

This letter responds to Ms. Laura Sinram's letter dated January 28, 2009, requesting additional information on Schedule E disclosures for The Legacy Committee Political Action Committee (ID# C00429084) for the amended mid year report ending June 30, 2007 and the amended year end report ending December 31, 2007. Following is our response:

1. The Schedule E total of \$20,593.67 for period ending June 30, 2007 represents a cumulative total for ALL independent expenditures, and consists of \$19,220.32 cumulative total of independent expenditures opposing Hillary Clinton during the period, and \$1,373.35 cumulative total of independent expenditures opposing Barack Obama. The Schedule E total of \$356,119.32 for period ending December 31, 2007 represents a cumulative total for ALL independent expenditures, and consists of \$290,648.96 cumulative total of independent expenditures opposing Hillary Clinton during the period, and \$65,470.36 cumulative total of independent expenditures opposing Barack Obama

2. Prior to discussions with Ms. Sinram in early/mid 2008, we originally believed the expenditures were general in purpose, and did not consider them to be independent expenditures, because their purpose was entirely for direct-mail fundraising to proven commercial conservative fundraising lists chosen for their fundraising potential and not for their voting impact. The fundraising letters included content which contained some words of express advocacy. However, after our discussions with Ms. Sinram (discussions which took place AFTER we filed the year 2007 reports), we re-categorized many of the committee expenditures as independent expenditures, and retroactively filed 48 hour independent expenditure reports for all expenditures from April 1st through June 30, 2008 (but before we filed the July quarterly report). We did not file 48 hour reports for the 2007 reports because those reports had already been filed. And per our discussion with Ms. Sinram, since we had already filed the reports, the independent expenditures had already been disclosed on that report, and therefore it wouldn't make sense to file the late reports for the previous periods.

a. Please note that The Legacy Committee PAC expenses incurred for independent expenditures consist of mailings to a broad list of potential contributors covering the entire United States in a repetitive test and roll-out program devised by Response Dynamics. These mailings are fundraising letters for the general election that happen to include content that is express advocacy. Their overriding purpose (really, their entire purpose) is general fundraising for the general election.

b. In our view, characterization of these mailings as independent expenditures has the effect of greatly overstating and inflating the actual funds used by the organization to influence the election by express advocacy. In a discussion with the New York Times reporter Michael Lau, he offered the opinion to us to the effect that the FEC's reporting requirement of these entirely fundraising letters as independent expenditures has the effect of misleading the public into thinking that this type of committee is making significant fulfillment expenditures when in fact all of the funds in the mailing program are simply being used for fundraising. We agree with that assessment. In the meantime, we have been contacted by reporter Thomas Edsall of the Huffington Post, whose original question for us was why the committee had reported, on the reports you are questioning, significant independent expenditures per the FEC forms but that he had not seen equal independent expenditure fulfillment. We explained to Edsall that the answer to his question was that your requirements had the effect of distorting the actual level of independent expenditure activity by lumping strictly direct-mail fundraising into that category where it contains words of express advocacy. Edsall seemed to agree with that assessment in a telephone discussion with James Lacy.

c. However as noted above, we are complying with your request and are now classifying the expenditures as independent expenditures