Year. The fiscal year of the Corporation shall be the calendar year or such other period as may be fixed by the Board of Directors.

Section 7.02. Checks, Notes, and Contracts. The Board of Directors shall determine who shall be authorized from time to time on the Corporation's behalf to sign checks, drafts, or other orders for payment of money; to sign acceptances, notes, or other evidences of indebtedness; to enter into contracts; or to execute and deliver other documents and instruments.

Section 7.03. Books and Records to be Kept. The Corporation shall keep at its principal office in the District of Columbia, correct and complete books and records of account, the activities and transactions of the Corporation, the minutes of the proceedings of the Board of Directors and the current list of Directors and officers of the corporation and their residence addresses. Any of the books, minutes and records of the Corporation may be in written form or in any other form capable of being converted into written form within a reasonable time.

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ATTACHMENT E

BEFORE THE FEDERAL ELECTION COMMISSION

**Cuba Democracy Advocates
Leopoldo Fernandez-Pujals
Mauricio Claver-Carone**

MUR 5830

AFFIDAVIT OF MAURICIO CLAVER-CARONE

I, Mauricio Claver-Carone, hereby swear that the following information is based on my personal knowledge, that I am competent to testify, and that it is both true and correct:

1. I am the Executive Director of Cuba Democracy Advocates ("CDA").
2. CDA is an exempt nonprofit corporation based in the District of Columbia.
3. I was born in the State of Florida and am a Citizen of the United States of America.
4. Any political contributions I have ever made to the U.S.-Cuba Democracy PAC, or any other candidate or committee, have been solely pursuant to my personal will and volition.
5. Any volunteer political activities I have ever undertaken with the U.S.-Cuba Democracy PAC, or any other candidate or committee, have been solely pursuant to my personal will and volition.
6. I have never made, or been asked to make, political contributions and/or expenditures, directly or indirectly, on behalf of Mr. Leopoldo Fernandez-Pujals, CDA, or any other person or entity.
7. I have never conducted, or been asked to conduct, any political activities, directly or indirectly, on behalf of Mr. Leopoldo Fernandez-Pujals, CDA, or any other person or entity.



Mauricio Claver-Carone

Dated: October 23, 2006

Signed and sworn to before me this 23 day of October, 2006.



NOTARY PUBLIC

My commission expires:

JOHN W. FEENEY
Notary Public District of Columbia
My Commission Expires February 14, 2009