



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4177

DATE FILMED 5/18/95 CAMERA NO. 2

CAMERAMAN EES

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U. S. Department of Justice

OGC 8560

APR 23 1 09 PM '93

Pre-mur 280

Washington, D.C. 20530

APR 26 1993

Mr. Lawrence M. Noble
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

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FEDERAL ELECTION COMMISSION
RECEIVED

Dear Mr. Noble:

This is to advise the Federal Election Commission (hereinafter "Commission") that the Department of Justice recently concluded an investigation of certain contributions made to the campaign of Senator Orrin G. Hatch during 1987-88. The investigation considered whether Monzer Hourani, a Houston real estate developer, committed a federal crime by using nominees to donate a total of approximately \$7,000 to Senator Hatch's campaign during this time period.

This investigation revealed that in April 1988, Mr. Hourani raised about \$18,000 for Senator Hatch's campaign, \$5,000 of which was donated using five nominees. Mr. Hourani's use of nominees occurred approximately one year after the Hatch Election Committee had returned Mr. Hourani's \$3,000 contribution because it exceeded the contribution limits. The investigation also indicated that in March 1987, Mr. Hourani used one nominee to donate \$2,000 to Senator Hatch's campaign. It does not appear that Senator Hatch was aware of Mr. Hourani's use of nominees.

Upon review of this investigation, the Department has determined that the conduct of Monzer Hourani in this matter does not warrant further criminal investigation. In accordance with the Memorandum of Understanding between the Justice Department and the Commission, we are referring this matter to the Commission for whatever civil enforcement action the Commission may deem appropriate under 2 U.S.C. § 437g(a).

To assist the Commission in this regard, we are enclosing relevant portions of interviews of Mr. Hourani and the following nominees, who each contributed \$1,000 in April 1988 and were employees of Mr. Hourani when the contributions were made:

Bonnie Brownlow Davis
Richard Lynn Deneve
Robertta C. Rea
Alyce Elizabeth Souder

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Another Hourani employee, Ruth M. Pietsch, was also reimbursed by Mr. Hourani for her \$1,000 contribution to Senator Hatch's campaign during this time period, and the interview of her husband, Norbert R. Pietsch, is included. Regarding these nominees, Ms. Davis is the person who contributed \$2,000 to the Hatch campaign in 1987 at the request of Mr. Hourani. The interview reports, prepared by the Federal Bureau of Investigation, appear to indicate that some economic coercion may have been exerted by Mr. Hourani in obtaining contributions from these nominees. Also enclosed are documents relating to the return of Mr. Hourani's \$3,000 contribution to the Hatch campaign in 1987 (OGH000033-37).

If you have any questions regarding this matter, please contact G. Allen Carver, Jr., Principal Deputy Chief, Fraud Section (202-514-0667).

Sincerely,



Gerald E. McDowell
Chief, Fraud Section
Criminal Division

Enclosures

25043641846

MR. OR MRS. NORBERT R. PIETSCH

1343 BETHLEHEM
HOUSTON, TX. 77018

5125

4 - 4 19 88
35 336/1130

Pay to the
order of

Watch Election Committee \$1,000⁰⁰
One Thousand Dollars Dollars

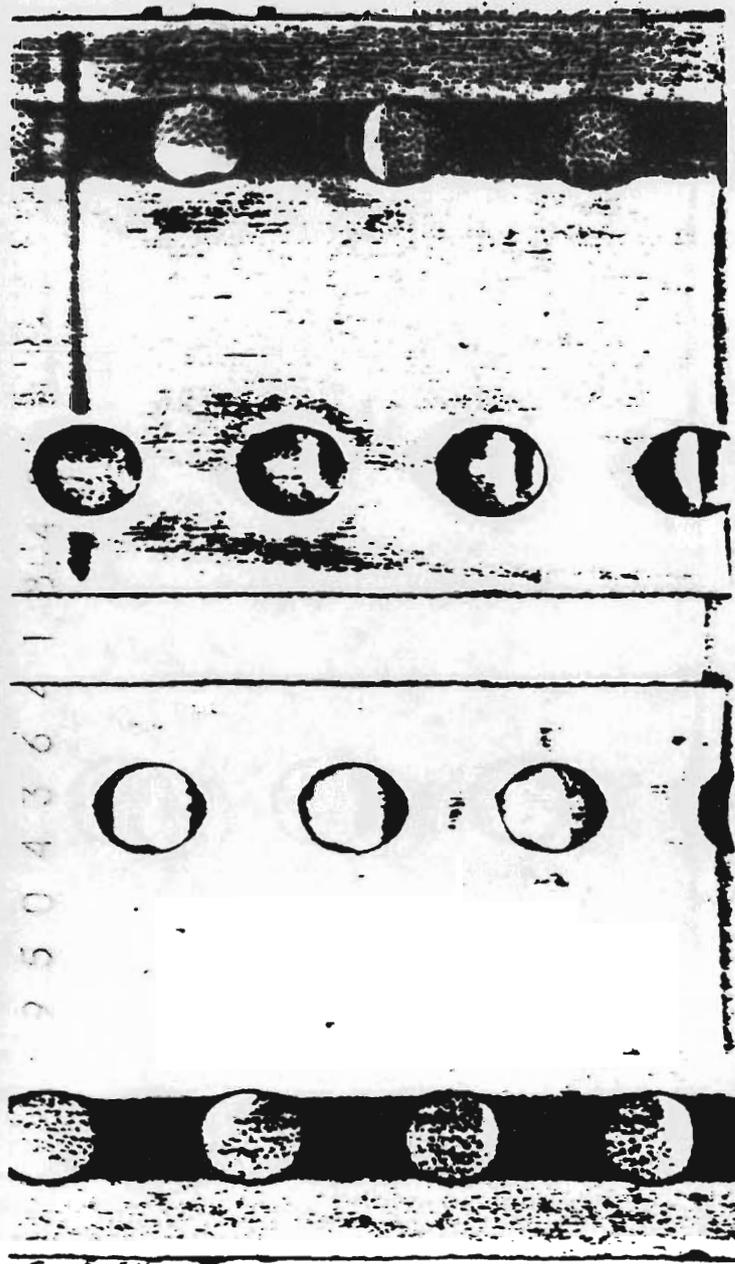


MERCANTS BANK
P.O. Box 7482 - 999 No. Shepherd
Houston, Texas 77248

For

Norbert R. Pietsch

95043641

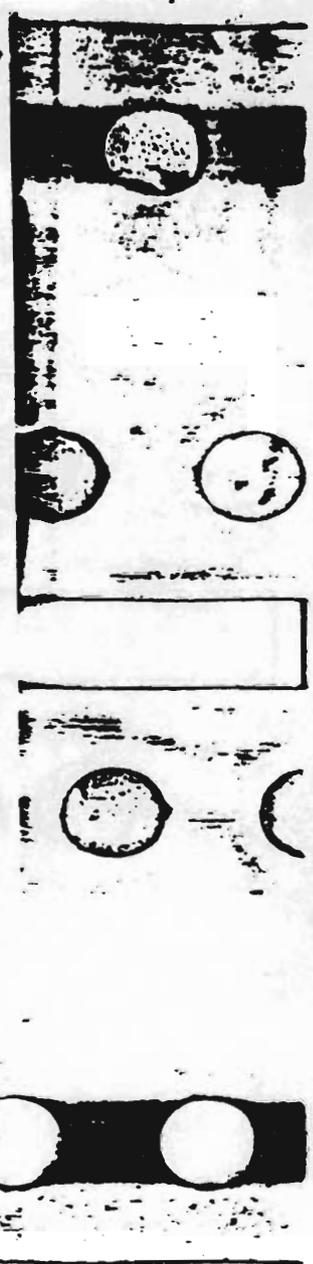


REC-35-106 40405654 12-APR-1988

1005 1008 1988

APR 12 1988
FBI - MEMPHIS
COMMUNICATIONS SECTION

REC-35-106 40405654 12-APR-1988



AFFIDAVIT OF STANLEY DE WAAL

Stanley de Waal, being duly sworn, deposes and says:

1. I am more than 18 years old and make the following statements based on my personal knowledge.

2. I am a certified public accountant and, since 1976, I have served as the Treasurer for the Hatch Election Committee, Inc.

3. I have reviewed the records concerning contributions to the Hatch Election Committee, Inc. from Mr. Monzer Hourani,

4. Mr. Hourani made no contributions to the Hatch Election Committee, Inc. in 1988.

5. Mr. Hourani sent \$2,000 to the Hatch Election Committee, Inc. by check dated March 12, 1987. With Mr. Hourani's approval, the Committee applied \$1,000 of that contribution to the primary election and \$1,000 to the general election.

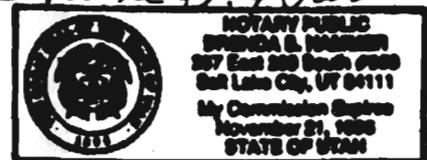
6. Mr. Hourani sent an additional \$3,000 contribution to the Hatch Election Committee, Inc. by check dated April 7, 1987. Pursuant to Federal Election Commission rules, which limit contributions from individuals to \$1,000 per election, per person, the Committee returned Mr. Hourani's \$3,000 contribution by check dated May 1, 1987.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on: 2/05/1993


Stanley de Waal





25043641349

MONZER HOURANI
7670 WOODWAY, NO. 160
HOUSTON, TEXAS 77063

Nº 14

4/7

18 87

PAY TO THE
ORDER OF

Hatch Election Committee

\$ 3,000.00

Three Thousand and 00/100

DOLLARS



InterFirst Bank San Felipe, N.A.
P.O. Box 4837, Houston, Texas 77210

011

TO SENATOR HATCH

YES, Orrin, I plan to join you for lunch on April 15th at the Four Seasons Hotel.
(Downtown)

Please make _____ reservations.

My check for \$ 3000 is enclosed. (\$500 per person)

I will pay at the door.

I pledge \$ _____ payable by _____ 1987.

I cannot attend the luncheon, but I wish to support you by contributing \$ _____

Please make your personal check payable to Hatch Election Committee.
(The Federal Election Commission requires us to obtain the following information.)

Name Monzer Hourani

Organization M. Hourani & Associates

Address 7670 Woodway, Suite 160

City, State, Zip Houston, Texas 77063

Telephone _____

sent for by the Hatch Election Committee

DOJ OGH000034

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Senator
Orrin Hatch

May 1, 1987

Monzer Hourani
7670 Woodway, Suite 160
Houston, TX 77063

Dear Mr. Hourani:

Enclosed please find a refund check from the Hatch Election Committee, Inc.

Federal Election Commission rules require that we can only accept \$1,000 per election per individual.

Thank you for your interest and financial support in Senator Orrin G. Hatch.

Respectfully yours,

Stanley R. de Waal
Treasurer, Hatch Election
Committee, Inc.

SRD/jh

Enclosure

DOJ OGH000035

25043641801

HATCH ELECTION COMMITTEE
405 SOUTH MAIN STREET SUITE 711
SALT LAKE CITY, UTAH 84111

No 3006

FOURTH SOUTH OFFICE
FIRST SECURITY BANK OF UTAH
NATIONAL ASSOCIATION
408 SOUTH MAIN
SALT LAKE CITY, UTAH 84111
31-1/1240

The sum of 3,000dol's00cts

PAY	DATE	AMOUNT
MONZER HOURANI	5/1/87	\$ **3,000.00**

THE
OR
C

MONZER HOURANI
7670 WOODWAY SUITE 160
HOUSTON, TX 77063

Salt Lake

25043641852

FOR DEPOSIT ONLY
MUNZER HOUBANI
ANTHONY BANK WOODWAY
A/C # 101 9217 9 0 2 3 1 1

04 20
DEPOSIT ONLY
ANTHONY BANK

ANTHONY BANK
WOODWAY

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ANTHONY BANK
WOODWAY

ANTHONY BANK
WOODWAY

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MAY 11, 1993

Gerald E. McDowell
Chief, Fraud Section
Criminal Division
U.S. Department of Justice
Washington, DC 20530

RE: Pre-MUR 280

Dear Mr. McDowell:

This is to acknowledge receipt of your letter dated April 28, 1993, advising us of the possibility of a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") by the Hatch Election Committee, Stanley R. DeWaal, treasurer, Monzer Hourani, Bonnie Davis, Richard Deneve, Roberta Rea, Alyce Souder, Ruth Pietsch and Norbert Pietsch. We are currently reviewing the matter and will advise you of the Commission's determination.

If you have any questions, please call (202) 219-3690 and ask to speak with a member of the Central Enforcement Docket (CED). Our file number for this matter is Pre-MUR 280.

Pursuant to 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A), the Commission's review of this matter shall remain confidential until the file has been closed.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

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FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

JAN 13 9 56 AM '95

FIRST GENERAL COUNSEL'S REPORT

PRE-MUR 280
STAFF MEMBER: Dominique Dillenseger

SENSITIVE

SOURCE: Department of Justice

RESPONDENTS: Monzer Hourani
Bonnie Brownlow Davis
Richard Lynn Deneve
Ruth M. Pietsch
Roberta C. Rea
Alyce Elizabeth Souder
The Hatch Election Committee
and Stanley R. de Waal, as treasurer

RELEVANT STATUTES/REGULATIONS:

2 U.S.C. § 431(8)(A)
2 U.S.C. § 441a(a)(1)(A)
2 U.S.C. § 441a(f)
2 U.S.C. § 441b(a)
2 U.S.C. § 437g(a)(5)(B)
2 U.S.C. § 437g(d)
2 U.S.C. § 441f
11 C.F.R. § 103.3(b)(3)
11 C.F.R. § 110.1(b) & (k)
11 C.F.R. § 110.2(b)
11 C.F.R. § 110.3(a)(1)(i)
11 C.F.R. § 110.4(b)
11 C.F.R. § 114.1(a)(1)

INTERNAL REPORTS CHECKED: Referral Materials/Disclosure Reports

FEDERAL AGENCIES CHECKED: Department of Justice

I. GENERATION OF MATTER

On April 28, 1993, the Federal Election Commission ("the Commission") received a referral from the Department of Justice ("DOJ") concerning an investigation of certain contributions made to the campaign of Senator Orrin G. Hatch during 1987-88. Attachment 1. The matter was referred to the Commission because DOJ determined that no further criminal investigation was warranted.

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II. SUMMARY OF ALLEGATIONS

Based on interview reports prepared by the Federal Bureau of Investigation ("FBI"), it appears that Monzer Hourani, a Houston real estate developer, caused five employees to draft personal checks totaling \$7,000 to the Hatch campaign. Mr. Hourani later reimbursed the employees for their contributions.

III. FACTUAL AND LEGAL ANALYSIS

A. Statement of the Law

2 U.S.C. § 441a(a)(1)(A) limits contributions by an individual to a federal candidate and his authorized political committees to \$1,000 per election. Under the Act, candidates and political committees are prohibited from accepting any contributions in excess of the Act's limitations. 2 U.S.C. § 441a(f). Contributions which exceed the contribution limitations of the Act on their face, and contributions which do not exceed the Act's limitations on their face but which do exceed those limitations when aggregated with other contributions from the same contributor, may either be deposited into a campaign depository or returned to the contributor. 11 C.F.R. § 103.3(b)(3). If any such contribution is deposited, the treasurer may request redesignation or reattribution of the contribution in accordance with 11 C.F.R. §§ 110.1(b), 110.1(k) or 110.2(b), as appropriate. Id. If redesignation or reattribution is not obtained within sixty days of the treasurer's receipt of the contribution, the treasurer must refund the contribution to the contributor. Id.

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2 U.S.C. § 441f prohibits: (1) making a contribution in the name of another; (2) knowingly permitting one's name to be used to effect such a contribution; and (3) knowingly accepting such a contribution. In addition, no person may knowingly help or assist any person in making a contribution in the name of another.

2 U.S.C. § 441f; 11 C.F.R. § 110.4(b)(1)(iii).¹ This prohibition also applies to any person that provides the money to others to effect contributions in their names, (11 C.F.R. § 110.4(b)(2)), and to incorporated or unincorporated entities who give money to another to effect a contribution made in the other person's name (Advisory Opinion 1986-41).

A corporation may not make contributions in connection with the election of a candidate for federal office, and an officer or director of a corporation is prohibited from consenting to the making of a corporate contribution in connection with the election of a federal candidate. 2 U.S.C. § 441b(a).

The Act addresses violations of law that are knowing and willful. See 2 U.S.C. §§ 437g(a)(5)(B) and 437g(d). The phrase "knowing and willful" indicates that "actions [were] taken with full knowledge of all of the facts and a recognition that the

1. Although Section 110.4(b)(1)(iii) became effective after the contributions to the Hatch campaign were made in this case, this regulation is consistent with an earlier judicial interpretation of 2 U.S.C. § 441f. See 54 Fed. Reg. 34,098 at 34,105 (August 17, 1989)(effective date November 24, 1989)(citing Federal Election Comm'n v. Rodriguez, Case No. 86-687-Civ-T-10(B)(M.D. Fla., May 5, 1987)(unpublished order denying motion for summary judgment). In Rodriguez, the District Court found that aiding or assisting in the making of contributions in the name of another is a violation of Section 441f ("No person shall make a contribution in the name of another").

action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976).

The knowing and willful standard requires knowledge that one is violating the law. Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F. Supp. 985 (D. N.J. 1986). A knowing and willful violation may be established "by proof that the defendant acted deliberately and with knowledge that the representation was false." United States v. Hopkins, 916 F.2d 207, 214 (5th Cir. 1990). In Hopkins, the court found that the defendant officers "knew that corporations could not make political contributions" and that an inference of a knowing and willful violation could be drawn "from the defendants' elaborate scheme for disguising their corporate political contributions" as individual contributions, and that they "deliberately conveyed information they knew to be false to the Federal Election Commission." Id. at 214-15. The court also found that the evidence did not have to show that a defendant "had specific knowledge of the regulations" or "conclusively demonstrate" a defendant's "state of mind," if there were "'facts and circumstances from which the jury reasonably could infer that [a defendant] knew her conduct was unauthorized and illegal.'" Id. at 213 (quoting United States v. Bordelon, 871 F.2d 491, 494 (5th Cir.), cert. denied, 439 U.S. 838 (1989)).

B. Factual Summary

The following discussion is based on FBI interviews and the Committee's disclosure reports. Attachments 1 and 2.

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Monzer Hourani owns several businesses in Houston, Texas, including Hourani International Corporation and its subsidiaries. According to a Dun & Bradstreet report, since December 22, 1992, outside sources cannot verify active operations for the Hourani International Corporation and its branches and divisions. The report also discloses that, per the Texas State Controllers Office, the business no longer has an active sales permit.

During the 1987-88 election cycle, Mr. Hourani solicited his employees to donate money to Senator Hatch's campaign. The following individuals donated a total of \$7,000: Bonnie Brownlow Davis contributed \$2,000 in March 1987, and \$1,000 in April 1988; Richard Lynn Deneve, Ruth M. Pietsch, Roberta C. Rea, and Alyce Elizabeth Souder each contributed \$1,000 in April 1988. All were reimbursed by Mr. Hourani. The contributions were made at the request of Mr. Hourani, and some of the employees indicated that they felt pressured to contribute.

1. Monzer Hourani

According to the FBI interview report, Mr. Hourani admitted that he requested his employees to contribute to the Hatch campaign² and promised to reimburse all contributions.

Attachment 1, p. 3. He claimed that many freely contributed and that he did not know at the time that the activity was illegal. In March 1987, Mr. Hourani had given the maximum amount for an

2. Contributions were made to both the Friends of Orrin Hatch Committee and the Hatch Election Committee. These are affiliated committees (Attachment 2, p. 6) and share the \$1,000 per election limit for contributions received from individuals. 11 C.F.R. § 110.3(a)(1)(i). The two committees also share the same treasurer.

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individual for both the primary and general elections. In April 1987, he gave another \$3,000, which was returned to him. All but one of the contributions from his employees occurred after the Hatch Election Committee returned Mr. Hourani's \$3,000 check because it exceeded the contribution limits.³ Attachment 1, pp. 16-20. One employee contribution was made in March 1987.

Based upon the information provided in the interview reports, all of the contributors were reimbursed; however, the reports do not address whether the reimbursements came from Mr. Hourani's personal or corporate funds.

2. Bonnie Brownlow Davis

The Friends of Orrin Hatch Committee 1987 Mid-Year Report discloses that Ms. Davis made a \$2,000 contribution to the Hatch campaign on March 23, 1987 (\$1,000 to the primary and \$1,000 to the general election campaign). Attachment 2, p. 3. The Hatch Election Committee 1988 Pre-Primary Report discloses an additional \$1,000 contribution to the general election campaign on April 11, 1988. Attachment 2, p. 10. Ms. Davis received a \$1,000 refund from the Hatch Election Committee, almost five years later, on February 15, 1993. Attachment 2, p. 13. This Office has no explanation for the timing of the refund.

According to the FBI interview report, Ms. Davis has been employed on and off by Mr. Hourani since February 1985, working either as controller or a consultant for his company, Hourani and

3. Monzer Hourani's citizenship/residency status was checked to determine if he was a foreign national at the time these contributions were made. He became a naturalized United States citizen on January 20, 1984.

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Associates. Attachment 1, pp. 4-6. The report also indicates that Ms. Davis stated that throughout that time she "maintained control over Hourani's financial condition."

Ms. Davis admits that Mr. Hourani reimbursed her for these contributions. She states that she was aware that Mr. Hourani reimbursed other employees for their contributions, but that neither she nor he knew at the time that the activity was illegal. She believes that Mr. Hourani's funding of contributions ceased after being notified it was illegal.

3. Richard Lynn Deneve

The Hatch Election Committee 1988 Pre-Primary Report discloses that Mr. Deneve made a \$1,000 contribution to the primary election campaign on April 11, 1988. Attachment 2, p. 10. Mr. Deneve worked as a controller for Mr. Hourani during 1988. Attachment 1, pp. 7-8. According to the interview report, he stated that Mr. Hourani asked him and other employees to contribute \$1,000 to the Hatch re-election campaign, and promised that he would be reimbursed in cash. Mr. Deneve claims that he initially refused to donate the money, but relented because Mr. Hourani, his employer, pressured him.

4. Ruth M. Pietsch

The Hatch Election Committee 1988 Pre-Primary Report discloses that Norbert R. Pietsch made a \$1,000 contribution to the primary election campaign on April 11, 1988. Attachment 2, p. 11. The contribution check, however, was written on a joint account and signed by Mrs. Norbert R. Pietsch. Attachment 1, p. 11.

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The FBI interview was conducted with Mr. Pietsch. Attachment 1, pp. 9-12. According to Mr. Pietsch, his wife, Ruth Pietsch, an employee of Mr. Hourani's for seven years, reported that Mr. Hourani said he would reimburse her if she made a contribution to the Hatch campaign. Mr. Pietsch says that his wife felt compelled to contribute because she was an employee of Mr. Hourani's. Mrs. Pietsch made out the check for \$1,000 for which she was reimbursed.

5. Roberta C. Rea

The Hatch Election Committee 1988 Pre-Primary Report discloses that Ms. Rea made a \$1,000 contribution to the primary election campaign on April 11, 1988. Attachment 2, p. 11. Ms. Rea worked as a bookkeeper for Mr. Hourani's company, Hourani International, from February 1987 until June 1988. Attachment 1, pp. 13-14. According to the interview report, she stated that she was approached by someone, possibly her supervisor Bonnie Brownlow Davis, and asked to give \$1,000 to the Hatch campaign, for which she was promised reimbursement. She wrote the \$1,000 check and was reimbursed. According to the report, "she probably gave her check to Bonnie Davis." Although Ms. Rea was not certain, "she believes that she was actually given \$1,000 cash for this transaction." She further stated that two other individuals in the accounting department under the supervision of Ms. Davis were also requested to make contributions, and that they felt compelled do so because they might lose their jobs.

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6. Alyce Elizabeth Souder

The Hatch Election Committee 1988 Pre-Primary Report discloses that Ms. Souder made a \$1,000 contribution to the primary election campaign on April 11, 1988. Attachment 2, p. 12. Ms. Souder was employed by Mr. Hourani for about five years. She worked as a book and records keeper. Attachment 1, p. 15. She stated that she was told that employees were to write out personal checks for \$1,000 as a contribution to the Hatch campaign. She did so and was reimbursed in cash.

7. The Hatch Election Committee and Stanley R. de Waal, as treasurer

In his affidavit dated February 5, 1993, Stanley R. de Waal states that Mr. Hourani sent two contributions to the Hatch Election Committee during 1987-88. The first contribution, a \$2,000 check dated March 12, 1987, was evenly divided by the Committee, "with Mr. Hourani's approval," between the primary and general elections.⁴ The second contribution, a \$3,000 check dated April 7, 1987, was returned by check dated May 1, 1987, with a letter from the Committee indicating that "Commission rules" limit contributions from individuals to \$1,000 per election. See Attachment 1, pp. 16-20.

Disclosure documents reveal that Bonnie Davis made a \$1,000 excessive contribution to the general election campaign of Hatch. The Committee refunded \$1,000 almost five years later. The refund

4. These contributions are reported in the Friends of Orrin Hatch Committee 1987 Mid-Year Report. See Attachment 2, pp. 4-5.

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was untimely because it was not made within sixty days of receipt of the contribution. 11 C.F.R. § 103.3(b)(3).

According to the FBI interview reports, Mr. Hourani and the other employees indicated that neither Senator Hatch nor his campaign was aware of the nature of the contributions. There is nothing in the referral and disclosure materials to suggest the contrary.

C. Discussion

Monzer Hourani admitted to the FBI that he requested his employees to contribute to the Hatch campaign and that he "made it clear" that all such contributions would be reimbursed. At his request, five employees made contributions totaling \$7,000 and they were reimbursed. In addition, the evidence shows that when Mr. Hourani solicited his employees (at least four of the five contributors), he had been advised of the contribution limits for individuals and also knew he had reached his contribution limits for the Hatch campaign. It appears that Mr. Hourani solicited his employees to make contributions in their names in order to circumvent those limits.

The interview reports do not address whether the contributors were reimbursed from Monzer Hourani's personal or corporate funds. Although the reimbursements may have come from corporate funds, this Office is not recommending naming Hourani International as a respondent in this matter given the dollar amount involved; the length of time which has elapsed since these contributions occurred; and the fact that this corporation is no longer active. Instead, we recommend pursuing the corporation's

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owner, Mr. Hourani. Because Mr. Hourani has already admitted to his part in the reimbursements and it is only a question of whether the source of funds was corporate or personal (or both) to determine the type of violation, this Office recommends that the Commission make the following alternative reason to believe findings: (1) that Monzer Hourani knowingly and willfully violated 2 U.S.C. § 441b(a) by consenting to the use of corporate funds to reimburse his employees and knowingly and willfully violated 2 U.S.C. § 441f by knowingly assisting in the making of contributions in the name of another; and/or (2) that Monzer Hourani knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441f by making excessive contributions in the names of his employees.⁵

This Office further recommends that the Commission offer to enter into conciliation with this Respondent prior to a finding of probable cause to believe. Attached for the Commission's approval is a proposed conciliation agreement.

5. Disclosure documents reveal that \$5,000 went to the primary election and \$2,000 to the general election.

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Turning to the employees, Richard Lynn Deneve, Roberta C. Rea, and Alyce Elizabeth Souder each admitted to the FBI that they made contributions at the request of Mr. Hourani and were later reimbursed. They also indicated that they were pressured into allowing Mr. Hourani to use their names, but this does not remove them from liability under the letter of the law. 2 U.S.C. § 441f. Accordingly, it appears that these individuals knowingly permitted their names to be used to effect a contribution. This Office recommends, therefore, that the Commission find reason to believe that Richard Lynn Deneve, Roberta C. Rea, and Alyce Elizabeth Souder violated 2 U.S.C. § 441f.

Although Ruth M. Pietsch did not make a statement to the FBI about this matter, she did sign the contribution check to the Hatch Committee and her husband reports that she was reimbursed for the contribution. According to her husband, Mrs. Pietsch indicated that she was approached by Mr. Hourani who told her that she would be reimbursed, if she made a contribution to the Hatch campaign. Consequently, it appears that Mrs. Pietsch knowingly permitted her name to be used to effect a contribution. This Office recommends, therefore, that the Commission find reason to believe that Ruth M. Pietsch violated 2 U.S.C. § 441f. Because there is no indication that Mr. Pietsch assisted his wife in the making of this contribution, this Office makes no recommendation of reason to believe against him.

In light of the dollar amounts involved in these violations; the fact that this was the employer's, Mr. Hourani's scheme; and

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the length of time that has elapsed since these contributions occurred, this Office further recommends that the Commission take no further action against Richard Lynn Deneve, Roberta C. Rea, Alyce Elizabeth Souder, and Ruth M. Pietsch, but send an admonishment letter to each and close the file as to all of these Respondents.

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Bonnie Brownlow Davis admitted to the FBI that she made two contributions, totaling \$3,000, at the request of Mr. Hourani and was later reimbursed. In addition, according to Ms. Rea's statement to the FBI, Ms. Davis may have solicited other employees to make a contribution and she may have also been involved in the payment of the reimbursements. Further, either as controller or a consultant, the FBI report states that "[t]hroughout all this, Davis indicated that she has maintained control over Hourani's financial condition." Because of her position, it appears that Ms. Davis played more of an active role in Mr. Hourani's scheme than the other employees. Accordingly, this Office recommends that the Commission find reason to believe that Bonnie Brownlow Davis violated 2 U.S.C. § 441f by knowingly permitting her name to be used to effect two contributions and by knowingly assisting in the making of contributions in the name of another.

This Office further recommends that the Commission offer to enter into conciliation with this Respondent prior to a finding of probable cause to believe. Attached for the Commission's approval is a proposed conciliation agreement.

In addition, it appears that Ms. Davis was reimbursed \$3,000 from Mr. Hourani and also received a \$1,000 refund, five years after the contribution, which would have given her a \$1,000 "profit." Because it would be inequitable to allow Ms. Davis to profit by her actions, this Office also recommends that she be required to disgorge \$1,000 to the U.S. Treasury.⁶

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It does not appear from the information provided by DOJ that Senator Orrin G. Hatch, the Friends of Orrin Hatch Committee, and the Hatch Election Committee or any of their agents, including Stanley R. de Waal, as treasurer, were aware of the scheme surrounding these contributions. On the other hand, the Hatch Election Committee accepted a \$1,000 excessive contribution from Bonnie Brownlow Davis, which it did not refund in a timely manner. Accordingly, this Office recommends that the Commission find reason to believe that the Hatch Election Committee and Stanley R. de Waal, as treasurer, violated 2 U.S.C § 441a(f). In light of the amount of the excessive contribution, however, this Office recommends that the Commission take no further action, send an admonishment letter, and close the file as to these Respondents.

6. This recommendation is consistent with the Commission's action in DioGuardi (MUR 2992) requiring respondents who received double reimbursements to disgorge those refunds to the U.S. Treasury.

IV. RECOMMENDATIONS

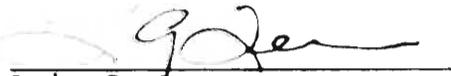
1. Open a MUR.
2. Find reason to believe that Monzer Hourani knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441f, and enter into conciliation prior to a finding of probable cause to believe.
3. Find reason to believe that Monzer Hourani knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f, and enter into conciliation prior to a finding of probable cause to believe.
4. Find reason to believe that Bonnie Brownlow Davis violated 2 U.S.C. § 441f, and enter into conciliation prior to a finding of probable cause to believe.
5. Find reason to believe that Richard Lynn Deneve violated 2 U.S.C. § 441f, but take no further action and close the file as to this Respondent.
6. Find reason to believe that Ruth M. Pietsch violated 2 U.S.C. § 441f, but take no further action and close the file as to this Respondent.
7. Find reason to believe that Roberta C. Rea violated 2 U.S.C. § 441f, but take no further action and close the file as to this Respondent.
8. Find reason to believe that Alyce Elizabeth Souder violated 2 U.S.C. § 441f, but take no further action and close the file as to this Respondent.
9. Find reason to believe that the Hatch Election Committee and Stanley R. de Waal, as treasurer, violated 2 U.S.C. § 441a(f), but take no further action and close the file as to these Respondents.
10. Approve the attached Factual and Legal Analyses, proposed conciliation agreements, and appropriate letters.

Lawrence M. Noble
General Counsel

Date

1/12/95

BY:


Lois G. Lerner
Associate General Counsel

25043641669



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS 
COMMISSION SECRETARY

DATE: JANUARY 17, 1995

SUBJECT: PRE-MUR 280 - FIRST GENERAL COUNSEL'S REPORT
DATED JANUARY 12, 1995.

The above-captioned document was circulated to the Commission on Friday, January 13, 1995 at 2:00 p.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens _____

Commissioner Elliott XXX

Commissioner McDonald _____

Commissioner McGarry _____

Commissioner Potter _____

Commissioner Thomas _____

This matter will be placed on the meeting agenda for Tuesday, January 24, 1995.

Please notify us who will represent your Division before the Commission on this matter.

25043641670

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Monzer Hourani;) Pre-MUR 280 (MUR 4177)
Bonnie Brownlow Davis;)
Richard Lynn Deneve;)
Ruth M. Pietsch;)
Roberta C. Rea;)
Alyce Elizabeth Souder;)
The Hatch Election Committee and)
Stanley R. de Waal, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary of the Federal Election Commission executive session on January 24, 1995, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions with respect to Pre-MUR 280:

1. Open a MUR.
2. Find reason to believe that Monzer Hourani knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441f, and enter into conciliation prior to a finding of probable cause to believe.
3. Find reason to believe that Monzer Hourani knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f, and enter into conciliation prior to a finding of probable cause to believe.

(continued)

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4. Find reason to believe that Bonnie Brownlow Davis violated 2 U.S.C. § 441f, and enter into conciliation prior to a finding of probable cause to believe.
5. Find reason to believe that Richard Lynn Deneve violated 2 U.S.C. § 441f, but take no further action and close the file as to this Respondent.
6. Find reason to believe that Ruth M. Pietsch violated 2 U.S.C. § 441f, but take no further action and close the file as to this Respondent.
7. Find reason to believe that Roberta C. Rea violated 2 U.S.C. § 441f, but take no further action and close the file as to this Respondent.
8. Find reason to believe that Alyce Elizabeth Souder violated 2 U.S.C. § 441f, but take no further action and close the file as to this respondent.
9. Find reason to believe that the Hatch Election Committee and Stanley R. de Waal, as treasurer, violated 2 U.S.C. § 441a(f), but take no further action and close the file as to these Respondents.

(continued)

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10. Approve the Factual and Legal Analyses, proposed conciliation agreements, and appropriate letters as recommended in the General Counsel's January 12, 1995 report.

Commissioners Aikens, McDonald, McGarry, Potter, and Thomas voted affirmatively for the decision. Commissioner Elliott dissented.

Attest:

1-25-95
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

95043641373



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 3, 1995

Monzer Hourani
7670 Woodway Drive, Suite 160
Houston, TX 77063

RE: MUR 4177
Monzer Hourani

Dear Mr. Hourani:

On January 24, 1995, the Federal Election Commission found reason to believe that you knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A), 441b(a), and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("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. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, 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 and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved.

If you are interested in expediting the resolution of this matter by pursuing probable cause conciliation and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

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.

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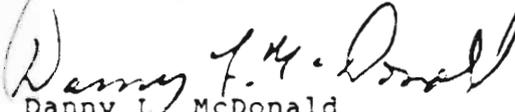
Monzer Hourani
Page 2

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


Danny L. McDonald
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

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FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Monzer Hourani

MUR: 4177

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

2 U.S.C. § 441a(a)(1)(A) limits contributions by an individual to a federal candidate and his authorized political committees to \$1,000 per election.

2 U.S.C. § 441f prohibits: (1) making a contribution in the name of another; (2) knowingly permitting one's name to be used to effect such a contribution; and (3) knowingly accepting such a contribution. In addition, no person may knowingly help or assist any person in making a contribution in the name of another.

2 U.S.C. § 441f; 11 C.F.R. § 110.4(b)(1)(iii). This prohibition also applies to any person that provides the money to others to effect contributions in their names, (11 C.F.R. § 110.4(b)(2)), and to incorporated or unincorporated entities who give money to another to effect a contribution made in the other person's name (Advisory Opinion 1986-41).

A corporation may not make contributions in connection with the election of a candidate for federal office, and an officer or director of a corporation is prohibited from consenting to the making of a corporate contribution in connection with the election of a federal candidate. 2 U.S.C. § 441b(a).

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The Act addresses violations of law that are knowing and willful. See 2 U.S.C. §§ 437g(a)(5)(B) and 437g(d). The phrase "knowing and willful" indicates that "actions [were] taken with full knowledge of all of the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976).

The knowing and willful standard requires knowledge that one is violating the law. Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F. Supp. 985 (D. N.J. 1986). A knowing and willful violation may be established "by proof that the defendant acted deliberately and with knowledge that the representation was false." United States v. Hopkins, 916 F.2d 207, 214 (5th Cir. 1990). In Hopkins, the court found that the defendant officers "knew that corporations could not make political contributions" and that an inference of a knowing and willful violation could be drawn "from the defendants' elaborate scheme for disguising their corporate political contributions" as individual contributions, and that they "deliberately conveyed information they knew to be false to the Federal Election Commission." Id. at 214-15. The court also found that the evidence did not have to show that a defendant "had specific knowledge of the regulations" or "conclusively demonstrate" a defendant's "state of mind," if there were "facts and circumstances from which the jury reasonably could infer that [a defendant] knew her conduct was unauthorized and illegal.'" Id. at 213 (quoting United States v. Bordelon, 871 F.2d 491, 494 (5th Cir.), cert. denied, 439 U.S. 838 (1989)).

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Monzer Hourani owns several businesses in Houston, Texas, including Hourani International Corporation and its subsidiaries. During the 1987-88 election cycle, Mr. Hourani solicited his employees to donate money to Senator Hatch's campaign. The following individuals donated a total of \$7,000: Bonnie Brownlow Davis contributed \$2,000 in March 1987, and \$1,000 in April 1988; Richard Lynn Deneve, Ruth M. Pietsch, Roberta C. Rea, and Alyce Elizabeth Souder each contributed \$1,000 in April 1988. All were reimbursed by Mr. Hourani. The contributions were made at the request of Mr. Hourani, and some of the employees indicated that they felt pressured to contribute.

Mr. Hourani admitted that he requested his employees to contribute to the Hatch campaign¹ and promised to reimburse all contributions. He claimed that many freely contributed and that he did not know at the time that the activity was illegal. In March 1987, Mr. Hourani had given the maximum amount for an individual for both the primary and general elections. In April 1987, he gave another \$3,000, which was returned to him. All but one of the contributions from his employees occurred after the Hatch Election Committee returned Mr. Hourani's \$3,000 check because it exceeded the contribution limits. One employee contribution was made in March 1987.

1. Contributions were made to both the Friends of Orrin Hatch Committee and the Hatch Election Committee. These are affiliated committees and share the \$1,000 per election limit for contributions received from individuals. 11 C.F.R. § 110.3(a)(1)(i). The two committees also share the same treasurer.

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Bonnie Brownlow Davis

The Friends of Orrin Hatch Committee 1987 Mid-Year Report discloses that Ms. Davis made a \$2,000 contribution to the Hatch campaign on March 23, 1987 (\$1,000 to the primary and \$1,000 to the general election campaign). The Hatch Election Committee 1988 Pre-Primary Report discloses an additional \$1,000 contribution to the general election campaign on April 11, 1988. Ms. Davis received a \$1,000 refund from the Hatch Election Committee, almost five years later, on February 15, 1993.

Ms. Davis has been employed on and off by Mr. Hourani since February 1985, working either as a controller or consultant for his company, Hourani and Associates. Ms. Davis said that throughout that time she maintained control over Hourani's financial condition.

Ms. Davis admitted that Mr. Hourani reimbursed her for these contributions. She said that she was aware that Mr. Hourani reimbursed other employees for their contributions, but that neither she nor he knew at the time that the activity was illegal. She believes that Mr. Hourani's funding of contributions ceased after being notified it was illegal.

Richard Lynn Deneve

The Hatch Election Committee 1988 Pre-Primary Report discloses that Mr. Deneve made a \$1,000 contribution to the primary election campaign on April 11, 1988. Mr. Deneve worked as a controller for Mr. Hourani during 1988. He stated that Mr. Hourani asked him and other employees to contribute \$1,000 to the Hatch re-election campaign, and promised that he would be

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reimbursed in cash. Mr. Deneve claims that he initially refused to donate the money, but relented because Mr. Hourani, his employer, pressured him.

Ruth M. Pietsch

The Hatch Election Committee 1988 Pre-Primary Report discloses that Norbert R. Pietsch made a \$1,000 contribution to the primary election campaign on April 11, 1988. The contribution check, however, was written on a joint account and signed by Mrs. Norbert R. Pietsch.

According to Mr. Pietsch, his wife, Ruth Pietsch, an employee of Mr. Hourani's for seven years, reported that Mr. Hourani said he would reimburse her if she made a contribution to the Hatch campaign. Mr. Pietsch says that his wife felt compelled to contribute because she was an employee of Mr. Hourani's. Mrs. Pietsch made out the check for \$1,000 for which she was reimbursed.

Roberta C. Rea

The Hatch Election Committee 1988 Pre-Primary Report discloses that Ms. Rea made a \$1,000 contribution to the primary election campaign on April 11, 1988. Ms. Rea worked as a bookkeeper for Mr. Hourani's company, Hourani International, from February 1987 until June 1988. She stated that she was approached by someone, possibly her supervisor Bonnie Browlow Davis, and asked to give \$1,000 to the Hatch campaign, for which she was promised reimbursement. She wrote the \$1,000 check and was reimbursed. She stated that she probably gave her check to Bonnie Davis. Although Ms. Rea was not certain, she believes that she

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was actually given \$1,000 cash for this transaction. She further stated that two other individuals in the accounting department under the supervision of Ms. Davis were also requested to make contributions, and that they felt compelled do so because they might lose their jobs.

Alyce Elizabeth Souder

The Hatch Election Committee 1988 Pre-Primary Report discloses that Ms. Souder made a \$1,000 contribution to the primary election campaign on April 11, 1988. Ms. Souder was employed by Mr. Hourani for about five years. She worked as a book and records keeper. She stated that she was told that employees were to write out personal checks for \$1,000 as a contribution to the Hatch campaign. She did so and was reimbursed in cash. Although she does not recall who told her to write the check, she claims she did it because she knew that there would be a lot of "BS" if she did not.

The Hatch Election Committee and Stanley R. de Waal, as treasurer

Stanley R. de Waal stated that Mr. Hourani sent two contributions to the Hatch Election Committee during 1987-88. The first contribution, a \$2,000 check dated March 12, 1987, was evenly divided by the Committee, "with Mr. Hourani's approval," between the primary and general elections.² The second contribution, a \$3,000 check dated April 7, 1987, was returned by check dated May 1, 1987, with a letter from the Committee

2. These contributions are reported in the Friends of Orrin Hatch Committee 1987 Mid-Year Report.

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indicating that "Commission rules" limit contributions from individuals to \$1,000 per election.

Monzer Hourani admitted that he requested his employees to contribute to the Hatch campaign and that he "made it clear" that all such contributions would be reimbursed. At his request, five employees made contributions totaling \$7,000 and they were reimbursed. In addition, the evidence shows that when Mr. Hourani solicited his employees (at least four of the five contributors), he had been advised of the contribution limits for individuals and also knew he had reached his contribution limits for the Hatch campaign. It appears that Mr. Hourani solicited his employees to make contributions in their names in order to circumvent those limits.

Mr. Hourani has already admitted to his part in the reimbursements. The reimbursements either came from Mr. Hourani's corporate or personal funds (or both). Therefore, there is reason to believe: (1) that Monzer Hourani knowingly and willfully violated 2 U.S.C. § 441b(a) by consenting to the use of corporate funds to reimburse his employees and knowingly and willfully violated 2 U.S.C. § 441f by knowingly assisting in the making of contributions in the name of another; and/or (2) that Monzer Hourani knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441f by making excessive contributions in the names of his employees.³

3. Disclosure documents reveal that \$5,000 went to the primary election and \$2,000 to the general election.

25043641882



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20541

February 3, 1995

Bonnie Brownlow Davis
13559 Sharpbill Drive
Houston, TX 77083

RE: MUR 4177
Bonnie Brownlow Davis

Dear Ms. Davis:

On January 24, 1995, the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("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. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, 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 and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved.

If you are interested in expediting the resolution of this matter by pursuing preprobable cause conciliation and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

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.

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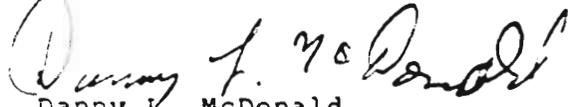
Bonnie Brownlow Davis
Page 2

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


Danny L. McDonald
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Bonnie Brownlow Davis

MUR: 4177

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

2 U.S.C. § 441f prohibits: (1) making a contribution in the name of another; (2) knowingly permitting one's name to be used to effect such a contribution; and (3) knowingly accepting such a contribution. In addition, no person may knowingly help or assist any person in making a contribution in the name of another. 2 U.S.C. § 441f; 11 C.F.R. § 110.4(b)(1)(iii).

During the 1987-88 election cycle, Monzer Hourani solicited his employees to donate money to Senator Orrin G. Hatch's campaign. He promised that all contributions would be reimbursed. Ms. Davis has been employed on and off by Mr. Hourani since February 1985, working either as controller or a consultant for his company, Hourani and Associates. Ms. Davis has stated that throughout that time she maintained control over Mr. Hourani's financial condition.

The Friends of Orrin Hatch Committee 1987 Mid-Year Report discloses that Ms. Davis made a \$2,000 contribution to the Hatch campaign on March 23, 1987 (\$1,000 to the primary and \$1,000 to the general election campaign). The Hatch Election Committee 1988 Pre-Primary Report discloses an additional \$1,000 contribution to

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the general election campaign on April 11, 1988. Ms. Davis received a \$1,000 refund from the Hatch Election Committee,¹ almost five years later, on February 15, 1993.

Ms. Davis admits that Mr. Hourani reimbursed her for these contributions. She said that she was aware that Mr. Hourani reimbursed other employees for their contributions, but that neither she nor he knew at the time that the activity was illegal.

The Hatch Election Committee 1988 Pre-Primary Report also discloses that Roberta C. Rea made a \$1,000 contribution to the primary election campaign on April 11, 1988. Ms. Rea worked as a bookkeeper for Hourani International, from February 1987 until June 1988, under the supervision of Ms. Davis. Ms. Rea stated that she was asked to give \$1,000 to the Hatch campaign, for which she was promised reimbursement. She wrote the \$1,000 check and was reimbursed. She stated that she probably gave her check to Bonnie Davis. Ms. Rea further stated that two other individuals in the accounting department under the supervision of Ms. Davis were also requested to make contributions, and that they felt compelled do so because they might lose their jobs.

Ms. Davis admitted to making two contributions, totaling \$3,000, at the request of Mr. Hourani for which she was later reimbursed. In addition, Ms. Davis may have solicited other employees to make a contribution and she may have also been involved in the payment of the reimbursements. Further, either as

1. The Friends of Orrin Hatch Committee and the Hatch Election Committee are affiliated committees and share the \$1,000 per election limit for contributions received from individuals. 11 C.F.R. § 110.3(a)(1)(i).

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controller or a consultant, she maintained control over Mr. Hourani's financial condition. Because of her position, it appears that Ms. Davis played an active role in Mr. Hourani's reimbursement scheme. Based on the foregoing, there is reason to believe that Bonnie Brownlow Davis violated 2 U.S.C. § 441f by knowingly permitting her name to be used to effect two contributions and by knowingly assisting in the making of contributions in the name of another.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

February 3, 1995

Richard Lynn Deneve
2303 Glenn Lakes
Missouri City, TX 77459

RE: MUR 4177
Richard Lynn Deneve

Dear Mr. Deneve:

On January 24, 1995, the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file as it pertains to you. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

The Commission reminds you that it is a violation of 2 U.S.C. § 441f to knowingly permit one's name to be used to effect a contribution made in the name of another person. You should take immediate steps to ensure that this activity does not occur in the future.

The file will be made public within 30 days after this matter has been closed with respect to all other respondents involved. You are advised that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply with respect to all respondents still involved in this matter.

If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


Danny E. McDonald
Chairman

Enclosure
Factual and Legal Analysis

95043641688

FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Richard Lynn Deneve

MUR: 4177

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

2 U.S.C. § 441f prohibits: (1) making a contribution in the name of another; (2) knowingly permitting one's name to be used to effect such a contribution; and (3) knowingly accepting such a contribution.

During the 1987-88 election cycle, Monzer Hourani solicited his employees to donate money to Senator Orrin G. Hatch's campaign. He promised that all contributions would be reimbursed. The Hatch Election Committee 1988 Pre-Primary Report discloses that Mr. Deneve made a \$1,000 contribution to the primary election campaign on April 11, 1988. Mr. Deneve worked as a controller for Mr. Hourani during 1988. He said that Mr. Hourani asked him and other employees to contribute \$1,000 to the Hatch re-election campaign, and promised that he would be reimbursed in cash. Mr. Deneve claims that he initially refused to donate the money, but relented because Mr. Hourani, his employer, pressured him.

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Richard Lynn Deneve made a \$1,000 contribution at the request of Mr. Hourani for which he was reimbursed. Therefore, there is reason to believe that Richard Lynn Deneve violated 2 U.S.C. § 441f by knowingly permitting his name to be used to effect a contribution in the name of another.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

February 3, 1995

Ruth M. Pietsch
1343 Bethlehem Street
Houston, TX 77018

RE: MUR 4177
Ruth M. Pietsch

Dear Mrs. Pietsch:

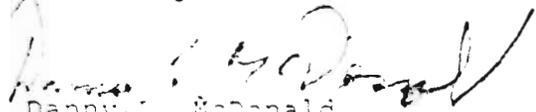
On January 24, 1995, the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file as it pertains to you. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

The Commission reminds you that it is a violation of 2 U.S.C. § 441f to knowingly permit one's name to be used to effect a contribution made in the name of another person. You should take immediate steps to ensure that this activity does not occur in the future.

The file will be made public within 30 days after this matter has been closed with respect to all other respondents involved. You are advised that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply with respect to all respondents still involved in this matter.

If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


Danny L. McDonald
Chairman

Enclosure
Factual and Legal Analysis

25043641391

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Ruth M. Pietsch

MUR: 4177

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

2 U.S.C. § 441f prohibits: (1) making a contribution in the name of another; (2) knowingly permitting one's name to be used to effect such a contribution; and (4) knowingly accepting such a contribution.

During the 1987-88 election cycle, Monzer Hourani solicited his employees to donate money to Senator Orrin G. Hatch's campaign. He promised that all contributions would be reimbursed. The Hatch Election Committee 1988 Pre-Primary Report discloses that Norbert R. Pietsch made a \$1,000 contribution to the primary election campaign on April 11, 1988. The contribution check, however, was written on a joint account and signed by Mrs. Norbert R. Pietsch.

According to Mr. Pietsch, his wife, Ruth Pietsch, an employee of Mr. Hourani's for seven years, reported that Mr. Hourani said he would reimburse her if she made a contribution to the Hatch campaign. Mr. Pietsch says that his wife felt compelled to contribute because she was an employee of Mr. Hourani's. Mrs. Pietsch made out the check for \$1,000 for which she was reimbursed.

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Ruth M. Pietsch made a \$1,000 contribution at the request of Mr. Hourani for which she was reimbursed. Therefore, there is reason to believe that Ruth M. Pietsch violated 2 U.S.C. § 441f by knowingly permitting her name to be used to effect a contribution in the name of another.

25043641693



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20461

February 3, 1995

Roberta C. Rea
15410 Meadow Village Drive
Houston, TX 77095

RE: MUR 4177
Roberta C. Rea

Dear Ms. Rea:

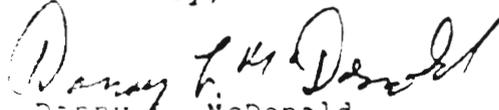
On January 24, 1995, the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file as it pertains to you. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

The Commission reminds you that it is a violation of 2 U.S.C. § 441f to knowingly permit one's name to be used to effect a contribution made in the name of another person. You should take immediate steps to ensure that this activity does not occur in the future.

The file will be made public within 30 days after this matter has been closed with respect to all other respondents involved. You are advised that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply with respect to all respondents still involved in this matter.

If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


Danny L. McDonald
Chairman

Enclosure
Factual and Legal Analysis

25043641894

FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Roberta C. Rea

MUR: 4177

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

2 U.S.C. § 441f prohibits: (1) making a contribution in the name of another; (2) knowingly permitting one's name to be used to effect such a contribution; and (3) knowingly accepting such a contribution.

During the 1987-88 election cycle, Monzer Hourani solicited his employees to donate money to Senator Orrin G. Hatch's campaign. He promised that all contributions would be reimbursed. The Hatch Election Committee 1988 Pre-Primary Report discloses that Ms. Rea made a \$1,000 contribution to the primary election campaign on April 11, 1988. Ms. Rea worked as a bookkeeper for Mr. Hourani's company, Hourani International, from February 1987 until June 1988. She stated that she was approached by someone, possibly her supervisor Bonnie Brownlow Davis, and asked to give \$1,000 to the Hatch campaign, for which she was promised reimbursement. She wrote the \$1,000 check and was reimbursed. She stated that she probably gave her check to Bonnie Davis. Although Ms. Rea was not certain, she believes that she was actually given \$1,000 cash for this transaction. She further stated that two other individuals in the accounting department

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under the supervision of Ms. Davis were also requested to make contributions, and that they felt compelled do so because they might lose their jobs.

Roberta C. Rea made a \$1,000 contribution at the request of Mr. Hourani for which she was reimbursed. Therefore, there is reason to believe that Roberta C. Rea violated 2 U.S.C. § 441f by knowingly permitting her name to be used to effect a contribution in the name of another.

25043641696



FEDERAL ELECTION COMMISSION

WASHINGTON DC 20461

February 3, 1995

Alyce Elizabeth Souder
7711 Streamside Drive
Houston, TX 77088

RE: MUR 4177
Alyce Elizabeth Souder

Dear Ms. Souder:

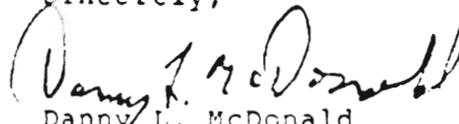
On January 24, 1995, the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file as it pertains to you. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

The Commission reminds you that it is a violation of 2 U.S.C. § 441f to knowingly permit one's name to be used to effect a contribution in the name of another person. You should take immediate steps to ensure that this activity does not occur in the future.

The file will be made public within 30 days after this matter has been closed with respect to all other respondents involved. You are advised that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply with respect to all respondents still involved in this matter.

If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


Danny L. McDonald
Chairman

Enclosure
Factual and Legal Analysis

95043641897

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Alyce Elizabeth Souder

MUR: 4177

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

2 U.S.C. § 441f prohibits: (1) making a contribution in the name of another; (2) knowingly permitting one's name to be used to effect such a contribution; and (4) knowingly accepting such a contribution.

During the 1987-88 election cycle, Monzer Hourani solicited his employees to donate money to Senator Orrin G. Hatch's campaign. He promised that all contributions would be reimbursed. The Hatch Election Committee 1988 Pre-Primary Report discloses that Ms. Souder made a \$1,000 contribution to the primary election campaign on April 11, 1988. Ms. Souder was employed by Mr. Hourani about five years. She worked as a book and records keeper. She stated that she was told that employees were to write out personal checks for \$1,000 as a contribution to the Hatch campaign. She did so and was reimbursed in cash. Although she does not recall who told her to write the check, she claims she did it because she knew that there would be a lot of "BS" if she did not.

Alyce Elizabeth Souder made a \$1,000 contribution at the request of Mr. Hourani for which she was reimbursed. Therefore, there is reason to believe that Alyce Elizabeth Souder violated

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2 U.S.C. § 441f by knowingly permitting her name to be used to effect a contribution in the name of another.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 3, 1995

Chuck Canfield
Hatch Election Committee
257 East 200 South, Suite 950
Salt Lake City, Utah 84111

RE: MUR 4177

Dear Mr. Canfield:

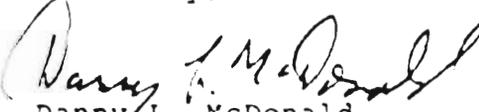
On January 24, 1995, the Federal Election Commission found reason to believe that the Hatch Election Committee and its treasurer ("the Committee") violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file as it pertains to the Committee. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

The Commission reminds the Committee that it is a violation of 2 U.S.C. § 441a(f) for a political committee to accept any contribution in excess of the Act's limitations. Further, Commission regulations require the treasurer to redesignate, reattribute, or refund such contributions within sixty days of the treasurer's receipt of the contribution. See 11 C.F.R. § 103.3(b)(3). The Committee should take immediate steps to insure that this activity does not occur in the future.

The file will be made public within 30 days after this matter has been closed with respect to all other respondents involved. You are advised that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply with respect to all respondents still involved in this matter.

If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


Danny L. McDonald
Chairman

Enclosure
Factual and Legal Analysis

95043641900

FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Hatch Election Committee
and Stanley R. de Waal, as treasurer

MUR: 4177

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

2 U.S.C. § 441a(a)(1)(A) limits contributions by an individual to a federal candidate and his authorized political committees to \$1,000 per election. Under the Act, candidates and political committees are prohibited from accepting any contributions in excess of the Act's limitations. 2 U.S.C. § 441a(f).

Contributions which exceed the contribution limitations of the Act on their face, and contributions which do not exceed the Act's limitations on their face but which do exceed those limitations when aggregated with other contributions from the same contributor, may either be deposited into a campaign depository or returned to the contributor. 11 C.F.R. § 103.3(b)(3). If any such contribution is deposited, the treasurer may request redesignation or reattribution of the contribution in accordance with 11 C.F.R. §§ 110.1(b), 110.1(k) or 110.2(b), as appropriate. Id. If a redesignation or reattribution is not obtained within sixty days of the treasurer's receipt of the contribution, the treasurer must refund the contribution to the contributor. Id.

25043641901

The Friends of Orrin Hatch Committee 1987 Mid-Year Report discloses that Bonnie Brownlow Davis made a \$2,000 contribution to the Hatch campaign on March 23, 1987 (\$1,000 to the primary and \$1,000 to the general election campaign). The Hatch Election Committee 1988 Pre-Primary Report discloses that Ms. Davis made an additional \$1,000 contribution to the general election campaign on April 11, 1988.¹ The Hatch Election Committee issued a \$1,000 refund, almost five years later, on February 15, 1993.

The Hatch Election Committee accepted a \$1,000 excessive contribution from Ms. Davis, which it did not refund in a timely manner. Therefore, there is reason to believe that the Hatch Election Committee and Stanley R. de Waal, as treasurer, violated 2 U.S.C. § 441a(f).

1. The Friends of Orrin Hatch Committee and the Hatch Election Committee are affiliated committees and share the \$1,000 per election limit for contributions received from individuals. 11 C.F.R. § 110.3(a)(1)(i).

25043641202

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL

FEB 15 4 38 PM '95

February 15, 1995

Ms. Dominique Dillensenger
Federal Election Commission
Washington, D.C. 20463

Re: MUR 4177

Dear Ms. Dillensenger:

I received the package containing a letter from Mr. McDonald, a conciliation agreement, a factual and legal analysis, and a description of preliminary procedures on February 14, 1995. I had been out of town until that time.

In order to adequately research my bank records for 1987-1988, I must ask for a much needed extension of time of fourteen days, until March 1, 1995.

I can, however, emphatically state that at no time did I, nor Monzer Hourani, "knowingly and willfully" violate a provision of the Federal Election Campaign Act of 1971; We had no knowledge of such matters, also at no time was any employee pressured to make a political contribution to Orrin Hatch; it was strictly a voluntary decision. The purpose of employees making a contribution to Senator Hatch's election campaign was to show a unified support for Senator Hatch's political platform; not to circumvent any contribution limits for an individual.

Please consider my request for an extension of time so that I may properly defend myself against these unfair allegations.

Very Truly Yours,

Bonnie Brownlow Davis

Bonnie Brownlow Davis
713-495-5920
13559 Sharpbill
Houston, Texas 77083

25043641903



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 16, 1995

Bonnie Brownlow Davis
13559 Sharpbill
Houston, Texas 77083

RE: MUR 4177

Dear Ms. Davis:

This is in response to your letter dated February 15, 1995, requesting an extension until March 1, 1995, to respond to our notification in the above-referenced matter. You represent in your letter that you did not receive the notification of this matter, dated February 3, 1995, until February 14, 1995, because you were out of town, and that you need additional time to research your bank records. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on March 1, 1995. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger

Dominique Dillenseger
Attorney

95043641704

STATE OF TEXAS §
COUNTY OF HARRIS §

FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

FEB 16 8 21 AM '95

SWORN AFFIDAVIT

I, Monzer Hourani, being first duly sworn upon my oath, depose and state the following and subject to perjury action if I lie. And under the laws of the United States of America.

- 1. I, Monzer Hourani, asked my employees to contribute to Senator Hatch's campaign. I have not pressured or threatened any employee, directly or indirectly, to contribute. My only intent was to have more people contribute to Senator Hatch's campaign.**
- 2. I reimbursed my employees for their contribution. I was extremely sensitive to what I had asked them to do and felt it was not fair to ask by own employees to contribute. I made a mistake, and I take all the blame for my action. None of my employees must be blamed for my mistake.**
- 3. I was not aware of all the laws regarding contributions. Ignorance is not an excuse, and it is my mistake. No one told me or explained to me all the laws of campaign contribution. I made the mistake by not asking or taking time to study everything, and I did all of this in good heart and intentions.**
- 4. Under oath, I can testify that I did not read the May 1, 1987 letter regarding the return of checks of \$3,000 or "commission rules" in the letter. The money went back directly to our account. Again, I made a mistake by not reading or knowing about the letter.**
- 5. In no way will I admit that I, "knowingly and willfully" violated the law. This is absolutely not true, and I will never agree on this accusation, because in total conscience I have not knowingly and willfully violated the law. I am guilty of my action, and I admit that I made a mistake and I will pay for it. My ignorance of the law cannot justify my mistake, but I did not do this intentionally.**
- 6. In 1987 - 1988 I had passed through hell in the Houston real estate market and in the war in Lebanon that almost destroyed my family and me. My span of concentration was short on everything, and this is not an excuse of my action but a fact. I passed through a very trying time.**
- 7. With my background, I did not know all the laws. I am blessed to be an American citizen, and I am proud of it. I am an engineer by training and profession, with no background in law or political regulations. This is not an excuse, but it is a fact. I again admit I have made a mistake, and I will pay for my ignorance of the regulation.**

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8. Since 1987 and 1988, I have never contributed to Senator Hatch's campaign, nor will I ever repeat my mistake or any violation of campaign law. This week, I received the campaign guidelines book sent to me through the kind help of Ms. Dominique Dillenseger, and I am trying to read it and understand it.
9. According to your letter, Bonnie Davis sent a check in March of 1987, and according to your letter, we received a letter on May 1, 1987 from the Hatch Election Committee. This contribution was done before we received any instructions of rules and regulations, which I personally did not receive or read.
10. According to my controller, Bonnie Davis, I reimbursed the employees from my money and not the company money.

The conclusion of my sworn affidavit is that I, Monzer Hourani, did not knowingly or willfully violate the law, but I am fully responsible for my mistake, ignorance and violation.

But above all, I come to all of you with a sincere heart to apologize for my actions and to assure your respected committee that this mistake and violation will never happen again. Please accept my apology for taking time and efforts from all of you regarding my mistake.

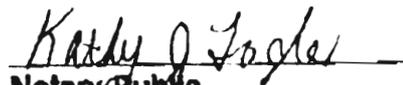
Please let me know if you want me to come in person to Washington to answer any questions. I will fully cooperate with all of you and would appreciate very much your kind understanding of me and my situation. Thank you for your time and efforts.

I, Monzer Hourani, swear that the above is the truth.


 Monzer Hourani

STATE OF TEXAS §
 COUNTRY OF HARRIS §

This instrument was acknowledged before me on the ____ day of February, 1995 by Monzer Hourani.


 Notary Public
 Harris County, Texas



Notary's Commission Expires 7/27/96.

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

March 2, 1995

MAR 2 5 28 PM '95

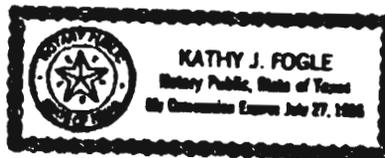
AFFIDAVIT

I, Bonnie Brownlow Davis, do hereby state that the following information is true, to the best of my ability to recall this event.

On or about February 10, 1993, I received a check for \$1,000 from the office of Senator Orrin Hatch as a repayment of a campaign contribution made by myself in 1987 or 1988. The original payment had been reimbursed to me at the time my check had been mailed to Senator Hatch by the personal funds of Monzer Hourani. When the check from Senator Hatch's office was received, I spoke to Monzer Hourani of the matter. We agreed that I was to keep the check as payment for twenty (20) hours of consulting work that I had performed for Mr. Hourani during the week ending February 5, 1993. As I recall, I had begun pulling together income tax information relating to the preparation of his December 31, 1992 year end books.

Bonnie Brownlow Davis
Bonnie Brownlow Davis

Kathy J. Fogle
Notary Public



My Commission Expires:
7/27/96

25043641907

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

MAR 31 4 31 PM '95

In the Matter of

)

) MUR 4177

Monzer Hourani

)

Bonnie Brownlow Davis

)

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

The Federal Election Commission ("the Commission") found reason to believe that Monzer Hourani knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A), 441b(a), and 441f. The Commission also determined to offer to enter into preprobable cause conciliation with Mr. Hourani and approved an agreement

The Commission found

reason to believe that Bonnie Brownlow Davis violated 2 U.S.C. § 441f. The Commission also determined to offer to enter into preprobable cause conciliation with Ms. Davis and approved an agreement

This Office has received proposed, signed conciliation agreements from Mr. Hourani, (Attachment 1), and from Ms. Davis. Attachment 2. This Office recommends that the Commission approve these conciliation agreements. Each respondent is discussed separately below.

II. DISCUSSION

A. Monzer Hourani

Mr. Hourani by affidavit contends that: (1) his employees were

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never pressured or threatened to contribute and that he only wanted "to have more people contribute to Senator Hatch's campaign"; (2) he has "no background in law or political regulations," was unaware of Commission rules on contributions, and did not see or read the letter from the Hatch Committee returning his \$3,000 contribution check and informing him that "Commission rules" limit contributions from individuals to \$1,000 per election;¹ (3) the violations were a mistake and he did not knowingly and willfully violate the law; (4) the personal and financial difficulties he was experiencing at the time affected his concentration; and (5) he has taken steps to become knowledgeable about campaign laws to prevent future violations.

Id. Mr. Hourani also contends that his controller, Bonnie Davis, informed him that the employees were reimbursed from his personal funds. Id.

1. The letter was mailed in May 1987. The bulk of the solicitations occurred in April 1988. In the First General Counsel's Report, dated January 12, 1995, p. 10, we stated that the evidence showed that at the time Mr. Hourani solicited his employees (at least four of the five contributors), he had been advised of the contribution limits for individuals and also knew he had reached his contribution limits for the Hatch campaign.

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Specifically, Mr. Hourani proposes to pay an initial payment of \$2,500, followed by three consecutive monthly payments of \$2,500 each.

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Mr. Hourani's request to pay the civil penalty in four monthly installments because of financial difficulty is not unreasonable.² This Office recommends, therefore, that the Commission approve the attached, signed conciliation agreement submitted by Monzer Hourani.

2. Mr. Hourani and several of his companies are apparently insolvent.

B. Bonnie Brownlow Davis

In her response, Ms. Davis agreed to sign the conciliation agreement and pay the civil penalty. She also contended, however, that neither she nor Mr. Hourani pressured any employee to contribute, that she had no control over Mr. Hourani's financial situation, and that she "take[s] great offense at the statement [that she] . . . played an active role in the reimbursement scheme." Attachment 4. Further, Ms. Davis specifically contends by affidavit that she did not make a "profit" on the \$1,000 refund check she received from the Hatch Committee because Mr. Hourani agreed that she could keep the refund as compensation for consulting work previously done for him.

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Mr. Hourani has told this Office that he does not remember the transaction because it occurred a long time ago, but he has indicated that he fully trusts Ms. Davis and believes the incident occurred as she described. Consequently, a further investigation into this matter is highly unlikely to result in any other explanation. For this reason and because Ms. Davis is paying the full civil penalty, this Office recommends that the Commission approve the attached, signed conciliation submitted by Bonnie Brownlow Davis and close the entire file.

II. RECOMMENDATIONS

1. Approve the attached conciliation agreement with Monzer Hourani.
2. Approve the attached conciliation agreement with Bonnie Brownlow Davis.
3. Close the file.
4. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

Date 3/31/95

BY: 
Lois G. Lerner
Associate General Counsel

Attachments

1. Conciliation Agreement, Monzer Hourani
2. Conciliation Agreement, Bonnie Brownlow Davis
3. Affidavit, undated, Monzer Hourani
4. Letter, dated February 28, 1995, Bonnie Brownlow Davis
5. Affidavit, dated March 2, 1995, Bonnie Brownlow Davis

Assigned: Dominique Dillenseger

95043641213

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Monzer Hourani;) MUR 4177
Bonnie Brownlow Davis.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on April 6, 1995, the Commission decided by a vote of 6-0 to take the following actions in MUR 4177:

1. Approve the conciliation agreement with Monzer Hourani, as recommended in the General Counsel's Report dated March 31, 1995.
2. Approve the conciliation agreement with Bonnie Brownlow Davis, as recommended in the General Counsel's Report dated March 31, 1995.
3. Close the file.
4. Approve the appropriate letters, as recommended in the General Counsel's Report dated March 31, 1995.

Commissioners Aikens, Elliott, McDonald, McGarry, Potter, and Thomas voted affirmatively for the decision.

Attest:

4-6-95
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat:	Fri.,	Mar. 31, 1995	4:31 p.m.
Circulated to the Commission:	Mon.,	Apr. 03, 1995	11:00 a.m.
Deadline for vote:	Thurs.,	Apr. 06, 1995	4:00 p.m.

bjr

25043641214



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 20, 1995

Mary C. Stearing
Chief, Fraud Section
Criminal Division
U.S. Department of Justice
Washington, DC 20530

RE: MUR 4177

Dear Ms. Stearing:

This is in reference to the matter which your office referred to the Federal Election Commission ("the Commission") concerning possible violations of the Federal Election Campaign Act of 1971, as amended, ("the Act"), by Monzer Hourani and his employees with regard to contributions to the Hatch Election Committee.

On January 24, 1995, the Commission found reason to believe that Monzer Hourani knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A), 441b(a), and 441f, and that Bonnie Brownlow Davis violated 2 U.S.C. § 441f. The Commission also found reason to believe that Richard Lynn Deneve, Ruth M. Pietsch, Roberta C. Rea, and Alyce Elizabeth Souder violated 2 U.S.C. § 441f, and that the Hatch Election Committee and its treasurer violated 2 U.S.C. § 441a(f), but determined to take no further action and close the file as to these respondents. The Commission has now entered into conciliation agreements with Monzer Hourani and Bonnie Brownlow Davis and closed the file in this matter on April 6, 1995. Copies of these agreements are enclosed for your information.

We appreciate your cooperation in helping the Commission meet its enforcement responsibilities under the Act. If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosures
Conciliation Agreements

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

25043641215



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 20, 1995

Chuck Canfield, Treasurer
Hatch Election Committee
257 East 200 South, Suite 950
Salt Lake City, Utah 84111

RE: MUR 4177

Dear Mr. Canfield:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger

Dominique Dillenseger
Attorney

95043641216



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 20, 1995

Richard Lynn Deneve
2303 Glenn Lakes
Missouri City, TX 77459

RE: MUR 4177
Richard Lynn Deneve

Dear Mr. Deneve:

25013641917

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger
Dominique Dillenseger
Attorney



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 20, 1995

Ruth M. Pietsch
1343 Bethlehem Street
Houston, TX 77018

RE: MUR 4177
Ruth M. Pietsch

Dear Mrs. Pietsch:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger
Dominique Dillenseger
Attorney

25043641918



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 20, 1995

Roberta C. Rea
15410 Meadow Village Drive
Houston, TX 77095

RE: MUR 4177
Roberta C. Rea

Dear Ms. Rea:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger

Dominique Dillenseger
Attorney

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

95043641219



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 20, 1995

Alyce Elizabeth Souder
7711 Streamside Drive
Houston, TX 77088

RE: MUR 4177
Alyce Elizabeth Souder

Dear Ms. Souder:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger

Dominique Dillenseger
Attorney

95043641720



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 20, 1995

Bonnie Brownlow Davis
13559 Sharpbill
Houston, TX 77083

RE: MUR 4177
Bonnie Brownlow Davis

Dear Ms. Davis:

On April 6, 1995, the Federal Election Commission approved the signed conciliation agreement you submitted in settlement of a violation of 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger
Dominique Dillenseger
Attorney

Enclosure
Conciliation Agreement

Celebrating the Commission's 20th Anniversary

YESTERDAY TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

95043641921

BEFORE THE FEDERAL ELECTION COMMISSION 10 9 18 AM '95

In the Matter of)
)
Bonnie Brownlow Davis) NUR: 4177

CONCILIATION AGREEMENT

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2). The Commission found reason to believe that Bonnie Brownlow Davis ("the Respondent") violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. The Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. The Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. The Respondent, Bonnie Brownlow Davis, is an individual contributor.

2. 2 U.S.C. § 441f provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution. No person may

95043641922

knowingly help or assist any person in making a contribution in the name of another. 2 U.S.C. § 441f.

3. During the 1987-88 election cycle, Monzer Hourani solicited his employees to donate money to Senator Orrin G. Hatch's campaign. He promised that all contributions would be reimbursed.

4. Ms. Davis has been employed on and off by Mr. Hourani since February 1985, working either as controller or a consultant for his company, Hourani and Associates. Ms. Davis has stated that throughout that time she maintained control over Mr. Hourani's financial condition.

5. The Friends of Orrin Hatch Committee 1987 Mid-Year Report discloses that Ms. Davis made a \$2,000 contribution to the Hatch campaign on March 23, 1987 (\$1,000 to the primary and \$1,000 to the general election campaign).

6. The Hatch Election Committee 1988 Pre-Primary Report discloses that Ms. Davis made an additional \$1,000 contribution to the general election campaign on April 11, 1988.

7. Ms. Davis was reimbursed \$3,000 from Mr. Hourani and also received a \$1,000 refund from the Hatch Election Committee on February 15, 1993, which would have given her a \$1,000 profit.

8. Ms. Davis contends by affidavit that the \$1,000 refund check she received from the Hatch Committee was not a profit because Mr. Hourani "agreed that I was to keep the check as payment for . . . consulting work that I had performed for Mr. Hourani"

25043641923

9. The Hatch Election Committee 1988 Pre-Primary Report also discloses that Roberta C. Rea made a \$1,000 contribution to the primary election campaign on April 11, 1988.

10. Ms. Rea worked as a bookkeeper for Hourani International, from February 1987 until June 1988, under the supervision of Ms. Davis.

11. Ms. Rea stated that she was asked to give \$1,000 to the Hatch campaign, for which she was promised reimbursement. She wrote the \$1,000 check and was reimbursed. She stated that she probably gave her check to Bonnie Davis. She further stated that two other individuals in the accounting department under the supervision of Ms. Davis were also requested to make contributions, and that they felt compelled to do so because they might lose their jobs.

12. Either as controller or a consultant, Ms. Davis maintained control over Mr. Hourani's financial condition. Because of her position, Ms. Davis played an active role in Mr. Hourani's reimbursement scheme.

V.1. The Respondent permitted her name to be used to effect two contributions in the name of another totaling \$3,000, in violation of 2 U.S.C. § 441f.

2. The Respondent assisted in the making of contributions in the name of another, in violation of 2 U.S.C. § 441f.

VI. The Respondent will pay a civil penalty to the Federal Election Commission in the amount of one thousand dollars (\$1,000), pursuant to 2 U.S.C. § 437g(a)(5)(B).

95043641224

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. The Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

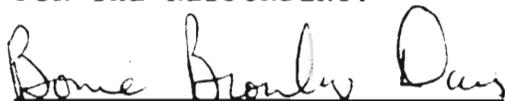
Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

4-20-95
Date

FOR THE RESPONDENT:


(Name)
(Position)

4-10-95
Date

95043641925



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 20, 1995

Monzer Hourani
7670 Woodway Drive, Suite 160
Houston, TX 77063

RE: MUR 4177
Monzer Hourani

Dear Mr. Hourani:

On April 6, 1995, the Federal Election Commission approved the signed conciliation agreement you submitted in settlement of violations of 2 U.S.C. §§ 441a(a)(1)(A) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the initial payment on the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Attorney

Enclosure
Conciliation Agreement

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

95043641226

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Monzer Hourani) **MUR: 4177**

CONCILIATION AGREEMENT

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2). The Commission found reason to believe that Monzer Hourani ("the Respondent") knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A), 441b(a), and 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.

§ 437g(a)(4)(A)(i).

II. The Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. The Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. The Respondent, Monzer Hourani, is an individual contributor.

95043641927

2. 2 U.S.C. § 441a(a)(1)(A) limits contributions by an individual to a federal candidate and his authorized political committees to \$1,000 per election.

3. 2 U.S.C. § 441f provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution. No person may knowingly help or assist any person in making a contribution in the name of another. 2 U.S.C § 441f.

4. A corporation may not make contributions in connection with the election of a candidate for federal office, and an officer or director of a corporation is prohibited from consenting to the making of a corporate contribution in connection with the election of a federal candidate. 2 U.S.C. § 441b(a).

5. The Act addresses violations of law that are knowing and willful. 2 U.S.C. §§ 437g(a)(5)(B) and 437g(d).

6. Monzer Hourani owns several businesses in Houston, Texas, including Hourani International Corporation and its subsidiaries.

7. In March 1987, Mr. Hourani had given the maximum amount for an individual to the campaign of Senator Orrin G. Hatch for both the primary and general elections.

8. In April 1987, he gave another \$3,000, which was returned by check dated May 1, 1987, with a letter from the Hatch Election Committee indicating that "Commission rules" limit contributions from individuals to \$1,000 per election.

9. During the 1987-88 election cycle, Mr. Hourani solicited his employees to donate money to Senator Hatch's campaign and promised to reimburse all contributions. At his request, five

25043641228

employees donated a total of \$7,000: Bonnie Brownlow Davis contributed \$2,000 in March 1987, and \$1,000 in April 1988; Richard Lynn Deneve, Ruth M. Pietsch, Roberta C. Rea, and Alyce Elizabeth Souder each contributed \$1,000 in April 1988. All were reimbursed by Mr. Hourani. All but one of the contributions from his employees occurred after the Hatch Election Committee returned Mr. Hourani's \$3,000 check because it exceeded the contribution limits.

10. At the time Mr. Hourani solicited his employees (at least four of the five contributors), he had been advised of the contribution limits for individuals and also knew he had reached his contribution limits for the Hatch campaign. Mr. Hourani solicited his employees to make contributions in their names in order to circumvent those limits.

11. Mr. Hourani reimbursed his employees for their contributions to the Hatch campaign totaling \$7,000.

12. By affidavit, Mr. Hourani avers that "[a]ccording to my controller, Bonnie Davis, I reimbursed the employees from my money and not the company money."

V. The Respondent made excessive contributions in the names of his employees, in violation of 2 U.S.C. §§ 441a(a)(1)(A) and 441f.

VI. The Respondent will pay a civil penalty to the Commission in the amount of ten thousand dollars (\$10,000), pursuant to 2 U.S.C. § 437g(a)(5); such penalty to be paid as follows:

1. An initial payment of \$2,500 due thirty (30) days after the date on which the Conciliation Agreement is fully executed;

25043641229

2. Thereafter, beginning thirty (30) days after the date of the initial payment, 3 consecutive monthly installment payments of \$2,500 each;

3. Each installment shall be paid thirty (30) days after the previous payment;

4. In the event that any payment is not received by the Commission by the fifth day after the date in which it becomes due, the Commission may, at its discretion, accelerate the remaining payments and cause the entire amount to become due upon ten days written notice to the Respondent. Failure by the Commission to accelerate the payments with regard to any overdue payment shall not be construed as a waiver of its right to do so with regard to future overdue payments.

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Except as provided in Section VI, paragraphs 2 and 3, the Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

25043641250

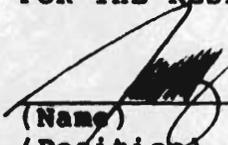
X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY:  4-20-95
Lois G. Lerner Date
Associate General Counsel

FOR THE RESPONDENT:

 MARCH 8/95
(Name) Monzer Hourani Date
(Position)

25043641931



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 477
DATE FILMED 5/18/95 CAMERA NO. 2
CAMERAMAN ES

95043641902



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 10/3/95

Microfilm
 Public Records
 Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED NUR 4177

0,5 J 4 3 6 9 2 2 3 5

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

OCT 2 11 39 AM '95

September 29, 1995

Ms. Dominique Dillensenger
Federal Election Commission
Washington, DC 20463

MUR 4177

Re: Last Payment for Monzer Hourani

Dear Ms. Dillensenger:

According to our records, we are showing that this is Monzer Hourani's final payment. If your records do not reflect the same, please contact our office at (713) 266-8990.

Thank You,

Tara Henson

Tara Henson

25943692236

RECEIVED
FEDERAL ELECTION
COMMISSION
ACCOUNTING OFFICE
OCT 2 1 19 PM '95

NOTICE TO CUSTOMERS

SOUTHWEST BANK OF TEXAS NA

P.O. Box 27459 • Houston, Texas 77227-7459

The purchase of an indemnity bond and a copy of the check will be required before any official check of this bank will be replaced or refunded in the event it is lost, misplaced or stolen.

SEP 29 1995

058811

Purchaser

Date

Medistar Corp. Monzer Hourani

replaces CK#3818

Pay to the
Order of

SWBT 2,500.00

Federal Election Commission

\$*2,500.00*

Cashier's check

CJM/GAL

Teller's
Initials

⑆05881⑆ ⑆113011258⑆ 100 035 7 ⑆

9504769227



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

Oct 2, 1995

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECT: Account Determination for Funds Received

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
OCT 3 2 04 PM '95

We recently received a check from Monzer Hourani, check number 25811, dated 9/29/95, and in the amount of \$2,500.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket By aa

In reference to the above check in the amount of \$2,500.00, the MUR number is 4177 and in the name of Monzer Hourani. The account into which it should be deposited is indicated below:

- Budget Clearing Account (OGC), 95F3875.16
- Civil Penalties Account, 95-1099.160
- Other: _____

Anita M Alexander
Signature

10-3-95
Date

0.5.0.4.5.6.9.2.2.8



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

THE FOLLOWING MATERIAL IS BEING ADDED TO
THE PUBLIC FILE OF CLOSED MUR 4177 .

96043721152

PUBLIC VOUCHER FOR REFUNDS

Voucher No.

Schedule No.

U. S. FEDERAL ELECTION COMMISSION

(Department of Establishment, Bureau of Office)

Location: 999 E. Street, N.W., Washington, D.C., 20463

Appropriation or Fund: Civil Penalties Account, 95-1099, 150

To **Monzer Hourani**

Address

PAID BY

Deposits received from the above-named depositor on 6/14, 7/11, 8/8, 9/29, 1995
for payment of the civil penalty (\$10,000). Amount overpaid by \$3.00
has been applied as herein stated and the balance indicated is returned herewith:

Amount of deposits \$ 10,003

Applied as explained in "Remarks" below

Balance authorized to be refunded \$ 3.00

Remarks:

See attached memorandum for further explanation.

(Sign original
only)



Title Associate General Counsel

Refund
by

Check No.

Cash, \$ on (Signature
of payee)

(Sign original only)

Other method, \$

(Describe)

96043721153



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 31, 1996

MEMORANDUM

TO: Accounting

FROM: Dominique Dillenseger
Attorney

SUBJECT: Refund of overpayment of civil penalty to Monzer Hourani
MUR 4177

Please issue a refund check payable to Monzer Hourani in the amount of \$3.00.

In MUR 4177, the civil penalty was set at \$10,000, to be paid in four installments of \$2,500. The Respondent, Monzer Hourani, made three payments of \$2,500 and one payment of \$2,503, for a total of \$10,003. See attached copies of checks.

Please provide the Office of General Counsel with the refund check which we will send to Mr. Hourani. Thank you.

9 6 0 4 3 7 2 1 1 5 4

Dillen Seeger



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

Oct 2, 1995

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
OCT 3 2 04 PM '95

TWO WAY MEMORANDUM

TO: OGC, Docket
FROM: Rosa E. Swinton
Accounting Technician
SUBJECT: Account Determination for Funds Received

We recently received a check from Monzer Hourani, check number 058811, dated 9/29/95, and in the amount of \$2,500.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

TO: Rosa E. Swinton
Accounting Technician
FROM: OGC, Docket By aa

In reference to the above check in the amount of \$2,500.00, the MUR number is 4177 and in the name of Monzer Hourani. The account into which it should be deposited is indicated below:

- Budget Clearing Account (OGC), 95F3875.16
- Civil Penalties Account, 95-1099.160
- Other: _____

Arita M Alexander
Signature

10-3-95
Date

96043721155

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Oct 2 11 33 AM '95

September 29, 1995

Ms. Dominique Dillensenger
Federal Election Commission
Washington, DC 20463

Re: Last Payment for Monzer Hourani

Dear Ms. Dillensenger:

According to our records, we are showing that this is Monzer Hourani's final payment. If your records do not reflect the same, please contact our office at (713) 266-8990.

Thank You,

Tara Henson
Tara Henson

96043721156

RECEIVED
FEDERAL ELECTION
COMMISSION
ACCOUNTING OFFICE
Oct 2 1 13 PM '95

Dillenseger



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20461

August 11, 1995

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Aug 14 10 41 AM '95

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from MEDISTAR Corp, check number 067815, dated AUGUST 8, 1995, and in the amount of \$ 2,500.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket By AQ

In reference to the above check in the amount of \$ 2,500.00, the MUR number is 4177 and in the name of Monzer Hourani. The account into which it should be deposited is indicated below:

- Budget Clearing Account (OGC), 95F3875.16
- Civil Penalties Account, 95-1099.160
- Other: _____

Anita Alexander
Signature

8-14-95
Date

96043721178

F.
Dominique Dillensonger.
W. D. C. 20463

202-219-3690

Please Accept This Payment.
IN Behalf of Menzon Hourani

96043721159

9 6 0 4 3 7 2 1 1 6 0

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

AUG 14 10 42 AM '95

NOTICE TO CUSTOMERS

The purchase of an indemnity bond and a copy of the check will be required before any official check of this bank will be replaced or refunded in the event it is lost, misplaced or stolen.

SOUTHWEST
BANK OF TEXAS NA

P.O. Box 27488 • Houston, Texas 77227-7488

Purchaser *MONZIE HOUZAR*
Medistar Corporation

Date

AUG 8 1995

057815

Pay To The
Order of

SWBT ▶ 2,500.00cts

Federal Election Commission

\$
2,500.00

Cashier's check

gal/er

(Signature)
initials

⑆057815⑆ ⑆1113011258⑆

100 035 ? ⑆

Dillenseger



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

July 17, 1995

TWO WAY MEMORANDUM

TO: OGC, Docket
FROM: Rosa E. Swinton
Accounting Technician
SUBJECT: Account Determination for Funds Received

We recently received a check from Monzer Hourani, check number 057169, dated July 11, 1995, and in the amount of \$2,500.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

TO: Rosa E. Swinton
Accounting Technician
FROM: OGC, Docket by aa

In reference to the above check in the amount of \$2,500.00, the MUR number is 4177 and in the name of Monzer Hourani. The account into which it should be deposited is indicated below:

- Budget Clearing Account (OGC), 95F3875.16
- Civil Penalties Account, 95-1099.160
- Other: _____

Anita Alexander
Signature

7-17-95
Date

96043721151

NOTICE TO CUSTOMERS

SOUTHWEST BANK OF TEXAS

P.O. Box 27459 • Houston, Texas 77227-7459

The purchase of an indemnity bond and a copy of the check will be required before any official check of this bank will be replaced or refunded in the event it is lost, misplaced or stolen.

JUL 11 1995

057169

Purchaser

Date

****MEDISTAR CORPORATION****

****CK / 3426****

SWBT 2,500.00

Pay To The
Order of

****FEDERAL ELECTION COMMISSION****

\$2,500.00**

Cashier's check

1k/gal

Teller's
Initials

⑈057169⑈ ⑆1130112581⑆ 100 035 7 ⑈

96043721162

Dillenseger



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20461

June 20, 1995

JUN 21 1995

TWO WAY MEMORANDUM

TO: OGC, Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from Monzer Hourani, check number 156128, dated June 14 1995, and in the amount of \$2,503.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC, Docket Byaa

In reference to the above check in the amount of \$2,503.00, the MUR number is 4177 and in the name of Monzer Hourani. The account into which it should be deposited is indicated below:

- Budget Clearing Account (OGC), 95F3875.16
- Civil Penalties Account, 95-1099.160
- Other: _____

Anita Alexander
Signature

6-20-95
Date

96043721143

NOTICE TO CUSTOMERS

The purchase of an indemnity bond and a copy of the check will be required before any official check of this bank will be replaced or refunded in the event it is lost, misplaced or stolen.

SOUTHWEST BANK OF TEXAS NA

P O Box 27459 • Houston, Texas 77227-7459

JUN 14 1995

056128

Purchaser

Date

MONZER HOURANI

Pay To The
Order of

SWBT ▶ 2,503 dol's 00 cts

FEDERAL ELECTION COMMISSION

\$ **2,503.00**

Cashier's check GAL/MN

(MY)

[Signature]

⑈056128⑈ ⑆113011258⑆ 100 035 ? ⑈

9504372

96043721165



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 2/28/96

 Microfilm
 Public Records
 Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 4177

96043722300



FEDERAL ELECTION COMMISSION
Washington, DC 20463

February 13, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Monzer Hourani
7670 Woodway Drive, Suite 160
Houston, TX 77063

RE: MUR 4177
Monzer Hourani

Dear Mr. Hourani:

Enclosed please find a check for \$3. The check is for the amount you overpaid on the civil penalty in the above-referenced matter.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger

Dominique Dillenseger

United States Treasury

15-51 P 382,561,354
000



Pay to
the order of

02 08 96 33 PHILADELPHIA, PA -
262112 05 MONZER HOURANI
MONZER HOURANI F E C WASH DC

Check No.

2036 80733018
95350001

\$*****3*00

VOID AFTER ONE YEAR

9504372231