



FEDERAL ELECTION COMMISSION
Washington, DC 20463

November 23, 2020

VIA ELECTRONIC MAIL

Lawrence Norton
Venable, LLP
600 Massachusetts Avenue, N.W.
Washington, D.C. 20001
LHNorton@venable.com

RE: MUR 7102
Keefe, Keefe, & Unsell, P.C.

Dear Mr. Norton:

Based on a complaint filed with the Federal Election Commission on July 8, 2016, and information supplied by your clients, Keefe, Keefe, & Unsell, P.C., Thomas Q. Keefe, Jr., Thomas Q. Keefe, III, and Samantha Unsell, the Commission, on June 25, 2019, found that there was reason to believe your clients violated 52 U.S.C. § 30122, 30118(a), 30116(a)(1), and 11 C.F.R. §§ 110.4(b)(1)(i), (b)(1)(iii), 114.2(b), (e), and (f), and instituted an investigation of this matter.

Based on the available record, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that Keefe, Keefe, & Unsell, P.C. and Thomas Q. Keefe, Jr., have violated 52 U.S.C. §§ 30122 and 30118(a), and 11 C.F.R. §§ 110.4(b)(1)(i), 114.2(b), (e), and (f).

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file a brief stating your position on the issues and replying to the brief of the General Counsel.¹ The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

¹ You may submit enforcement materials, such as reply briefs, to the FEC electronically at cela@fec.gov, or to the staff attorney assigned to the matter as applicable. Enforcement-related materials submitted only by mail will be deemed received when actually received by OGC staff, subject to delays due to the intermittent processing of mail. See https://www.fec.gov/resources/cms-content/documents/status_of_fec_operations_8-10-2020.pdf.

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If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days and may require that your clients toll the running of the statute of limitations before granting such an extension.

You may also request additional information gathered by the Commission in the course of its investigation in this matter. *See* Agency Procedure for Disclosure of Documents and Information in the Enforcement Process, 76 Fed. Reg. 34986 (June 15, 2011).

In addition, you may also request an oral hearing before the Commission. *See* Procedural Rules for Probable Cause Hearings, 72 Fed. Reg. 64919 (Nov. 19, 2007) and Amendment of Agency Procedures for Probable Cause Hearings, 74 Fed. Reg. 55443 (Oct. 28, 2009). Hearings are voluntary, and no adverse inference will be drawn by the Commission based on a respondent's decision not to request such a hearing. Any request for a hearing must be submitted along with your reply brief and must state with specificity why the hearing is being requested and what issues the respondent expects to address. The Commission will notify you within 30 days of your request for a hearing as to whether or not the request has been granted. If you request a probable cause hearing, the Commission may request that you toll the statute of limitations in connection with that hearing. *Id.* at 64,920.

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement. If we are unable to reach an agreement after 30 days, the Commission may institute a civil suit in United States District Court and seek payment of a civil penalty. See 52 U.S.C. § 30109(a)(6)(A).

Should you have any questions, please contact Kimberly D. Hart, the attorney assigned to this matter, at (202) 694-1618.

Sincerely,

Lisa J. Stevenson /by CK

Lisa J. Stevenson
Acting General Counsel

Enclosure
Brief

1 **BEFORE THE FEDERAL ELECTION COMMISSION**

2
 3 In the Matter of)
 4)
 5 Keefe, Keefe & Unsell, P.C.) MUR 7102
 6 Thomas Q. Keefe Jr.)
 7)
 8)

9 **GENERAL COUNSEL’S BRIEF**

10
 11 **I. STATEMENT OF THE CASE**

12
 13 The Federal Election Commission (“Commission”) received a Complaint alleging that
 14 the Belleville, Illinois, law firm of Keefe, Keefe, & Unsell, P.C. (the “Firm”) and its three named
 15 partners, Thomas Q. Keefe Jr. (“Keefe Jr.”), Thomas Q. Keefe III (“Keefe III”), and Samantha
 16 Unsell (“Unsell”) (also collectively referred to as “the named partners”), violated the Federal
 17 Campaign Act of 1972, as amended (the “Act”), by making and/or consenting to excessive and
 18 prohibited corporate contributions in the names of the Firm employees, and by using or
 19 consenting to the use of the Firm’s corporate resources to facilitate those contributions.
 20 Specifically, the Complaint alleged that Respondents reimbursed at least six Firm administrative
 21 employees for the \$2,700 maximum individual contribution each of them was reported to have
 22 made to the congressional campaign of C.J. Baricevic on the same date in March 2016. While
 23 the response filed by the Firm and its three named partners challenged the sufficiency of the
 24 evidence cited by the Complaint, it failed to address whether the Firm and its partners had
 25 reimbursed federal contributions.

26 On June 25, 2019, the Commission found reason to believe that the Firm violated
 27 52 U.S.C. §§ 30122, 30118(a) and 11 C.F.R. §§ 110.4(b)(1)(i), 114.2(b) and (f).¹ In addition, it
 28 found reason to believe that the named partners, Thomas Q. Keefe Jr., Thomas Q. Keefe III, and

¹ Certification, MUR 7102 (Keefe, Keefe, Unsell, P.C., *et al*) (June 25, 2019).

1 Samantha Unsell, violated 52 U.S.C. §§ 30122, 30118(a), 30116(a)(1) and 11 C.F.R.
2 §§ 110.4(b)(1)(i), (b)(1)(iii), and 114.2(b)(1)(i), (b)(1)(iii), and 114.2(e).² In support of these
3 findings, the Commission relied on the contributors' subordinate positions at the Firm, the timing
4 of the contributions, the lack of an express denial that the contributions had been reimbursed, and
5 that at least four of the six administrative employees had made maximum contributions to Hillary
6 Clinton's Presidential campaign just 13 days earlier.³

7 Following the Commission's reason-to-believe findings, the Office of the General
8 Counsel inquired as to whether Respondents had reimbursed its employees' contributions to
9 Baricevic or any other federal contributions, and the role or knowledge of the three named
10 partners, particularly Keefe Jr., in reimbursing either the Baricevic contributions, or any other
11 federal contributions. Consistent with the Commission's findings, the office specifically asked
12 whether Respondents had reimbursed an additional \$10,800 in maximum \$2,700 individual
13 contributions that four of the same subordinate employees made to Hillary Clinton's presidential
14 campaign on the same date in February 2016.

15 In response to the Commission's findings and questions posed by this office, the Firm
16 submitted an affidavit from its office manager, Debra Eastridge, stating that Keefe Jr., the Firm's
17 sole corporate officer and owner, had solicited various Firm employees to make the maximum

² *Id.* The Response to the Complaint identified Keefe Jr., Keefe III, and Unsell as "partners" of the firm. Response of Keefe, Keefe, & Unsell, P.C.; Thomas Q. Keefe, Jr.; Thomas Q. Keefe, III; and Samantha Unsell ("KKU Resp.") at 1 (Sept. 27, 2016). As noted below, however, in response to the Commission's reason-to-believe findings, the Firm submitted an affidavit from its office manager stating, among other things, that Keefe Jr. was the Firm's sole corporate officer and sole owner, and Keefe III and Unsell, were salaried employees of the Firm, even though they also have the title of "partner." *See* Debra Eastridge Aff., Response to RTB Findings, MUR 7102 (Aug. 2, 2019) ("Eastridge Aff."). Accordingly, Keefe III and Unsell do not appear to have been either the source of the funds used to reimburse the contributions nor corporate officers who consented to the use of the Firm's funds to reimburse the contributions.

³ F&LA at 5-8, MUR 7102 (June 25, 2019).

1 legal \$2,700 contribution to Baricevic, and Eastridge had arranged for each of the seven
2 employees, including herself, to be reimbursed for their contributions, which totaled \$18,900.⁴
3 Eastridge attested that until the Complaint was filed, she did not know that it was illegal to
4 reimburse the federal contributions.⁵ The Eastridge affidavit did not address various issues
5 raised by the Commission's findings or the questions posed by this office, including whether the
6 Baricevic contributions were the only federal contributions the Firm reimbursed, whether the
7 Firm had reimbursed the February 2016 Clinton contributions, and what role or knowledge
8 Keefe Jr., had in authorizing or consenting to the use of the Firm's corporate funds to make or
9 reimburse the contributions.⁶

10 In response to the Eastridge Affidavit, this office sought information regarding the issues
11 noted immediately above.⁷ Respondents did not cooperate with this or subsequent requests for
12 additional information, and instead they sought pre-probable cause conciliation ("PPCC") on
13 behalf of the Firm.⁸ Shortly after Respondents' request to conciliate, the Commission lost the
14 four-member quorum needed to approve or reject the Firm's request. Since that time,
15 Respondents have refused requests to toll the applicable statute of limitations until the
16 Commission regained a quorum to act on their PPCC request.

17 Based on the record before the Commission, the Office of the General Counsel is now
18 prepared to recommend that the Commission find probable cause to believe that Keefe, Keefe &

⁴ See Eastridge Aff. ¶¶ 4-6.

⁵ *Id.* ¶ 8.

⁶ See generally Eastridge Aff.

⁷ See E-mail from Mark Shonkwiler, Assistant General Counsel (FEC) to Larry Norton, Esq., MUR 7102 (Aug. 2, 2019) (making information requests).

⁸ *Id.* (referencing Firm's request for PPCC).

1 Unsell, P.C. violated 52 U.S.C. §§ 30122 and 30118(a), and 11 C.F.R. §§ 110.4(b)(1)(i),
2 114.2(b) and (f); and that Thomas W. Keefe Jr. violated 52 U.S.C. §§ 30122, 30118(a), and
3 11 C.F.R. §§ 110.4(b)(1)(i), and 114.2(e). The Office of the General Counsel is prepared to
4 make these recommendations in connection with the \$18,900 in Firm employee contributions to
5 the Baricevic campaign that Respondents have admitted reimbursing, and the \$10,800 in Firm
6 employee contributions to the Hillary Clinton campaign, which the Respondents have not denied
7 reimbursing but refuse to address.

8 **II. FACTUAL BACKGROUND**

9 **A. Statement of Facts**

10 The Firm is organized as a professional corporation in Illinois, and it specializes in
11 personal injury law.⁹ Keefe Jr. is the Firm's sole corporate officer and owner, and the two other
12 named partners are non-equity salaried employees of the Firm.¹⁰ The Firm's website lists the
13 Firm as having four attorneys: the three named partners and Kelly T. Crosby.¹¹ Debra Eastridge
14 is the Firm's Office Manager and Assistant to Keefe Jr.¹² In early 2016, the following additional
15 individuals also were administrative employees of the Firm: Jan Harding, Jill Harres, Ashley E.
16 Meuren, Madonna Schutzenhofer, and Lisa Wierciak.¹³

⁹ See <http://keefeandkeefe.com/>.

¹⁰ See Eastridge Aff. ¶ 2.

¹¹ See <http://keefeandkeefe.com/>. Kelly T. Crosby is also known as Kelly T. Crosby Keefe.

¹² See Eastridge Aff. ¶ 3.

¹³ *Id.* ¶ 4.

1 1. The CJ Baricevic Contributions

2 Charles John "C.J." Baricevic was a 2016 candidate for the U.S. House of
 3 Representatives in Illinois' 12th congressional district.¹⁴ Friends of CJ for Congress was his
 4 principal campaign committee.¹⁵ All three named partners of the Firm made the legal maximum
 5 \$2,700 individual contribution to the Baricevic campaign prior to March 2, 2016.¹⁶ On March 2,
 6 2016, the following seven Firm employees each made \$2,700 contributions to the Committee:¹⁷

<u>Name</u>	<u>Title</u>	<u>Amount</u>	<u>Date</u>
Debra M. Eastridge	Office Manager ¹⁸	\$2,700	March 2, 2016
Jan Harding	Receptionist	\$2,700	March 2, 2016
Jill A. Harres	Legal Assistant	\$2,700	March 2, 2016
Kelly T. Crosby Keefe	Attorney	\$2,700	March 2, 2016
Ashley E. Meuren	Secretary	\$2,700	March 2, 2016
Madonna Schutzenhofer	Secretary	\$2,700	March 2, 2016
Lisa J. Wierciak	Legal Assistant	\$2,700	March 2, 2016

7 Debra Eastridge, the Firm's Office Manager, provided a sworn affidavit in response to
 8 the Commission's reason-to believe findings.¹⁹ According to Eastridge, Keefe Jr., asked if she
 9 and other Firm administrative employees would contribute to the Baricevic campaign, and the
 10 six administrative employees listed above made contributions to the Committee.²⁰ Further,

¹⁴ Baraevic lost the November 2016 general election.

¹⁵ F&LA at 1.

¹⁶ F&LA at 2.

¹⁷ Eastridge Aff. ¶ 4.

¹⁸ The F&LA referred to Eastridge as a "secretary," however, her affidavit states that she is the Firm's "office manager and assistant to Keefe Jr." See F&LA at 2, MUR 7102 (Aug. 23, 2019); Eastridge Aff. ¶ 3.

¹⁹ See Eastridge Aff. ¶ 1. Eastridge stated that the Firm is a professional corporation with Keefe, Jr. as the firm's sole owner and corporate officer. *Id.* ¶ 2. She further stated that the firm has two salaried (non-equity) partners, Keefe III and Unsell, and an associate named Kelly T. Crosby (a/k/a Kelly T. Crosby Keefe). *Id.*

²⁰ *Id.* ¶ 3.

1 Eastridge learned that the Firm's associate attorney, Kelly T. Crosby Keefe, also contributed to
2 Baricevic's campaign.²¹ Eastridge stated that she arranged for reimbursement of these seven
3 employee contributions, including her own, and that "all reimbursement checks were issued as
4 stand-alone expense reimbursements."²² Eastridge attested: "I was unaware of any reason why
5 the firm might not be able to reimburse these campaign contributions until I learned of the [MUR
6 7102] complaint."²³ Eastridge further stated that neither she nor anyone else attempted to
7 conceal the purpose of the reimbursements by mischaracterizing them as salary, bonus, or other
8 type of compensation.²⁴ Eastridge's affidavit does not state if any person told her or authorized
9 her to make these reimbursements.²⁵

10 2. The Hillary Clinton Contributions

11 Hillary Clinton was a 2016 candidate for President.²⁶ Hillary for America was her
12 principal campaign committee.²⁷ Keefe Jr. reportedly made the legal maximum individual
13 contribution for the Clinton primary and general elections on June 15, 2015, and February 18,
14 2016, respectively.²⁸ On February 18, 2016, Keefe III and Unsell each reportedly made the

²¹ *Id.* ¶ 6.

²² *Id.* ¶ 7. Eastridge also stated that she issued the checks for all the reimbursements except her own, which she had Schutzenhofer issue. *Id.* ¶¶ 5-6.

²³ *Id.* ¶ 8.

²⁴ *Id.* ¶ 7.

²⁵ *See generally*, Eastridge Aff.

²⁶ Amended Statement of Candidacy, Hillary Clinton (July 30, 2016).

²⁷ Amended Statement of Organization, Hillary for America (June 8, 2016).

²⁸ *See* 2015 July Quarterly Report (Receipts), Hillary for America (Sept. 3, 2015); Amended 2016 March Monthly Report (Receipts), Hillary for America (Aug. 11, 2016).

1 maximum legal individual contributions for the Clinton primary and general elections.²⁹ On
 2 February 18, 2016, the following four Firm employees, who were reimbursed for their maximum
 3 contributions to the Baricevic campaign, also reportedly made \$2,700 contributions to Hillary for
 4 America.³⁰

<u>Name</u>	<u>Amount</u>	<u>Date</u>
Debra M. Eastridge	\$2,700	February 18, 2016
Jill Harres	\$2,700	February 18, 2016
Madonna Schutzenhofer ³¹	\$2,700	February 18, 2016
Lisa J. Wierciak	\$2,700	February 18, 2016

5 **B. Respondents' Refusals to Comply with the Investigation**

6 Following the Commission's reason-to-believe finding and in order to complete the
 7 record, this office requested additional information from Respondents, including sworn affidavits
 8 from each partner regarding his or her specific role or involvement in arranging or consenting to
 9 reimbursement of federal contributions, including the Baricevic contributions, and whether the
 10 Firm had reimbursed contributors to Hillary Clinton's presidential campaign.³²

11 To date, however, the Respondents have refused to comply with this office's requests to
 12 provide this additional information and instead have sought to have the Firm enter in pre-
 13 probable cause conciliation with regard to only the Baricevic contributions identified in the

²⁹ Amended 2016 March Monthly Report (Receipts), Hillary for America (Aug. 11, 2016).

³⁰ *Id.*

³¹ The Clinton campaign reported Schutzenhofer and Wierciak's occupation as "homemaker" in connection with their February 2016 contributions. *See* Amended 2016 March Monthly Report, Hillary for America (Aug. 11, 2016). However, the Baricevic campaign listed both Schutzenhofer (secretary) and Wierciak (legal assistant) as the Firm's employees in connection with their March 2016 contributions. *See* Amended 2016 April Quarterly Report, Receipts, Friends of CJ for Congress (Oct. 27, 2016).

³² *See generally* E-mail from Mark Shonkwiler, Assistant General Counsel (FEC) to Larry Norton, Esq., MUR 7102 (Aug. 2, 2019) (requesting information and attaching emails exchanged between Norton and Shonkwiler dated July 3, July 18-19, and Aug. 2, 2019); *see also* F&LA at 7-8 (relying, in part, on Clinton contributions in support of reason-to-believe finding that Baricevic contributions were reimbursed).

1 Complaint, thereby avoiding the question of liability as to any of the Firm's partners or the
2 extent to which reimbursements occurred in connection with other contributions.³³

3 **III. LEGAL ANALYSIS**

4 The evidence demonstrates that there is probable cause to believe that the Firm and Keefe
5 Jr., violated 52 U.S.C. §§ 30122 and 30118(a), and 11 C.F.R. §§ 110.4(b)(1)(i), 114.2(b), (e) and
6 (f) by making, facilitating, and consenting to prohibited corporate contributions in the names of
7 others. The uncontested facts establish that the Firm used its corporate resources to make
8 prohibited contributions to Baricevic's campaign. It is uncontested that Keefe Jr., the Firm's
9 sole corporate officer, solicited Firm employees to make the Baricevic contributions, and that he
10 supervised Eastbridge, who arranged the reimbursements using corporate funds. It is further
11 undisputed that four of the seven straw donors made similar maximum contributions to Hillary
12 Clinton's 2016 presidential campaign just 13 days before the Baricevic contributions.
13 Respondents do not deny reimbursing the Clinton contributions with the Firm's corporate funds,
14 yet, they have not cooperated with this office's requests for information about them.

15 Thus, the undisputed evidence of reimbursements to the Baricevic campaign, coupled
16 with Respondents' unexamined and questionable representation that Eastridge, Keefe Jr.'s
17 subordinate, unilaterally reimbursed \$18,900 in political contributions that Keefe Jr solicited
18 with the Firm's corporate funds, establishes that there is probable cause to believe that Keefe Jr.
19 and his Firm reimbursed the Baricevic contributions, and that this same pattern occurred just two
20 weeks earlier with regard to the Clinton contributions.

³³ See E-mail from Mark Shonkwiler, Assistant General Counsel (FEC) to Larry Norton, Esq., MUR 7102 (Aug. 2, 2019)(referencing Firm's PPCC request). The request for PPPC remains pending with the Commission.

1 **A. There is Probable Cause to Believe that the Firm Made and Facilitated**
 2 **Corporate Contributions in the Name of Another to the Baracevic**
 3 **Campaign, and Keefe Jr. Consented to and Facilitated These Contributions**
 4

5 The Act and Commission regulations limited contributions to federal candidates during
 6 the 2016 election cycle to \$2,700 per election.³⁴ The Act and Commission regulations also
 7 prohibit a person from making a contribution in the name of another.³⁵ A person who furnishes
 8 another with funds for the purpose of contributing to a candidate or committee “makes” the
 9 resulting contribution.³⁶ This is true whether funds are advanced to another person to make a
 10 contribution in that person’s name or promised as reimbursement of a solicited contribution.³⁷
 11 The requirement that a contribution be made in the name of its true source ensures compliance
 12 with the Act’s limitations and prohibitions and promotes Congress’s objective of ensuring the
 13 complete and accurate disclosure by committees of the political contributions they receive.³⁸

14 Additionally, the Act prohibits corporations from contributing to a federal candidate’s
 15 political committee, prohibits any officer of a corporation from consenting to any such
 16 contribution by a corporation.³⁹

17 Corporations, including officers, directors, or other representatives acting as agents of
 18 corporations, are prohibited from using corporate resources to facilitate the making of

³⁴ 52 U.S.C. § 30116(a)(1); 11 C.F.R. § 110.1(b)(1)(iii); Price Index Adjustments for Contribution and Expenditure Limitations and Lobbyist Bundling Disclosure Threshold, 80 Fed. Reg. 5750 (Feb. 2, 2015).

³⁵ 52 U.S.C. § 30122; 11 C.F.R. § 110.4(b)(1)(i), (ii), (iv).

³⁶ *See United States v. Boender*, 649 F.3d 650,660 (7th Cir. 2011).

³⁷ *See United States v. Whittemore*, 776 F.3d 1074, 1080 (9th Cir. 2015) (holding that defendant’s “unconditional gifts” to relatives and employees, along with the suggestion that they contribute the funds to a specific political committee, violated section 30122).

³⁸ *See Eastridge Aff ¶¶ 5-7* (Attesting that firm reimbursed seven contributions to Baricevic); *see also United States v. O'Donnell*, 608 F.3d 546, 549, 553 (9th Cir. 2010) (“[T]he congressional purpose behind [section 30122] — to ensure the complete and accurate disclosure of the contributors who finance federal elections — is plain.”); *FEC v. Rivera*, 333 F.R.D. 282, 286 (S.D. Fla. 2019).

³⁹ 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(b), (d), (e).

1 contributions to federal political committees other than through the corporation's separate
2 segregated fund.⁴⁰ Examples of facilitation include directing subordinates to plan, organize, or
3 carry out a fundraising project as part of their work responsibilities; using corporate resources
4 and providing materials for the purpose of transmitting or delivering contributions, such as
5 stamps, envelopes or other similar items; or using meeting rooms that are not customarily
6 available to clubs, or civic or community groups.⁴¹

7 The facts establishing the Firm's violation of Sections 30122 and 30118(a) by making
8 \$18,900 in prohibited reimbursed corporate contributions in the names of others to the Baricevic
9 committee are clear and undisputed.⁴² In her affidavit, Eastridge admits that Keefe Jr. asked her,
10 Harding, Harres, Meuren, Schutzenhofer, Wierciak to make contributions to the Baricevic
11 committee.⁴³ Eastridge states that she used the Firm's corporate funds to reimburse the six
12 individuals, including herself, for these contributions; and she also used the Firm's corporate
13 funds to reimburse a \$2,700 contribution that Kelly T. Crosby Keefe made on that same day.⁴⁴
14 Notwithstanding Eastridge's attestation that she did not know it was illegal for the Firm to
15 reimburse contributions, the Firm's liability is clear.

16 As to Keefe Jr., the question of liability comes down to this: did he, the Firm's owner
17 and sole corporate officer, consent to Eastridge, his direct subordinate, reimbursing federal

⁴⁰ 11 C.F.R. § 114.2(f).

⁴¹ *Id.*

⁴² *See* PPCC Request Ltr.

⁴³ Eastridge Aff. ¶ 4.

⁴⁴ *Id.* ¶¶ 5-6.

1 contributions with the Firm's corporate funds? The record before the Commission strongly
2 indicates that the answer is "yes."

3 At the reason-to-believe stage, the Firm and all its partners urged the Commission to find
4 no reason to believe the reimbursements even occurred, arguing that the allegations were "based
5 on nothing more than speculation."⁴⁵ At the time, Respondents had to have known that this
6 argument did not align with two undisputed facts: Keefe Jr. had asked his subordinates to make
7 the contributions at issue, and the Firm had issued reimbursements to those subordinates.⁴⁶

8 After that approach failed, the Firm and Keefe Jr. tried a different tack. Respondents
9 asked the Commission to believe that Keefe Jr.'s direct subordinate Eastridge reimbursed nearly
10 \$19,000 in political contributions "as stand-alone expense reimbursements" by acting on her own
11 volition.⁴⁷ Respondents provided no supporting evidence that Eastridge acted with this kind of
12 independence and authority in comparable situations. When this office sought corroboration for
13 Eastridge's explanation, Respondents refused to provide any more information or evidence until
14 the Commission could act on their request for PPCC, nor would they toll the statute of
15 limitations until the Commission regained a quorum.⁴⁸

16 Under these circumstances, it is not believable that Eastridge, who reported directly to
17 Keefe Jr., unilaterally reimbursed \$18,900 in political contributions as expenses. There is
18 nothing in the record to tie the contributions to the Firm's practice.⁴⁹ And Eastridge must have

⁴⁵ See *Resp.* at 1.

⁴⁶ Eastridge Aff. ¶¶ 4-6.

⁴⁷ *Id.* ¶ 7.

⁴⁸ See E-mail from Mark Shonkwiler, Assistant General Counsel (FEC) to Larry Norton, Esq., MUR 7102 (Aug. 2, 2019)(seeking information in addition to Eastridge Affidavit and referencing PPCC request).

⁴⁹ See n. 10 (Firm website names personal injury and malpractice law as its practice areas).

1 understood the nature of the “expenses” being reimbursed, as one of the contribution
2 reimbursements was her own.⁵⁰ Based on the acknowledged facts that Keefe Jr., the Firm’s
3 owner and sole corporate officer, requested that his employees make the \$18,900 in
4 contributions, their coordinated timing and reimbursement, as well as the supervisory
5 relationships, the circumstances indicate that Eastridge acted at Keefe Jr.’s express or implied
6 direction. This conclusion is reinforced by the fact that Keefe Jr. has refused to provide an
7 affidavit regarding his role in authorizing or consenting to the reimbursements, nor is there is any
8 indication that the Firm or Keefe Jr. took corrective actions that would have been expected if
9 Keefe, Jr., had not consented to the reimbursements with corporate funds, such as requesting the
10 return of the contributions or taking disciplinary action or counseling Eastridge for making
11 purportedly unauthorized reimbursements.

12 In addition, Eastridge attests that Keefe Jr. asked her and five other administrative
13 employees to make contributions to the Baricevic committee.⁵¹ The existence of an admitted
14 firm-wide reimbursement scheme indicates that corporate resources were likely used in
15 executing that scheme, such as Eastridge’s use of the firm’s accounting system to carry out the
16 reimbursements as part of her work. Thus, the same facts that support a probable cause to
17 believe finding that the Firm and Keefe Jr. made and consented to corporate contributions in the
18 names of others, likewise support a probable cause to believe finding regarding the use of
19 corporate resources to facilitate prohibited contributions. Thus, we recommend that the
20 Commission find probable cause to believe that the Firm violated 52 U.S.C. §§ 30122, and
21 30118(a), and 11 C.F.R. §§ 110.4(b)(1)(i) and 114.2(b) and (f) by making prohibited corporate

⁵⁰ Eastridge Aff. ¶¶ 5-7.

⁵¹ Eastridge Aff. ¶ 4.

1 contributions in the name of another to the Baricevic campaign, and by using corporate resources
2 to facilitate prohibited contributions. Further, we recommend that the Commission find probable
3 cause to believe that Thomas Q. Keefe, Jr. violated 52 U.S.C. §§ 30122 and 30118(a) and
4 11 C.F.R. §§ 110.4(b)(1)(i) , and 114.2(e) by making and consenting to the prohibited corporate
5 contributions in the name of another to the Baricevic campaign.

6 **B. There is Probable Cause to Believe that the Firm Made and Facilitated**
7 **Corporate Contributions in the Name of Another to the Hillary Clinton**
8 **Campaign, and that Keefe Jr. Consented to and Facilitated These**
9 **Contributions**

10
11 Firm employees Eastridge, Harres, Schutzenhofer, and Wierciak, each reportedly made
12 \$2,700 maximum legal contribution to the Clinton committee on February 18, 2016.⁵² These
13 maximum individual contributions made on the same date demonstrate a pattern similar to the
14 reimbursed Baricevic contributions. Consistent with the explicit mention of these contributions
15 in the Commission's Factual and Legal Analysis, this office sought to determine whether the
16 Clinton contributions were reimbursed in similar fashion.⁵³

17 Respondents have refused to provide any evidence, either testimonial or documentary,
18 regarding the Clinton contributions. The Clinton contributions are properly within the scope of
19 the investigation, as Respondents acknowledge.⁵⁴ As the Commission explained in its Factual
20 and Legal Analysis: "The Commission's records reveal that four of the six named conduits also
21 made maximum contributions to Hillary Clinton's Presidential campaign just 13 days before the

⁵² F&LA at 7, n. 28.

⁵³ F&LA at 7-8.

⁵⁴ Ltr. from Larry Norton, Esq., to Christopher Edwards, Staff Attorney (FEC) MUR 7102 (Sept. 24, 2019) ("In its factual findings, the Commission cites contributions made to the Baricevic and Clinton campaigns within a three-week period in 2016. There is no suggestion that the factual basis for this investigation is any broader than that.")

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1 contributions identified in the Complaint. While this information does not conclusively show
2 that these subordinate employees could not possibly have afforded to make the contributions
3 with their own money, *it does raise legitimate questions about the true source of the funds.*⁵⁵
4 Yet, when this Office sought answers to the legitimate questions the Commission identified,
5 Respondents would not cooperate.⁵⁶

6 Turning to the merits, the Clinton contributions follow the precise pattern of the
7 Baricevic contributions: multiple Firm administrative staffers making the maximum legal
8 contribution on the same day, and around the same general time (two weeks earlier) as the
9 reimbursed Baricevic contributions. Respondents do not try to disprove these underlying facts or
10 provide an alternate explanation for them, nor do they deny reimbursing the contributions.
11 Instead, they seek to head off factual inquiries about the Clinton contributions with a request that
12 the Firm, and not Keefe Jr., be permitted to conciliate the Baricevic contributions, but not the
13 Clinton contributions. The Clinton contribution pattern, which apparently repeated itself 13 days
14 later, coupled with the lack of any sort of denial or explanation, sufficiently demonstrates that
15 there is probable cause to believe that Keefe Jr. solicited administrative employees to make
16 political contributions and consented to using Firm corporate funds to reimburse them.⁵⁷

⁵⁵ F&LA at 7-8. (emphasis added).

⁵⁶ Ltr. from Larry Norton, Esq., to Christopher Edwards, Staff Attorney (FEC) MUR 7102 (Sept. 24, 2019). This letter also argues that the investigation somehow contravenes the Enforcement Manual, but the Manual is clear that it creates no rights that can be enforced by a party in an enforcement matter. “The manual does not bind the Commission, nor is it intended to, and does not create any rights, benefits, or defenses, whether substantive or procedural, that are enforceable by any party involved in an enforcement matter or that are enforceable by any other person or entity, whether or not the person or entity is involved in any way, directly or indirectly, in an enforcement matter.” Enforcement Manual at 6.

⁵⁷ See MUR 5818 (Feiger); MUR 5758 (Pierce O’Donnell); MUR 5504 (Karoly); MUR 5366 (Tab Turner) (matters involving law firms where the Commission relied on patterns of conduct to establish section 30122 violations).

1 Accordingly, there is probable cause to believe that Keefe, Keefe & Unsell, P.C. violated
 2 52 U.S.C. §§ 30122 and 30118(a) and 11 C.F.R. §§ 110.4(b)(1)(i) and 114.2(b) and (f) by
 3 making prohibited reimbursed corporate contributions in the names of others totaling \$10,800 to
 4 the Hillary Clinton campaign and by using corporate resources to facilitate such contributions.
 5 Further, we recommend that the Commission find probable cause to believe that Thomas Q.
 6 Keefe Jr. violated 52 U.S.C. §§ 30122 and 30118(a), and 11 C.F.R. §§ 110.4(b)(1)(i) and
 7 114.2(e) by consenting to the prohibited reimbursed corporate contributions made in the names
 8 of others totaling \$10,800 to the Hillary Clinton campaign.

9 **IV. CONCLUSION**

10 Based on the foregoing, the Office of General Counsel is prepared to recommend that
 11 there is probable cause to believe that the Keefe, Keefe & Unsell P.C. and Thomas Q. Keefe, Jr.
 12 violated 52 U.S.C. §§ 30122 and 30118(a), and 11 C.F.R. §§ 110.4(b)(1)(i), 114.2(b), (e), and (f)
 13 by making and consenting to making prohibited corporate contributions in the names of others,
 14 and by using corporate resources to facilitate such prohibited contributions.

15
 16
 17 November 23, 2020
 18 Date

Lisa J. Stevenson /by CK
 Lisa J. Stevenson
 Acting General Counsel

Charles Kitcher
 Charles Kitcher
 Acting Associate General Counsel

Stephen Gura
 Stephen Gura
 Deputy Associate General Counsel

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10

Mark Shonkwiler

Mark D. Shonkwiler
Assistant General Counsel

Kimberly D. Hart

Kimberly D. Hart
Attorney