



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2414  
DATE FILMED 4/15/88 CAMERA NO. 2  
CAMERAMAN GPC

33040694082

WALLACE S. NATHAN  
District Counsel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 19, 1986

*plm*

Wallace S. Nathan, District Counsel  
Northeastern District  
Comptroller of the Currency  
Administrator of National Banks  
1211 Avenue of the Americas, Suite 4250  
New York, NY 10036

Re: Pre-MUR 171

Dear Mr. Nathan:

This is to acknowledge receipt of your letter on September 10, 1986, advising us of the possibility of a violation of the Federal Election Campaign Act of 1971, as amended, (the "Act") by City National Bank of Newark, New Jersey. We are currently reviewing the matter and will advise you of the Commission's determination when the matter is closed.

If you have any questions, please call Anne Weissenborn, the attorney assigned to the matter at (202) 376-5690. Our file number for this matter is Pre-MUR 171.

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

Sincerely,

Charles N. Steele  
General Counsel

*Lawrence M. Noble* (LH)  
By: Lawrence M. Noble  
Deputy General Counsel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 31, 1986

Wallace S. Nathan  
District Counsel  
Administrator of National Banks  
Comptroller of the Currency  
Northeastern District  
1211 Avenue of the Americas  
Suite 4250  
New York, New York 10036

RE: City National Bank  
Newark, New Jersey  
Pre-MUR 171

Dear Mr. Nathan,

On September 10, 1986, the Federal Election Commission received a letter from you dated August 28, 1986 which referred to the Commission a possible violation of 2 U.S.C. § 441b by the City National Bank of Newark, New Jersey. The letter indicated that a subpoena would be necessary in order for the Commission to obtain the documents in the possession of your office pertaining to the apparent violation. Based upon subsequent telephone discussions between Keenan L. Pawley of your office and Anne A. Weissenborn of this office, it is our present understanding that a subpoena will not be necessary and that the documents will be forwarded by Mr. Pawley once they have been turned over by the auditor or investigator involved.

We are writing to ask that the documents be sent to this office as soon as possible.

Thank you for your attention to this request.

Sincerely,

Charles N. Steele  
General Counsel

  
BY: Lawrence M. Noble  
Deputy General Counsel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 2, 1987

Keenan L. Pawley, Esquire  
Office of the District Counsel  
Administrator of National Banks  
Comptroller of the Currency  
Northeastern District  
1211 Avenue of the Americas  
Suite 4250  
New York, New York 10036

RE: City National Bank  
Newark, New Jersey  
Pre-MUR 171

Dear Mr. Pawley:

In response to your request made to Anne Weissenborn of this Office, I am enclosing a copy of our letter of October 31, 1986, to Wallace S. Nathan concerning documents in the possession of your office regarding the possible violation of 2 U.S.C. § 441b by the City National Bank of Newark, New Jersey. Thank you for your attention to our renewed request for that information.

Sincerely,

Charles N. Steele  
General Counsel

BY: *Lawrence M. Noble*  
Lawrence M. Noble  
Deputy General Counsel

Enclosure

REC  
GCC#2402  
07 MAR 16 09:46  
Tue Mar 17/

Comptroller of the Currency  
Administrator of National Banks

Northeastern District  
1211 Avenue of the Americas, Suite 4250  
New York, New York 10036

MAR 12 1987

Charles N. Steele, Esq.  
General Counsel  
Federal Election Commission  
Washington, D.C. 20463

Dear Mr. Steele:

In response to your request in your letter of October 31, 1986, enclosed please find copies of documents which indicate that City National Bank, Newark, New Jersey, may have violated 2 U.S.C. §441b by making an expenditure in connection with a political campaign.

Should you need further assistance, please contact Attorney Keenan L. Pawley at (212) 944-3458.

Very truly yours,

  
WALLACE S. NATHAN  
District Counsel

Enclosure

RECEIVED  
OFFICE OF THE  
GENERAL COUNSEL  
07 MAR 16 11:40

EXPENSE CHECK

# City National Bank

OF NEW JERSEY  
NEWARK, N. J. 07101

15001

Citizens For Don Payne

**105.00**

85

55-163  
212

105.00-----

9/25/85 01-709-472

Public Relations

\$105.00

NOT NEGOTIABLE

⑆021201639⑆

P.O. Box 2408 • Newark, NJ 07114 • 923-2249

Enclosed is my check for \$105 for 3 tickets @ \$35 each.

My purchased ticket numbers are: 0744, 0745, 0746

My check has been made payable to *Citizens for Don Payne*.

Name Charles L. Whigham, President, City National Bank

Address 900 Broad Street

City Newark State/Zip Code New Jersey 07102

Telephone 201-624-0865

33040694000

September 25, 1985

Mr. James Felton  
Vice President  
Ebon Services International

Mr. George McCormack  
Administrator  
Essex County Board of Taxation  
An Evening With Don Payne  
P. O. Box 2406  
Newark, New Jersey 07114

Dear Messrs. Felton and McCormack:

We are pleased to be able to honor Donald Payne as The Man Of The Hour on October 3, 1985 at Scott's Manor, 130 Main Street, Orange, New Jersey beginning at 5:30 P. M.

Enclosed is our check for tickets #0744, 0745 and 0746 in the amount of \$105.00.

You have our very best wishes for a successful affair.

Cordially,

Charles L. Whigham  
President

CLW/jb  
encl.

September 25, 1985



## Evening with Don Payne

2408

Newark, NJ 07114

(201) 923-2249



Dear Friend:

Donald Payne has been a long time resident of our community. He has served as an elected official of Essex County and is presently serving as South Ward Councilman in Newark. Donald is also known and respected for his many years of experience as a former executive of Prudential Insurance Company and teacher in the Newark Public School System. Currently, he is an officer in a small business.

As National President of the YMCA and Chairman of its World Refugee Committee he has travelled extensively throughout this country and the world. This exposure to other regions has given him a broad background to draw upon in dealing with the concerns of the citizens of this area. He has helped many people in various walks of life and has not expected anything in return.

We do hope you will be able to join us on Thursday, October 3, 1985 and spend an evening with Don Payne, the man of the hour.

*James Felton*

James Felton  
Vice President  
Ebon Services International

*George McCormack*

George McCormack  
Administrator  
Essex County Board of Taxation

You are cordially invited  
to spend

## An Evening with Don Payne

Thursday, October 3, 1985

5:30 p.m.

Scott's Manor

180 Main Street, Orange, NJ

Make check payable to Citizens for Don Payne and mail to P.O. Box 2408, Newark, NJ 07114

$$\frac{55-163}{212}$$

## EXPENSE CHECK

## Friends of Wynona Lipman

CITY NAT'L BANK 7000 00

**70.00-----**

**6/5/85 01-709-472**

## Public Relations

**\$70.00**

**NOT NEGOTIABLE**

0212016390

~~NEWARK, NEW JERSEY 07102~~

**Dear Ms. Jackson:**

In response to your letter of May 17, 1985 regarding the Third Annual Reception honoring Senator Wynona Lipman on Thursday, June 13 at the Gateway Hilton in Newark, enclosed is check #14596 in the amount of \$70.00 for tickets number 2569 and 2570.

We are pleased to support Senator Lipman and her continued efforts to improve the quality of life for her constituents.

Cordially,

Charles L. Whigham  
President

CLW/jb  
encl.

*James M. Smith*

# Wynona Lipman

POST OFFICE BOX 248  
NEWARK, NEW JERSEY 07101

(201) 622-0007

May 17, 1985

Dear Friend,

## Executive Committee

Janice Harris Jackson  
Chairperson  
Dr. Jennie D. Brown  
Co-Chairperson  
Sally Carroll  
Mildred C. Crump  
Dorothea Lee  
Catherine Willis

## Honorary Committee

George Alford  
Charles Beal  
Paulette Brown  
Dr. Francis E. Blackman  
Robert Carroll  
Bobbie Cottle  
Hilton Davis, Esq.  
Saundra DeGeneste  
Vickie Donaldson, Esq.  
Dr. E. Alma Flagg  
Audrey Gatling  
Joseph Gaynor  
Audrey Greene  
Dr. Richard H. Guess  
James E. Harris  
Jerome C. Harris  
Margaret Hayes  
Dr. Juanita High  
Mary Hill  
Dr. Paulette Hines  
Jeanne R. Holmes  
Josephine Janifer  
Gerald Jarrett, Esq.  
Andrea McCoy Johnson, Esq.  
Keith Jones  
Roxanne Jones, Esq.  
Edna King  
Althea Lester, Esq.  
Felton Lingo, Sr.  
Dr. Kenneth A. Marius  
Bernice Mays  
Ernest Peters, Jr.  
Bobbie J. Perdue  
Marge Rivera  
Kimon Rivera  
Richard Ruper  
Sybil Smith  
Patty Taylor  
Janice M. Thomas  
Councilman Donald Tucker  
Mariano Vega, Jr.  
Dr. Duncan Walton  
Constance Woodruff  
Dr. A. Zachary Yamba

I hope that you will join us at the third annual reception honoring Senator Wynona M. Lipman on Thursday, June 13, 1985 from 5PM to 8PM at the Gateway Hilton in Newark. Each year a special tribute is planned by those of us throughout the State of New Jersey who benefit from Senator Lipman's brilliant legislative leadership.

Since 1973 when Senator Lipman first joined the ranks of the New Jersey Senate, she has consistently demonstrated a unique commitment and an extraordinary level of support to all of the people of New Jersey. Her official constituency is the 29th district, but her many legislative triumphs have improved the quality of life for all of us. Senator Lipman is a well known advocate for quality public and higher education in New Jersey. She has advanced the status of the small and minority business community in state government. Most recently, she has championed low and moderate income housing (Mt. Laurel) and she created the Task Force on Equitable Compensation.

For many years Senator Lipman was the only woman in the New Jersey State Senate, and she remains the only Black member of this august legislative body. The leadership that she has given New Jersey's minority community addresses needs as diverse as urban redevelopment, equal employment opportunities, minority representation on New Jersey's professional and licensing boards and declining Black enrollment in New Jersey's colleges. New Jersey's women and their families have been well served by the Senator's work to eliminate sex discrimination in the statutes, to strengthen affirmative action policies, to ensure pay equity, and to improve our child care resources. Senator Lipman has earned an impressive legislative record which exemplifies her concern and dedication.

Enclosed are tickets and a self-addressed envelope for your convenience. If you cannot attend our reception for Senator Lipman, please send a contribution and/or assist us in getting tickets to her many friends. For further information, you may call (201) 622-0007.

Please participate in making this tribute to our Senator a great success. "The Friends of Wynona Lipman" look forward to seeing you on June 13th.

Sincerely,

*Janice Harris Jackson*  
Janice Harris Jackson  
1985 Reception Chairperson

EXPENSE CHECK

OFFICE OF NEW JERSEY  
NEWARK, N.J. 07101

12 65

85

55-183  
212

140.00-----

Friends of Charles A. Bell

CITY NATL

140000

6/18/85 01-709-472

Public Relations

\$140.00

NOT NEGOTIABLE

00212016390

Enclosed is check #14660 in the amount of  
\$140.00 for four tickets @ \$35.00 each,  
ticket #2326 is returned herewith.

We hope that the Testimonial Dinner for  
Mr. Bell is very successful.

Helen C. Martin

HCM/jb  
encl.

Connie Arnold 733-1210

*The Friends of  
Charles A. Bell*

*Invites you to join us in a*

*Testimonial Dinner*

*Honoring  
Charles A. Bell*

*President  
Newark Board of Education*

*Saturday, June 22, 1985 \_\_\_\_\_ 6:00 P.M.*

*Quality Inn  
50 Park Place  
Newark, NJ  
Tickets \$95.00*

*Information*

*Bessie Walker 733-7260 \_\_\_\_\_ Edith Gallimore 733-8650*

*Connie McAdams 733-7210*

03040694101

MAR 22 02

85

55-163  
212

EXPENSE CHECK

Friends of George Branch

100.00

CITY OF NEWARK  
\$100.00

2/20/85 01-709-472

Public Relations

\$100.00

~~NOT NEGOTIABLE~~

⑆021201639⑆

185 Bruce Street, Apt. 1  
Newark, New Jersey 07103

Dear Mr. Bell:

Enclosed please find check #14138, in the amount of \$100.00 for two tickets to the First Annual Cocktail Party of the "Friends of George Branch" to be held March 22, 1985 at Don Pepe's Restaurant, 844 McCarter Highway, Newark from 4:30 to 7:00 P. M.

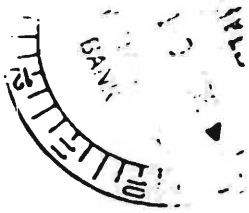
We look forward to seeing you at that time.

Cordially,

Helen C. Martin  
Vice Pres./Genl. Mgr.HCM/jb  
encl.

*Offer with copy of letter should not make*

February 9, 1985



Dear Friend:

On Friday, March 22, 1985, the "FRIENDS OF GEORGE BRANCH" will be holding their First Annual Cocktail Party, from 4:30 P. M. to 7:00 P. M., honoring Councilman Branch. The affair will be held at Don Pepe's Restaurant, 844 McCarter Highway, Newark, N.J.

We know you will want to join with us in honoring our Councilman and have enclosed 2 tickets for your use. Should you desire additional tickets or information, please call 733-6425 between 8:30 A. M. and 5:00 P. M.

We look forward to your generous support and know that George will appreciate seeing you on Friday, March 22 next.

Sincerely,

*Charles Bell*  
CHARLES BELL  
CHAIRPERSON

CB:EML

CITY HALL  
NEWARK, N.J. 07102  
733-6425

tail  
al Ward.  
ill not

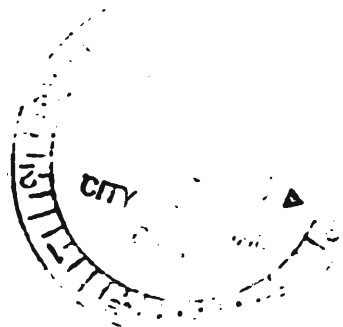
, 1985  
boulevard,

intentions.

CAB:bw

Please respond on or before Wednesday, March 20, 1985 to:

3-19-85 11:20 AM -> Renia Knight 733-6425  
Kenneth Watkins 733-6426  
They called the  
office with an apology -  
letter should not have  
been sent to us





GEORGE BRANCH  
COUNCILMAN-CENTRAL WARD  
NEWARK, N. J. 07102

CENTRAL WARD LITTLE CITY HALL  
188 IRVING TURNER BOULEVARD  
NEWARK, N.J. 07108  
242-6676

CITY HALL  
NEWARK, N.J. 07102  
733-6425

March 15, 1985

Dear

We recently forwarded to you a letter informing you of the Cocktail Party for the Honorable George Branch, Councilman of the Central Ward. To date we have not heard from you as to whether you will or will not be in attendance at this affair.

As you know, the Cocktail Party is slated for Friday, March 22, 1985 at the Don Pepes Restaurant, 844 McCarter Highway and Raymond Boulevard, Newark, New Jersey, 4:30 P.M. until 7:00 P.M.

It is of vital importance that you contact my office as to your intentions.

Thank you for your response.

Sincerely yours,

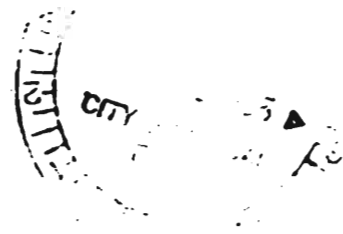
*Charles A. Bell*  
Charles A. Bell  
Chairperson

CAB:bw

Please respond on or before Wednesday, March 20, 1985 to:

Renia Knight 733-6425  
Kenneth Watkins 733-6426

3-19-85 11:20 AM  
They called the  
office with an apology -  
letter should not have  
been sent to me





2 8 0 4 0 6 9 4 1 0 5

**City National Bank**

OF NEW JERSEY  
NEWARK, N. J. 07101

12951

4/27/84

82-183  
218

Mayor's Secretaries Week Committee

ENCLOSURE 25.00

25.00-

EXPENSE CHECK

4/27/84

01-707-458

Contributions

\$25.00

NOT NEGOTIABLE

⑆021201639⑆

30⑆0000002500⑆

check for secretaries week.

**SENSITIVE**

07 MAY 6 05:01

FEDERAL AGENCIES CHECKED: None

The September 10, 1986, letter from District Counsel for the Northeastern District of the Comptroller of the Currency indicated that a subpoena would be necessary in order for the Commission to obtain the documents in the possession of the

Comptroller of the Currency pertaining to the alleged violation. Subsequent to telephone conversations between staff of this Office and staff of the Comptroller of the Currency, this Office was apprised that a subpoena would not be necessary and that the documents would be forwarded to the Commission as soon as they were released by the auditor or investigator involved. On October 31, 1986, this Office mailed a letter to the District Counsel for the Northeastern District confirming the understanding reached during the telephone conversations between this Office and his office and requesting the relevant documents.

On March 16, 1987, the documentation was provided by the Comptroller of the Currency (Attachment 2). This documentation consists of copies of the following checks drawn on the account of City National Bank of New Jersey as well as correspondence related thereto:

<u>Date</u>	<u>Payee</u>	<u>Amount</u>	<u>Notation</u>
April 27, 1984	Mayor's Secretaries Week Cmte	\$ 25.00	Contributions
February 20, 1985	Friends of George Branch	\$100.00	Public Relations
June 5, 1985	Friends of Wynoma Lipman	\$ 70.00	Public Relations
June 18, 1985	Friends of Charles Bell	\$140.00	Public Relations
September 25, 1985	Citizens for Don Payne	<u>\$105.00</u>	Public
		Total: <u>\$440.00</u>	

With the exception of the check payable to "Mayor's Secretaries Week Committee" for which no additional documentation was

provided, the documentation accompanying the checks indicates that the checks were used to purchase tickets to events honoring George Branch (Councilman-Central Ward), Wynoma Lipman (Senator-New Jersey Senate), Charles Bell (President-Newark Board of Education), and Don Payne (South Ward Councilman). Although it is not possible to decipher the signatures on the five checks themselves, copies of the letters transmitting the checks issued to Citizens for Don Payne and Friends of Wynoma Lipman are signed by Charles L. Whigham, President of the Bank and checks issued to Friends of Charles Bell and Friends of George Branch by Helen C. Martin, Vice-President and General Manager.

(B) The Applicable Law

Pursuant to 2 U.S.C. § 441b(a), it is unlawful for any national bank to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office. It is also unlawful for any officer or any director of any national bank to consent to any contribution or expenditure prohibited under 2 U.S.C. § 441b(a) by a national bank, and for any candidate, political committee or other person knowingly to accept or received such contributions. 2 U.S.C. § 441b(a).

(C) Application of the Law to the Facts

From the information in hand it appears that City National Bank of New Jersey made at least four contributions (Friends of George Branch, Friends of Wynona Lipman, Friends of Charles Bell,

and Citizens for Don Payne), possibly in connection with elections to political office. It is also possible that the contribution to the Mayor's Secretaries Week Committee was made in connection with an election to political office, but the identity of any such candidate is not presently available. The record in this matter further indicates that certain of the contributions at issue herein were consented to by Charles L. Whigham as President and by Helen C. Martin as Vice-President and General Manager.\*/

Based on the evidence in hand, it appears that the City National Bank of New Jersey made contributions to state and local candidates in 1984 and 1985 and that Charles L. Whigham, President, consented to contributions from the bank in connection with elections to political office. Therefore, this Office recommends that the Commission find reason to believe that the City National Bank of New Jersey and Charles L. Whigham have violated 2 U.S.C. § 441b. The recipient committees apparently violated 2 U.S.C. § 441b by accepting contributions from a national bank, however, this Office is deferring recommendations to the Commission in this regard pending receipt of more complete information from the Bank concerning the present leadership and addresses of these committees.

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\*/ Staff of this Office was informed by telephone on March 25, 1987, by City National Bank of New Jersey that Charles L. Whigham is currently the President, but that Helen C. Martin is no longer employed by City National Bank of New Jersey.

III. RECOMMENDATIONS

1. Open a Matter Under Review.
2. Find reason to believe that the City National Bank of New Jersey and Charles Whighorn, violated 2 U.S.C. § 441b.
3. Approve the attached letters, Factual and Legal Analysis, and interrogatories.

Date

5/6/87

Lawrence M. Noble  
Acting General Counsel

Attachments

Referral from Comptroller of the Currency  
Documentation  
Letter to Respondent  
Factual and Legal Analysis  
Interrogatories

0000494110



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE  
ACTING GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN *Jay*

DATE: MAY 7, 1987

SUBJECT: OBJECTION TO Pre-MUR 171 - FIRST G.C. REPORT  
SIGNED MAY 6, 1987

The above-captioned document was circulated to the  
Commission on Thursday, May 7, 1987 at 11:00 A.M.

Objections have been received from the Commissioners  
as indicated by the name(s) checked:

Commissioner Aikens	_____
Commissioner Elliott	_____ X _____
Commissioner Josefiak	_____
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Thomas	_____

This matter will be placed on the Executive Session  
agenda for May 12, 1987.

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

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )

City National Bank of New Jersey )

Pre-MUR 171

(MUR  
2414)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of May 12, 1987, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in Pre-MUR 171:

1. Open a Matter Under Review.
2. Find reason to believe that the City National Bank of New Jersey violated 2 U.S.C. § 441b.
3. Direct the Office of General Counsel to send appropriate letters, Factual and Legal Analysis, and interrogatories.

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

Attest:

5-13-87

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 21, 1987

Charles Whigham, President  
City National Bank of New Jersey  
9001 Broad Street  
Newark, New Jersey 07101

Re: MUR 2414

Dear Mr. Whigham:

On May 12, 1987, the Federal Election Commission found that there is reason to believe the City National Bank of New Jersey ("the Bank") violated 2 U.S.C. § 441b, 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.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Bank. 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, along with answers to the enclosed questions, within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Bank, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Letter to Charles Whigham, President  
Page 2

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 is not authorized to give extensions beyond 20 days.

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.

The investigation now being conducted will be 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 Delanie Painter, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Scott E. Thomas  
Chairman

Enclosures

Factual and Legal Analysis  
Interrogatories  
Procedures  
Designation of Counsel Form

Jmm

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: City National Bank of New Jersey  
Charles L. Whigham, President

MUR: 2414

**I. GENERATION OF MATTER**

On September 10, 1986, a letter was received by the Commission from District Counsel for the Northeastern District of the Comptroller of the Currency stating that an examination of the City National Bank, Newark, New Jersey ("the Bank") "disclosed a possible violation of 2 U.S.C. § 441b." According to the letter, "bank funds were used to purchase tickets to dinners held in honor of local political candidates."

**II. FACTUAL AND LEGAL ANALYSIS**

On March 16, 1987, documentation was provided by the Comptroller of the Currency (Attachment 1). This documentation consists of copies of the following checks drawn on the account of City National Bank of New Jersey as well as correspondence related thereto:

<u>Date</u>	<u>Payee</u>	<u>Amount</u>	<u>Notation</u>
April 27, 1984	Mayor's Secretaries Week Cmte	\$ 25.00	Contributions
February 20, 1985	Friends of George Branch	\$100.00	Public Relations
June 5, 1985	Friends of Wynoma Lipman	\$ 70.00	Public Relations
June 18, 1985	Friends of Charles Bell	\$140.00	Public Relations
September 25, 1985	Citizens for Don Payne	\$105.00	Public
		Total: \$440.00	

With the exception of the check payable to "Mayor's Secretaries Week Committee" for which no additional documentation was provided, the documentation accompanying the checks indicates that the checks were used to purchase tickets to events honoring George Branch (Councilman-Central Ward), Wynoma Lipman (Senator-New Jersey Senate), Charles Bell (President-Newark Board of Education), and Don Payne (South Ward Councilman). Although it is not possible to decipher the signatures on the five checks themselves, copies of the letters transmitting the checks issued to Citizens for Don Payne and Friends of Wynoma Lipman are signed by Charles L. Whigham, President of the Bank and checks issued to Friends of Charles Bell and Friends of George Branch by Helen C. Martin, Vice-President and General Manager.

Pursuant to 2 U.S.C. § 441b(a), it is unlawful for any national bank to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office. It is also unlawful for any officer or any director of any national bank to consent to any contribution or expenditure prohibited under 2 U.S.C. § 441b(a) by a national bank, and for any candidate, political committee or other person knowingly to accept or receive such contributions. 2 U.S.C. § 441b(a).

From the information in hand it appears that City National Bank of New Jersey made at least four contributions (Friends of George Branch, Friends of Wynona Lipman, Friends of Charles Bell, and Citizens for Don Payne), possibly in connection with elections to political office. It is also possible that the contribution to the Mayor's Secretaries Week Committee was made in connection with an election to political office, but the identity of any such candidate is not presently available.

Based on the evidence in hand, it appears that the City National Bank of New Jersey made contributions to state and local candidates in 1984 and 1985 . Therefore, this Office recommends that the Commission find reason to believe that the City National Bank of New Jersey has violated 2 U.S.C. § 441b.

88040684117

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
)

MUR 2414

**INTERROGATORIES**

TO: Charles L. Whigham, President  
City National Bank of New Jersey  
9001 Broad Street  
Newark, New Jersey 07101

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request.

1. Please state whether the following persons were candidates for public office in 1985 and/or 1986:

Donald Payne  
Wynona Lipman  
Charles A. Bell  
George Branch

2. If the persons cited in Question 1 were candidates, state the office sought and the date of the election(s) in which each was a contender.

3. Please provide the addresses of the following committees and the names of the present chairpersons or treasurers:

Citizens for Don Payne  
Friends of Wynona Lipman  
Friends of Charles A. Bell  
Friends of George Branch

4. Please provide a listing of all other candidates, candidates' committees or other political committees to which the City National Bank of New Jersey made contributions between January 1, 1984, and May 1, 1987.

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5. Please provide the following information concerning City National Bank of New Jersey account number 02120169:
  - a. The persons authorized between January 1, 1984, and May 1, 1987, to sign checks drawn on this account.
  - b. The purposes for which funds in this account could be used in 1984-1987. Please include an explanation of "expense check" apparently printed in the left margin of checks used to make payments from this account in 1984 and 1985.
6. Please provide a description of the Mayor's Secretaries Week Committee, including a statement as to whether or not a candidate for political office would have benefited from a contribution to this committee in 1984.

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7/13/87 2414

June 19, 1987

87 JUL 13 P12:20

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GENERAL COUNSEL

Ms. Sandra Dunham  
Federal Election Commission Staff  
999 East Street, N.W.  
Washington, D.C. 10463

Dear Ms. Dunham:

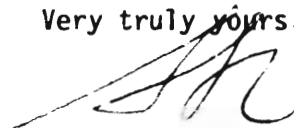
In accordance with our conversation of today, please be advised that City National Bank wishes to pursue the pre-probable cause conciliation process. In addition, our general counsel who will be representing us on this matter will be as follows:

Shanley and Fisher  
A Professional Corporation  
131 Madison Avenue  
Morristown, NJ 07960-1979

Attention: John Kandravy, Esq.

As you can see by a copy of our letter dated June 5, 1987, we forwarded your complaint to our attorney, however, due to a mis-communication on my part, we did not instruct them to move forward and file under the pre-probable cause conciliation. Our attorney will follow up with the filing of any other necessary papers.

Very truly yours,

  
Stanley G. Smith  
Executive Vice President

SGS:fs

cc: Mr. Charles L. Whigham  
John Kandravy, Esq.



June 5, 1987

John Kandravy, Esq.  
Shanley and Fisher  
Attorneys at Law  
131 Madison Avenue  
Morristown, N. J. 07960

Dear Mr. Kandravy:

Attached is a letter and interrogatories that I received from the Federal Elections Commission, concerning various functions and events given on behalf of certain politicians within our community in which the bank purchased tickets.

It appears that the Commission has determined that these were political contributions, please review and advise me accordingly, at your earliest convenience.

In an effort to assist you, copies are attached of all transactions enumerated in their letter dated May 21, 1987.

We would further appreciate your recommendation as to the pursuit of the pre-probable cause conciliation procedure or the more formal probable cause procedure.

As indicated, we have been given 15 days upon receipt to respond. Your immediate review of this matter will be appreciated.

Your attention is also called to the first page of the Factual and Legal Analysis, Part II, whereas reference is made to "Attachment 1" received from the Comptroller of the Currency, dated March 16, 1987. This attachment was not included and my office has notified the Commission of this matter. Upon receipt it will be forwarded to your attention.

Very truly yours,

Stanley G. Smith  
Executive Vice President

SGS:sd 1

Attachments

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87 JUL 10 AM: 11

## SHANLEY & FISHER

A PROFESSIONAL CORPORATION  
COUNSELORS AT LAW

131 MADISON AVENUE  
CN-1979

MORRISTOWN, NEW JERSEY 07960-1979

(201) 285-1000

TELEX (TWX) 475-4255

\*80 WEST END AVENUE

SOMERVILLE, NEW JERSEY 08876-1824

(201) 685-1100

FRANK L. BATE  
J. WILLIAM BARBA  
L. BRUCE PUFFER, JR.  
WILLIAM G. BECKER, JR.  
JOHN KANDRAVY  
RAYMOND M. TIERNEY, JR.  
ARTHUR R. SCHMAUDER  
THOMAS F. CAMPION  
JOHN J. FRANCIS, JR.  
GERALD W. HULL, JR.  
A. DENNIS TERRELL  
JOHN J. DEGNAN  
RICHARD E. BRENNAN  
THOMAS J. ALWORTH  
ALVIN C. MARTIN  
WILLIAM K. LEWIS  
JEFFREY A. PECK  
PETER J. GARTLAND\*  
JAMES H. FREIS\*  
PETER A. DANKIN\*  
MATTHEW FARLEY  
DANIEL F. O'CONNELL\*

RICHARD A. LEVAG  
RONALD GOULD  
JOHN D. CLEMEN  
CHARLES A. REID III  
PAUL G. NITTOLY  
HENRY G. FERRAIOLI\*  
ROBERT A. BOUTILLIER  
GLENN S. PANTEL\*  
WALTER J. FLEISCHER, JR.\*  
LYDIA C. STEFANOWICZ  
SUSAN M. SHARKO

BERNARD M. SHANLEY  
HAROLD H. FISHER  
JAMES SCOTT HILL  
STEWART E. LAVEY\*  
PATRICK M. STANTON  
OF COUNSEL

NY BAR ONLY

STEPHEN R. LONG  
MARY E. TRACEY  
MICHAEL D. QUINLAN  
BRIAN F. McDONOUGH\*  
RENEATE A. COOMBS  
JOANNE F. WEISLER  
MARK D. DIGIDIO  
T. KEVIN SHEEHY  
JEFFREY S. BROWN  
KATHRYN M. RECKER\*  
LORRAINE C. PARKER  
MICHAEL J. FAIGEN  
THEODORE S. SMITH  
STEPHANIE C. ROSEN  
JODI SYDELL ROSENZWEIG  
ANDREW V. BALLANTINE  
RESA T. DRASIN  
THOMAS J. FELLIG  
PATRICK M. CALLAHAN\*  
ROBERT G. BREHME  
ROBERT M. LEONARD  
PAUL MILBAUER  
ANN D. STEVENS  
RICHARD D. PRENTICE

KENNETH L. McELBREE  
CATHERINE A. CARR  
FRANCIS B. SHEEHAN  
MICHAEL OSTERMAN\*  
JAMES C. ACKERMAN  
JAMES M. ALTHEN  
RANDY T. PEARCE  
JOHN S. DELANEY  
JAMES L. SCHWABER  
RONALD G. WERNER\*  
MICHAEL C. ADOLMAN  
RICHARD C. GOTTUSO  
KEVIN M. WALKER  
JEFFREY L. KNAPP  
JOHN P. MACPHEE  
DIANE CAMPBELL PRYNE\*  
JAY SILVERBERG  
JOAN S. ANTOPOUL  
JULIANNE McKEENNA HIGGINS\*  
ELLEN O'CONNELL  
EMILY A. SCHULTZ  
WILLIAM D. SANDERS  
CHARLES D. DONOHUE, JR.\*  
JOHN P. MISCHONE  
CARMEL JOY DECKER

July 9, 1987

Via Federal Express

Ms. Sandra Dunham  
Federal Election Commission Staff  
999 'E' Street, N.W.  
Washington, D.C. 20463

Re: **MUR 2414**  
**Respondents City National Bank of New Jersey**  
**Charles L. Whigham**

Dear Ms. Dunham:

Please accept this letter on behalf of City National Bank of New Jersey ("City National") and its President, Charles Whigham, regarding the above-referenced matter under review. Also enclosed are the answers of respondents to the interrogatories which you propounded.

### I. Background

City National is a minority-owned and operated bank which serves the community of Newark, New Jersey, the majority of whose citizens are black. City National considers that it has the duty to support efforts of its local citizens, including political figures, to enhance the quality of life in Newark. As the documents in this matter make clear, civic associations and other groups hold a similar view of the responsibilities of the bank and seek the support of City National.

### II. The Use of Funds in Issue

The Federal Election Commission ("Commission") is apparently concerned about the purchase of tickets by City National to attend functions organized by the following groups:

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FEDERAL ELECTION COMMISSION

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Ms. Sandra Dunham  
July 9, 1987

SHANLEY & FISHER

- (1) Mayor's Secretaries Week Committee;
- (2) Friends of George Branch;
- (3) Friends of Wynona Lipman;
- (4) Friends of Charles Bell; and
- (5) Citizens for Don Payne.

As far as City National knows, the purpose of these organizations was not to collect funds "in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office." Indeed, there exists a separate entity called the "Donald Payne Campaign" and an organization named the "George Branch Financial Committee" which apparently exist to collect funds to be utilized in connection with elections. City National did not make any kind of contribution to these two organizations. Moreover, none of the five listed organizations is denominated as an election committee which would be the usual practice if such entities were formed for a particular election.

City National acted under the assumption that the organizations in question served civic purposes. City National believed that the organizations served the needs of the same community which it serves and considered it appropriate to lend its support by purchasing tickets to attend the various functions.

What is clear is that any violation of the Federal Election Campaign Act of 1971 ("the Act") by City National was unknowing and unintentional. City National did not contribute funds to influence an election, the evil which the Act was enacted to prevent. Rather, City National simply purchased tickets to support local events which it believed would benefit the Newark community. This fact should be given substantial consideration in fashioning the terms of any Conciliation Agreement if the Commission concludes that a violation of the Act has occurred.

If further information is needed, please do not hesitate to contact me.

Very truly yours,

SHANLEY & FISHER, P.C.  
Attorneys for Respondents

*John Kandravsky*  
John Kandravsky

JK/adh

ANSWERS TO INTERROGATORIES

1. Donald Payne was a candidate for public office in 1986. He was elected Councilman, South Ward, Newark, New Jersey.

Wynona Lipman was not a candidate for public office in 1985 or 1986.

Charles A. Bell was a candidate for public office in 1986. He was elected President of the Newark Board of Education in 1986.

George Branch was a candidate for public office in 1986. He was elected Councilman, Central Ward, Newark, New Jersey.

2. This information is provided in the Answer to Interrogatory No. 1.

3. City National Bank could not locate the address and name of the present chairpersons or treasurers of "Citizens for Don Payne." It did, after research, find:

Donald Payne Campaign  
920 Broad Street  
City Hall  
Newark, New Jersey 07102

The identity of the chairpersons or treasurers was not determined.

Friends of Wynona Lipman  
P.O. Box 248  
Newark, New Jersey 07101

The chairperson is Janice Jackson.

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City National Bank could not obtain any information regarding the present addresses and the names of the present chairpersons or treasurers, of the "Friends of Charles A. Bell."

City National Bank could not obtain any information regarding the present addresses and the names of the present chairpersons or treasurers of the "Friends of George Branch." It did, after research, find:

George Branch Financial Committee  
920 Broad Street  
City Hall  
Newark, New Jersey 07102

Wilnora Holman is the chairperson.

4. City National Bank denies that it knowingly made contributions to any candidates, candidates' committees or other political committees. Tickets were purchased by the Bank to attend the following functions:

<u>Date</u>	<u>Payee</u>	<u>Amount</u>
9/25/85	Friends of George Branch	\$40.00
9/11/86	Friends of Councilman Anthony R. Carrino	\$50.00
10/15/86	Friends of Wynona Lipman	\$50.00
7/9/86	Friends of Wynona Lipman	\$70.00
5/27/86	Hon. Wynona M. Lipman (For minority entrepreneurship development - special awards dinner)	\$200.00
10/31/85	Friends of Wynona Lipman	\$40.00
10/15/86	Henry Martinez Association	\$40.00
9/19/86	Ronald L. Rice Civic Assoc.	\$90.00

<u>Date</u>	<u>Payee</u>	<u>Amount</u>
10/14/86	Democrats for Rodino-Harris-Amato	\$100.00
9/26/86	Donald Tucker Civic Association	\$40.00
10/7/85	Hon. Donald Tucker Civic Assoc.	\$40.00

5. a. The Board of Directors of the City National Bank authorized by resolution the following persons to sign checks drawn on account 01-709-472:

3/15/84 - 4/18/85

Charles L. Whigham  
Helen C. Martin  
Nathaniel Sims  
Martin Davis  
P. Jacob Matthews

The signature of any two of the above individuals was needed.

4/18/85 - 4/17/86

Charles L. Whigham  
Helen C. Martin  
Nathaniel Sims  
Martin Davis  
Sarah D. Lloyd

The signature of any two of the above individuals was needed.

4/17/86 - 9/16/86

Charles L. Whigham  
Nathaniel Sims  
Martin Davis  
Sarah D. Lloyd  
Jay Sundararamn  
Mildred A. Williams

The signature of any two of the above individuals was required.

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9/16/86 - Present - Same individuals as in the period  
4/17/86 - 9/16/86 with the addition of: Stanley G. Smith  
The signature of any two of these individuals was required.

b. The purpose for which funds in the account could  
be used was public relations. The form of all checks for  
the payment of expenses was identical to the form check for  
account #01-709-472. The form of the checks in account #01-709-472  
was not unique in any manner.

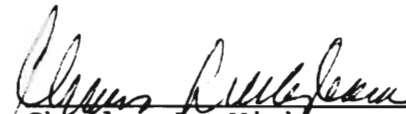
6. City National Bank is without knowledge as to what  
is done with the money received by the committee. It believes  
that the money is used to pay for the costs of the annual  
luncheon, prizes and/or scholarships.

CERTIFICATION

I certify that the foregoing answers to Interrogatories are true to the best of my knowledge, information and belief. I am aware that if any of the foregoing answers are wilfully false that I am subject to punishment.

Dated:

July 9, 1987

  
Charles L. Wigham

83040694123



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )

City National Bank of New Jersey )

MUR 2414 )

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On May 12, 1987, the Commission found reason to believe that City National Bank of New Jersey (the "Bank") 2 U.S.C. § 441b by contributing to various local candidates for public office. The Committee was required to answer Commission interrogatories at that time.

The Bank made a request for pre-probable cause conciliation on June 25, 1987 (Attachment 1) and answered the Commission's interrogatories in a letter dated July 9, 1987 (Attachment 2).

The Commission's finding was a result of a referral from the District Counsel for the Northeastern District of the Comptroller of the Currency ("the Comptroller") stating that an examination of the City National Bank, Newark, New Jersey "disclosed a possible violation of 2 U.S.C. § 441b." According to the referral, "bank funds were used to purchase tickets to dinners held in honor of local political candidates."

The documentation provided by the Comptroller consists of copies of the following checks drawn on the account as well as correspondence related thereto:

<u>Date</u>	<u>Payee</u>	<u>Amount</u>	<u>Notation</u>
11/27/84	Mayor's Secretaries Week Cmte	\$ 25.00	Contributions
2/20/85	Friends of George Branch	\$100.00	Public Relations

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6/5/85	Friends of Wynona Lipman	\$ 70.00	Public Relations
6/18/85	Friends of Charles Bell	\$140.00	Public Relations
9/29/85	Citizens for Don Payne	\$105.00	Public Relations
	Total:	\$440.00	

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With the exception of the check payable to "Mayor's Secretaries Week Committee" for which no additional documentation was provided, the documentation accompanying the checks indicates that the checks were used to purchase tickets to events honoring George Branch (Councilman-Central Ward), Wynona Lipman (Senator-New Jersey Senate), Charles Bell (President-Newark Board of Education), and Don Payne (South Ward Councilman). Although it is not possible to decipher the signatures on the five checks themselves, copies of the letters transmitting the checks issued to Citizens for Don Payne and Friends of Wynona Lipman are signed by Charles L. Whigham, President of the Bank and checks issued to Friends of Charles Bell and Friends of George Branch by Helen C. Martin, Vice President and General Manager of the Bank.

## II. ANALYSIS

Pursuant to 2 U.S.C. § 441b, it is unlawful for any national bank to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office. Further, "contribution or expenditure" is defined by 2 U.S.C. § 441(b)(2) as "any direct or

indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business) to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section."

The New Jersey Campaign Contributions and Expenditures Reporting Act requires candidates, political committees and continuing political committees (including political party committees) to file periodic cumulative reports of contributions and expenditures if the threshold amounts of contributions and expenditures are exceeded. The following definitions set forth the threshold amounts of contributions and expenditures:

1. **Candidate** - A candidate is an individual seeking or having sought election to a public office of the state or of any county, municipality, or school district at an election.

Reports of contributions and expenditures on behalf of a candidate do not have to be filed if the candidate files with the Commission a sworn statement to the effect that the total amount to be expended on behalf of his candidacy by the candidate or any party committee, political committee, or person will not in the aggregate exceed \$2,000; however, if the candidate later receives contributions from any one source aggregating more than \$100, he must make a report of the contributions, including the identity of the source and aggregate total of contributions from the source, to the Commission.

A candidate seeking election to a public office of a school district is not obligated to file most of the reports, statements, and notice required under the Act if the total amount expended and to be expended in behalf of his candidacy by the candidate or any political committee, continuing political committee, or person does not exceed \$2,000 in the aggregate.

2. **Political Committee** - a political committee is any two or more persons acting jointly, corporation, partnership, or other incorporated or unincorporated association that is organized to and does aid or promote the nomination, election, or defeat of one or more candidates for public office or that is organized or does aid or promote the passage or defeat of a public question in any election if the persons, corporation, partnership, or associations raises or expends \$1,000 or more to so aid or promote the nomination, election, or defeat of a public question. The term "political committee" does not include a "continuing political committee," but does include a political club that is organized to promote the candidacy of one or more candidates or to aid or defeat the passage of a public question and does not have a term of existence substantially longer than the campaign.
3. **Continuing Political Committee** - a continuing political committee is: (1) the state, county, or municipal committee of a political party; or (2) any group of two or more persons acting jointly, corporation, partnership, or other incorporated or unincorporated association, or other organization that in any calendar year contributes or expects to contribute at least \$2,500 to the aid or promotion of the candidacy of one or more individuals for elective public office or the passage or defeat of one or more public questions and that may be expected to make contributions toward such aid or promotion or passage or defeat during a subsequent election (i.e., subsequent calendar year) if the group, corporation, partnership, association, or organization has been determined to be a continuing political committee by the election law enforcement commission.

The Bank acknowledged it purchased tickets to attend functions sponsored by local political figures. Furthermore, as

a minority-owned and operated bank, it felt it was its duty to support the community of Newark, New Jersey. The funds referred by the Comptroller were not the only checks the Bank admits to drawing from its account. The following is a list of additional functions the Bank purchased tickets to attend:<sup>1/</sup>

<u>Date</u>	<u>Payee</u>	<u>Amount</u>
9/25/85	Friends of George Branch	\$ 40.00
9/11/85	Friends of Councilman Anthony R. Carrino	\$ 50.00
10/15/86	Friends of Wynona Lipman	\$ 50.00
7/9/86	Friends of Wynona Lipman	\$ 70.00
5/27/86	Hon. Wynona M. Lipman (For minority entrepreneurship development-special awards dinner)	\$200.00
10/31/85	Friends of Wynona Lipman	\$ 40.00
10/15/86	Henry Martinez Association	\$ 40.00
9/19/86	Ronald L. Rice Civil Assoc.	\$ 90.00
10/14/86	Democrats for Rodino-Harris-Amato	\$100.00
9/26/86	Donald Tucker Civil Association	\$ 40.00
10/7/85	Hon. Donald Tucker Civil Assoc.	\$ 40.00
	TOTAL	\$760.00

According to the New Jersey Election Law Enforcement Commission (the "New Jersey Commission"), George Branch, Charles Bell, Donald Payne, Anthony Carrino, Henry Martinez, Ronald Rice

<sup>1/</sup> The Bank did not provide either copies of the checks or documentation for these additional functions.

and Donald Tucker were all up for election in 1986; Wynona Lipman is currently up for re-election. Consequently, all of these candidates were required to file reports with the New Jersey Commission in 1986 or 1987 if they met the threshold of financial activity.

According to the New Jersey Commission, there were no reports filed in 1986 by the following organizations: Friends of George Branch, Friends of Charles Bell, Citizens for Don Payne, Friends of Councilman Anthony R. Carrino and the Henry Martinez Association. The New Jersey Commission pointed out that the absence of reporting only indicates these groups did not have sufficient financial activity to meet the reporting requirements; it does not mean that they did not exist as political committees.

The New Jersey Commission further reported that there were records of contributions to the re-election committees of Ronald Rice and Don Tucker during 1986. It also had records on file for Democrats for Rodino-Harris-Amato. The Bank asserts that none of the recipient organizations were "election committees" and the Bank "acted under the assumption that the organizations in question served civil purposes." While the Bank maintains that it "simply purchased tickets to support local events which it believed would benefit the Newark community," it was actually contributing funds to organizations which were contributing funds to candidates and committees, in the case of the Ronald L. Rice Civic Association who contributed to the Re-election Committee

for Ronald L. Rice (\$90.00); the Donald Tucker Civil Association who contributed to the Committee to Re-elect Donald Tucker (\$80.00) and the Democrats for Rodino-Harris-Amato (\$100), a committee which was soliciting contributions for the general election in 1986. There is no indication that the Bank contacted the recipient organizations prior to purchasing the tickets to ensure that the money received for the purchased tickets was not used in connection with election activities.

In addition to the information concerning the above organizations, the New Jersey Commission stated that the organization, Friends of Wynona Lipman, is a continuing political committee for Wynona Lipman. However, for her current re-election campaign this organization has reported that its only funds consist of the unused portion of the funds raised for her 1983 re-election campaign. It did not report any contributions during 1985 and 1986. This Office feels that the records of the New Jersey Commission must be inaccurate because the Bank has admitted to making contributions to her committee. Therefore, it appears that contributions concerning Wynona Lipman were also used in connection with election to public office.

It is possible that all or some of the remaining organizations have made contributions containing funds from the Bank to political organizations, but have not met the New Jersey reporting threshold with the result that there is no record of the contributions. Even though the Mayor's Secretaries Week

Committee, Friends of George Branch, Friends of Charles Bell, Citizens for Don Payne, Friends of Councilman Anthony R. Carrino and the Henry Martinez Association have not met the reporting threshold for the State of New Jersey, funds from the Bank's contributions may have been used in connection with election activity in violation of 2 U.S.C. § 441b.

Accordingly, this Office recommends that the Commission enter into pre-probable cause conciliation with the City National Bank of New Jersey for contributing \$1,200 to candidates and committees in connection with election activity in violation of 2 U.S.C. § 441b.

**III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY**

**IV. RECOMMENDATIONS**

1. Enter into conciliation with City National Bank of New Jersey prior to a finding of probable cause to believe.
2. Approve the attached proposed conciliation agreement and letter.

Date

10/13/57

Lawrence M. Noble

General Counsel

**Attachments**

1. Request for conciliation
2. Proposed Conciliation Agreement and letter





FEDERAL ELECTION COMMISSION  
WASHINGTON, DC 20543

MEMORANDUM TO: LAWRENCE M. NOBLE  
ACTING GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN *CM*

DATE: OCTOBER 16, 1987

SUBJECT: OBJECTIONS TO MUR 2414 - General Counsel's Report  
Signed October 13, 1987

The above-captioned document was circulated to the Commission on Wednesday, October 14, 1987 at 11:00 A.M.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	_____
Commissioner Elliott	_____ X
Commissioner Josefiak	_____ X
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Thomas	_____

This matter will be placed on the Executive Session agenda for October 20, 1987.

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

88040694137

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
City National Bank of New Jersey ) MUR 2414

CERTIFICATION

I, Mary W. Dove, recording secretary for the Federal Election Commission executive session on October 20, 1987, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions on MUR 2414:

1. Enter into conciliation with City National Bank of New Jersey prior to a finding of probable cause to believe.
- 2.

Commissioners Aikens, Elliott, Josefiak, McGarry, and Thomas voted affirmatively for the decision. Commissioner McDonald did not cast a vote.

Attest:

10-21-87

Date

Mary W. Dove

Mary W. Dove  
Administrative Assistant

88040694133



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

27 October 1987

John Kandravy, Esquire  
Shanley and Fisher  
131 Madison Avenue  
Morristown, New Jersey 07960-1979

RE: MUR 2414  
City National Bank  
of New Jersey

Dear Mr. Kandravy:

On May 12, 1987, the Federal Election Commission found reason to believe that City National Bank of New Jersey violated 2 U.S.C. § 441b. At your request, on October 20, 1987, the Commission determined 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 in settlement of this matter. If your client agrees with the provisions of the enclosed agreement, please sign and return it, 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.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Sandra Dunham, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,

*Lawrence M. Noble*

Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement

**HAND DELIVERED**

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

88 JAN 22 PM 2:48

## SHANLEY & FISHER

A PROFESSIONAL CORPORATION  
COUNSELORS AT LAW

131 MADISON AVENUE

CN-1979

MORRISTOWN, NEW JERSEY 07960-1979

(201) 285-1000

TELEX (TWX) 475-4255

\*80 WEST END AVENUE

SOMERVILLE, NEW JERSEY 08876-1824

(201) 685-1100

January 21, 1988

FRANK L. BATE  
J. WILLIAM BARBA  
L. BRUCE PUFFER, JR.  
WILLIAM G. BECKER, JR.  
JOHN KANDRAVY  
RAYMOND M. TIERNEY, JR.  
ARTHUR R. SCHMAUDER  
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PATRICK M. STANTON  
MICHAEL J. FAIGEN  
LOUIS L. D'ARMINIO  
OF COUNSEL  
\*BY BAR ONLY

STEPHEN R. LONG  
MARY E. TRACEY  
MICHAEL D. QUINLAN  
BRIAN F. McDONOUGH  
RENATE A. COOMBS  
FLORENCE M. PETERSON  
JOANNE F. MEISLER  
MARK D. DIGIDIO  
T. KEVIN SHEEHY  
JEFFREY S. BROWN  
KATHRYN M. RECKER\*  
LORRAINE C. PARKER  
THEODORE S. SMITH  
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ELIZABETH A. O'BRIEN  
PATRICK E. HOBBS  
LONNA R. HOOKS  
JOHN K. KELLY\*

### VIA FEDERAL EXPRESS

Ms. Sandra Dunham  
Federal Election Commission Staff  
999 'E' Street, N.W.  
Washington, D. C. 20463

Re: MUR 2414  
City National  
Bank of New Jersey

Dear Ms. Dunham:

Enclosed please find an original and two copies of the Conciliation Agreement which has been signed by John Kandravay. Also enclosed is a check in the amount of \$400 made to the order of the Federal Election Commission pursuant to the terms of the Conciliation Agreement.

Please send me a copy of the Conciliation Agreement after it has been executed by Mr. Noble. Further, will you advise me what remains to be done, if anything, regarding this matter.

I look forward to hearing from you.

Very truly yours,

SHANLEY & FISHER, P.C.

*Mark D. DiGidio*  
Mark D. DiGidio

MDC: vnm  
Enclosures

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF LEGAL COUNSEL

88 JAN 27 PM 1:51

**City National Bank**  
OF NEW JERSEY  
NEWARK, N. J. 07101

18744

JAN 19 1988

55-153  
212

EXPENSE CHECK

PAY TO THE ORDER OF Federal Election Commission

\$ 400.00

CITY NAT'L BANK 40000000

DOLLARS

DATE	DISTRIBUTION	PARTICULARS	AMOUNT
1/19/88	01-708-467	Legal & Prof. Fees	\$400.00

THIS CHECK IS DELIVERED FOR PAYMENT ON THE ACCOUNTS SHOWN ABOVE

*[Signature]*

⑈018744⑈ ⑆021201639⑆

MEMORANDUM

TO: DEBRA A. TRIMIEW

TO: CECILIA LIEBER

FROM: CECILIA LIEBER

FROM: DEBRA A. TRIMIEW

CHECK NO. 18744 { A COPY OF WHICH IS ATTACHED } RELATING TO

MUR 2414 AND NAME City National Bank of New Jersey  
(Dunham)

WAS RECEIVED ON 1/27/88. PLEASE INDICATE THE ACCOUNT INTO

WHICH IT SHOULD BE DEPOSITED:

- / ☒ BUDGET CLEARING ACCOUNT { 95F3875.16 }
- / ☐ CIVIL PENALTIES ACCOUNT { 95-1099.160 }
- / ☐ OTHER \_\_\_\_\_

SIGNATURE Debra A. Trimiew

DATE 1/27/88

6131

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF CLERICAL COUNSEL  
89 JAN 27 PM 1:51

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED  
FEDERAL ELECTION COMMISSION

88 FEB -4 AM 9:23

In the Matter of )  
City National Bank of New Jersey ) MUR 2414  
)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by John Kandravy, the attorney for City National Bank of New Jersey.

The attached agreement contains no changes from the agreement approved by the Commission on January 12, 1988. A \$400.00 check for the civil penalty has also been received.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with City National Bank of New Jersey.
2. Close the file.
3. Approve the attached letter.

Lawrence M. Noble  
General Counsel

2/2/88  
Date

By: Lois G. Lerner  
Lois G. Lerner  
Associate General Counsel

Attachments

1. Conciliation Agreement
2. Photocopy of civil penalty check
3. Letter to Respondent

Staff Person: Sandra Dunham

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
City National Bank of New Jersey ) MUR 2414

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 8, 1988, the Commission decided by a vote of 6-0 to take the following actions in MUR 2414:

1. Accept the conciliation agreement with City National Bank of New Jersey, as recommended in the General Counsel's report signed February 2, 1988.
2. Close the file.
3. Approve the letter, as recommended in the General Counsel's report signed February 2, 1988.

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

Attest:

2-8-88

Date

Mary W. Emmons  
for Marjorie W. Emmons

Secretary of the Commission

Received in the Office of Commission Secretary:	Thurs.,	2-4-88, 9:23
Circulated on 48 hour tally basis:	Thurs.,	2-4-88, 11:00
Deadline for vote:	Mon.,	2-8-88, 11:00



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 11, 1988

John Kandravy, Esquire  
Shanley & Fisher  
131 Madison Avenue  
Morristown, New Jersey 07960-1979

RE: MUR 2414  
City National Bank of New Jersey

Dear Mr. Kandravy:

On February 8, 1988, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter. This matter will become a part of the public record within 30 days. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Please be advised that 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 Sandra Dunham, the staff member assigned to this matter at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

By: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement





V. Respondent made contributions in connection with elections to political office, in violation of 2 U.S.C. § 441b. Respondent contends the violation was not knowing and willful.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Four Hundred dollars (\$400.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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. Respondent shall have no more than thirty (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

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oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

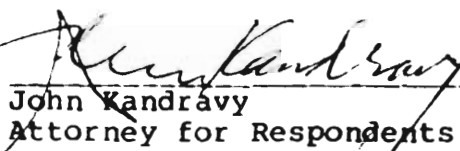
FOR THE COMMISSION:

Lawrence M. Noble  
General Counsel

By:   
Lois G. Lerner  
Associate General Counsel

2/12/88  
Date

FOR THE RESPONDENTS:

  
John Kandrávy  
Attorney for Respondents

1/19/88  
Date

23040694147



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2414  
DATE FILMED 4/15/88 CAMERA NO. 2  
CAMERAMAN GPC

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