

HINSHAW

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August 26, 2016

VIA UPS OVERNIGHT

Newt 2012
4501 North Fairfax Dr., Suite 900
Arlington, VA 22203

Re: Newt 2012 FEC ID No. C00496497

To Whom It May Concern;

I represent Gordon C. James Public Relations (the "Company"). On August 8, 2016, Gordon C. James Public Relations received a form from Newt 2012 entitled "Debt Settlement Plan Part II," a copy of which is attached. The form came without cover letter or directions. It did not contain a return envelope or return address. The form, at paragraph G, asks to settle the debt of \$127,727.21 owed to Gordon C. James Public Relations in exchange for nothing. **Nothing is not a settlement offer.** Gordon C. James Public Relations **rejects** the terms and amount of settlement outlined in the form.

It appears that Newt 2012 wishes to close down and is seeking permission from the Federal Elections Commission to do so. Courtesy, if not regulation, would dictate that Newt 2012 at least send a letter explaining the form and its actions to its creditors. To be clear, Gordon C. James Public Relations disagrees with this action and urges Newt 2012 to remain open and operational and to make a good faith concerted effort to collect and distribute funds until all of the creditors have been paid in full. By copy of this letter the Company urges the FEC not to approve the Debt Settlement Plan nor permit the Newt 2012 Campaign Committee to end operations and close.

The Company also disagrees with Section AA of the form in which Newt 2012 makes representations regarding its efforts and those of the candidate to pay off the debt. The assertion that there have been "continued fundraising activities" is not supported by any documentation and has no support in the FEC reports on file. The FEC reports reflect that there have been only sporadic efforts to raise funds over the past four years. There were some mailing list rentals, but those rentals have declined. During 2015 and 2016, there has been no income from contributions. The Company can find no reference to any personal contributions by the former candidate in the FEC reports despite well reported claims of his earning millions of dollars over this same period.

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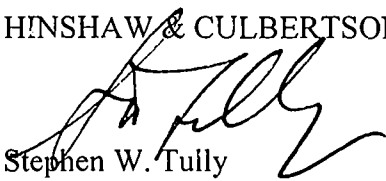
Despite, the lack of efforts made at fundraising, the FEC reports show a significant amount of expenses that arguably should have been curtailed in order to allow for a greater portion of the receipts to be committed to paying creditors. For example, in the most recent report, there is \$3,000 attributed to staff. Yet only eleven transactions by the organization - six of which are deposits of bank interest. So the average expense for the five actual transactions is \$600 per transaction. There is also \$5,500 paid to 1801 Technology Holdings, LLC. There is no indication in the report as to the reason for this expense other than it is for Strategic Consulting.

My client was willing to commit its energy and effort to the Newt Gingrich campaign. It also committed to prepay campaign expenses with the full expectation of being reimbursed for the outlays made. In many cases, these were expenses that were necessary support for Newt Gingrich's appearances and travel in the spring of 2012. They included such items as sound, lighting and staging equipment rentals and acquiring rental cars for use in motorcades that transported Newt and Callista Gingrich to their appearances.

It is highly disappointing to the Company that Mr. Gingrich has made no effort to repay the debts he incurred in running for high office. Gordon C. James Public Relations hopes that the FEC will deny this request and that Mr. Gingrich and the Committee will make a serious effort to raise the funds to fully pay their creditors. In order for all the creditors to be paid in full, a robust campaign will be necessary under the direction of Newt and Callista Gingrich. They have the ability to raise and with their own resources pay off the debt. They need to act with the same virtues they publically promote.

Sincerely,

HINSHAW & CULBERTSON LLP


Stephen W. Tully

SWT/tdh

cc. ~~Newt Gingrich~~
Federal Election Commission
Taylor Swindle
Stefan Passantino

DEBT SETTLEMENT PLAN

PART II

NAME OF COMMITTEE Newt 2012	FEC I.D. NUMBER C00496497	PAGE 33	OF 114
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CREDITOR SUMMARY INFORMATION

(FILL OUT FOR EACH CREDITOR IN PLAN)

FULL NAME AND MAILING ADDRESS OF CREDITOR	DATE INCURRED	AMOUNT OWED TO CREDITOR	AMOUNT OFFERED IN SETTLEMENT
Gordon C. James Public Relations 4715 N. 32 nd St. Suite 104 Phoenix, AZ 85018	04/06/2012	127,727.21	0

TYPE OF CREDITOR:

- INCORPORATED COMMERCIAL VENDOR
 UNINCORPORATED COMMERCIAL VENDOR
 CANDIDATE
 COMMITTEE EMPLOYEE
 OTHER INDIVIDUAL

Z. TERMS OF THE INITIAL EXTENSION OF CREDIT AND NATURE OF THE DEBT

The debt at issue relates to event services rendered to Newt 2012 by Gordon C. James Public Relations in its ordinary course of business under commercially reasonable terms. Payment for such services rendered to Newt 2012 by Gordon C. James Public Relations was due in accordance with the payment terms of the initial contract between the Committee and the Corporation, which called for monthly invoicing and payment by the parties.

AA. EFFORTS MADE BY THE COMMITTEE TO PAY THE DEBT

Newt 2012, which was unable to pay the specific debt at issue due to insufficient committee funds, has undertaken a variety of efforts for the purpose of raising additional resources to assist with the payment of the instant obligation. Included among Newt 2012's efforts in this regard were the following: continued fundraising activities by the Committee; the attempted sale of existing Committee assets; attempts to take out Committee loans; personal contributions by the former candidate; and attempts at securing contributions from other federal political committees.

BB. STEPS TAKEN BY THE CREDITOR TO COLLECT THE DEBT

Gordon C. James Public Relations, which has treated Newt 2012's debt in a commercially reasonable manner and consistent with its general business practices, has pursued a variety of remedies against the Committee in order to collect with regard to the obligation at issue. Included among Gordon C. James Public Relations efforts in this regard were repeated phone calls, e-mails and correspondence with Newt 2012, as well as other direct attempts at debt collection with the Committee and its representatives. In this regard, Gordon C. James Public Relations has acted as vigorously as it would while pursuing such remedies against a nonpolitical debtor that, like Newt 2012, has very limited assets.

CREDITOR SECTION (TO BE FILLED OUT BY CREDITOR)

CC. WAS THE EFFORT MADE BY THE CREDITOR TO COLLECT THE DEBT SIMILAR TO OTHER DEBT COLLECTION EFFORTS AGAINST NONPOLITICAL DEBTORS?

YES NO IF NO, PLEASE EXPLAIN

DD. ARE THE TERMS OF THE DEBT SETTLEMENT COMPARABLE TO OTHER SETTLEMENTS MADE BY THE CREDITOR WITH OTHER NONPOLITICAL DEBTORS?

YES NO IF NO, PLEASE EXPLAIN

As a representative of the creditor, I hereby accept the settlement offer made to me by the committee and upon payment agree to consider the debt satisfied (or attach a copy of the signed settlement).

SIGNATURE OF
CREDITOR OR
REPRESENTATIVE

➤

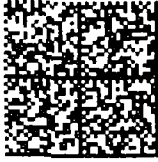
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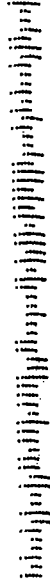
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Phoenix, AZ 85016



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FEDERAL ELECTION COMMISSION
999 E Street, NW
Washington, DC 20463



Federal Election Commission
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PREPARER
(3/2015)

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