

Frank B. Bragg, Jr.  
MUR 5666

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

July 3<sup>rd</sup>, 2006

Federal Election Commission  
999 E Street, NW  
Washington, DC 20463

Reference: MUR 5666  
Respondent: Frank B. Bragg, Jr.

1 2006 JUL -5 A 10: 00

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

To Whom It May Concern:

I have never knowingly and I have never willfully violated any provision of the Federal Election Campaign Act of 1971, and/or 2 U.S.C. & 441b and 441f.

All documents, records, and materials that I had in my possession relating to MZM and Mr. Mitchell Wade were preserved and turned over to the Federal Bureau of Investigation (FBI) and the Internal Revenue Service (IRS)

A copy of the memorandum that I disseminated on June 17<sup>th</sup>, 2005 to MZM Senior Managers and Executives regarding document retention and preservation is at Enclosure A.

With the exception of approximately eight (8) days in June 2005 (June 16<sup>th</sup>, 2005 through June 24<sup>th</sup>, 2005), I have never held a position of oversight, authority, or responsibility for MZM corporate funds or the MZM INC. PAC.

I was employed with MZM for approximately 34 months. My first day on the job with MZM was on September 16<sup>th</sup>, 2002. I resigned from MZM on June 24<sup>th</sup>, 2005. I served as President and CEO of MZM (Enclosure B) for approximately eight (8) days (June 16<sup>th</sup>, 2005 through June 24<sup>th</sup>, 2005), and resigned on June 24<sup>th</sup>, 2005 after being lied to by Mr. Mitchell Wade and discovering some of his unethical activities in running MZM. A copy of my resignation letter is at Enclosure C.

During my employment with MZM, I made several monetary contributions to different MZM-endorsed charity funds, foundations, MZM INC. PAC, and candidates, these included: "Friends of Katherine Harris" and "Goode for Congress" (see Enclosure D).

The first introduction to seeking monetary contributions from me and my wife for the MZM INC. PAC and/or to any political candidates and/or Representatives was on September 17<sup>th</sup>, 2002, when Mr. Joe Cornelison delivered to me a memorandum from Mr. Mitchell Wade (see Enclosure E1). Copies of memorandums delivered to me by Mr. Joe Cornelison or Ms. Jeanne O'Neil are at Enclosures E1 through E4. Mr. Joe Cornelison advised me that it was legal, ethical, and moral to contribute to the MZM INC. PAC and/or political candidates and/or Representatives. To the best of my

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knowledge, Mr. Joe Cornelison was correct in advising me about contributions in accordance with the Federal Election Commission guidelines, rules, and regulations.

The monetary contributions that I made or that my wife made to MZM INC. PAC, "Friends of Katherine Harris" and "Goode for Congress" were delivered by me to either Mr. Joe Cornelison (MZM General Counsel and MZM INC. PAC Treasurer) or Ms. Jeanne O'Neil (MZM INC. PAC Treasurer).

I have never presented or delivered a monetary contribution of any type to Mr. Mitchell Wade.

I have never witnessed any person presenting or delivering a monetary contribution of any type to Mr. Mitchell Wade.

Without exception, in all situations and in all conversations that I have ever had with MZM employees, including Mr. Mitchell Wade, I have always advised all personnel to conduct themselves, and to handle all actions, all monetary activities, all monetary support, and all monetary actions in a legal, ethical, and moral way.

I have never knowingly and I have never willfully advised, demanded, and/or coerced anyone at anytime to violate any law.

Mr. Mitchell Wade has never threatened me or my wife or tried to coerce me or my wife into giving contributions.

Mr. Mitchell Wade has never ordered me at any time to demand or coerce any MZM employee to give money to any candidate or activity.

On many occasions during my employment with MZM, Mr. Mitchell Wade discussed support to political campaigns and charitable campaigns in a very open-meeting-setting with many MZM senior managers and executives attending those meetings. Mr. Mitchell Wade was very public about his support of Representatives Virgil Goode and Katherine Harris. In all of these settings, I believe the meetings were conducted in a legal, moral, and ethical process.

During my employment with MZM, I was never ordered to give to any candidate or to the MZM INC. PAC. I was requested to give to candidates and/or to the MZM INC. PAC by either Mr. Joe Cornelison or Ms. Jeanne O'Neil. In all circumstances, I was asked to give to either to the MZM INC. PAC or to the campaigns of Representatives. To the best of my knowledge during my entire employment with MZM, I was asked to give to three Representatives which were: Representative Alan Mollohan in 2002 (I declined to contribute to his campaign); Representative Katherine Harris in 2004 (I agreed to contribute to her campaign); and, Representative Virgil Goode in 2005 (I agreed to contribute to his campaign).

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During my employment with MZM, no one ever demanded that I contribute money or threatened my employment if I did not contribute money. I would only support a candidate with my contributions that were pro-business, pro-life, and pro-military.

I have never threatened and/or demanded that any MZM employee or any spouse of an MZM employee contribute to any sponsored MZM INC. PAC, charity, fund, political candidate, or Representative.

I have never witnessed or had any knowledge of any MZM employee or MZM supervisor threatening or demanding that any MZM employee or spouse of an MZM employee make contributions to any sponsored MZM INC. PAC, charity, fund, political candidate or Representative.

I have never advised any MZM employee or spouse of an MZM employee on how much to contribute or who or when to make any contribution to any sponsored MZM INC. PAC, charity, fund, political candidate, or Representative.

I have never been involved with setting up, organizing, or running any political or campaign fundraising event.

With the exception of the last eight (8) days of my employment with MZM, I have never had any specific insight, oversight, authority, or responsibility regarding MZM corporate funds. To the best of my knowledge, during those last eight (8) days of my employment, there were no contributions involving the MZM INC. PAC or political candidates.

Regarding straw contributions referred to on page 5 of the "Factual and Legal Analysis," I have never knowingly and I have never willfully made a contribution or authorized the use of my name to give to Representative Goode during 2003. If a contribution was given to Representative Goode in 2003 with my name, it was done without my knowledge and without my approval. The only contributions that I made and I have knowledge of and approved for "Goode for Congress" was in 2005. Contributions that I made, approved, authorized, and supported are listed at enclosure D.

I have never knowingly and I have never willfully violated 2 U.S.C & 441f by serving as a conduit for contributions from Mr. Mitchell Wade to Representatives Virgil Goode or Katherine Harris.

I have never knowingly and I have never willfully violated 2 U.S.C. & 441f by permitting my name to be used for contributions made by MZM and Mr. Mitchell Wade.

I have never knowingly and I have never willfully violated 2 U.S.C. & 441b by consenting to prohibited corporate contributions.

Contributions that were made by my wife were made after I advised her that her contributions were legal, moral, ethical, and smart, and that the candidates were pro-business, pro-life, and pro-military.

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Contributions that I made or that my wife made were personally delivered to and coordinated with either Mr. Joe Cornelison or Ms. Jeanne O'Neil; both served as treasurer of the MZM INC. PAC and received the contributions that I made or that my wife made to the MZM INC. PAC or to Representatives Goode and Harris.

To the best of my knowledge, both Mr. Joe Cornelison and Ms. Jeanne O'Neil handled the Treasurer duties with honesty and integrity, and both accomplished their duties in accordance with the law.

In conclusion, I have never knowingly and I have never willfully violated 2 U.S.C & 441b & 441f. I have always advised all personnel to conduct themselves and to handle all actions in a legal, ethical, and moral way.

Respectfully submitted,

*Frank B. Bragg, Jr.*

Frank B. Bragg, Jr.

Annapolis, MD 21401

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**Bragg Jr., Frank B.**

**From:** Bragg Jr., Frank B.  
**Sent:** Sunday, June 19, 2005 5:50 PM  
**To:** mhulkower@steptoe.com  
**Subject:** Documentation Retention Memo  
**Importance:** High

-----Original Message-----

**From:** Bragg Jr., Frank B.  
**Sent:** Fri 6/17/2005 7:43 PM  
**To:** O'Neil, Jeanne M.;  
Rich;

Flowers, Jonathan; Bragg Jr., Frank B.;

Berglund,

; Flowers, Jonathan;

Berglund, Rich;

Swinford, Roger A.;

; King, James;

; Bragg Jr., Frank B.;

**Subject:** Documentation Retention

27044174504

ENCLOSURE A

*Confidential and Privileged  
Attorney-Client Communication  
Attorney Work Product  
Do Not Copy or Distribute*

## MEMORANDUM

TO: Distribution

FROM: David Holmes, Esq., Counsel to MZM Inc.

DATE: June 17, 2005

RE: Notice of Obligation to Preserve Relevant Documents

In connection with recent events, MZM Inc. is seeking to preserve all documents relating to certain subjects. This memorandum sets forth guidance on the preservation of these documents. It is imperative that you read and follow these guidelines to the letter.

This notice serves as an instruction to preserve and maintain all documents that are in your possession, custody, or control, or that of the Company and its officers, employees, and agents -- at the office, off-sites or at your place of residence -- from January 1, 1998 to the present, relating to:

- All government contracts.
- Communications between or about any employee or representative of the United States government, elected or appointed, including but not limited to Representative Randy "Duke" Cunningham. Please preserve all responsive documents.

Please note that in this context, the term "documents" includes, but is not limited to, written materials, notes, drafts, calendars, card files, appointment books, and the like. In addition, it includes any relevant information held on a computer database, disk, e-mail, electronic calendar, PDA, Blackberry, tape recording, microfilm, video, film, and the like. It also includes all copies of the same documents.

Moreover, our retention obligations extend to relevant documents that may be saved directly to the hard drive of any laptop or desktop computers or to any back-up tapes. If you believe that you have such documents and that they are not also saved to the network server, you should arrange to save such documents to the network server.

**The failure to preserve documents in these circumstances may subject you or the Company to severe sanctions.**

Accordingly, you and your staff (including more junior personnel, assistants, etc.) must comply with the following procedures:

- Effective immediately all preexisting document retention/destruction policies and procedures are suspended.
- Do not alter, delete or destroy any relevant documents, including but not limited to notes, drafts, and e-mail messages or computer files residing on disk or hard drive, even if such documents or materials would otherwise be routinely discarded or destroyed in the ordinary course of your business.
- Please note that this memorandum does not purport to itemize all of the documents that must be retained: **any and all potentially relevant documents as described above must be preserved.** If you are unsure of the nature or the extent of your responsibilities, if you are aware of additional personnel to whom this memorandum should be sent, or if you have any questions, please contact David Holmes at (202) 518-5240.

Thank you for your strict compliance with the terms of this memorandum.

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**Bragg Jr., Frank B.**

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**From:** Bragg Jr., Frank B.

**Sent:** Thursday, June 16, 2005 5:38 PM

**To:** Rich;

Flowers, Jonathan;

Berglund,

Swinford, Roger A.;

Capra, Tony;  
King, James;

**Cc:** Bragg Jr., Frank B.

**Subject:** MANAGEMENT MEMO

**Importance:** High

**Sensitivity:** Private

**From:** Frank B. Bragg, Jr.

**To:** Senior Managers

**Subject:** Management Memo

Effective immediately, Mitchell J. Wade is transferring all day-to-day management responsibilities at MZM, Inc., to the leadership team of Frank Bragg and Kay James.

Mr. Wade has made this decision based on personal reasons and on what he believes is in the best interest of this organization and all of the company's employees.

There may be media inquiries about this decision, and I would ask that you please forward all media inquiries to MZM's Director of Communications, Robert Beals at MZM, Inc. headquarters as we always do.

Starting today, I will step in as MZM, Inc's President and CEO. Kay James has agreed to serve as the company's Chief Operating Officer.

I am committed to this organization, the important work we do, and all of you as MZM, Inc. employees. Kay James and I are going to work as a team with all of you to ensure the stability and future success of this company. We will strive to keep you fully informed as teammates and partners in this significant endeavor.

The day-to-day work of MZM employees must continue in a seamless fashion. We have significant obligations to our clients and in turn our fellow citizens. Let's stay focused on our business and committed to our mutual success.

VR,  
/s/  
Frank B. Bragg, Jr.  
President and CEO, MZM, Inc.

ENCLOSURE B



# Frank B. Bragg, Jr.

June 24, 2005

Mr. Mitchell J. Wade  
Owner  
MZM, Inc.  
1523 New Hampshire Avenue, NW  
Washington, DC 22036

Dear Mr. Wade:

With this letter I am informing you of my decision to resign as President and Chief Executive Officer of MZM, Inc., effective today, June 24, 2005.

Words alone hardly suffice to express the anger and disappointment I feel following the events of the past two weeks. I can easily forgive a brother for one or two isolated acts of poor judgment. Unfortunately, my growing frustration has found fertile soil in the discoveries I have made about your management of this company.

MZM was a family made up of dedicated, hard working, talented, and patriotic men and women who came to work here because they believed in the values the company espoused and the mission we were engaged in. Your actions made a mockery of those values and even endangered our important work. Your reckless disregard for the families that serve as the backbone of this organization is unconscionable. They are good people with noble aspirations and simple dreams and I firmly believe you took unfair advantage of them. Without the help of an unforeseeable miracle, the legacy of MZM will be one of heartbreak that will take years to heal.

Like many in this organization, I come from a family with a heritage of service to this nation. The values of integrity, honor and duty have been emblazoned on my conscience and tested in battle. For the sake of the employees and families of MZM, I desperately wanted to save this company, and it was with them in mind that I accepted the responsibility of serving as MZM's CEO just over a week ago. Sadly, the battle to save this company was in jeopardy long before I agreed to step in as CEO and every day that you refused relinquish complete control and distance yourself from the company drove another nail into what I now believe is this company's inevitable fate.

MZM's credibility has been irreparably harmed, the trust of our employees and clients has been shaken to its core, and each day brings new public revelations that compound the problems. By withholding authority, providing limited and inaccurate information, and sapping the company of its resources, you have relegated even the most talented leadership team to failure. The trust I once had in you has been completely eroded and I am no longer willing to continue fighting in a battle that I believe is futile.

Signed,

*Frank B. Bragg, Jr.*  
Frank B. Bragg, Jr.

ENCLOSURE C

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Enclosure D

## Contributions made by Frank and Cindy Bragg:

Bank/Credit Card	Date of Check/Card	Check #	From	To	Amount
PFCU	10-04-2002	162	Frank and Cindy Bragg	MZM INC. PAC	\$1000.00
PFCU	11-05-2002	189	Frank and Cindy Bragg	Duke Ellington Fund (Wade Family Endowment)	\$1000.00
PFCU	02-12-2003	298	Frank and Cindy Bragg	MZM INC. PAC	\$500.00
PFCU	08-02-2003	453	Frank and Cindy Bragg	Duke Ellington Fund (Wade Family Endowment)	\$250.00
PFCU	02-01-2004	628	Frank and Cindy Bragg	MZM INC. PAC	\$1000.00
PFCU	03-05-2004	656	Frank Bragg	Friends of Katherine Harris (General Election)	\$2000.00
PFCU	03-05-2004	657	Frank Bragg	Friends of Katherine Harris (Primary Election)	\$2000.00
PFCU	03-05-2004	658	Cindy Bragg	Friends of Katherine Harris (Primary Election)	\$2000.00
PFCU	03-05-2004	659	Cindy Bragg	Friends of Katherine Harris (General Election)	\$2000.00
PFCU	04-07-2004	678	Frank and Cindy Bragg	SURE Foundation	\$300.00
Credit Card	04-29-2004	NA	Frank and Cindy Bragg	SURE Foundation	\$120.00
PFCU	01-20-2005	923	Frank and Cindy Bragg	SURE Foundation	\$1000.00
PFCU	02-15-2005	943	Frank Bragg	Goode For Congress	\$2000.00
PFCU	02-15-2005	944	Cindy Bragg	Goode For Congress	\$2000.00

Enclosure D

# MZM, INC.

1523 New Hampshire Ave., NW  
Washington, D.C. 20036  
Voice (202) 518-5240 • Fax (202) 518-5241

MEMORANDUM FOR FRANK B. BRAGG, JR., VICE PRESIDENT FOR ARMY PROGRAMS  
FROM MITCHELL J. WADE, PRESIDENT & CEO  
SUBJECT: MZM INC. PAC  
DATE: SEPTEMBER 17, 2002

*J* *Paid*  
\$1,000.00  
14 Oct 2002  
CK # 162  
PFCU

As you join our company, I want to introduce you to MZM INC. PAC and its purposes.

MZM INC. PAC is a political action committee we sponsor that enables us to stay actively engaged with key Members of Congress who support the business objectives of the company. The PAC is regulated by the Federal Election Commission, and under FEC rules it may solicit contributions from its restricted class at any time, that class being defined as those MZM employees having policymaking, managerial, professional or supervisory responsibilities. The restricted class also includes the family members of those employees.

As the November elections approach, we are trying to strengthen the PAC by increasing the size of its treasury and by having it qualify as a multicandidate committee so that it will be as effective as possible. The treasury of course increases as a function of the number and size of the contributions we receive. We achieve multicandidate status when the number of contributors to the PAC reaches a certain threshold. The advantage of having this status is that it allows us to give larger contributions to key candidates per election cycle (\$5,000 instead of \$1000).

I ask that, jointly with your wife, you consider contributing \$1000.00 to MZM INC. PAC to help us achieve the objectives I outlined above. By law, the maximum an individual contributor may give to a PAC in a single calendar year is \$5,000, but whether to give at all, and the amount of the contribution if you do give, is completely up to you. Regarding our effort to qualify as a multicandidate committee, however, any contribution you make will allow us to count you as a contributor for that purpose. A contribution will not result in any benefit to you from the company, nor will a refusal to donate result in any disadvantage to you. Also, you should know that PAC contributions are not tax deductible.

If you choose to join with me in this endeavor, please make your check payable to MZM INC. PAC and give it to Joe Cornelison, who is the PAC Treasurer. The funds we accumulate through this effort will be used over the course of this election cycle to support candidates of both political parties who share our understanding of our country's national security needs and the role technology can play in making it a safer and stronger nation.

Thank you for your consideration of this request. I look forward to working with you as we move the company forward toward a bright future.

ENCLOSURE E1

27044174510



MEMORANDUM FOR: FRANK B. BRAGG  
EXECUTIVE VICE PRESIDENT FOR ARMY  
PROGRAMS

FROM: MITCHELL J. WADE, PRESIDENT & CEO *mw*

SUBJECT: MZM INC. PAC

DATE: FEBRUARY 7, 2003

As we look ahead to the next Congressional election cycle, we must begin to prepare our political action committee, MZM INC. PAC, so that it can play an effective role in supporting those candidates who share our interest in robust defense and homeland security programs and thus support our corporate business objectives. The reality is that the PAC's effectiveness will be a direct function of its financial strength. In other words, it will depend on the number and size of the contributions made to the PAC.

The PAC is authorized by law to solicit contributions from the "restricted class" of its connected organization. That class is defined as those executive and administrative employees paid on a salary basis who have policymaking, managerial, professional or supervisory responsibilities. It also includes their spouses. As a member of this class, I ask that you consider a contribution in the amount of \$500. This amount, however, is only a suggestion, and your contribution, if any, is completely voluntary. However, the maximum amount anyone can contribute to a PAC in a given calendar year is \$5,000. A contribution will not result in any benefit to you from the company, nor will a refusal to donate result in any disadvantage to you. Also, you should know that PAC contributions are not tax deductible.

If you and/or your wife choose to join with me in this effort, please make your check payable to MZM INC. PAC and give it to Joe Cornelison, who is the PAC Treasurer.

Thank you for your hard work in support of our Company and for your consideration of this request.

*Paid*  
*FRANK B. BRAGG, JR. \$500.00*  
*CYNTHIA S. BRAGG*  
*CK# 298*  
*12 FEB 2003*  
*JBB*

27044174511



*\$1,000.00*  
*CK# 628*  
*1 Feb 2004*

MEMORANDUM FOR FRANK B. BRAGG, JR., ADVISOR TO THE  
PRESIDENT FOR OPERATIONS

FROM MITCHELL J. WADE, PRESIDENT *MJW*

SUBJECT: PREPARING MZM INC. PAC FOR THE 2004  
ELECTIONS

DATE: JANUARY 12, 2004

The objective of MZM INC. PAC is to enable our Company to stay actively engaged with key Members of Congress and the Congressional Committees on which they are serve on issues that support our strategic business plan. As we begin this important election year, it is essential that we position the PAC to be as effective as it can possibly be in this regard. To be successful in this effort, however, we must ensure that the PAC has a robust treasury.

Under the law, our PAC is allowed to solicit from its restricted class at any time, that class being defined as those Company employees having policymaking, managerial, professional or supervisory responsibilities. The restricted class also includes the family members of such employees.

I ask that you make a contribution to the PAC in the amount of \$1,000.00 to help us achieve the objective I outlined above. This amount, however, is only a suggestion. By law, the maximum an individual contributor may give in a single calendar year is \$5,000, but whether to give at all, and the amount of the contribution if you do give, is completely up to you. A contribution will not result in any benefit to you from the Company nor will a refusal to donate result in any disadvantage to you. Also, you should know that PAC contributions are not tax deductible.

The funds we accumulate through this effort will be used over the course of this election cycle to support candidates of both political parties who share our understanding of our country's national security needs and the role technology can play in making it a safer and stronger nation.

If you choose to join with me in this endeavor, please make your check payable to MZM INC. PAC and give it to Joe Cornelison, who is the PAC Treasurer.

Thank you for your consideration of this request and also for your hard work day-to-day as we together move the Company forward toward a bright future.

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MEMORANDUM FOR: FRANK BRAGG, JR.  
CHIEF OPERATING OFFICER

FROM: MITCHELL J. WADE, PRESIDENT & CEO *mjw*

SUBJECT: PREPARING MZM INC. PAC FOR THE 2005  
ELECTION CYCLE

DATE: FEBRUARY 1, 2005

We have a political action committee, MZM INC. PAC, organized in accordance with the federal election laws. The objective of MZM INC. PAC is to enable us to stay actively engaged with key Members of Congress and the Congressional Committees on which they are serve on issues that support our strategic business plan. As we proceed further into this important election year, it is essential that we position the PAC to be as effective as it can possibly be in this regard. To be successful in this effort, however, we must ensure that the PAC has a robust treasury.

Under the law, our PAC is allowed to solicit from its restricted class at any time, that class being defined as those Company employees having policymaking, managerial, professional or supervisory responsibilities. The restricted class also includes the family members of such employees.

I ask that you make a contribution to the PAC in the amount of \$1,000 to help us achieve the objective I outlined above. This amount, however, is only a suggestion. By law, the maximum an individual contributor may give in a single calendar year is \$5,000, but whether to give at all, and the amount of the contribution if you do give, is completely up to you. A contribution will not result in any benefit to you from the Company nor will a refusal to donate result in any disadvantage to you. Also, you should know that PAC contributions are not tax deductible.

The funds we accumulate through this effort will be used over the course of this election cycle to support candidates of both political parties who share our understanding of our country's national security needs and the role technology can play in making it a safer and stronger nation.

If you choose to join with me in this endeavor, please make your check payable to MZM INC. PAC and give it to Jeanne O'Neil, who is the PAC Treasurer.

Thank you for your consideration of this request and also for your hard work day-to-day as we together move the Company forward toward a bright future.

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