

## FEDERAL ELECTION COMMISSION

In the matter of: Leopoldo Fernandez Pujals  
Mauricio Claver-Carone  
Gus Machado  
Cuba Democracy Advocates, Inc.  
US-Cuba Democracy Political Action Committee

MUR No.: \_\_\_\_\_

### COMPLAINT

1. Citizens for Responsibility and Ethics in Washington brings this complaint before the Federal Election Commission (“Commission”) seeking an immediate investigation and enforcement action against Leopoldo Fernandez Pujals, Mauricio Claver-Carone, Gus Machado, Cuba Democracy Advocates, Inc. and the US-Cuba Democracy Political Action Committee for direct and serious violations of the Federal Election Campaign Act (“FECA”) and Commission regulations.

#### Complainant

2. Citizens for Responsibility and Ethics in Washington is a non-profit organization dedicated to ensuring accountability in public officials and compliance with federal laws.

#### Respondents

3. Leopoldo Fernandez Pujals is a citizen of Spain and a resident of the Bahamas. He established Cuba Democracy Advocates, Inc. in 2000 as a 501(c)(3) organization and has been the organization’s principal financial supporter ever since. Press reports indicate that since 1999 Mr. Pujals has devoted his personal fortune to seeking to topple the government of Fidel Castro so that Mr. Pujals may become the next president of Cuba. Mr. Pujals’ address is: Yellow House, Edgewater Drive, N-776-242, Lyford Cay, Nassau, Bahamas.

4. Mauricio Claver-Carone is, simultaneously, the Executive Director of both Cuba Democracy Advocates, Inc. and the US-Cuba Democracy Political Action Committee. Mr. Claver-Carone's address is: Apartment 608, 2501 M Street, N.W., Washington, D.C. 20037.
5. Gus Machado is, simultaneously, the President and Treasurer of Cuba Democracy Advocates, Inc. and the Treasurer of the US-Cuba Democracy Political Action Committee. Mr. Machado's address is Unit 3N, 5055 Collins Avenue, Miami Beach, Florida, 33140.
6. Cuba Democracy Advocates, Inc. was founded as a 501(c)(3) organization in 2000. According to its 2004 Form 990 filed with the Internal Revenue Service, Cuba Democracy Advocates, Inc. has only three officers/directors: Gus Machado, Mauricio Claver-Carone and Leopoldo Fernandez Pujals. The official address of Cuba Democracy Advocates, Inc. is Mr. Claver-Carone's home: Apartment 608, 2501 M Street, N.W., Washington D.C. 20037. Cuba Democracy Advocates, Inc. actually operates, however, out of the offices of the Center for a Free Cuba, Suite 600, 1320 19<sup>th</sup> Street, N.W., Washington, D.C., 20036.<sup>1</sup>
7. The US-Cuba Democracy Political Action Committee is registered as a nonconnected committee with the Commission. The Committee's official address is 1200 West 49<sup>th</sup> Street, Hialeah, Florida, 33012. That is the address of Gus Machado's car dealership, Gus Machado Ford. In Washington, D.C., the US-Cuba Democracy Political

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<sup>1</sup> The Center for a Free Cuba, like Cuba Democracy Advocates, Inc., is a 501(c)(3) organization. In 2004, it received one million, four hundred seventy-six thousand, nine hundred and sixteen dollars (\$1,476,916) in federal funds, primarily from USAID grants issued pursuant to Section 109a of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996, popularly known as the Helms-Burton Act. Whether or not the Center for a Free Cuba violated federal laws or regulations prohibiting grant recipients from using federal funds to engage in lobbying and/or partisan political activities is a matter for the Inspector General of the U.S. Agency for International Development.

Action Committee, like Cuba Democracy Advocates, Inc., actually operates out of the offices of the Center for a Free Cuba, Suite 600, 1320 19<sup>th</sup> Street, N.W., Washington, D.C., 20036.

### Factual Allegations

8. In late 1999, Leopoldo Fernandez Pujals sold his stake in the Spanish fast-food chain Telepizza for three hundred and sixty million dollars (\$360,000,000). On December 18, 1999, Pujals told Deutsche Presse-Agentur that he intended to use the proceeds of the sale of Telepizza to topple the government of Fidel Castro and become the next president of Cuba. "I want Cuba to become a democracy and I am willing to invest whatever I have to make that happen."<sup>2</sup> Mr. Pujals was born in Cuba but is a naturalized citizen of Spain.<sup>3</sup>

9. On September 1, 2000, Mr. Pujals established two non-profit organizations in the United States to further his goal of toppling the government of Fidel Castro: a 501(c)(3) organization originally named CubaLibertad (FEI Number 54-2003328) and a 501(c)(4) organization originally named Citizens for Liberty in Cuba (FEI Number 54-2003332). See, e.g., Certificate of Incorporation for Citizens for Liberty in Cuba (attached as Exhibit 3).

10. On November 17, 2000, the names of the two non-profit organizations were switched. The 501(c)(4) organization, Citizens for Liberty in Cuba, became CubaLibertad and the 501(c)(3) organization, CubaLibertad, became Citizens for Liberty

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<sup>2</sup> Sinikka Tarvainen, "*Pizza King*" Wants to Topple Fidel Castro, Deutsche Presse-Agentur (Dec. 18, 1999) (attached as Exhibit 1).

<sup>3</sup> Elizabeth Nash, *The Cuban Who Conquered Spain*, The Independent (Mar. 17, 1999)(attached as Exhibit 2).

in Cuba. See, e.g., Certificate of Amendment for Citizens for Liberty in Cuba (attached as Exhibit 4).

11. On July 17, 2001, the Internal Revenue Service issued an exemption ruling determining that Citizens for Liberty in Cuba (FEI Number 54-2003328) was exempt from federal income tax as a 501(c)(3) organization (see Exhibit 5).

12. On November 29, 2001, both the 501(c)(3) organization, Citizens for Liberty in Cuba (FEI Number 54-20003328), and the 501(c)(4) organization, CubaLibertad, applied to the Florida Secretary of State for authorization to do business in Florida (attached as Exhibits 6 and 7). Mr. Pujals was listed as President and Director of CubaLibertad and Lino J. Piedra was listed as President and Director of Citizens for Liberty in Cuba (see exhibits 6 and 7).

13. On February 3, 2003, Citizens for Liberty in Cuba filed its annual report with the Florida Secretary of State (attached as Exhibit 8). The annual report indicated that Leopoldo Fernandez Pujals had replaced Lino J. Piedra as President of Citizens for Liberty in Cuba. The report also indicated that Mauricio Claver-Carone had replaced Manuel Jorge Cutillas as a director of Citizens for Liberty in Cuba. Finally, the report indicated that Gus Machado had become the Treasurer and Secretary of Citizens for Liberty in Cuba.

14. On May 28, 2003, Gus Machado – three months after becoming the treasurer of Citizens for Liberty in Cuba – filed a Statement of Organization form for the US-Cuba Democracy Political Action Committee (attached as Exhibit 9) with the Commission listing himself as Treasurer. Mr. Machado indicated on the Statement of Organization form that the US-Cuba Democracy Political Action Committee was not a separate

segregated fund and specifically stated that the Committee had no connected organization or affiliated committee. Mr. Machado's signature appears on page 1 of the Statement of Organization form immediately above the warning: "NOTE: Submission of false, erroneous, or incomplete information may subject the person signing the Statement to the penalties of 2 U.S.C. § 437g."

15. On its 2003 Year-End Report, the US-Cuba Democracy Political Action Committee reported receiving an in-kind contribution of two thousand eight hundred dollars (\$2,800) in the form of "consulting services" from Mauricio Claver-Carone.<sup>4</sup> See Exhibit 10.

16. On September 5, 2003, Citizens for Liberty in Cuba changed its name again, this time to Cuba Democracy Advocates, Inc. See Exhibit 11.

17. During 2004, Leopoldo Fernandez Pujals contributed one hundred seventy-seven thousand, four hundred dollars (\$177,400) to Cuba Democracy Advocates, Inc. – ninety-four percent (94%) of the one hundred eighty-seven thousand, eight hundred and fourteen dollars (\$187,814) contributed to Cuba Democracy Advocates, Inc. in 2004. See 2004 Form 990, Return of Organization Exempt from Income Tax, Cuba Democracy Advocates, Inc., FEI Number 54-2003328 (attached as Exhibit 12). Mr. Pujals' 2004 contribution to Cuba Democracy Advocates, Inc. was used to pay the one hundred thousand and eight dollar (\$100,008) salary of the Executive Director of Cuba Democracy Advocates, Inc., Mauricio Claver-Carone.

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<sup>4</sup> During 2003, Mr. Claver-Carone was an attorney in the Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, U.S. Department of the Treasury. It is not apparent from the public record when Mr. Claver-Carone became the Executive Director of the US-Cuba Democracy Political Action Committee, nor is it apparent when in 2003 he provided the so-called "consulting services" to the Committee. Accordingly, whether Mr. Claver-Carone's work on behalf of the Committee during 2003 amounts to a violation of the Hatch Act, 5 U.S.C. § 7324, is an issue for the Inspector General of the U.S. Department of the Treasury.

18. During 2004, Mr. Claver-Carone, using the funds he received from Cuba Democracy Advocates, Inc., paid three thousand seven hundred and fifty-nine dollars and twenty-four cents (\$3,759.24) in administrative expenses for the US-Cuba Democracy Political Action Committee. Mr. Claver-Carone's payment of the Committee's administrative expenses was reported by the Committee as a series of in-kind contributions to the Committee by Mr. Claver-Carone. See excerpts from 2004 US-Cuba Democracy Political Action Committee FEC reports attached as Exhibit 13.

#### COUNT I

19. FECA defines a "connected organization" as any organization which is not a political committee but which directly or indirectly establishes, administers, or financially supports a political committee. 2 U.S.C. § 431(7). Commission regulations specify that a connected organization may be a corporation, including a corporation without capitol stock, such as a non-profit corporation. 11 C.F.R. § 100.6(a). For purposes of determining whether a corporation is the connected organization of a political committee, the term "financially supports" includes the payment of establishment, administration and solicitation costs of the political committee. 11 C.F.R. § 100.6(c).

20. The Commission's regulations specify that all political committees, including separate segregated funds, established, financed, maintained or controlled by the same corporation, person, or group of persons are *per se* affiliated. 11 C.F.R. § 100.5(g)(2); see also 11 C.F.R. § 110.3(a)(2).

21. In the absence of *per se* affiliation, 11 C.F.R. § 114.5(g) provides for a case-by-case examination of various factors to determine whether a corporation is affiliated with (i.e., is the connected organization of) a political committee. 11 C.F.R. § 100.5(g)(4)(i)

and (ii)(A)-(J); see also 11 C.F.R. § 110.3(a)(3)(i) and (ii)(A)-(J). The Commission examines these factors in the context of the overall relationship between the corporation and the political committee to determine whether the presence of any factor or factors is evidence that the corporation is affiliated with the political committee. 11 C.F.R. §§ 100.5(g)(4)(ii) and 110.3(a)(3)(ii) (emphasis added). The factors include: (1) whether the corporation has the ability to direct or participate in the governance of a political committee through formal or informal practices or procedures; (2) whether a corporation has common or overlapping officers, directors or employees with a political committee which indicates a formal or ongoing relationship between the corporation and the political committee; (3) whether a corporation provides funds on an ongoing basis to a political committee, such as through direct or indirect payments for administrative, fundraising, or other costs; and (4) whether a corporation or its agents had an active or significant role in the formation of the political committee. 11 C.F.R. § 100.5(g)(4)(ii)(B), (D), (G) and (I); see also 11 C.F.R. § 110.3(a)(3)(ii)(B), (D), (G) and (I). These factors are not an exclusive list, and other factors may be considered. FEC Advisory Opinion 1995-36.

22. Internal Revenue Service regulations prohibit a 501(c)(3) organization from establishing or operating a separate segregated fund. 26 C.F.R. § 1.527-6(g). Accordingly, if Cuba Democracy Advocates, Inc. were found to be the connected organization of the US-Cuba Democracy Political Action Committee it would be in violation of the Internal Revenue Code and could be penalized with the loss of its tax-exempt status.

23. Even a cursory review of the relationship between Cuba Democracy Advocates, Inc. and the US-Cuba Democracy Political Action Committee demonstrates that the Cuba Democracy Advocates, Inc. must, under the Commission's regulations, be considered to be the connected organization of the US-Cuba Democracy Political Action Committee, either by applying the single factor or multiple factors tests.

24. The Commission's regulations require it to review the overall relationship between the corporation and the political committee to determine whether the presence of any factor is evidence that the corporation is the connected organization of the political committee. 11 C.F.R. §§ 100.5(g)(4)(ii) and 110.3(a)(3)(ii) (emphasis added). Here, the fact that the same individuals, Gus Machado and Mauricio Claver-Carone, serve respectively and simultaneously as the Treasurer and Executive Director of both Cuba Democracy Advocates, Inc. and the US-Cuba Democracy Political Action Committee is sufficient for the Commission to determine that Cuba Democracy Advocates, Inc. is the connected organization of the US-Cuba Democracy Political Action Committee. See also FEC Advisory Opinion 1988-14 (finding two corporations to be affiliated because "the governing bodies of each corporation overlap and many of the same people are vested with authority to direct both corporations.").

25. Even if that single factor were not sufficient to demonstrate that Cuba Democracy Advocates, Inc. and the US-Cuba Democracy Political Action Committee were connected, a simple review of only those facts that are on the public record demonstrates that at least four factors of the Commission's multiple factor test support such a determination.

26. First, the Commission must consider whether the corporation has the ability to direct or participate in the governance of the political committee through formal or

informal practices or procedures. 11 C.F.R. § 100.5(g)(4)(ii)(B); see also 11 C.F.R. § 110.3(a)(3)(ii)(B). The same two individuals, Gus Machado and Mauricio Claver-crone, have day-to-day operational control of both Cuba Democracy Advocates, Inc. and the US-Cuba Democracy Political Action Committee. That ability to simultaneously control both organizations demonstrates that Cuba Democracy Advocates, Inc. has, at the very least, the ability to direct or participate in the governance of the US-Cuba Democracy Political Action Committee through informal practices or procedures.

27. Second, the Commission must consider whether a corporation has common or overlapping officers, directors or employees with a political committee which indicates a formal or ongoing relationship between the corporation and the political committee. 11 C.F.R. § 100.5(g)(4)(ii)(D); see also 11 C.F.R. § 110.3(a)(3)(ii)(D). Here the evidence of affiliation is overwhelming. Not only is there an extensive overlap between the officers, directors and employees of Cuba Democracy Advocates, Inc. and the US-Cuba Democracy Political Action Committee, the same two individuals serve simultaneously in the same executive positions in both organizations. Gus Machado serves simultaneously as the Treasurer of Cuba Democracy Advocates, Inc. and the Treasurer of the US-Cuba Democracy Political Action Committee. Mauricio Claver-Carone serves simultaneously as the Executive Director of Cuba Democracy Advocates, Inc. and as Executive Director of the US-Cuba Democracy Political Action Committee. See Exhibits 8, 9 and 13. Clearly the public record provides compelling evidence that the common officers, directors and employees of Cuba Democracy Advocates, Inc. and the US-Cuba Democracy Political Action Committee demonstrate that there is an ongoing relationship between the corporation and the political committee.

28. Third, the Commission must consider whether a corporation provides funds on an ongoing basis to a political committee, such as through direct or indirect payments for administrative, fundraising, or other costs. 11 C.F.R. § 100.5(g)(4)(ii)(G); see also 11 C.F.R. § 110.3(a)(3)(ii)(G). Here the evidence available on the public record indicates that Mr. Claver-Carone used the funds he received from Cuba Democracy Advocates, Inc. in 2004 to pay the administrative expenses of the US-Cuba Democracy Political Action Committee. See Exhibits 12 and 13. Paying a salary to Mr. Claver-Carone as the Executive Director of Cuba Democracy Advocates, Inc. with the knowledge that he would then use a portion of that salary to pay the administrative expenses of the US-Cuba Democracy Political Action Committee would certainly demonstrate that Cuba Democracy Advocates, Inc. made indirect payments for the administrative costs of the US-Cuba Democracy Political Action Committee. Gus Machado, as the Treasurer of Cuba Democracy Advocates, Inc., was responsible for paying Mauricio Claver-Carone's salary as Executive Director of Cuba Democracy Advocates, Inc. in 2003, 2004, 2005 and 2006. See Exhibit 12. As Treasurer of the US-Cuba Democracy Political Action Committee, Gus Machado was also responsible for reporting to the Commission that Mauricio Claver-Carone was paying the administrative expenses of the US-Cuba Democracy Political Action Committee in 2003, 2004, 2005 and 2006. See Exhibit 13.

29. Finally, the Commission must consider whether a corporation or its agents had an active or significant role in the formation of the political committee. 11 C.F.R. § 100.5(g)(4)(ii)(I); see also 11 C.F.R. § 110.3(a)(3)(ii)(I). Here the two principal agents of Cuba Democracy Advocates, Inc. were entirely responsible for establishing the US-Cuba Democracy Committee. Gus Machado became the Treasurer of Cuba Democracy

Advocates, Inc. on or about February 3, 2003. See Exhibit 8. Three months later, on May 28, 2003, Gus Machado filed the Statement of Organization form establishing the US-Cuba Democracy Political Action Committee with the Commission. See Exhibit 9. Similarly, Mauricio Claver-Carone became a Director of Cuba Democracy Advocates, Inc. on or about February 3, 2003. See Exhibit 8. The US-Cuba Democracy Political Action Committee's 2003 Year-End Report shows that Mr. Claver-Carone provided unspecified "consulting services" to the US-Cuba Democracy Political Action Committee during 2003. See Exhibit 10. Clearly, Gus Machado and Mauricio Claver-Carone, as agents of Cuba Democracy Advocates, Inc., played both an active and significant role in the formation of the US-Cuba Democracy Political Action Committee.

30. The evidence on the public record clearly shows that, under either the single factor or multiple factor tests established by the Commission's regulations, Cuba Democracy Advocates, Inc. is the connected organization of the US-Cuba Democracy Political Action Committee. Moreover, because Gus Machado was aware of the relationship between Cuba Democracy Advocates, Inc. and the US-Cuba Democracy Political Action Committee at the time the Committee was established, the evidence demonstrates that Gus Machado knowingly made a false statement to the Commission when he filed a Statement of Organization claiming that the US-Cuba Democracy Political Action Committee had no connected organization. Any person who signs a Statement of Organization form that contains false information is subject to civil penalties pursuant to 2 U.S.C. § 437g. More importantly, knowingly making a false statement to the Commission is a criminal violation of 18 U.S.C. § 1001.

31. The evidence on the public record clearly shows that the US-Cuba Democracy Political Action Committee is not a nonconnected committee, but is instead a separate segregated fund of Cuba Democracy Advocates, Inc. That distinction has enormous legal consequences. A nonconnected committee is free to raise funds from the general public, while a separate segregated fund may only raise funds from a restricted class of executive and administrative personnel employed by the fund's connected corporation. 2 U.S.C. § 441b(b)(4)(A)(i). Since its inception in 2003, the US-Cuba Democracy Political Action Committee has raised approximately one and one-half million dollars (\$1,500,000) from the general public. Because the evidence on the public record clearly indicates that the US-Cuba Democracy Political Action Committee is the separate segregated fund of Cuba Democracy Advocates, Inc., the vast majority of that one and one-half million dollars (\$1,500,000) was raised in violation of 2 U.S.C. § 441b(b)(4)(A)(i).

32. Finally, because Cuba Democracy Advocates, Inc. is a 501(c)(3) organization, its formation and operation of the US-Cuba Democracy Political Action Committee is in violation of 26 C.F.R. § 1.527-6(g).

## COUNT II

33. FECA makes it unlawful for a foreign national, directly or indirectly, to make a contribution or donation of money in connection with a Federal, State, or local election. 2 U.S.C. § 441e(a)(1). The Commission's regulations have interpreted the foreign national prohibition broadly to prohibit foreign nationals from participating in decisions involving election-related activities. Specifically, Commission regulations state that, "A foreign national shall not direct, dictate, control, or directly or indirectly participate in the decision-making process of any person, such as a corporation, labor organization,

political committee, or political organization with regard to such person's Federal or non-Federal election-related activities, such as decisions concerning the making of contributions, donations, expenditures, or disbursements in connection with elections for any Federal, State, or local office or decisions concerning the administration of a political committee." 11 C.F.R. § 110.20(i). For more than a quarter of a century, the Commission has repeatedly and consistently sought to ensure that foreign nationals do not make contributions in connection with an election through the direct or indirect control of a political committee. See FEC Advisory Opinions 2006-15, 2000-17, 1999-28, 1995-15, 1992-16, 1992-07, 1990-8, 1989-29, 1983-31, 1983-19, 1982-34, 1981-36, 1980-111, 1980-100 and 1978-21.

34. Leopoldo Fernandez Pujals was born in Cuba but is a naturalized citizen of Spain. See Exhibit 2.

35. On information and belief, Leopoldo Fernandez Pujals violated both 2 U.S.C. § 441e and 11 C.F.R. 110.20(i) by (1) making indirect contributions to the US-Cuba Democracy Political Action Committee through Mauricio Claver-Carone and (2) by participating, directly or indirectly, in the decision-making process of the US-Cuba Democracy Political Action Committee.

36. On information and belief, Leopoldo Fernandez Pujals violated 2 U.S.C. § 441e and 11 C.F.R. 110.20(i) by making indirect contributions to the US-Cuba Democracy Political Action Committee through Mauricio Claver-Carone. In 2004, Leopoldo Fernandez Pujals contributed one hundred seventy-seven thousand, four hundred dollars (\$177,400) to Cuba Democracy Advocates, Inc. See Exhibit 12. Mr. Pujals' 2004 contribution to Cuba Democracy Advocates, Inc. was used to pay the one hundred

thousand and eight dollar (\$100,008) salary of the Executive Director of Cuba Democracy Advocates, Inc., Mauricio Claver-Carone. Id. During 2004, Mr. Claver-Carone, using the funds he received from Leopoldo Fernandez Pujals through Cuba Democracy Advocates, Inc., paid three thousand seven hundred and fifty-nine dollars and twenty-four cents (\$3,759.24) in administrative expenses for the US-Cuba Democracy Political Action Committee. Mr. Claver-Carone's payment of the Committee's administrative expenses was reported by the Committee as a series of in-kind contributions to the Committee by Mr. Claver-Carone. See Exhibit 13.

37. On information and belief, Leopoldo Fernandez Pujals violated 11 C.F.R § 110.20(i) by, directly or indirectly, participating in the decision-making of the US-Cuba Democracy Political Action Committee. Leopoldo Fernandez Pujals is the President of Cuba Democracy Advocates, Inc. See Exhibit 8. The US-Cuba Democracy Political Action Committee is, in fact, the separate segregated fund of Cuba Democracy Advocates, Inc. See ¶¶ 19-32. It strains credulity beyond the breaking point to believe that Leopoldo Fernandez Pujals founded Cuba Democracy Advocates, Inc. in 2000 and played no role whatsoever in the decision to establish the US-Cuba Democracy Political Action Committee in 2003 and has had no role whatsoever in the contribution and administrative decisions of the US-Cuba Democracy Political Action Committee since it was established.

38. Nor is it credible to believe that Leopoldo Fernandez Pujals was limited to participating in the decisions of the US-Cuba Democracy Political Action Committee by doing so through Gus Machado and/or Mauricio Claver-Carone. The very first contribution to the US-Cuba Democracy Political Action Committee was given by a

Victor J. Pujals on June 23, 2003. See Exhibit 14. The Commission should determine what relationship, if any, Victor Pujals has with Leopoldo Fernandez Pujals. Victor Pujals can be contacted at one of two addresses: 1722 Country Club Prado, Miami, Florida, 33134 or Apartment 401-C, 1915 Brickell Avenue, Miami, Florida, 33129.

39. Violations of 2 U.S.C. § 441e and 11 C.F.R. § 110.20(i) by Leopoldo Fernandez Pujals would be especially egregious because it appears that contributions by the US-Cuba Democracy Political Action Committee may have been traded for votes on legislation pending before Congress. On July 12, 2005, the *Miami Herald* reported, “Mauricio Claver-Carone, a director of the U.S.-Cuba Democracy Political Action Committee, contacted more than 120 lawmakers, donated money to their campaigns and urged them to reject any easing of the trade and travel sanctions . . . . The lobbying seems to have worked. Reversing a five-year trend in which supporters of easing U.S. sanctions against Cuba were gaining strength in Congress, the House in late June rejected four initiatives relaxing restrictions, including one amendment lifting a ban on sending soap and toothpaste in gift parcels to the island and another letting Cuban Americans travel more to Cuba.”<sup>5</sup>

40. More significantly, an independent analysis of voting patterns by the Latin America Working Group<sup>6</sup> found that the following thirty-two (32) members of the House of Representatives changed their vote on embargo legislation to adopt the US-Cuba Democracy Political Action Committee position after receiving one or more contributions from the Committee:

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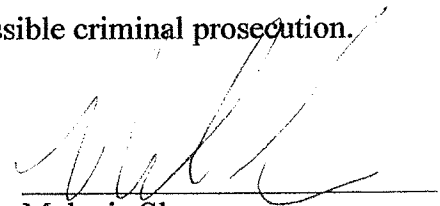
<sup>5</sup> Pablo Bachelet, *New Lobby Kills Threats to Embargo*, Miami Herald (July 12, 2005)(attached as Exhibit 15).

<sup>6</sup> Latin America Working Group, *Follow the Money: Impact of U.S.-Cuba Democracy PAC Donations* (attached as Exhibit 16).

<u>Member</u>	<u>US-Cuba Democracy PAC Contribution</u>
Rep. Rodney Alexander (R-LA)	\$3,000
Rep. Kevin Brady (R-TX)	\$1,000
Rep. Elton Gallegly (R-CA)	\$1,000
Rep. Ralph Hall (R-TX)	\$2,000
Rep. Joel Hefley (R-CO)	\$1,000
Rep. Darrell Issa (R-CA)	\$1,000
Rep. Tom Latham (R-IA)	\$1,000
Rep. Steven LaTourette (R-OH)	\$2,000
Rep. Mike McIntyre (D-NC)	\$3,000
Rep. Robert Simmons (R-CT)	\$1,000
Rep. Lee Terry (R-NE)	\$3,000
Rep. Edward Whitfield (R-KY)	\$4,000
Rep. Roscoe Bartlett (R-MD)	\$1,000
Rep. Ed Case (D-HI)	\$1,000
Rep. Ben Chandler (D-KY)	\$2,000
Rep. Charles Pickering (R-MS)	\$2,000
Rep. Heather Wilson (R-NM)	\$1,000
Rep. David Wu (D-OR)	\$3,000
Rep. Allen Boyd (D-FL)	\$1,000
Rep. Dennis Cardoza (D-CA)	\$1,000
Rep. Barbara Cubin (R-WY)	\$1,000
Rep. Wayne Gilchrist (R-MD)	\$1,000
Rep. Sam Graves (R-MO)	\$1,000
Rep. Gene Green (D-TX)	\$2,000
Rep. Patrick Kennedy (D-RI)	\$1,000
Rep. Donald Manzullo (R-IL)	\$1,000
Rep. Brad Miller (D-NC)	\$1,000
Rep. John Murtha (D-PA)	\$1,000
Rep. Bob Ney (R-OH)	\$1,000
Rep. Solomon Ortiz (D-TX)	\$1,000
Rep. Adam Schiff (D-CA)	\$1,000
Rep. Brad Sherman (D-CA)	\$1,000

WHEREFORE, Citizens for Responsibility and Ethics in Washington requests that the Federal Election Commission conduct an investigation into these allegations, declare the respondents to have violated FECA and applicable Commission regulations, impose sanctions appropriate to these violations and take such further action, including, but not limited to, (1) referring any findings regarding the affiliation of Cuba Democracy Advocates, Inc. and the US-Cuba Democracy Political Action Committee to the Internal

Revenue Service for the Service to initiate the revocation of the tax-exempt status of Cuba Democracy Advocates, Inc., and (2) referring any findings regarding false statements by Gus Machado and prohibited foreign national contributions by Leopoldo Fernandez Pujals to the Justice Department for possible criminal prosecution.



Melanie Sloan  
Executive Director  
Citizens for Responsibility and  
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(202) 408-5565

cc: The Honorable Mark W. Everson  
Commissioner  
Internal Revenue Service  
950 L'Enfant Plaza, S.W.  
5<sup>th</sup> Floor  
Washington, D.C. 20024

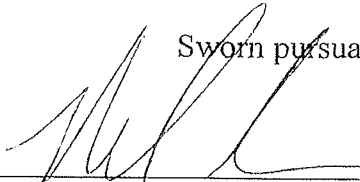
The Honorable Donald A. Gambetsa  
Inspector General  
U.S. Agency for International Development  
Room 606-113D  
Ronald Reagan Building  
1300 Pennsylvania Avenue, N.W.  
Washington, D.C. 20523-1000

The Honorable Harold Damelin  
Inspector General  
U.S. Department of the Treasury  
Room 1221  
1500 Pennsylvania Avenue, N.W.  
Washington, D.C. 20220

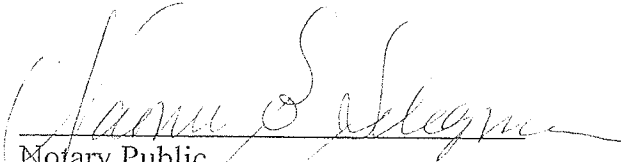
**Verification**

Citizens for Responsibility and Ethics in Washington, acting through Melanie Sloan, hereby verifies that the statements made in the attached Complaint are, upon information and belief, true.

Sworn pursuant to 18 U.S.C. § 1001.

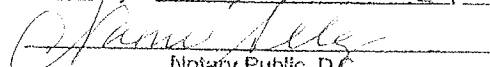
  
\_\_\_\_\_  
Melanie Sloan

Sworn to and subscribed before me this 25th day of September, 2006.

  
\_\_\_\_\_  
Notary Public

District of Columbia: SS

Subscribed and sworn to before me, in my presence,  
this 25 day of September.

  
\_\_\_\_\_  
Notary Public, D.C.

My commission expires June 30, 2011.