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Digitally signed by Kathryn Ross Date: 2018.06.08

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June 8, 2018

CONFIDENTIAL COMMUNICATION

## VIA E-MAIL TO CELA@FEC.GOV

Federal Election Commission
Office of Complaints Examination & Legal Administration
Attn: Kathryn Ross, Paralegal
1050 First Street, N.E.
Washington, DC 20463

Re:

Matter Under Review 7364

Dear Office of Complaints Examination & Legal Administration:

On behalf of Donald J. Trump for President, Inc. and Treasurer Bradley T. Crate, enclosed is a response to the Complaint in the above-captioned MUR.

Very truly yours,

E. Stewart Crosland

1. see and

Enclosure

cc: Megan Sowards Newton

MUR736400097

## BEFORE THE FEDERAL ELECTION COMMISSION

) ) MUR 7364

## RESPONSE OF DONALD J. TRUMP FOR PRESIDENT, INC. AND BRADLEY T. CRATE, AS TREASURER, TO THE COMPLAINT

By and through undersigned counsel, Donald J. Trump for President, Inc. and Treasurer Bradley T. Crate (collectively, "the Committee" or "Respondents") respond to the Complaint in the above-captioned Matter Under Review.

The Complaint, relying on anonymously sourced news articles, asserts that a 2015 transaction involving American Media, Inc. ("AMI") and a man named Dino Sajudin constituted an unreported in-kind corporate contribution to the Committee. *See* Compl. ¶¶ 32–46. AMI purportedly paid Sajudin in exchange for the exclusive rights to a sensational story he was peddling but which AMI ultimately decided not to publish. AMI's editorial and business decision not to publish information received from Sajudin has no connection to the Committee, and such private matters fall far beyond the reach of federal campaign finance regulation.

In order to be a contribution or expenditure, a disbursement of funds must be made "for the purpose of influencing an[] election for Federal office." 52 U.S.C. § 30101(8)(A)(i); 11 C.F.R. § 100.52(a). The Commission has made clear that not all third party spending can be treated as a contribution merely because it could help a candidate's electoral chances. *See, e.g.*, Statement of Reasons of Comm'rs McDonald, Mason, Sandstrom, Smith & Thomas, MUR 4944 (Hillary Rodham Clinton), at 2 n.2 (Aug. 28, 2001). Rather, "a finding of reason to believe that a . . . personal transaction resulted in a contribution to [a] campaign requires specific information demonstrating a nexus between the transaction[] and the campaign." Factual & Legal Analysis, MUR 7025 (Friends of Mike Lee), at 6 (March 23, 2016).

The Complaint establishes no such nexus between the Committee and the transaction between AMI and Sajudin. The Committee has no control over AMI, a national news outlet, and AMI's payment to Sajudin is not alleged to have defrayed an expense that the Committee otherwise would have been obligated to pay. *See, e.g.*, Statement of Reasons of Comm'rs

Petersen, Bauerly, Hunter, McGahn & Weintraub, MUR 6200 (Ensign), at 10 (dismissing a complaint where there was no evidence the payment fulfilled an obligation of the campaign);

Statement of Reasons of Comm'rs McDonald, Mason, Sandstrom, Smith & Thomas, MUR 4944 (Hillary Rodham Clinton), at 2 n.2 (Aug. 28, 2001).

According to AMI officials, AMI entered into the transaction with Sajudin for the purpose of making a profit, believing his story had the potential to sell "hundreds of thousands of magazines" if it could be confirmed. See Compl. ¶ 14 (quoting AMI executive and National Enquirer editor). Yet AMI officials have stated that they could not verify Sajudin's claims, so they decided not to publish them, releasing Sajudin from his exclusivity obligations. See id.; see also id. ¶ 18 (describing anonymous sources' "skepticism about Sajudin's clams'" (quoting The New Yorker article). The Complaint baldly speculates that Michael Cohen of the Trump Organization may have been involved in AMI's decision, but can point only to a news article citing anonymous sources without any personal knowledge. See id. ¶ 17 ("The New Yorker reported that [t]wo of the former [AMI] employees said they believed Cohen was in close contact with [AMI] executives while the company's reporters were looking into Sajudin's story." (internal quotation mark omitted) (emphasis added)); see also, e.g., Factual & Legal Analysis, MUR 5845 (Citizens for Truth), at 5 (June 27, 2007) ("[P]urported information from . . . 'anonymous sources' . . . can and should be afforded no weight as no details are provided and there is no way to verify the information."). AMI has "categorically denie[d] that Donald Trump

or Michael Cohen had anything to do with [AMI's] decision not to pursue [Sajudin's] story . . . that it determined was not credible." American Media, Inc. Responds To Attack On Its Editorial Decisions And The First Amendment (Apr. 12, 2018). Furthermore, several other news outlets reportedly also have refused to publish Sajudin's tale because they too could not validate it. *See* Athena Jones, *Former AMI editor describes 'favor bank' of killed Trump stories*, CNN (Apr. 13, 2018) ("No media outlet has proven the story to be true."). To find a campaign finance violation based on allegations concerning a news media outlet's decision not to publish information it says it could not confirm – and which other news outlets have deemed not credible – is clearly beyond the scope of the Commission's authority, and Respondents respectfully ask that the Commission dismiss this matter and close the file.

https://www.prnewswire.com/news-releases/american-media-inc-responds-to-attack-on-its-editorial-decisions-and-the-first-amendment-300629074.html.

http://money.cnn.com/2018/04/13/media/ami-jerry-george-david-pecker-donald-trump/index.html.